

**AGENDA
REGULAR MEETING
SIERRA MADRE CITY COUNCIL,
SUCCESSOR AGENCY, AND
PUBLIC FINANCE AUTHORITY**

Tuesday, October 9, 2018

6:30 pm

**City Hall Council Chambers
232 W. Sierra Madre Boulevard
Sierra Madre, California 91024**

*Denise Delmar, Mayor
John Harabedian, Mayor Pro Tem
Rachelle Arizmendi, Council Member
John Capoccia, Council Member
Gene Goss, Council Member*

*Sue Spears, City Clerk
Michael Amerio, City Treasurer*



PUBLIC COMMENT

The Council will listen to the public on any item on the agenda. Under the Brown Act, Council is prohibited from taking action on items not on the agenda, but the matter may be referred to staff or to a subsequent meeting. Each speaker will be limited to three continuous minutes, which may not be delegated. These rules will be enforced but may be changed by appropriate City Council action.

PUBLIC COMMENT FOR ITEMS ON THE AGENDA:

Persons wishing to speak on any item on the agenda will be called at the time the agenda item is brought forward. Persons wishing to speak on closed session items have a choice of doing so either immediately prior to the closed session or at the time for comments on items at the open session.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:

Time shall be devoted to audience participation early on the agenda.

**CALL TO ORDER/ROLL CALL
MEMBERS OF THE CITY COUNCIL**

Mayor Delmar, Mayor Pro Tem Harabedian, Council Member Arizmendi, Council Member Capoccia, and Council Member Goss

**PLEDGE OF ALLEGIANCE AND
INVOCATION/INSPIRATION**

Council Member Rachelle Arizmendi

APPROVAL OF AGENDA

Vote of the Council to proceed with City business.

APPROVAL OF MEETING MINUTES

Approval of City Council minutes from the regular meeting on September 25, 2018.

REPORT OUT FROM CLOSED SESSION

City Attorney report from the closed session.

MAYOR AND CITY COUNCIL REPORTS

Council Member activities relating to City business.

PUBLIC COMMENT

Regarding items not on the Agenda.

PRESENTATION

Recognition of Sierra Madre Girls Softball 12U All Stars

ACTION ITEMS

1. CONSENT

- | | |
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| <p>a) ISSUANCE OF REQUEST FOR PROPOSAL FOR PROFESSIONAL AUDITING SERVICES FOR THE CITY FISCAL YEARS ENDING 2019, 2020, AND 2021</p> | <p>Recommendation that the City Council approve the issuance and distribution of the Request for Proposal for Professional Auditing Services for the City for Fiscal Years ending 2019, 2020, and 2021.</p> |
| <p>b) CONSIDERATION OF AWARD OF CONTRACT TO LAWRENCE R. MOSS AND ASSOCIATES FOR THE KERSTING COURT REDESIGN PROJECT</p> | <p>Recommendation that the City Council award a contract for the Kersting Court Redesign Project to Lawrence R. Moss and Associates for an amount not to exceed \$63,300.00, contingent on the City being awarded the Los Angeles County Regional Park and Open Space District Grant Fund in the amount of \$300,000.</p> |
| <p>c) SECOND READING OF ORDINANCE 1403 AMENDING SMMC 13.24.060 AND SMMC 13.24.230 TO INCLUDE STATE REQUIRED PROHIBITED WATER USE RESTRICTIONS, EXPAND PROHIBITED IRRIGATION HOURS AND ALLOW FOR THREE DAYS OUTDOOR WATERING AS A PERMANENT CONSERVATION PRACTICE</p> | <p>Recommendation that the City Council read by title only, waive further reading, and adopt Ordinance 1403 amending Section 13.24.060 (“Prohibited Uses Applicable to all Customers”) of Chapter 13.24 (“Mandatory Water Conservation Plan”) of Title 13 (“Public Services”) of the Sierra Madre Municipal Code relating to the Mandatory Water Conservation Plan.</p> |
| <p>d) AWARD OF CONTRACT TO MICHAEL BAKER INTL. FOR CONTRACT PLANNING SERVICES FOR ENTITLEMENT PROCESSING OF ONE-CARTER PROJECTS</p> | <p>Recommendation that the City Council award a professional services agreement to Michael Baker International for professional planning services for the One-Carter projects and authorize the City Manager to execute the agreement with said firm in a form acceptable to the City Attorney.</p> |
| <p>e) ADOPTION OF RESOLUTION 18-52 OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS</p> | <p>Recommendation that the City Council approve Resolution 18-52 for approval of payment of City warrants in aggregate amount of \$153,097.49; Library warrants in the aggregate amount of \$10,925.36, and payroll transfer in the aggregate amount of \$313,915.24 for fiscal years ending June 2018 and June 2019</p> |
| <p>f) CONSIDERATION OF AWARD OF CONSTRUCTION CONTRACT FOR THE FISCAL YEAR 2018-2019 WATER MAIN REPLACEMENT PROJECT TO T.A. RIVARD, INC., IN AN AMOUNT NOT TO EXCEED \$1,400,000.</p> | <p>Recommendation that the City Council award a construction contract to T.A. Rivard, Inc. for the FY 2018-2019 Water Main Replacement in an amount not to exceed \$1,400,000 plus alternate #1 of the RFP.</p> |

PUBLIC HEARINGS

- | | |
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| 2. FIRST READING OF ORDINANCE 1404 AMENDING TITLE 17 (“ZONING”), CHAPTER 17.22 (“SECOND UNITS”) OF THE SIERRA MADRE MUNICIPAL CODE, OMITTING THE PERIODIC INSPECTION REQUIREMENT FOR A SECOND UNIT PERMIT | Recommendation that the City Council open a Public Hearing, waive reading in full, and authorize reading by title only Ordinance 1404 amending Title 17 (“Zoning”), Chapter 17.22 (“Second Units”) of the Sierra Madre Municipal Code, omitting the Periodic Inspection Requirement for a second unit permit. |
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DISCUSSION

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| 3. COMMUNITY SERVICES COMMISSION UPDATE REGARDING KERSTING COURT REMODEL PROJECT | Recommendation that the City Council receive and file. |
| 4. NOMINATION TO SAN GABRIEL BASIN WATER QUALITY AUTHORITY BOARD | Recommendation that the City Council provide staff with direction regarding a nomination to the San Gabriel Basin Water Quality Authority Board. |

ACTION ITEMS

Regardless of staff recommendation on any agenda item, the City Council will consider such matters, including action to approve, conditionally approve, reject, or continue such item.

AVAILABILITY OF AGENDA MATERIALS

Materials related to items on this agenda are available for public inspection on the City’s website at www.cityofsierramadre.com, and during normal business hours at City Hall, 232 W. Sierra Madre Blvd. and at the Sierra Madre Public Library, 440 W. Sierra Madre Blvd.

LIVE BROADCASTS

Regular City Council meetings are broadcasted live on Cable Channel 3 and rebroadcast on Wednesday and Saturday at 5:30 p.m.

MEETING ASSISTANCE

If you require special assistance to participate in this meeting, please call the City Manager’s office at (626) 355-7135 at least 48 hours prior to the meeting.

ADJOURNMENT

The City Council will adjourn to a Public Hearing at this same place on Tuesday, October 23, 2018.



CITY OF SIERRA MADRE
CITY COUNCIL REGULAR MEETING MINUTES

SIERRA MADRE CITY COUNCIL
SUCCESSOR AGENCY AND
PUBLIC FINANCE AUTHORITY

Tuesday, September 25, 2018 - 6:30 pm

Sierra Madre City Hall Council Chambers
232 W. Sierra Madre Blvd., Sierra Madre, CA 91024

CALL TO ORDER/ROLL CALL MEMBERS OF THE CITY COUNCIL

Mayor Pro Tem John Harabedian called the meeting to order at 6:32 p.m. City Clerk Sue Spears called the roll.

Present: Mayor Pro Tem John Harabedian and Council Members Rachelle Arizmendi, John Capoccia, and Gene Goss

Absent: Mayor Denise Delmar

Also Present: Teresa Highsmith, City Attorney
Laura Aguilar, Assistant City Clerk
James Carlson, Management Analyst
Chris Cimino, Director of Public Works
Vincent Gonzalez, Planning & Community Preservation Director
Miguel Hernandez, Human Resources Manager
Clarissa Lowe, Recreation Coordinator
Joe Nocella, Interim Finance Director
Joe Ortiz, Police Chief
Jose Reynoso, Utility Services Director
Christine Smart, Library Services Manager
Rich Snyder, Fire Captain
Sue Spears, City Clerk

PLEDGE OF ALLEGIANCE AND INVOCATION/INSPIRATION

Mayor Pro Tem Harabedian led the Pledge of Allegiance and commented that we are in the high holiday season for the Jewish faith, called Sukkot, and they just celebrated Yom Kippur a few days ago. In addition, Mayor Pro Tem Harabedian said that, for those following international politics, things are seemingly crazy. Mayor Pro Tem Harabedian stated that he is praying for peace and sanity for all of our leaders and anyone going through their own personal struggles and burdens.

APPROVAL OF AGENDA

Mayor Pro Tem John Harabedian asked for a motion to approve the agenda as presented.

Council Member Arizmendi moved to approve the agenda as presented.

Council Member Capoccia seconded the motion to approve.

Ayes: Mayor Pro Tem John Harabedian and Council Members Rachelle Arizmendi, John Capoccia and Gene Goss
Noes: None
Absent: Mayor Denise Delmar
Abstain: None

The motion to approve the agenda as presented was passed by a vote of four (4) yes and one (1) absent.

APPROVAL OF MINUTES

Mayor Pro Tem Harabedian asked for the approval of the Minutes of the Regular Council Meeting of September 11, 2018.

Council Member Capoccia moved to approve the Minutes of the Regular Council Meeting of September 11, 2018 as presented.

Council Member Goss seconded the motion to approve.

Ayes: Mayor Pro Tem John Harabedian and Council Members Rachelle Arizmendi, John Capoccia and Gene Goss
Noes: None
Absent: Mayor Denise Delmar
Abstain: None

The motion to approve the Minutes of the Regular Council Meeting of September 11, 2018 as presented was passed by a vote of four (4) yes and one (1) absent.

REPORT ON THE CLOSED SESSION SPECIAL MEETING

There was no Closed Session Special Meeting.

MAYOR AND CITY COUNCIL REPORTS

- A. Mayor Denise Delmar was absent.
- B. Pro Tem John Harabedian did not make a report.
- C. Council Member Rachelle Arizmendi reported that she received an email regarding potential food industry scammers posing as health inspectors, in an effort to trick people and demand money. She cautioned people and businesses to verify health inspector's identity before allowing them access to property or paying any money.
- D. Council Member John Capoccia reported that (1) the Los Angeles County Vector Control District has put more resources in the field (almost double in the last five year average) in an effort to get ahead of the mosquito problems in early Summer, (2) so far it has proven to be very successful, as there has only been one case of West Nile Virus affecting a human reported in Southern California this year, (3) reminded residents to dump any standing water, as an added preventative measure,

and (4) persons noticing mosquito problems near their residence or business can call the LA County Vector Control District, who will dispatch staff to inspect and advise.

E. Council Member Gene Goss did not make a report.

PUBLIC COMMENT ON NON-AGENDA ITEMS

Mayor Pro Tem Harabedian opened the meeting for Public Comment on items not on the agenda.

- Ian Parsons, Sierra Madre, Webelos Cub Scout Pack 114, said that he is requesting that a crosswalk be painted at the intersection of Sierra Madre Blvd. and Monterey Lane (near Sierra Vista Park).

Public Works Director Cimino said that the recent previous traffic study included only the Downtown Area, but that Staff can take a look at the traffic around Sierra Vista Park and report back in the future

Mayor Pro Tem Harabedian asked if anyone else would like to come forward to speak on items not on the agenda. Seeing no one come forward, Mayor Pro Tem Harabedian closed Public Comment.

PRESENTATION – DONATION BY ATHENS SERVICES TO SIERRA MADRE CERT

Ed Chen, Director of Governmental Affairs, Athens Services, presented a check to Robert Gjerde, Sierra Madre CERT. Mr. Gjerde thanked Athens Services for its support and explained that the funds would be used to purchase and install a communications antenna at the Sierra Madre City Hall, as part of the Sierra Madre CERT’s “Arden Network”.

PRESENTATION – RECOGNITION OF SIERRA MADRE LITTLE LEAGUE ALL STARS

Mayor Pro Tem Harabedian congratulated the Sierra Madre Little League manager, coaches, and players on their recent winning of the California District 17 All-Stars Championship game. He read the City Council Proclamation and individually presented a certificate to Manager Brian Kriebs, Coach Walker Haynes, Coach Tim Shepard, and the team members as follows:

- | | |
|------------------------------|-------------------------|
| Bode Bertsch | Nicholas Kriebs |
| Cash Carroll | Aiden Mahoney |
| Athan Darlas | Dane Shepard |
| Jake Garcia | Morgan Sullivan |
| Caeden Haynes | Andre Touloumian |
| Nathaniel Karafilis-Spensley | Yahir Treto-De La Torre |
| Lucas Kirages | |

AGENDA ACTION ITEMS:

1. CONSENT CALENDAR

City Clerk Spears read the following reports under the Consent Calendar:

- a. ADOPTION OF RESOLUTION 18-51 OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS - Recommendation that the City Council approve Resolution No. 18-51 for approval of payment of City warrants in the aggregate amount of

\$166,512.47; Library warrants in the aggregate amount of \$17,011.52, and payroll transfer in the aggregate amount of \$307,446.59 for fiscal years ending June 2018 and June 2019.

- b. TREASURER'S REPORT – QUARTER ENDING JUNE 30, 2018 – Recommendation that the City Council receive and file the Treasurer's Report for the cash and investment portfolio for quarter ending June 30, 2018.
- c. SECOND READING OF ORDINANCE 1402 AMENDING TITLE 10 OF THE SIERRA MADRE MUNICIPAL CODE BY ADDING A DEFINITION TO SECTION 10.04.165 "RECREATIONAL VEHICLE" AND AMENDING SECTION 10.24.310 "PARKING COMMERCIAL VEHICLES IN RESIDENTIAL DISTRICTS" - Recommendation that the City Council read by title only, waive further reading, and adopt Ordinance amending Title 10 (Vehicles and Traffic) of the Sierra Madre Municipal Code by amending Chapter 10.04 "Definitions" and amending Section 10.24.310 (Parking Commercial Vehicles in Residential Districts).
- d. AWARD OF PROFESSIONAL SERVICES CONTRACT TO RKA CONSULTING GROUP FOR ENGINEERING DESIGN SERVICES FOR THE DESIGN OF THE FISCAL YEAR 2018-2019 STREET IMPROVEMENT PROJECT – Recommendation that the City Council award a professional services agreement to RKA Consulting Group for engineering design services in the amount of \$40,930 and authorize the Public Works Director to execute the Professional Services Agreement on behalf of the City of Sierra Madre.

Mayor Pro Tem Harabedian asked if any Member of the Council had questions on items on the Consent Calendar.

In response to a question by Council Member Capoccia about the resurfacing of Auburn Alley, Baldwin Alley, Merrill Alley, and Montecito Alley, Public Works Director Cimino responded that, while not named on the Sierra Madre Street Index, they are public streets, had been skipped during previous street projects, and will get minimal repair.

Mayor Pro Tem Harabedian asked whether it is required to go out to bid for engineering plans whenever the City repaves or repairs a street. Public Works Director Cimino said that, in order to do a bid package for street repair/repaving, there is a need to have an engineer design the specifications, so that the contractors know specifically what to follow in the repairs/repaving when submitting their bids.

Mayor Pro Tem Harabedian opened the meeting for Public Comment on the Consent Calendar. Seeing no one, Mayor Pro Tem Harabedian closed Public Comment and brought the matter back to the Council for discussion. No discussion occurred.

Council Member Goss made a motion to approve Consent Items 1a, 1b, 1c, and 1d as presented.

Council Member Arizmendi seconded the motion to approve.

Ayes: Mayor Pro Tem John Harabedian and Council Members Rachelle Arizmendi, John Capoccia and Gene Goss
Noes: None
Absent: Mayor Denise Delmar
Abstain: None

The motion to approve Consent Calendar Items 1a, 1b, 1c, and 1d as presented was passed by a vote of four (4) yes and one (1) absent.

2. PUBLIC HEARING - CITIZENS OPTION FOR PUBLIC SAFETY (COPS) GRANT FUNDING FOR FISCAL YEAR 2018-2019 – Recommendation that the City Council open a Public Hearing, receive testimony, and accept grant funds from the COPS/SLESF grant program and authorize appropriations and expenditures.

Mayor Pro Tem Harabedian opened the issue for Public Hearing.

Police Chief Ortiz gave a report on this item regarding the Sierra Madre Police Department's receipt of \$100,000 (for fiscal year 2018-2019) from the COPS/SLESF Grant Program to support front-line police operations. The funds are to supplement, not supplant, existing police funding. Staff is recommending that the funds be allocated as follows:

- Code Enforcement Officer (CEO) - \$25,250
- Community Service Officer (CSO) - \$49,750
- Helicopter Services (Foothill Air Support) - \$12,000
- ICI Radio System - \$13,000

As part of the report, Chief Ortiz said that there is \$136,000 balance remaining in City's COPS/SLA account as of June 30, 2017, due to additional payments received from the State. The \$100,000 for fiscal year 2018-2019 is in addition to the \$136,000 remaining in the COPS/SLA account.

Mayor Pro Tem Harabedian asked if any member of the Council had any questions.

In response to a question by Council Member Arizmendi, Chief Ortiz responded that the SMPD has received COPS grant monies for at least the last 12 years and budgets accordingly. He said that the additional funding has been used toward items such as personnel costs, CADETS, additional Community Service Officers, burglary suppression details, helicopter services. ICI Radio System, and the Code Enforcement Officer.

Council Member Capoccia asked about the plans for the \$136,000 remaining in the COPS/SLA account. Chief Ortiz responded that plans are being developed, including looking at infrastructure and capital expenditure projects.

Mayor Pro Tem Harabedian said that this is a Public Hearing and asked if anyone would like to come forward to comment on this item. Seeing no one, Mayor Pro Tem Harabedian closed the Public Hearing and brought the matter back to Council for discussion.

Discussion occurred and there was consensus among the Council Members regarding the receipt and allocation of the \$100,000 as recommended.

Council Member Arizmendi made a motion to accept the 2018-2019 COPS/SLESF Grant Program funds and to approve the allocation of those funds as recommended.

Council Member Goss seconded the motion to accept and approve.

Ayes: Mayor Pro Tem John Harabedian and Council Members Rachelle Arizmendi, John Capoccia and Gene Goss

Noes: None

Absent: Mayor Denise Delmar

Abstain: None

The motion to accept the 2018-2019 COPS/SLESF Grant Program funds and to approve the allocation of those funds as recommended was passed by a vote of four (4) yes and one (1) absent.

3. DISCUSSION ITEM - CONSIDERATION OF CITY OF SIERRA MADRE AND WATERWORKS AQUATICS COMMUNITY ADVISORY BOARD AND ESTABLISHING A MISSION STATEMENT - Recommendation that the City Council provide staff with direction regarding the formation of a Waterworks Aquatics Community Advisory Board and developing a mission statement for the Community Advisory Board.

Recreation Coordinator Lowe gave a report on this item, which included a PowerPoint presentation, "Waterworks Sierra Madre Community Advisory Board" (CAB), which has not yet been established. She indicated that City Staff has met with Waterworks Aquatics and is proposing to reduce the required CAB membership total from seven (7) (as noted in the Waterworks Aquatics lease agreement) to five (5) members. Waterworks Aquatics Sierra Madre Pool Manager, Ricardo Melo, was present to answer questions.

Mayor Pro Tem Harabedian asked if any Member of the Council had questions on this item.

In response to a question by Council Member Capoccia, Recreation Coordinator Lowe said that the Community Services Commission's role in this process is to first review any recommendations made by the CAB before they are presented to the City Council. Public Works Director Cimino stated that Public Works will be involved from the beginning once CAB recommendations are received, will vet/evaluate the requests, what is needed, determine the budget, and identify potential funding.

Pool Manager Melo reported that he has already a list of 15 people who have expressed interest in participating in the CAB.

Mayor Pro Tem Harabedian asked if anyone would like to come forward to comment on this item. Seeing no one, Mayor Pro Tem Harabedian closed the Public Hearing and brought the matter back to Council for discussion.

Discussion occurred and Staff was provided with direction (1) to establish the CAB with a minimum of 5 members or up to 7 members, so long as CAB membership includes pool users who are also SM residents and City Staff, (2) to move the process forward as soon as possible, (3) that City Staff is to develop an application form/process and (4) that appointments to the CAB for the pool users/SM resident members will be made by a three member panel made up with a Community Services Commission Liaison, Community Services Department Staff Person, and a Waterworks Staff Person.

NEW ITEMS PLACED FOR FUTURE AGENDA:

Mayor Pro Tem Harabedian asked the members of the City Council if there are any new items for future meeting agendas.

Council Member Capoccia said that his term on the Vector Control Board is ending and requested that consideration of his reappointment by the Council be added to a future agenda.

ADJOURNMENT

Mayor Pro Tem Harabedian made a motion to adjourn the meeting.

The motion to adjourn was seconded by Council Member Goss.

Ayes: Mayor Pro Tem John Harabedian and Council Members Rachelle Arizmendi, John Capoccia and Gene Goss

Noes: None

Absent: Mayor Denise Delmar

Abstain: None

The motion to adjourn was passed with a vote of four (4) yes votes and one (1) absent.

THIS SIERRA MADRE CITY COUNCIL REGULAR MEETING WAS ADJOURNED at 7:24 p.m. to a Regular Meeting to be held on Tuesday, October 9, 2018, in the Sierra Madre City Hall Council Chambers.

John Harabedian, Mayor Pro Tem

Minutes taken and prepared by:

Sue Spears, City Clerk



City of Sierra Madre Agenda Report

Denise Delmar, Mayor
John Harabedian, Mayor Pro Tem
Rachelle Arizmendi, Council Member
John Capoccia, Council Member
Gene Goss, Council Member

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor and Members of the City Council

FROM: Joe Nocella, Interim Finance Director 

REVIEWED BY: Gabriel Engeland, City Manager 

DATE: October 9, 2018

SUBJECT: **Issuance of Request for Proposal for Professional Auditing Services for the City for Fiscal Years ending 2019, 2020, and 2021**

STAFF RECOMMENDATION

Staff recommends the City Council approve the issuance and distribution of the Request for Proposal for Professional Auditing Services for the City for Fiscal Years ending 2019, 2020 and 2021.

ALTERNATIVES

1. That the City Council approve the distribution of the Request for Proposal for Professional Auditing Services for the City for Fiscal Years ending 2019, 2020 and 2021.
2. City Council may choose to deny the distribution of the Request for Proposal and extend the Audit Services Agreement with Rogers, Anderson, Malody & Scott, LLP, for an additional one (1) year.

SUMMARY

The Government Finance Officers Association (GFOA) recommends that a governmental entity issue a comprehensive annual financial report (CAFR) at the close of each fiscal year. The statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards, standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards* (2011), the provisions of the Federal Single Audit Act of 1996 and U.S. Office of Management

and Budget (OMB) Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations*.

The goal of the CAFR is better financial reporting. The objective of a financial audit is to provide users of financial reports with independent assurance that the reports are reliable, and the auditors seek to affirm that the financial statements are free from material misstatement.

The GFOA also recommends that governmental entities enter into multi-year agreements when obtaining services of independent auditors. Governmental entities should periodically undertake a full-scale competitive process for the selection of independent auditors, consistent with applicable legal requirements. This process should actively seek the participation of all qualified firms.

In September 2012, the Governor of the State of California signed Assembly Bill 1345 that added Section 12410.6.(b) to the State of California Government Code regarding auditor rotation requirements of public accounting firms providing audit services to local agencies. In brief, Government Code Section 12410.6.(b) indicated that commencing with the 2013-14 fiscal year, a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six (6) consecutive fiscal years.

ANALYSIS

Commencing with the June 30, 2012 CAFR, the City has retained the services of the accounting firm Rogers, Anderson, Malody & Scott, LLP (RAMS) for auditing services for the City and the Successor Agency to the Community Redevelopment Agency. RAMS prepared the City CAFR, the Successor Agency's Annual Financial Report, the Single Audit Report, and the City's State Controller's Report. The City entered into the original agreement with RAMS on March 13, 2012. The agreement has been amended twice, with the expiration date now being March 13, 2019. In the Agenda Report to Council dated May 22, 2018, it had indicated that the second extension will allow "staff sufficient time to conduct a Request for Proposals (RFP)."

Staff has prepared a Request for Proposal (RFP) that will be distributed to qualified CPA firms to serve as the City's independent auditors for the next three (3) fiscal years, commencing with Fiscal Year ending June 30, 2019, with the option to add two (2) additional fiscal years. Staff plans to post the RFP on the City's website in order to attract as many proposals as possible.

It is anticipated that the RFP will be distributed and posted in mid-December, with the selection of the new auditing firm, along with their agreement, presented to the City Council for their review and approval at the March 12, 2019, Council meeting.

FINANCIAL REVIEW

No fiscal impact. Staff time was incurred in the preparation of this staff report.

CEQA / ENVIRONMENTAL

Not applicable.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.

Attachment:

Attachments:

1. Preliminary list of audit firms for RFP
2. Draft of Request for Proposal

ATTACHMENT 1
Preliminary List of Audit Firms for RFP

BDO Seidman
Ernst & Young
Grant Thornton
KPMG
Macias Gini & O'Connell LLP
Moss Adams
Patel & Associates LLP
The Pun Group
Teaman, Ramirez & Smith, Inc.
Vasquez & Company, LLP
Vincenti, Lloyd & Stutzman

Deloitte Touche
Fedak & Brown, LLP
Haskel & White, LLP
Lance Soll & Lunghard LLP
McGladrey & Pullen, LLP
Moss, Levy & Hartzheim LLP
PricewaterhouseCoopers
Simpson & Simpson, LLP
Van Lant & Fankhanel, LLP
Vavrinke Trine Day & Co., LLP
White, Nelson, Diehl, Evans LLP

**CITY OF SIERRA MADRE
REQUEST FOR PROPOSAL
PROFESSIONAL AUDITING SERVICES
[REDACTED], 2018**

I. INTRODUCTION

The City of Sierra Madre (City) is requesting proposals from qualified firms of certified public accountants to audit its financial statements for three (3) fiscal years commencing with the fiscal year ending June 30, 2019, with the option of auditing its financial statements for each of the two (2) subsequent fiscal years, in addition to performing other reviews as specified herein. These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits contained in Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States, and the U.S. Office of Management and Budget (OMB) Uniform Grant Guidance/Super Circular Audits of State and Local Governments and Non-Profit Organizations as well as other applicable laws regulations and rules.

A. Summary: Term of Engagement and Proposal/Evaluation Process

It is the intent of the City to contract for the services presented herein for a term of three (3) years. The City reserves the right to extend the term of this contract for two (2) additional one-year terms at the sole discretion of the City. The proposal package shall present all-inclusive audit fees for each year of the contract term including the two optional years.

To be considered, five (5) copies of the proposal must be received no later than 5:00 p.m., [REDACTED], 2019, at the address listed below:

Laura Aguilar
Assistant City Clerk
City of Sierra Madre
232 W. Sierra Madre Boulevard
Sierra Madre, CA 92024

All inquiries, technical or otherwise, regarding this proposal process should be directed to [REDACTED], Finance Director, at the address listed above or at [REDACTED]@cityofsierramadre.com. **Contact with personnel of the City other than the above regarding this request for proposal may be grounds for elimination from the selection process.**

During the evaluation process, the City reserves the right, where it may serve the City's best interest, to request additional information or clarification from proposers, or to

allow corrections of errors or omissions. At the discretion of the City, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

It is anticipated that the selection process will be completed by [REDACTED], 2019. Following the notification of the selected firm and Council approval, it is expected that a contract will be executed between both parties by [REDACTED], 2019.

B. Other Information

There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Proposals will be accepted only from parties that are free from all obligations and interests that might conflict with the best interest of the City and are able to provide services on a timely basis in accordance with the timetable listed herein.

Materials submitted by respondents are subject to public inspection under the California Public Records Act (Government Code Sec. 6250 et seq.), unless exempt.

The City reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal, unless clearly and specifically noted in the submitted proposal and confirmed in the contract between the City and the firm selected.

The City reserves the right to make such changes in the Request for Proposal as it may deem appropriate. Any changes in the Request for Proposal shall be made by a written addendum, which shall be issued by the City to all prospective firms who have been issued a copy of the Request for Proposal or who have notified the City that a copy of the Request for Proposal has been obtained.

If the evaluation of any proposal indicates minor non-compliance or variance with the Request for Proposal, the City may, but need not, make written request to the firm for a supplement to the submitted proposal. Such request will attempt to identify the non-compliance or variance, and will establish a date in which the firm may submit a supplement to the Request for Proposal. If so requested, the firm may submit a supplement to the Request for Proposal responsive to such request, within the time period established, which the City would evaluate in conjunction with the Request for Proposal. Any supplement to the Request for Proposal will be deemed an integral part of the firm's submittal.

There are no known exceptions to accounting principles generally accepted in the United States or other material accounting problems. The City acknowledges that City

management is responsible for the reliability, accuracy, and completeness of financial presentations.

II. GENERAL INFORMATION

A. The City of Sierra Madre

The City of Sierra Madre is located in Southern California and is part of the San Gabriel Valley within Los Angeles County. The City is located about 12 miles northeast of the City of Los Angeles nestled against the foothills with the cities of Pasadena to the West and Arcadia to the South and East. The City of Sierra Madre was incorporated on February 2, 1907, as a "General Law" City governed by an elected five-member city council. The City has a population of approximately 11,000 and is predominantly a residential community consisting of primarily single-family homes.

B. Organizational Structure

The City has a Council-Manager form of government with five members on the City Council. The City has approximately 65 full-time employees and 64 part-time employees.

The City provides a full range of municipal services including: police and fire services, the construction and maintenance of streets and related infrastructure, recreational activities and other community services, a public library, and municipal utilities such as water and sewer to approximately 3,800 customers. Volunteers are an integral part of the City organization as well as community service clubs.

The City's 2018-19 expenditure budget for all funds combined is approximately \$23.0 million.

The City may receive Community Development Block Grant money and/or other financial assistance from the Federal Government and as such may issue a Single Audit Report. In addition, the activities of the Sierra Madre Financing Authority (Finance Authority) are included in the CAFR, but no Component Unit Financial Report (CUFR) is issued.

The City, Finance Authority, and the CRA Successor Agency for the former Sierra Madre Community Redevelopment Agency (Successor Agency) expect an audit opinion for each of their financial reports to fairly represent their financial position and to conform with generally accepted accounting principles. The City and its Agencies expect the audit of each of their financial reports to be conducted in accordance with generally accepted auditing standards. The City expects the Single Audit, if required, to be conducted in accordance with U.S. Office of Management and Budget (OMB) Circular A-133 and its component units.

The City requests a full scope audit of all fund types and account groups in accordance with generally accepted accounting standards. Audit services are desired for the City, Financing Authority and Successor Agency on an annual basis as set forth above. Proposals shall include separate quotes for the City and its component units.

C. Fund Structure

For the 2017-18 CAFR, the City reported the following fund types:

General Fund (3 combined funds)

Special Revenue Funds (9 individual funds)

Capital Projects Funds (2 combined funds)

Enterprise Funds (4 funds combined into two enterprise activities)

Internal Service Funds (5 individual funds)

Fiduciary Funds:

Agency (1 individual fund)

Successor Agency Private Purpose Trust Fund (1 individual fund)

D. Accounting System

The City's financial records are maintained by the Finance Department. The accounting records are currently computerized on a PC network utilizing Tyler Technology Incode VX computer software. The City uses three bank accounts through which most of the banking activities flow. The City issues approximately 2,600 checks, excluding payroll, per year.

E. Availability of Annual Financial Reports

The City's Comprehensive Annual Financial Reports (CAFR) are available on the City's website at www.cityofsierramadre.com.

F. Workspace and Equipment

The City will provide the auditor with reasonable workspace, desks, and chairs. The auditor will also be provided with access to a telephone, a printer, an internet connection, photocopying facilities, and fax/scanning machines.

G. Name of City Contact for Audit Work

The auditor's principal contact with the City will be Hillary Guirola-Leon, Senior Accountant; Ms. Guirola-Leon will coordinate the day-to-day assistance to be provided by the City to the auditor.

H. Accounting Division and Clerical Assistance

The Accounting Division of the Finance Department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the City, with the assistance of the auditor. City staff will assist the auditors in identifying and locating supporting documentation.

III. NATURE OF SERVICES REQUIRED

A. Scope of the Work to be Performed

The City desires a Comprehensive Annual Financial Report (CAFR) to be prepared and audited by the independent auditor for the fiscal year ended June 30, 2019, and each of the subsequent years included in the audit firm's contract with the City. The City submits the CAFR to the Government Finance Officers' Association (GFOA) for review in their Certificate of Achievement for Excellence in Financial Reporting Program.

The selected independent auditor will be required to perform the following tasks. Any exceptions to these requirements should be clearly indicated in the proposal.

1. The audit firm will perform an audit of all funds of the City. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. **The City's CAFR will be prepared and word processed by the audit firm.** The audit firm will render their auditors' report on the basic financial statements, which will include both Government-wide Financial Statements and Fund Financial Statements. The audit firm will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of the City.

The transmittal letter, management's discussion and analysis, and statistical sections will be prepared by the City and will be provided in electronic format to the auditors for inclusion in the City's CAFR.

2. When required, the audit firm will prepare and perform a single audit on the expenditures of federal grants in accordance with U.S. Office of Management and Budget (OMB) Grant Guidance/Super Circular and render the appropriate audit reports on the Internal Control over Financial Reporting based upon the audit of the City's financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards. The single audit report will include appropriate schedule of expenditures of federal awards, footnotes, findings, and questioned costs, including reportable conditions and materials and weaknesses, and follow up on prior audit findings where required.

3. The audit firm shall perform agreed-upon procedures pertaining to the City's Article XIII B Limit (GANN Limit/Appropriations Limit) and render a letter annually to the City regarding compliance.
4. The audit firm shall prepare the City's GASB 68 pension calculations and journal entries. The City shall provide the auditor with the appropriate reports from CalPERS to perform the calculations. If the auditor chooses not to include this service, please express this openly in the proposal. Any cost associated with performing the GASB 68 pension calculation should be clearly set apart from all other audit services.
5. The auditors shall observe the adequacy of the systems of internal control, accounting procedures and other significant observations. The audit firm shall issue a separate "management letter" that includes recommendations for improvements in internal control, accounting procedures, and other significant observations that are considered non-reportable conditions. Management letters shall be addressed to the City Manager and the Administrative Services Director.
6. The audit firm may be consulted throughout the year as an information resource and may be asked to provide guidance on implementing Federal and State regulations as they may affect local government accounting. This would not include any task that entails significant research or a formal report.
7. Assist the City in preparing and filing the Annual State Controller's Report no later than the date prescribed by law.
8. It is expected that the selected firm will keep the City informed of new guidance and developments that may affect municipal accounting and finance.
9. Meetings shall be conducted prior to the commencement of fieldwork at the beginning of the audit and after the first draft of the financial statements have been prepared. The meetings shall be attended by the engagement partner or designated professional staff and City staff.
10. The audit firm shall issue a separate management letter that includes recommendations and disclosures of material and non-material weakness for improvements on internal controls, accounting procedures, disclosure violations of finance-related legal and contracted provisions, and other significant observations that are considered to be non-reportable conditions such as recommendations for financial and program management improvements.

11. The audit firm is expected to meet at least once each year with the City Council to present and discuss the financial statements, management letter, and other relevant subjects.

The audit firm is expected to meet at least once each year, on an as-needed basis, with the City Treasurer to present and discuss the City financial statements as they related to cash and investments and discuss any internal control weaknesses with the City Treasurer.

12. Management is not aware of any unusual circumstances warranting an extended scope; however, if in due course of the examination evidence of such circumstances occurs, the auditors shall agree to provide the City with all ascertainable facts relative to such circumstances together with an estimate of additional services required and the additional cost thereof in order that proper contract modifications may be completed before commencing with such extended examination.
13. Retain at the auditors' expense audit working papers for three (3) years, unless the firm is notified in writing by the City of the need to extend the retention period. In addition, the firm shall respond to reasonable inquiries of the City and successor auditors and allow the City and successor auditors to review working papers relating to matters of continuing accounting significance.

B. Auditing Standards to be Followed

To meet the requirements of this Request for Proposal, the audit shall be performed in accordance with:

1. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants;
2. The standards applicable to financial audits contained in the most recent version of *Government Auditing Standards*, issued by the Comptroller General of the United States;
3. The provisions of the Single Audit Act as amended; and
4. The provisions of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*.
5. Any other applicable standards for conducting examinations of those items outlined in the Scope of Services and /or reports to be issued in conjunction therewith outlined in the section Reports to be issued.

C. Working Paper Retention

All working papers and reports must be retained at the auditor's expense for a minimum of seven (7) years, unless the firm is notified in writing by the City of the need to extend the retention period. The auditor will be required to make working papers available to the City or any government agencies included in the audit of federal grants. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

D. Irregularities and Illegal Acts

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties: City Manager and City Attorney.

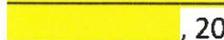
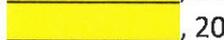
IV. **COORDINATION REQUIRED**

- A. All audit work will be coordinated with Ms. Hillary Guirola-Leon, Senior Accountant, to facilitate staff scheduling and year-end closing.
- B. The auditor shall provide the Finance Director with periodic progress reports while performing the audit fieldwork. These reports shall identify problems encountered or foreseen, deficiencies in work performed by City staff, disagreements over the application of accounting principles, and other items that could result in delay of the audit work or additional work.
- C. The City expects that the professional staff provided by the independent audit firm will be fully qualified with the appropriate experience, and that answers and guidance will be provided by audit executives to senior and junior staff.

V. **TIME REQUIREMENTS**

A. Proposal Calendar

The following is a list of key dates, including the date proposals are to be submitted:

 , 2018	Request for Proposal Issued
 , 2019	Due date for proposals (5:00 pm local time)
 , 2019	Oral interviews of selected audit firms
 , 2019	Selection process completion date
 , 2019	Recommendation to City Council

B. Audit Schedule

The planning phase of the audit engagement may commence upon award by City Council and execution of the contract. The auditor shall provide the City with an audit plan and list of schedules to be prepared by City personnel prior to the beginning of fieldwork. Interim fieldwork will be expected to be performed in May or June with the final phase of fieldwork commencing in September each year. The City plans to have the books closed and all agreed-upon schedules available for the auditors by mid-September, approximately September 20 each year.

C. Annual Report Due Dates

November 15	Draft reports due (CAFR, Management Letter, Appropriations Limit Report, Single Audit)
December 15	Final reports due (CAFR, Management Letter, Appropriations Limit Report, Single Audit)

VI. REPORTS TO BE ISSUED

The auditor shall issue:

- A. A report of the fair presentation of the financial statements in conformity with generally accepted accounting principles, basic financial statements, including government-wide financial statements and fund financial statements, for all funds, and accompanying notes to the basic financial statements.
- B. A report on internal controls over financial reporting and on compliance and other matters based on an audit of the financial statements performed in accordance with *Government Accounting Standards*.
- C. A report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133

The audit firm shall print and bind the following financial reports by no later than December 15th of each year, unless another later date is mutually agreed upon by the City and the audit firm:

- City CAFR – 20 copies
- Single Audit Report – 10 copies
- Management Report – 10 copies

VII. PROPOSAL AND SUBMISSION REQUIREMENTS

A. General Requirements

1. Five (5) copies of proposals must be submitted to the City by 5:00 p.m. on [REDACTED], 2019.
2. Proposals will be accepted only from parties that are free of all obligations and interest that might conflict with the best interest of the City.
3. The proposal of the successful firm shall be incorporated as part of the contract.
4. All inquiries, technical or otherwise, regarding this proposal process should be directed to:

[REDACTED]
Finance Director
City of Sierra Madre
232 W. Sierra Madre Boulevard
Sierra Madre, CA 92024
[REDACTED]@cityofsierramadre.com

Contact with personnel of the City other than the above regarding this request for proposal may be grounds for elimination from the selection process.

B. Proposal Format

To achieve a uniform review process and obtain the maximum degree of comparability, proposals shall be organized in the following manner:

1. Title Page

Show the Request for Proposal subject, the name of your firm, local address, telephone number, name of contact person, alternate contact person, e-mail address(es) and the proposal date.

2. Table of Contents

Clearly identify the material by section and page number.

3. Signed Letter of Transmittal

Briefly state the proposer's understanding of the work to be done; the commitment to perform the work within the time period; a statement why the firm believes itself to be best qualified to perform the engagement; a statement that the proposal is a firm and irrevocable offer to fiscal years 2018-19, 2019-20, and 2020-21; and signed by the person authorized to represent the audit firm.

4. Contents of the Proposal

The purpose of the proposal is to demonstrate the qualifications, competence, and capacity of the firm seeking to undertake an independent audit of the City in conformity with the requirements of this Request for Proposal. As such, the substance of proposals will carry more weight than the form or manner of presentation. The proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposal requirements.

The proposal should address all points outlined in the Request for Proposal. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements. While additional data may be presented, the following subjects must be included. They represent the criteria against which the proposal will be evaluated:

a. License to Practice in California

An affirmative statement should be included verifying the firm and all assigned key professional staff are properly licensed to practice in California.

b. Independence

The firm should provide an affirmative statement that it is independent of the City of Sierra Madre as defined by auditing standards generally accepted in the United States of America and the General Accounting Office's *Government Auditing Standards*.

The firm should also list and describe the firm's professional relationship involving the City for the past five (5) years, together with a statement explaining why such relationship does not constitute a conflict of interest relative to performing the proposed audit.

c. Firm Qualifications and Experience

To qualify, the firm must have extensive experience in governmental audits of cities in the State of California, as well as experience with preparation of Comprehensive Annual Financial Reports.

1. State whether your audit organization is national, regional or local and indicate the location of the office that has responsibility for the audit.
2. Indicate the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff

to be so employed on a part-time basis. Staff consistency is an important consideration.

3. Describe specialized audit services that the firm has provided for municipalities, such as transient occupancy tax audits, business license audits and franchise fee audits, etc.
4. Describe the firm's formal education programs in the area of municipal accounting and auditing which are available to clients.
5. Submit a copy of the report on its most recent external quality control review (peer review), with a statement whether that quality control review included a review of specific government engagements (required by Government Audit Standards).
6. Provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three (3) years. In addition, provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with State regulatory bodies or professional organizations.

d. Partner, Supervisory, and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists who would be assigned to this engagement. Include resumes, indicating whether each such person is registered or licensed to practice as a certified public accountant in California. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

All supervisory and managerial personnel assigned to the engagement, including the person in charge of the daily fieldwork, must have appropriate significant local government audit experience. The field staff assigned to the City must include one person with at least two years of audit experience, including local government audit experience.

Provide as much information as possible regarding the number, qualifications, experience, and training including relevant continuing education of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff, and specialists may be changed if those personnel leave the firm, are promoted, or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City. In all instances, **the City retains the right to approve or reject replacements.**

Other audit personnel may be changed at the discretion of the proposer, provided that replacements have substantially the same or better qualifications or experience.

e. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five (5) years that are similar to the engagement described herein. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. Information should be provided regarding clients that the firm serves that have received the GFOA award.

The City reserves the right to contact any or all of the listed references regarding the audit services performed by the proposer. In addition, the City reserves the right to contact clients who are not listed as references.

f. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the required services as stated within this Request for Proposal. In developing the work plan, reference should be made to such sources of information as the City's budget and related materials, organizational charts, manuals, programs, and financial and other management information systems. Proposers are required to provide the following information on their audit approach:

1. Proposed segmentation for the engagement;
2. Level of staff and number of hours to be assigned to each proposed segment of the engagement;
3. Sample size and the extent to which statistical sampling is to be used in this engagement;
4. Extent of the use of electronic data processing software in this engagement;
5. Type and extent of analytical procedures to be used in this engagement;

6. Approach to be taken to gain and document an understanding of the City's internal control structure;
7. Approach to be taken in determining laws and regulations that will be subject to audit testwork and;
8. Approach to be taken in drawing audit samples for purposes of tests of compliance.

g. Other Information to Include

1. Why should Sierra Madre consider hiring your firm?
2. What priority will your firm give Sierra Madre on this engagement?

5. Fees

The proposal should contain all pricing information relative to performing the audit engagement as described herein. The total all-inclusive maximum price bid is to contain all direct and indirect costs including all out-of-pocket expenses. All expenses, including typing, clerical, printing, and binding costs should be included in the total audit fee. The City is not responsible for expenses incurred in preparing and submitting the proposal. Such costs should not be included in the proposal.

The fee should be allocated to the various required reports of the audit (CAFR and related reports and management letter, Appropriations Limit Report, and Single Audit Report) with a maximum annual fee for each of the three fiscal years ending June 30, 2019 through 2021 along with a maximum annual fee for each of the optional two subsequent fiscal years. Fees related to a Single Audit will be paid only in years in which a Single Audit is required.

The proposal shall also include a schedule of hourly rates of professional staff by classification and the anticipated distribution of hours per staff classification.

6. Fee Adjustment for Scope Change

The proposal should show how cost increases or decreases would be calculated, should the City subsequently request an adjustment in the scope of the audit.

VII. INDEMNIFICATION AND INSURANCE REQUIREMENTS

Audit firm agrees to protect, indemnify, and hold harmless the City and its officers, officials, employees, and agents from and against all claims, demands, and causes of action by consultant's employees or third parties on account of personal injuries or death or on account of property damages arising out of the work to be performed by consultant

hereunder and resulting from the negligent act or omissions of consultant, consultant's agents, employees, or subcontractors.

- A. Without limiting Auditor's indemnification, it is agreed that the Auditor shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the audit firm, its agents, representatives, or employees. The audit firm shall maintain in force at all times during the performance of the engagement the following policy or policies of insurance covering its operations:
1. Comprehensive General Liability, including contractual liability, business automobile liability, and products and completed operations, all of which shall include coverage for both bodily injury, personal injury, and property damage, with a combined single limit of **\$1,000,000 per occurrence**.
 2. Automobile Liability: **\$1,000,000 per occurrence** for bodily injury and property damage.
 3. Errors and Omissions Liability/Professional Liability: **\$1,000,000 per occurrence**.
 4. Workers' compensation coverage at **statutory limits per the requirements of the State of California**.

Any deductibles or self-insured retention levels must be declared to and approved by the City.

- B. Auditor's general liability and automobile liability insurance policies shall contain the following clauses:
1. The City, its officers, officials, employees and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the audit firm; products and completed operations of the consultant; premises owned, occupied or used by the audit firm; or automobiles owned, leased, hired or borrowed by the audit firm. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees or volunteers.
 2. For any claims related to the work described herein, the audit firm's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be excess of the audit firm's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, has been given to the City.
- C. Insurance is to be placed with insurers which are “admitted” in the State of California and have a current A.M. Best’s rating of no less than A:VII, unless otherwise acceptable to the City.

Audit firm shall furnish the City with original endorsements effecting coverage required by this clause. The endorsements are to be on forms provided by the City. All endorsements are to be received and approved by the City before work commences.

VIII. EVALUATION OF PROPOSALS

Proposals will be evaluated by a selection committee consisting of individuals from the City and/or external agencies.

A. Evaluation Criteria

1. Mandatory Elements

- a. The audit firm is independent and licensed to practice in California.
- b. The firm has no conflict of interest with regard to any of the work performed by the firm for the City.
- c. The firm adheres to the instruction in this Request for Proposal on preparing and submitting the proposal.
- d. The firm submits a copy of its last external quality control review report, and the firm has a record of quality audit work.
- e. The firm includes a response which clearly states the understanding of the work to be performed.

2. Technical Quality

- a. Expertise and Experience
 - i. The firm’s past experience and performance on comparable government engagements.

- ii. The technical qualifications and experience of staff proposed to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
- iii. The firm's past experience in meeting GFOA requirements to receive the CAFR award.
- iv. Experience in providing on-going financial consulting services to municipalities.
- v. Firm's past experience and performance with Successor Agencies.
- vi. The reputation of the firms based on current and prior clients contacted by the City.

b. Audit Approach

- i. Adequacy of proposed staffing plan for various segments of the engagement.
- ii. Thoroughness of approach to conducting the audit of the City and demonstration of the understanding of the objectives and scope of the audit.
- iii. Adequacy of analytical procedures and sampling techniques.
- iv. Commitment to timeliness in the conduct of the audit.
- v. The anticipated support requirements of City staff.

3. Cost

- a. Cost will not be the primary factor in the selection of an audit firm.

B. Selection Process

All proposals will be evaluated by the Selection Committee using the above criteria. After the top candidates have been selected using this criteria, oral interviews may be arranged to assist in making the final decision. If held, oral interviews will be conducted by the Selection Committee and/or members of the City Council. If conducted, it would be desirable that senior audit staff be present for the interview. Not all firms may be asked to participate in an oral interview.

Selection of the successful proposal will be at the sole direction of the City Council. All firms will be notified of the Council's selection following the award of the contract. The successful proposer shall provide all documents required by the agreement (including insurance certificates) in order to fully execute the contract.

C. Right to Reject Proposals

The City reserves the right without prejudice to reject any or all proposals, and to accept the proposal most favorable to the City's interest and the right to waive irregularities in the procedures described in the Request for Proposal. Furthermore, the City reserves the right to reject the proposal of any proposer who previously failed to perform properly, or complete on time, agreements of a similar nature, or to reject the proposal of a proposer who is not in a position to perform such an agreement satisfactorily.

The City reserves the right to waive any informality or technical defect in a proposal and to accept or reject, in whole or in part, any or all proposals and to advertise for new proposals, as best serves the interest of the City.

The City also reserves the right to make such investigations as it deems necessary to determine the ability of the proposer to perform the work and the proposer shall furnish to the City all such information and data for this purpose as the City may request. The City reserves the right to reject any proposal if the evidence submitted by, or investigation of such proposer, fails to satisfy the City that such proposer is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein.

IX. ADDITIONAL INFORMATION

- A. The City will not be liable for any cost incurred in preparing proposals or associated travel costs.
- B. The City reserves the right to request such additional information as the City may reasonably require for evaluation purposes. The City also reserves the right to conduct pre-contract negotiations with any or all potential firms.
- C. The submission of a proposal shall be evidence that the firm has full knowledge of the scope, nature, quantity and quality of work to be performed, the detailed requirements of the specifications and the conditions under which the work is to be performed.
- D. If the selected certified public accounting firm does not execute an agreement with the City within fourteen (14) days after notification of selection, the City may give notice to that firm of the City's intent to select from the remaining firms or to call for new proposals, whichever the City deems appropriate.

- E. The total audit staffing should be at a level sufficient to complete the audit in the time scheduled and specified in the Request for Proposal. In addition, the audit staff should remain constant through each year's audit process. At least one staff member from the prior year's audit is to be a member of the subsequent year's audit team.
- F. The auditors shall comply with the provisions of any and all Federal, State, County and City orders, statutes, ordinances, bond covenants, administrative codes and orders, rules and regulations that may pertain to the work required in the engagement.
- G. It is expected that the firm chosen will make itself available for additional projects that may be necessary from time to time. Separate fees will be negotiated for each project.
- H. Compensation for the auditing services will be paid upon submission of progress billings. A final billing will be paid after receiving the required reports.
- I. It is mutually understood and agreed that the successful bidder shall not assign, transfer, convey, sublet or otherwise dispose of the contract or the right, title, or interest therein, or the power to execute such contract, to any other person, company or corporation without prior written consent of the City Manager.
- J. After the award of the contract has been made by the City Council, all findings and information considered in determining which proposal best meets the needs of the City and will be most advantageous with respect to price, conformity to the specifications and other factors, will be available for public inspection.
- K. Causes for termination of the contract may include the following: failure to promptly and faithfully provide the services required in this Request for Proposal; failure to cooperate upon receiving any reasonable request for information for service; and improper actions of the firm's officers or employees. The City retains the right to cancel this agreement without cause by providing written notification.



City of Sierra Madre Agenda Report

*Denise Delmar, Mayor
John Harabedian, Mayor Pro Tem
Rachelle Arizmendi, Council Member
John Capoccia, Council Member
Gene Goss, Council Member*

*Sue Spears, City Clerk
Michael Amerio City Treasurer*

TO: Honorable Mayor and Members of the City Council

FROM: Chris Cimino, Director of Public Works

REVIEWED BY: Gabriel Engeland, City Manager *GE*

DATE: October 9, 2018

SUBJECT: CONSIDERATION OF AWARD OF CONTRACT TO LAWRENCE R. MOSS AND ASSOCIATES FOR THE KERSTING COURT REDESIGN PROJECT

STAFF RECOMMENDATION

Staff recommends the City Council award a contract for the Kersting Court Redesign Project to Lawrence R. Moss and Associates (LRM) in an amount not to exceed \$63,300.00, contingent on the City being awarded the LA County Regional Park and Open Space District Grant Fund of \$300,000.

ALTERNATIVES

1. The City Council may reject all the proposals submitted and direct staff to seek new bids once the City is awarded the LA County Regional Park and Open Space District Grant Fund of \$300,000.
2. The City Council may direct staff to reject all bids and scrap the project for another time and send the Los Angeles County Supervisors a letter in reference of not excepting their generous offer.

SUMMARY

On August 13, 2018 staff solicited an RFP for professional services for an architect firm or an engineering firm that would be interested in the City's Kersting Court redesign project; the RFP is attached for your reference. The RFP includes the project description, goals, principles and scope of work.

The Project Goals include creating a community gathering place along with keeping the existing character and elements of the park and to comply with the latest ADA

requirements. 'Guiding Principles' include preserving the Bell Tower and maintaining the flag pole and the pepper trees. It also includes building a new shade structure, updating the kiosk, and installing native plant landscaping, the installation of new banner poles and a landmark sign.

ANALYSIS

Staff sent invitation letters to over thirty architect and engineering firms. Although the City received many calls with interest, only three proposals were submitted. The proposals we received were very thorough and all followed the directions of the RFP.

The proposals received are as follows.

Firm	Amount	Responsive
Lawrence R. Moss and Associates (LRM) 3458 Ocean View Blvd. Glendale, CA	\$57,600	Yes
CNC Engineering, Inc. 255 North Hacienda Blvd. City of Industry, CA	\$77,650	Yes
RHA Landscape Architects Planners, Inc. 6800 Indiana Avenue Riverside, CA	\$162,673	Yes

LRM is the lowest, responsive bidder at \$57,600 - staff included a 10% contingency to cover any unforeseen circumstances during the design. Having designed the 2002 Downtown Streetscape Project, LRM is familiar with the City. The 2002 project was a million-dollar project which included undergrounding utilities, installation of new walkway lamps and bowouts with landscaping. Attached is the proposal from LRM for your review. With their proposal they listed a number of projects many of them are designing parks and City medians and of course, they highlight the Sierra Madre Downtown Streetscape Improvement project.

FINANCIAL REVIEW

Staff has applied for Los Angeles County Regional Park and Open Space Grant Funds in the amount of \$300,000 from the Los Angeles County Supervisors Office. Staff has also identified funds from the Art in Public Places fund in the amount of \$57,000. Additionally, the Community Services Commission has an ongoing effort in obtaining donations.

It is important to note that this project will not move forward if Park Grant Funds are not awarded to the City.

CEQA / ENVIRONMENTAL

CEQA Status of Project, including any drafted or final CEQA Documentation
The proposed project qualifies for a Class 4 Categorical Exemption from the California Environmental Quality Act (CEQA) review pursuant to Section 15304 Minor Alterations to Land (b) as it involves the removal of conventional landscaping with water efficient or fire resistant landscaping within a city-owned pocket park consisting of approximately 11,500 square feet of hardscape and landscape area including parking facilities.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.
Attachment:



City of Sierra Madre Agenda Report

Denise Delmar, Mayor
John Harabedian, Mayor Pro Tem
Rachelle Arizmendi, Council Member
John Capoccia, Council Member
Gene Goss, Council Member

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor and Members of the City Council

FROM: Jose Reynoso, Utilities Services Director

REVIEWED BY: Gabriel Engeland, City Manager 

DATE: October 9, 2018

SUBJECT: **SECOND READING OF ORDINANCE 1403 AMENDING SMMC 13.24.060 AND SMMC 13.24.230 TO INCLUDE ALL STATE REQUIRED PROHIBITED WATER USE RESTRICTIONS, EXPAND PROHIBITED IRRIGATION HOURS AND ALLOW FOR THREE DAYS OUTDOOR WATERING AS A PERMANENT CONSERVATION PRACTICE**

STAFF RECOMMENDATION

Staff recommends the City Council read by title only for second reading, pass and approve second reading and adopt Ordinance No. 1403 amending Sierra Madre Municipal Codes 13.24.060 pertaining to prohibited water use restrictions and prohibited hours of outdoor irrigation and 13.24.230 on restrictions on outdoor irrigation adding an additional day to outdoor irrigation.

ALTERNATIVES

1. City Council may request additional information from staff on the aforementioned items.
2. The City Council may make changes to Ordinance 1403 and direct staff to return to a future meeting with an amended draft.

SUMMARY

At the September 11, 2018 Council meeting, the City Council unanimously approved the first reading of Ordinance 1403 (Attachment A) amending Sierra Madre Municipal Code 13.24.060 to include all State permanent prohibitions on wasteful water use as outlined in Executive Order B-40-17, and increase prohibited outdoor irrigation hours. In addition, Ordinance 1403 amends Sierra Madre Municipal Code 13.20.230 by adding an additional day of outdoor watering making three days a week outdoor watering a permanent water conservation practice.

FINANCIAL REVIEW

There is no financial impact, other than staff time, associated with the preparation of this staff report and ordinance.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.

Attachment:

Attachment: Ordinance 1403

ORDINANCE NO. 1403

AN ORDINANCE OF THE CITY OF SIERRA MADRE AMENDING SECTION 13.24.060 (“PROHIBITED USES APPLICABLE TO ALL CUSTOMERS”) OF CHAPTER 13.24 (“MANDATORY WATER CONSERVATION PLAN”) OF TITLE 13 (“PUBLIC SERVICES”) OF THE SIERRA MADRE MUNICIPAL CODE RELATING TO THE MANDATORY WATER CONSERVATION PLAN

Section 1. Section 13.24.060 (“Prohibited uses applicable to all customers”) of Chapter 13.24 (“Mandatory Water Conservation Plan”) of Title 13 (“Public Services”) is amended to read as follows:

“13.24.060 - Prohibited uses applicable to all customers.

The following uses of water are prohibited for all water department customers. Violations of this section are subject to administrative citation pursuant to the procedures set forth in Chapter 1.18.

- A. There shall be no washing of sidewalks, walkways, patios, driveways, or parking areas by a water hose.
- B. No water shall be used to clean, fill or maintain levels in decorative fountains unless such water is part of a recycling system.
- C. No restaurant, cafe, deli, or other public place where food is sold, served or offered for sale, shall serve drinking water to any customer unless expressly requested by the customer.
- D. No customer of the water department shall permit water to leak from any facility on the premises.
- E. No lawn, landscaping, or other turf area shall be watered or irrigated between the hours of six a.m. and six p.m.
- F. No lawn, landscape, or turf area shall be watered in a wasteful manner. Nor shall any water be wasted if the existing conditions may be corrected or reasonably modified.
- G. The use of a hose to wash an automobile, except where the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use.
- H. Watering lawns in a manner that causes runoff, or within 48 hours after measurable precipitation; and
- I. Irrigating ornamental turf on public street medians.”

Section 2. Section 13.24.230 (“Restrictions on irrigation”) of Chapter 13.24 (“Mandatory Water Conservation Plan”) of Title 13 (“Public Services”) is amended to read as follows:

“13.24.230 - Restrictions on irrigation

- A. No customer shall make, cause, use, or permit the use of water delivered from the water department more than threedays per week for purposes of irrigating of lawn, landscape or other vegetated area ("landscape irrigation"):
 - 1. Even-numbered addresses shall be limited to landscape irrigation on Mondays, Thursdays and Saturdays.
 - 2. Odd-numbered addresses and addresses ending in fractions shall be limited to landscape irrigation on Tuesdays, Fridays and Sundays.
- B. The restrictions of subsection A. above do not apply to landscape irrigation zones that exclusively use very low flow drip type irrigation systems when no emitter produces more than two gallons of water per hour. These restrictions are not applicable to watering or irrigating by use of a hand-held bucket or similar container, a hand-held hose equipped with a positive self-closing water shut-off nozzle or device, or for very short periods of time for the express purpose of adjusting or repairing an irrigation system.
- C. No water customer shall perform any type of outdoor watering within forty-eight hours of a measurable rain event. A measureable rain event shall be defined as a storm producing 0.25 inches or more of precipitation within Sierra Madre during a twenty-four-hour period.

Section 3. CEQA. This ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines §§ 15307, 15308, and 15269(c). The Ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment; the ordinance does not involve a "project" as defined by Section 15378; and the ordinance is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. It may be seen with certainty that there is no possibility this ordinance will have a significant effect on the environment.

Section 4. Effective Date. This ordinance shall take effect 30 days after adoption.

Section 5. Certification. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

PASSED, APPROVED AND ADOPTED, this 9th day of October, 2018

Denise Delmar, Mayor

ATTEST:

Sue Spears, City Clerk

I, Sue Spears, City Clerk of the City of Sierra Madre, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Sierra Madre held on the 11th day of September, 2018, and was adopted at its regular meeting of October 9, 2018 by the following vote:

AYES:

NOES

ABSTAIN:

ABSENT:



City of Sierra Madre Agenda Report

Denise Delmar, Mayor
John Harabedian, Pro Tem
Rachelle Arizmendi, Council Member
John Capoccia, Council Member
Gene Goss, Council Member

Sue Spears City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor Delmar and Members of the City Council

FROM: Vincent Gonzalez, Planning & Community Preservation Director 

REVIEWED BY: Gabe Engeland, City Manager 

DATE: October 9, 2018

**SUBJECT: AWARD OF PROFESSIONAL SERVICES AGREEMENT TO
MICHAEL BAKER INTERNATIONAL FOR CONTRACT PLANNING
SERVICES FOR ENTITLEMENT PROCESSING OF ONE-CARTER
PROJECTS**

STAFF RECOMMENDATION

Staff recommends that the City Council award a professional services agreement to Michael Baker International for professional planning services for the One-Carter projects and authorize the City Manager to execute such contract with said firm in a form acceptable to the City Attorney.

SUMMARY

The Planning and Community Preservation Department received proposals from three professional planning consultants to process planning entitlements for a 29 lot subdivision referred to as the One-Carter properties. Staff recommends that the City Council award a contract to Michael Baker International under the direction of the Director of Planning and Community Preservation. The funds are allocated through the Planning and Community Preservation Department Fiscal Year 2018-2019 budget, allocating \$60,000 for consultant services for the One-Carter Properties.

ANALYSIS

The Planning and Community Preservation Department Fiscal Year 2018-2019 budget allocates \$60,000 dollars for professional contract services to process planning entitlements for the One-Carter subdivision. The entitlement applications include hillside development and conditional use permit processing for 29 lots. It is anticipated that each project will return to the Planning Commission several times prior to approval.

CETT Investment Corporation submitted a \$10,000 deposit beginning in 2012 to process each application. The time and materials for planning consultant services will be billed against the \$10,000 per project deposit. If contract costs exceed the \$10,000 deposit, which is likely, staff will require the applicant to submit additional funds to cover direct costs. This fee structure ensures full cost recovery for entitlement processing services.

Local agencies are required to comply with the Permit Streaming Act, which imposes time limits within which state and local government agencies must either approve or disapprove permits. The local agency has 30-days in which to advise an applicant whether their project is complete, or otherwise advise what additional information is required. If a local agency fails to approve or disapprove the permit within specified time limits, the permit is subject to being "deemed approved" without Planning Commission or staff level review. In order to avoid such scenario, staff is requesting that the City Council award a professional services agreement to assist staff in processing the One-Carter planning applications.

Staff received three proposals from qualified planning consulting firms that submitted bids on a defined scope of services. The informal bids were evaluated and scored by staff to determine their corporate qualifications, project approach and fee schedule. Michel Baker International submitted the lowest bid. Michael Baker International is capable of completing the projects in a timely manner. Staff therefore recommends utilizing Michael Baker International for the processing of entitlements of the One-Carter projects.

The Professional Services Agreement is provided as Attachment A. The Scope of Services and Compensation and Hourly Rate Scheduled are included therein, as Exhibit A and Exhibit B.

FINANCIAL REVIEW

As indicated below, staff is recommending to select the lowest bidder, Michael Baker International. The funds are budgeted through the Planning and Community Preservation Department Fiscal Year 2018-2019 budget cycle in the amount of \$60,000. It is anticipated that the entitlement processing of the One-Carter projects will take approximately 18 – 24 months, therefore staff is recommending a two year contract term.

Consultant	Position	Hourly Rate
Michael Baker International	Senior Planner	\$115 per hour
Yepremian Consulting Inc.	Principal Planner	\$150 per hour
VCA Code	Senior Planner	\$165 per hour

CEQA

Environmental Review is not applicable to contracts for professional planning services.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Notice of the hearing was published consistent with the requirements of Government Code Section 65090 and 65091 including publication of a notice of public hearing in the local adjudicated newspaper. Notice of the hearing was also published on the City's website at www.cityofsierramadre.com. Copies of this report are available at the City Hall public counter, on the City of Sierra Madre website, and the Sierra Madre Public Library.

Attachment:

Attachment A – Professional Services Agreement

**PROFESSIONAL SERVICES AGREEMENT
FOR CONSULTANT SERVICES**

(City of Sierra Madre / *Michael Baker International*)

1. IDENTIFICATION

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the City of Sierra Madre, a California municipal corporation (“City”), and Michael Baker a California corporation (“Consultant”).

2. RECITALS

- 2.1. City has determined that it requires the following professional services from a consultant: Under the direction of the Director of Planning and Community Preservation, the Consultant will provide professional senior level planning services to process land use entitlements including staff reports and planning commission resolutions for the proposed construction of 29 custom, hillside single-family homes and other related planning duties as assigned.
- 2.2. Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.
- 2.3. Consultant represents that it has no known relationships with third parties, City Council members, or employees of City which would (1) present a conflict of interest with the rendering of services under this Agreement under Government Code Section 1090, the Political Reform Act (Government Code Section 81000 *et seq.*), or other applicable law, (2) prevent Consultant from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

3. DEFINITIONS

- 3.1. “Scope of Services”: Such professional services as are set forth in Consultant’s September 10, 2018 proposal to City attached hereto as Exhibit A and incorporated herein by this reference.
- 3.2. “Agreement Administrator”: The Agreement Administrator for this project is Vincent Gonzalez, Director of Planning and Community Preservation. The Agreement Administrator shall be the principal point of contact at the City for this project. All services under this Agreement shall be performed at the request of the Agreement

Administrator. The Agreement Administrator will establish the timetable for completion of services and any interim milestones. City reserves the right to change this designation upon written notice to Consultant

- 3.3. “Approved Fee Schedule”: Consultant’s compensation rates are set forth in the fee schedule attached hereto as Exhibit B and incorporated herein by this reference. This fee schedule shall remain in effect for the duration of this Agreement unless modified in writing by mutual agreement of the parties.
- 3.4. “Maximum Amount”: The highest total compensation and costs payable to Consultant by City under this Agreement. The Maximum Amount under this Agreement is sixty-thousand Dollars (\$60,000).
- 3.5. “Commencement Date”: October 10, 2018
- 3.6. “Termination Date”: December 31, 2019

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Termination Date unless extended by written agreement of the parties or terminated earlier under Section 18 (“Termination”) below. Consultant may request extensions of time to perform the services required hereunder. Such extensions shall be effective if authorized in advance by City in writing and incorporated in written amendments to this Agreement.

5. CONSULTANT’S DUTIES

- 5.1. **Services.** Consultant shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.
- 5.2. **Coordination with City.** In performing services under this Agreement, Consultant shall coordinate all contact with City through its Agreement Administrator.
- 5.3. **Budgetary Notification.** Consultant shall notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Consultant shall concurrently inform the Agreement Administrator, in writing, of Consultant’s estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.

- 5.4. **Business License.** Consultant shall obtain and maintain in force a City business license for the duration of this Agreement.
- 5.5. **Professional Standards.** Consultant shall perform all work to the standards of Consultant's profession and in a manner reasonably satisfactory to City. 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 this Agreement, including all Cal/OSHA requirements, the conflict of interest provisions of Government Code § 1090 and the Political Reform Act (Government Code § 81000 et seq.).
- 5.6. **Avoid Conflicts.** During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if such work would present a conflict interfering with performance under this Agreement. However, City may consent in writing to Consultant's performance of such work.
- 5.7. **Appropriate Personnel.** Consultant has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. The Director of Planning & Community Preservation shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without City's prior written consent.
- 5.8. **Substitution of Personnel.** Any persons named in the proposal or Scope of Services constitutes a promise to the City that those persons will perform and coordinate their respective services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. If City and Consultant cannot agree as to the substitution of key personnel, City may terminate this Agreement for cause.
- 5.9. **Permits and Approvals.** Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary for Consultant's performance of this Agreement. This includes, but shall not be limited to professional licenses.
- 5.10. **Notification of Organizational Changes.** Consultant shall notify the Agreement Administrator, in writing, of any change in name, ownership or control of Consultant's firm or of any subcontractor. Change of ownership or control of Consultant's firm may require an amendment to this Agreement.
- 5.11. **Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to City under this

Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of City. In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

6. SUBCONTRACTING

- 6.1. **General Prohibition.** This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Consultant shall not assign or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.
- 6.2. **Consultant Responsible.** Consultant shall be responsible to City for all services to be performed under this Agreement.
- 6.3. **Identification in Fee Schedule.** All subcontractors shall be specifically listed and their billing rates identified in the Approved Fee Schedule, Exhibit B, if applicable. Any changes must be approved by the Agreement Administrator in writing as an amendment to this Agreement.
- 6.4. **Compensation for Subcontractors.** City shall pay Consultant for work performed by its subcontractors, if any, only at Consultant's actual cost plus an approved mark-up as set forth in the Approved Fee Schedule, Exhibit B, if applicable. Consultant shall be liable and accountable for any and all payments, compensation, and federal and state taxes to all subcontractors performing services under this Agreement. City shall not be liable for any payment, compensation, or federal and state taxes for any subcontractors.

7. COMPENSATION

- 7.1. **General.** City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Fee Schedule in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Consultant shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by City in advance.
- 7.2. **Invoices.** Consultant shall submit to City an invoice, on a monthly basis or as otherwise agreed to by the Agreement Administrator, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by employee name and

classification/position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges.

- 7.3. **Taxes.** City shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law. Consultant shall be solely responsible for calculating, withholding, and paying all taxes.
- 7.4. **Disputes.** The parties agree to meet and confer at mutually agreeable times to resolve any disputed amounts contained in an invoice submitted by Consultant.
- 7.5. **Additional Work.** Consultant shall not be reimbursed for any expenses incurred for work performed outside the Scope of Services unless prior written approval is given by the City through a fully executed written amendment. Consultant shall not undertake any such work without prior written approval of the City.
- 7.6. **City Satisfaction as Precondition to Payment.** Notwithstanding any other terms of this Agreement, no payments shall be made to Consultant until City is satisfied that the services are satisfactory.
- 7.7. **Right to Withhold Payments.** If Consultant fails to provide a deposit or promptly satisfy an indemnity obligation described in Section 11, City shall have the right to withhold payments under this Agreement to offset that amount.

8. PREVAILING WAGES

Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. Consultant shall defend, indemnify, and hold the City, its elected officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure of Consultant to comply with the Prevailing Wage Laws.

9. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material (“written products” herein) developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City except as provided by law. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

10. RELATIONSHIP OF PARTIES

- 10.1. **General.** Consultant is, and shall at all times remain as to City, a wholly independent contractor.
- 10.2. **No Agent Authority.** Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.
- 10.3. **Independent Contractor Status.** Under no circumstances shall Consultant or its employees look to the City as an employer. Consultant shall not be entitled to any benefits. City makes no representation as to the effect of this independent contractor relationship on Consultant's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Consultant specifically assumes the responsibility for making such a determination. Consultant shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation, and other applicable federal and state taxes.
- 10.4. **Indemnification of CalPERS Determination.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS 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 CalPERS 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 City.

11. INDEMNIFICATION

- 11.1 **Definitions.** For purposes of this Section 11, "Consultant" shall include Consultant, its officers, employees, servants, agents, or subcontractors, or anyone directly or indirectly employed by either Consultant or its subcontractors, in the performance of this Agreement. "City" shall include City, its officers, agents, employees and volunteers.
- 11.2 **Consultant to Indemnify City.** To the fullest extent permitted by law, Consultant shall indemnify, hold harmless, and defend City from and against any and all claims, losses, costs or expenses for any personal injury or property damage arising out of or in connection with Consultant's alleged negligence, recklessness or willful misconduct or other wrongful acts, errors or omissions of Consultant or failure to comply with any provision in this Agreement.

- 11.3 **Scope of Indemnity.** Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential or otherwise, Property damage shall include injury to any personal or real property. Consultant shall not be required to indemnify City for such loss or damage as is caused by the sole active negligence or willful misconduct of the City.
- 11.4 **Attorneys Fees.** Such costs and expenses shall include reasonable attorneys' fees for counsel of City's choice, expert fees and all other costs and fees of litigation. Consultant shall not be entitled to any refund of attorneys' fees, defense costs or expenses in the event that it is adjudicated to have been non-negligent.
- 11.5 **Defense Deposit.** The City may request a deposit for defense costs from Consultant with respect to a claim. If the City requests a defense deposit, Consultant shall provide it within 15 days of the request.
- 11.6 **Waiver of Statutory Immunity.** The obligations of Consultant under this Section 11 are not limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City.
- 11.7 **Indemnification by Subcontractors.** Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 11 from each and every subcontractor or any other person or entity involved in the performance of this Agreement on Consultant's behalf.
- 11.8 **Insurance Not a Substitute.** City does not waive any indemnity rights by accepting any insurance policy or certificate required pursuant to this Agreement. Consultant's indemnification obligations apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

12. INSURANCE

- 12.1. **Insurance Required.** Consultant shall maintain insurance as described in this section and shall require all of its subcontractors, consultants, and other agents to do the same. Approval of the insurance by the City shall not relieve or decrease any liability of Consultant Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.
- 12.2. **Documentation of Insurance.** City will not execute this agreement until it has received a complete set of all required documentation of insurance coverage. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. Consultant shall file with City:
- Certificate of Insurance, indicating companies acceptable to City, with a Best's Rating of no less than A:VII showing. The Certificate of Insurance must include the following reference: Professional Planning Services

- Documentation of Best’s rating acceptable to the City.
- Original endorsements effecting coverage for all policies required by this Agreement.
- Complete, certified copies of all required insurance policies, including endorsements affecting the coverage.

12.3. **Coverage Amounts.** Insurance coverage shall be at least in the following minimum amounts:

- Professional Liability Insurance: \$1,000,000 per occurrence,
\$2,000,000 aggregate
- General Liability:
 - General Aggregate: \$2,000,000
 - Products Comp/Op Aggregate \$2,000,000
 - Personal & Advertising Injury \$1,000,000
 - Each Occurrence \$1,000,000
 - Fire Damage (any one fire) \$ 50,000
 - Medical Expense (any 1 person) \$ 5,000
- Workers' Compensation:
 - Workers' Compensation Statutory Limits
 - EL Each Accident \$1,000,000
 - EL Disease - Policy Limit \$1,000,000
 - EL Disease - Each Employee \$1,000,000
- Automobile Liability
 - Any vehicle, combined single limit \$1,000,000

Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements or limits shall be available to the additional insured. Furthermore, the requirements for coverage and limits shall be the greater of (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured

12.4. **General Liability Insurance.** Commercial General Liability Insurance shall be no less broad than ISO form CG 00 01. Coverage must be on a standard Occurrence form. Claims-Made, modified, limited or restricted Occurrence forms are not acceptable.

12.5. **Worker’s Compensation Insurance.** Consultant is aware of the provisions of Section 3700 of the Labor Code which requires every employer to carry Workers' Compensation (or to undertake equivalent self-insurance), and Consultant will comply with such provisions before commencing the performance of the work of this Agreement. If such insurance is underwritten by any agency other than the State

Compensation Fund, such agency shall be a company authorized to do business in the State of California.

- 12.6. **Automobile Liability Insurance.** Covered vehicles shall include owned if any, non-owned, and hired automobiles and, trucks.
- 12.7. **Professional Liability Insurance or Errors & Omissions Coverage.** The deductible or self-insured retention may not exceed \$50,000. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work. Coverage shall be continued for two years after the completion of the work by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Agreement.
- 12.8. **Claims-Made Policies.** If any of the required policies provide coverage on a claims-made basis the Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Claims-Made Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.
- 12.9. **Additional Insured Endorsements.** The City, its City Council, Commissions, officers, and employees of Sierra Madre must be endorsed as an additional insured for each policy required herein, other than Professional Errors and Omissions and Worker's Compensation, for liability arising out of ongoing and completed operations by or on behalf of the Consultant. Consultant's insurance policies shall be primary as respects any claims related to or as the result of the Consultant's work. Any insurance, pooled coverage or self-insurance maintained by the City, its elected or appointed officials, directors, officers, agents, employees, volunteers, or consultants shall be non-contributory. All endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. General liability coverage can be provided using an endorsement to the Consultant's insurance at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37.
- 12.10. **Failure to Maintain Coverage.** In the event any policy is canceled prior to the completion of the project and the Consultant does not furnish a new certificate of insurance prior to cancellation, City has the right, but not the duty, to obtain the required insurance and deduct the premium(s) from any amounts due the Consultant under this Agreement. Failure of the Consultant to maintain the insurance required by this Agreement, or to comply with any of the requirements of this section, shall constitute a material breach of this Agreement.

- 12.11. **Notices.** Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. Consultant shall provide no less than 30 days' notice of any cancellation or material change to policies required by this Agreement. Consultant shall provide proof that cancelled or expired policies of insurance have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages. The name and address for Additional Insured Endorsements, Certificates of Insurance and Notices of Cancellation is: City of Sierra Madre, Attn: Planning & Community Preservation Department, 232 W. Sierra Madre Blvd., Sierra Madre, CA 91024.
- 12.12. **Consultant's Insurance Primary.** The insurance provided by Consultant, including all endorsements, shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.
- 12.13. **Waiver of Subrogation.** Consultant hereby waives all rights of subrogation against the City. Consultant shall additionally waive such rights either by endorsement to each policy or provide proof of such waiver in the policy itself.
- 12.14. **Report of Claims to City.** Consultant shall report to the City, in addition to the Consultant's insurer, any and all insurance claims submitted to Consultant's insurer in connection with the services under this Agreement.
- 12.15. **Premium Payments and Deductibles.** Consultant must disclose all deductibles and self-insured retention amounts to the City. The City may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within retention amounts. Ultimately, City must approve all such amounts prior to execution of this Agreement.
- City has no obligation to pay any premiums, assessments, or deductibles under any policy required in this Agreement. Consultant shall be responsible for all premiums and deductibles in all of Consultant's insurance policies. The amount of deductibles for insurance coverage required herein are subject to City's approval.
- 12.16. **Duty to Defend and Indemnify.** Consultant's duties to defend and indemnify City under this Agreement shall not be limited by the foregoing insurance requirements and shall survive the expiration of this Agreement.

13. MUTUAL COOPERATION

- 13.1. **City Cooperation in Performance.** City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.
- 13.2. **Consultant Cooperation in Defense of Claims.** If any claim or action is brought against City relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require in the defense of that claim or action.

14. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Consultant's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City:

Vincent Gonzalez
City of Sierra Madre
Planning & Community Preservation
232 W. Sierra Madre Blvd.
Sierra Madre, CA 91024
Telephone: (626) 355-7138
Facsimile: (626) 355-4239

If to Consultant:

Albert V. Warot
Associate Vice President
Michael Baker International
3760 Kilroy Airport Way, Suite 270
Long Beach, CA 90806
Telephone: (562) 200-7165
Facsimile:

With courtesy copy to:

Teresa L. Highsmith, Esq.
Sierra Madre City Attorney
Colantuono, Highsmith & Whatley, PC
790 E. Colorado Blvd., Ste. 850
Pasadena, Angeles, CA 91101
Telephone: (213) 542-5700
Facsimile: (213) 542-5710

15. SURVIVING COVENANTS

The parties agree that the covenants contained in paragraph 5.11 (Records), paragraph 10.4 (Indemnification of CalPERS Determination), Section 11 (Indemnity), paragraph 12.8 (Claims-Made Policies), paragraph 13.2 (Consultant Cooperation in Defense of

Claims), and paragraph 18.1 (Confidentiality) of this Agreement shall survive the expiration or termination of this Agreement, subject to the provisions and limitations of this Agreement and all otherwise applicable statutes of limitations and repose.

16. TERMINATION

- 16.1. **City Termination.** City may terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.
- 16.2. **Consultant Termination.** Consultant may terminate this Agreement for a material breach of this Agreement upon 30 days' notice.
- 16.3. **Compensation Following Termination.** Upon termination, Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement. The City shall have the benefit of such work as may have been completed up to the time of such termination.
- 16.4. **Remedies.** City retains any and all available legal and equitable remedies for Consultant's breach of this Agreement.

17. INTERPRETATION OF AGREEMENT

- 17.1. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 17.2. **Integration of Exhibits.** All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on by City and Consultant.
- 17.3. **Headings.** The headings and captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the language of the section or paragraph shall control and govern in the construction of this Agreement.

- 17.4. **Pronouns.** Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).
- 17.5. **Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- 17.6. **No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.

18. GENERAL PROVISIONS

- 18.1. **Confidentiality.** All data, documents, discussion, or other information developed or received by Consultant for performance of this Agreement are deemed confidential and Consultant shall not disclose it without prior written consent by City. City shall grant such consent if disclosure is legally required. All City data shall be returned to City upon the termination or expiration of this Agreement.
- 18.2. **Conflicts of Interest.** Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subcontractor to file, a Statement of Economic Interest with the City's Filing Officer if required under state law in the performance of the services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
- 18.3. **Non-assignment.** Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Consultant.
- 18.4. **Binding on Successors.** This Agreement shall be binding on the successors and assigns of the parties.

- 18.5. **No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.
- 18.6. **Time of the Essence.** Time is of the essence for each and every provision of this Agreement.
- 18.7. **Non-Discrimination.** Consultant shall not discriminate against any employee or applicant for employment because of race, sex (including pregnancy, childbirth, or related medical condition), creed, national origin, color, disability as defined by law, disabled veteran status, Vietnam veteran status, religion, age (40 and above), medical condition (cancer-related), marital status, ancestry, or sexual orientation. Employment actions to which this provision applies 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; or in terms, conditions or privileges of employment, and selection for training. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, the provisions of this nondiscrimination clause.
- 18.8. **Waiver.** No provision, covenant, or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing signed by one authorized to bind the party asserted to have consented to the waiver. The waiver by City or Consultant of any breach of any provision, covenant, or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other provision, covenant, or condition.
- 18.9. **Excused Failure to Perform.** Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 18.10. **Remedies Non-Exclusive.** Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any or all of such other rights, powers or remedies.
- 18.11. **Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs expended in the action.
- 18.12. **Venue.** The venue for any litigation shall be Los Angeles County, California and Consultant hereby consents to jurisdiction in Los Angeles County for purposes of resolving any dispute or enforcing any obligation arising under this Agreement.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

“City”
City of Sierra Madre

“Consultant”
Michael Baker International

By: _____
Signature

By: _____
Signature

Printed: Gabriel Engeland

Printed: _____

Title: City Manager

Title: _____

Date: _____

Date: _____

Attest:

By: _____
Laura Aguilar, Assistant City Clerk

Date: _____

Approved as to form:

By: _____
Teresa L. Highsmith, City Attorney

Date: _____

EXHIBIT A

SCOPE OF SERVICES

Michael Baker

I N T E R N A T I O N A L

We Make a Difference

September 10, 2018

Vincent Gonzales, Planning and Community Preservation Director
CITY OF SIERRA MADRE
232 W. Sierra Madre Boulevard
Sierra Madre, California 91024

RE: ENTITLEMENT PROCESSING ASSISTANCE

Dear Mr. Gonzalez:

Pursuant to our recent discussion, I wish to confirm that Michael Baker International (Michael Baker) can and would be most pleased to assist the City of Sierra Madre with the processing of land use entitlements for the proposed construction of 29 custom, hillside single-family homes in the foothills of the San Gabriel Mountains. Michael Baker would assign one of our Senior Planners, Ms. Aimee Schwimmer, to provide the requested assistance. Aimee is uniquely well-qualified to provide such assistance having previously processed entitlements for this project in conjunction with the One Carter Settlement Agreement. She is intimately familiar with the project site and the nature of the proposed development.

The tasks to be performed by Ms. Schwimmer in processing Hillside Development and Design Review Permits and, as necessary, Conditional Use Permits for accessory uses for the proposed residences include the following:

- Review and determine the completeness of land use entitlement applications received;
- Conduct project site visits and communicate directly with applicants regarding the specific requirements and/or information necessary to process applications;
- Provide follow up and review of any supplemental or revised application submittals as required;
- Review proposed development plans for compliance with the City's development policies and standards contained in the General Plan and Zoning Ordinance, and any applicable design guidelines;
- Coordinate the City's interdepartmental review of proposed project plans;
- Meet and/or teleconference with staff and/or applicants during the processing of applications to identify and discuss critical items and develop workable solutions, as necessary;
- Prepare staff reports, including conditions of approval and recommendations for consideration and action by the Planning Commission;
- Prepare Planning Commission resolutions related to the proposed development;

- Prepare and coordinate the posting, publication, and mailing of all required public notices;
- Coordinate the distribution of project-related documents to in house staff and outside agencies, as required;
- Schedule and assist in conducting public hearings before the Planning Commission, as necessary;
- Coordinate the preparation and filing of all required notices with the Los Angeles County Clerk, as applicable; and
- Perform other related duties, as assigned by the Planning and Community Preservation Director.

Ms. Schwimmer will provide the services described above on an as-needed, hourly basis at a rate of \$115.00 per hour. This rate is fully burdened and inclusive of all costs and the City will only be billed for the hours worked by Ms. Schwimmer at City Hall, project sites within the city, our offices. The City will be billed monthly for work performed and Michael Baker's Oracle Human Capital Management (HCM) financial software will allow costs to be tracked and billed by individual projects, if desired.

We truly appreciate the opportunity to submit this proposal and look forward to once again serving the City of Sierra Madre. If you have any questions, please contact me (562) 200-7169 or awarot@mbakerintl.com.

Sincerely,



Albert V. Warot
Associate Vice President

EXHIBIT B
APPROVED FEE SCHEDULE

The services described in Exhibit A shall be provided on an hourly basis as follows:

Senior Planner	Aimee Schwimmer	\$115.00/hour
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The above fee is fully burdened and there shall be no additional or incidental charges for the services to be provided. The City shall only be billed for the hours worked by Ms. Schwimmer in processing land use entitlements at City Hall, project sites within the city, or Consultant's offices.

RESOLUTION NUMBER 18-52

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE
APPROVING CERTAIN DEMANDS**

WHEREAS, the following demands have been reviewed and approved by the Finance Director; and,

WHEREAS, the Interim Finance Director has verified that appropriated funds are available for payment thereof; and,

WHEREAS, the register of audited demands has been submitted to the City Council for approval; and

WHEREAS, City Warrants are the payment of bills, invoices and contractual obligations incurred by the City of Sierra Madre during the period enumerated therein, based on the approved fiscal year budget and existing budgetary authority, Municipal Code authority, or prior policy direction by the City Council; and

WHEREAS, Payroll Transfer is the transfer of funds to cover the payroll costs for all City employees for the period enumerated therein.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Sierra Madre does hereby approve payment of City Warrants in the aggregate amount of \$153,097.49 ; Sierra Madre Library Warrants in aggregate amount of \$10,925.36 and Payroll Transfer in the aggregate amount of \$313,915.24 for the fiscal year ending June 30, 2018 and 2019.

APPROVED AND ADOPTED this 9th day of October, 2018.

Mayor, City of Sierra Madre, California

I hereby certify that the foregoing Resolution Number 18-52 was adopted by the City Council of the City of Sierra Madre at a regular meeting held on the 9th day of October, 2018.

AYES:

NOES:

ABSTAIN:

**City of Sierra Madre
Department of Finance
Warrant Register Recap
City Council Meeting of October 9, 2018**

CITY OF SIERRA MADRE AND SIERRA MADRE LIBRARY

City of Sierra Madre Warrant	\$153,097.49
Sierra Madre Library Warrant	\$10,925.36
Payroll #20 Transfer.....	\$313,915.24

Warrant Register 10/09/18**Attachment 1A**

Fiscal Year	Description	Amount	Page #
FY 1819	Manual Warrants	1,999.50	1-2
FY 1819	General Warrants - Utility Bills	3,563.53	3
FY 1819	General Warrants	147,534.46	4-8
	Total	153,097.49	

Fiscal Year	Description	Amount	
FY 1819	Library Warrants	10,925.36	9
	Total	10,925.36	

Date: 10/4/18	Payroll #20 Electronic Tansfers From: City of Sierra Madre-General Acct. To: City of Sierra Madre-Payroll Acct.	313,915.24	
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City of Sierra Madre, CA

Check Approval Register

Page 1

Packet: APPKT04228 - NEOPST092818

Check Date: 09/24/2018

Vendor Set: 01 - Vendor Set 01

Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount
Bank Code	Payment Type				
Fund: 60002 - INT SVC FND - ADMINISTRATION					
<u>VEN03173</u>	NEOFUNDS BY NEOPOST				
APBWEST	Check	<u>7900044080533890</u>	FY 18-19 POSTAGE REFILL	60002.30000.53101	1,000.00
				Fund 60002 Total:	1,000.00
				Report Total:	1,000.00



City of Sierra Madre, CA

Check Approval Register

Page 2

Packet: APPKT04235 - MTVW100218

Check Date: 10/02/2018

Vendor Set: 01 - Vendor Set 01

Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount
Bank Code	Payment Type				
Fund: 10000 - GENERAL FUND					
<u>1497</u>	MOUNTAIN VIEWS NEWS				
APBWEST	Check	<u>CM140526</u>	Publication of Notices	10000.12000.52206	999.50
Fund 10000 Total:					999.50
Report Total:					999.50



Packet: APPKT04239 - UB092618
Vendor Set: 01 - Vendor Set 01

Check Date: 10/03/2018

Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount
Bank Code	Payment Type				
Fund: 10000 - GENERAL FUND					
<u>VEN02792</u>	FRONTIER CALIFORNIA INC				
APBWEST	Check	<u>20915157430511995</u>	LA CNTY SHRFF 9/28-10/27/18	10000.50000.55005	240.70
		<u>31000157630511995</u>	LA CNTY SHRFF PH CHGS 9/28-10/27/18	10000.50000.55005	139.32
<u>1439</u>	TIME WARNER CABLE				
APBWEST	Check	<u>8448300220179789</u>	LA CNTY ISD WAN 9/27-10/26/18	10000.50000.52200	282.22
		<u>8448300220027467</u>	FD CABLE SVCS 10/1-10/31/18	10000.61000.52200	60.35
		<u>8448300220192683</u>	LIBRARY INTERNET 9/25-10/24/18	10000.90000.52200	199.98
Fund 10000 Total:					922.57
Fund: 60003 - INT SVC FND - TECHNOLOGY					
<u>VEN02792</u>	FRONTIER CALIFORNIA INC				
APBWEST	Check	<u>31016998450619065</u>	PH CHGS 9/16-10/15/18	60003.30000.55005	89.98
<u>VEN03086</u>	GC PIVOTAL LLC				
APBWEST	Check	<u>INV1326716</u>	DSL MON CHGS 11/1-11/30/18	60003.30000.52200	1,557.52
<u>1749</u>	PACIFIC TELEMAGEMENT SERVICE				
APBWEST	Check	<u>2000583</u>	PAY PHONE 10/1-10/31/18	60003.30000.55005	82.64
<u>Q942</u>	TELEPACIFIC COMMUNICATIONS				
APBWEST	Check	<u>108193205-0</u>	PH SVCS 9/23-110/22/18	60003.30000.55005	460.86
<u>1439</u>	TIME WARNER CABLE				
APBWEST	Check	<u>8448300220137019</u>	CABLE SVCS 10/6-11/5/18	60003.30000.52200	259.98
		<u>8448300220192691</u>	SVCS 611 SM RC MDM 9/25-10/24/18	60003.30000.52200	189.98
Fund 60003 Total:					2,640.96
Report Total:					3,563.53



Packet: APPKT04240 - GEN100918
Vendor Set: 01 - Vendor Set 01

Check Date: 10/03/2018

Vendor Number	Vendor Name	Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
Fund: 10000 - GENERAL FUND							
<u>0109</u>	AIRGAS USA						
APBWEST	Check			<u>9956093172</u>	Medical Oxygen	10000.64000.53300	433.62
<u>0433</u>	ALLSTAR FIRE EQUIPMENT, INC.						
APBWEST	Check			<u>210109</u>	Suppression Safety Equipment and PPE	10000.61000.53300	294.56
<u>1644</u>	AMAZON						
APBWEST	Check			<u>588984987598</u>	PLOTTER SUPPLIES	10000.40000.53100	146.22
				<u>466473499887</u>	PLOTTER SUPPLIES	10000.40000.53100	35.95
						10000.70000.53999	35.94
				<u>588984987598</u>	PLOTTER SUPPLIES	10000.70000.53999	146.22
<u>0122</u>	ARNOLD'S FRONTIER HARDWARE						
APBWEST	Check			<u>086491</u>	FY 18-19 STREET MAINTENANCE SUPPLIES	10000.83500.53206	20.83
				<u>086704</u>	FY 18-19 STREET MAINTENANCE SUPPLIES	10000.83500.53206	7.70
				<u>086703</u>	FY 18-19 STREET MAINTENANCE SUPPLIES	10000.83500.53206	6.49
				<u>086485</u>	FY 18-19 STREET MAINTENANCE SUPPLIES	10000.83500.53206	14.22
				<u>086493</u>	FY 18-19 STREET MAINTENANCE SUPPLIES	10000.83500.53206	20.79
<u>1121</u>	COLANTUONO, HIGSMITH & WHATLEY, PC						
APBWEST	Check			<u>36540</u>	FY 18-19 BPO - LEGAL SVCS RETAINER	10000.21000.52201	8,406.11
				<u>36543</u>	LEGAL SERVICES- AUG 2018	10000.40000.52201	23.50
				<u>36544</u>	LEGAL SERVICES- AUG 2018	10000.81201.52202	258.50
<u>1462</u>	FASCHING'S CAR WASH						
APBWEST	Check			<u>INV023338-AUG 18</u>	FY 18-19 BLANKET PO	10000.50000.52302	280.15
<u>1455</u>	FIRST TRANSIT INC						
APBWEST	Check			<u>11496082A</u>	4TH OF JULY EVENT	10000.79012.52999	167.55
<u>0551</u>	FOOTHILL LOCK & KEY						
APBWEST	Check			<u>54978</u>	SAFETY EQUIPMENT	10000.50000.53300	1,576.80
				<u>54979</u>	SAFETY EQUIPMENT	10000.50000.53300	650.00
<u>VEN02778</u>	FORMLA LANDSCAPING INC						
APBWEST	Check			<u>29727</u>	FY 18-19 CITY HALL LANDSCAPE MAINTENANCE	10000.83300.52200	833.33
				<u>30265</u>	FY 18-19 CITY HALL LANDSCAPE MAINTENANCE	10000.83300.52200	833.33
<u>VEN01613</u>	GANAHL LUMBER COMPANY						
APBWEST	Check			<u>141050094</u>	LUMBER AND HARDWARE	10000.83500.53205	98.19
				<u>141050723</u>	LUMBER AND HARDWARE	10000.83500.53205	159.56
<u>VEN02697</u>	GWMA						
APBWEST	Check			<u>HTU-2018-52</u>	INSTALLATION FEE	10000.81201.52001	23.53
<u>1452</u>	JENNIFER K. PETERSON						
APBWEST	Check			<u>INV023341</u>	COMPUTER PROGRAM	10000.00000.13009	683.86
<u>VEN03205</u>	JORGE URANGE						
APBWEST	Check			<u>2003583.001</u>	REFUND ON PERMIT	10000.00000.23200	519.00
<u>0515</u>	LANDSCAPE WAREHOUSE						
APBWEST	Check			<u>2570728</u>	FY 18-19 IRRIGATION SUPPLIES	10000.83300.53001	82.90
				<u>2571698</u>	FY 18-19 IRRIGATION SUPPLIES	10000.83300.53001	200.13
				<u>2571721</u>	FY 18-19 IRRIGATION SUPPLIES	10000.83300.53001	44.84
				<u>2571152</u>	FY 18-19 IRRIGATION SUPPLIES	10000.83300.53001	21.30
				<u>2572149</u>	FY 18-19 IRRIGATION SUPPLIES	10000.83300.53001	204.11
<u>PUPEN</u>	LIUNA UNION PENSION						
APBWEST	Check			<u>INV023339</u>	PENSION FUND CONT	10000.32000.51209	53.30
						10000.40000.51209	293.40
						10000.75000.51209	53.30
						10000.81201.51209	146.20
						10000.90000.51209	224.40
<u>VEN02976</u>	MEDICO PROFESSIONAL LINEN SERVICE						
APBWEST	Check			<u>M2241057</u>	Medical Waste	10000.64000.53300	52.00
				<u>M2224969</u>	Medical Waste	10000.64000.53300	52.00

Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount
<u>0884</u>	MOBILE MINI, INC.				
APBWEST	Check	<u>9004911224</u>	FY 18-19 BLANKET PO	10000.50000.53300	114.38
<u>0307</u>	MYERS-STEVENSON & CO. INC.				
APBWEST	Check	<u>1293805</u>	FF INSURANCE - SEPT 2018	10000.61000.51205	336.72
<u>0786</u>	OFFICE DEPOT, INC				
APBWEST	Check	<u>206308121001</u>	FY 18-19 BLANKET PO	10000.50000.53100	213.03
<u>1483</u>	PRO PRINTING INC				
APBWEST	Check	<u>49497</u>	PRINTING	10000.50000.53102	43.80
<u>VEN02937</u>	RCI IMAGE SYSTEMS				
APBWEST	Check	<u>75893</u>	FY 18-19 Document Scanning Services	10000.40000.52200	1,032.91
<u>VEN03206</u>	SARAH LEE				
APBWEST	Check	<u>2003584.001</u>	REFUND ON PERMIT	10000.00000.23200	500.00
<u>1443</u>	SHRED-IT USA LLC				
APBWEST	Check	<u>8125542951</u>	FY 18-19 BLANKET PO	10000.50000.52200	389.96
<u>0389</u>	STAPLES CREDIT PLAN				
APBWEST	Check	<u>46922</u>	SUPPLIES	10000.70000.53999	204.43
<u>VEN02018</u>	SUZETTE OTLEWIS				
APBWEST	Check	<u>INV023342-AUG 2018</u>	Paramedic QI and CE	10000.64000.52205	500.00
<u>0404</u>	TOM'S UNIFORMS				
APBWEST	Check	<u>11415</u>	FY 18-19 BLANKET PO	10000.50000.53303	152.21
<u>0425</u>	WILLDAN ASSOCIATES				
APBWEST	Check	<u>002-19816</u>	Plan Check and Inspection services	10000.40000.52100	33,011.21
		<u>002-19776</u>	Plan Check and Inspection services	10000.40000.52100	21,746.94
Fund 10000 Total:					75,349.42
Fund: 35005 - STATE COPS GRANT					
<u>PUPEN</u>	LIUNA UNION PENSION				
APBWEST	Check	<u>INV023339</u>	PENSION FUND CONT	35005.50000.51209	22.00
Fund 35005 Total:					22.00
Fund: 37004 - LOCAL TRANSPORTATION/PROP A					
<u>1455</u>	FIRST TRANSIT INC				
APBWEST	Check	<u>11496082</u>	Dial a ride Services	37004.70000.52203	12,351.78
<u>0267</u>	REGIONAL TAP SERVICE CENTER				
APBWEST	Check	<u>6007393</u>	CPOS TAP CARD	37004.70000.52001	20.00
Fund 37004 Total:					12,371.78
Fund: 37006 - SENIOR CENTER					
<u>VEN01969</u>	INLAND EMPIRE STAGES				
APBWEST	Check	<u>52673</u>	SENIOR BUS TRIP	37006.72000.52200	1,619.75
Fund 37006 Total:					1,619.75
Fund: 38001 - CA BEVERAGE CONTAINER GRANT					
<u>VEN03121</u>	CALRECYCLE				
APBWEST	Check	<u>INV023343</u>	REPAYMENT OF UNSPEND FUNDS FY 15-16	38001.83100.53999	5,000.00
Fund 38001 Total:					5,000.00
Fund: 38004 - ENVIRONMENTAL FUND					
<u>0271</u>	LAWN MOWER CORNER				
APBWEST	Check	<u>11770</u>	EQUIPMENT MAINTENANCE	38004.83300.52302	101.32
		<u>12027</u>	EQUIPMENT MAINTENANCE	38004.83300.52302	25.00
Fund 38004 Total:					126.32
Fund: 38005 - GAS TAX FUND					
<u>PUPEN</u>	LIUNA UNION PENSION				
APBWEST	Check	<u>INV023339</u>	PENSION FUND CONT	38005.83500.51209	157.20
Fund 38005 Total:					157.20
Fund: 50003 - REDEVELOPMENT OBLIGATION RETIREMENT FND					
<u>1121</u>	COLANTUONO, HIGHSMITH & WHATLEY, PC				
APBWEST	Check	<u>36539</u>	LEGAL SERVICES- AUG 2018	50003.30000.52201	23.50
Fund 50003 Total:					23.50
Fund: 60000 - INT SVC FND - FLEET					
<u>1487</u>	BOB WONDRIES FORD				
APBWEST	Check	<u>1161920</u>	VEHICLE MAINTENANCE	60000.83100.53208	16.37

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Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount
APBWEST	Check	<u>1159760</u>	VEHICLE MAINTENANCE	60000.83100.53208	104.47
<u>PUPEN</u>	LIUNA UNION PENSION				
APBWEST	Check	<u>INV023339</u>	PENSION FUND CONT	60000.83100.51209	92.60
Fund 60000 Total:					213.44
Fund: 60001 - INT SVC FND - FACILITIES MGT					
<u>VENO2961</u>	ARAMARK UNIFORM & CAREER APPAREL GROUP INC				
APBWEST	Check	<u>533630516</u>	FY 18/19 JANITORIAL SUPPLIES	60001.83200.53200	296.50
		<u>533647750</u>	FY 18/19 JANITORIAL SUPPLIES	60001.83200.53200	296.50
		<u>533647749</u>	FY 18-19 UNIFORM - T-SHIRT	60001.83200.53303	65.00
		<u>533630515</u>	FY 18-19 UNIFORM - T-SHIRT	60001.83200.53303	65.00
<u>0122</u>	ARNOLD'S FRONTIER HARDWARE				
APBWEST	Check	<u>086314</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	5.26
		<u>086585</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	25.15
		<u>086514</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	6.45
		<u>086744</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	40.66
		<u>086316</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	70.84
		<u>086452</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	26.27
		<u>086677</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	36.50
		<u>086668</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	1.63
		<u>086540</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	34.97
		<u>086320</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	6.56
		<u>086743</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	14.22
		<u>086721</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	21.88
		<u>086435</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	33.22
		<u>086545</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	29.07
		<u>086657</u>	FY 18-19 FACILITY MAINTENANCE SUPPLIES	60001.83200.53200	11.05
<u>0714</u>	CINTAS CORPORATION #693				
APBWEST	Check	<u>693145794</u>	CLEANING	60001.83200.53303	128.17
		<u>693139849</u>	CLEANING	60001.83200.53303	122.96
		<u>693147790</u>	CLEANING	60001.83200.53303	122.96
		<u>69327819A</u>	CLEANING	60001.83200.53303	71.83
<u>0169</u>	CITY ELECTRIC SUPPLY				
APBWEST	Check	<u>PDA/006760</u>	FY 18-19 ELECTRICAL SUPPLIES/ FACILITY	60001.83200.53200	328.50
<u>VENO2986</u>	EKCOS INNOVATIONS				
APBWEST	Check	<u>EKCOS-11014</u>	MAINTENANCE SUPPLIES	60001.83200.53200	880.63
<u>1334</u>	HP MECHANICAL INC.				
APBWEST	Check	<u>2264</u>	FY 2018-2019 HVAC maintenance	60001.83200.56010	1,116.00
		<u>2160</u>	FY 2018-2019 HVAC maintenance	60001.83200.56010	193.00
		<u>2260</u>	FY 2018-2019 HVAC maintenance	60001.83200.56010	852.00
		<u>2238</u>	FY 2018-2019 HVAC maintenance	60001.83200.56010	355.00
		<u>2277</u>	FY 2018-2019 HVAC maintenance	60001.83200.56010	851.00
		<u>2243</u>	FY 2018-2019 HVAC maintenance	60001.83200.56010	596.00
<u>PUPEN</u>	LIUNA UNION PENSION				
APBWEST	Check	<u>INV023339</u>	PENSION FUND CONT	60001.83200.51209	92.60
<u>0336</u>	POST ALARM SYSTEMS				
APBWEST	Check	<u>1100119</u>	FY 18-19 ALARM MONITORING	60001.83200.52200	42.00
		<u>1097539</u>	FY 18-19 ALARM MONITORING	60001.83200.52200	21.50
		<u>1102843</u>	FY 18-19 ALARM MONITORING	60001.83200.52200	50.87
		<u>1103009</u>	FY 18-19 ALARM MONITORING	60001.83200.52200	38.00
		<u>1103404</u>	FY 18-19 ALARM MONITORING	60001.83200.52200	165.00
		<u>1097087</u>	FY 18-19 ALARM MONITORING	60001.83200.52200	47.50
Fund 60001 Total:					7,162.25
Fund: 60002 - INT SVC FND - ADMINISTRATION					
<u>1121</u>	COLANTUONO, HIGHSMITH & WHATLEY, PC				
APBWEST	Check	<u>36540</u>	FY 18-19 BPO - LEGAL SVCS RETAINER	60002.21000.52201	2,101.53
<u>PUPEN</u>	LIUNA UNION PENSION				
APBWEST	Check	<u>INV023339</u>	PENSION FUND CONT	60002.30000.51209	256.80
Fund 60002 Total:					2,358.33
Fund: 60003 - INT SVC FND - TECHNOLOGY					
<u>1644</u>	AMAZON				

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Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount
APBWEST	Check	<u>759757648757</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	335.60
		<u>877767469634</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	69.16
		<u>968855694757</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	127.97
		<u>589843834776</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	659.96
		<u>765493935967</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	1,071.70
		<u>937494836897</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	26.00
		<u>473793688889</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	63.94
		<u>468664778335</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	2,064.62
		<u>779764944397</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	18.04
		<u>879338894333</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	383.30
		<u>497399454744</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	591.28
		<u>698464836685</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	656.85
		<u>469949385554</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	150.60
		<u>783435787983</u>	FY 18-19 BPO-COMPUTER PERIPHERALS	60003.30000.53103	1,398.00
<u>1799</u>	TYLER TECHNOLOGIES INC				
APBWEST	Check	<u>025-236357</u>	FY 18-19 BPO Annual Maint Fees	60003.30000.52200	13,747.96
<u>0429</u>	XEROX CORPORATION				
APBWEST	Check	<u>094404110</u>	BPO- COPIER LEASE	60003.30000.53210	372.19
		<u>094404111</u>	BPO- COPIER LEASE	60003.30000.53210	458.72
		<u>094404109</u>	BPO- COPIER LEASE	60003.30000.53210	568.90
Fund 60003 Total:					22,764.79
Fund:	60007 - INT SVC FND - PERSONNEL AND RISK MGMT				
<u>VEN03203</u>	BALLARD AND BALLARD INVESTIGATIONS				
APBWEST	Check	<u>2018-020</u>	BACKGROUND INVESTIGATION	60007.70101.52100	1,880.45
<u>VEN01177</u>	EYEMED				
APBWEST	Check	<u>INV023337</u>	VISION- OCT #9810110	60007.00000.21603	11.49
<u>0913</u>	IRWINDALE INDUSTRIAL CLINIC				
APBWEST	Check	<u>2130-814174</u>	PRE EMPLOYMENT PHYSICALS	60007.70101.52106	700.00
<u>1348</u>	LANDS' END BUSINESS OUTFITTERS				
APBWEST	Check	<u>SIN6599498</u>	CITY UNIFORMS	60007.70100.53403	32.16
<u>0277</u>	LIEBERT CASSIDY WHITMORE				
APBWEST	Check	<u>1466299</u>	FY 18-19 Legal Services Billing	60007.70100.52201	592.50
		<u>1466300</u>	FY 18-19 Legal Services Billing	60007.70100.52201	111.00
<u>PUPEN</u>	LIUNA UNION PENSION				
APBWEST	Check	<u>INV023339</u>	PENSION FUND CONT	60007.70100.51209	92.60
<u>VEN01176</u>	METLIFE SMALL MARKET				
APBWEST	Check	<u>INV023336</u>	DENTAL- OCT KM05736666-0001	60007.00000.21603	129.82
Fund 60007 Total:					3,550.02
Fund:	71000 - WATER ENTERPRISE FUND				
<u>0109</u>	AIRGAS USA				
APBWEST	Check	<u>9956096523</u>	MAINTENANCE SUPPLIES	71000.81100.53200	51.74
<u>0122</u>	ARNOLD'S FRONTIER HARDWARE				
APBWEST	Check	<u>086533</u>	FY 18-19 WATER MAINTENANCE SUPPLIES	71000.81100.53200	2.15
		<u>086431</u>	RETURN ON CUTTING TIP	71000.81100.53200	-16.09
		<u>086608</u>	FY 18-19 WATER MAINTENANCE SUPPLIES	71000.81100.53200	26.58
		<u>086673</u>	FY 18-19 WATER MAINTENANCE SUPPLIES	71000.81100.53200	10.94
		<u>086616</u>	FY 18-19 WATER MAINTENANCE SUPPLIES	71000.81100.53200	4.70
		<u>086781</u>	FY 18-19 WATER MAINTENANCE SUPPLIES	71000.81100.53200	6.55
		<u>086639</u>	FY 18-19 WATER MAINTENANCE SUPPLIES	71000.81100.53200	25.17
		<u>086590</u>	FY 18-19 WATER MAINTENANCE SUPPLIES	71000.81100.53200	24.07
		<u>086430</u>	FY 18-19 WATER MAINTENANCE SUPPLIES	71000.81100.53200	16.09
		<u>086613</u>	FY 18-19 WATER MAINTENANCE SUPPLIES	71000.81100.53200	27.07
<u>1200</u>	BLUE DIAMOND MATERIALS				
APBWEST	Check	<u>1305569</u>	STREET MAINTENANCE	71000.81100.53206	108.84
		<u>1305499</u>	STREET MAINTENANCE	71000.81100.53206	165.26
		<u>1307116</u>	STREET MAINTENANCE	71000.81100.53206	108.00
<u>1121</u>	COLANTUONO, HIGHSMITH & WHATLEY, PC				
APBWEST	Check	<u>36541</u>	LEGAL SERVICES- AUG 2018	71000.81100.52201	987.00
		<u>36542</u>	LEGAL SERVICES- AUG 2018	71000.81100.52201	237.39
<u>VEN02229</u>	DEPT OF PUBLIC HEALTH/ENVIRONMENTAL HEALTH				

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Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount
APBWEST	Check	<u>AR0179972-080318</u>	LICENSE FEES 18-19	71000.81100.52001	162.00
<u>0507</u>	DIRECT CONNECTION				
APBWEST	Check	<u>72224</u>	ENVELOPES	71000.81100.53102	324.66
<u>0236</u>	HACH COMPANY				
APBWEST	Check	<u>11124436</u>	Annual manufacturers maintenance	71000.81100.52200	4,400.00
<u>VEN01500</u>	INLAND WATER WORKS SUPPLY CO.				
APBWEST	Check	<u>S1014894.002</u>	Distribution supplies	71000.81100.53200	1,600.07
		<u>S1015657.002</u>	Distribution supplies	71000.81100.53200	242.60
		<u>S1014894.001</u>	Distribution supplies	71000.81100.53200	316.18
		<u>S1015783.002</u>	Distribution supplies	71000.81100.53200	1,384.08
		<u>S1015657.001</u>	Distribution supplies	71000.81100.53200	61.92
		<u>S1016295.001</u>	Distribution supplies	71000.81100.53200	744.60
		<u>S1016441.001</u>	Distribution supplies	71000.81100.53200	492.75
<u>PUPEN</u>	LIUNA UNION PENSION				
APBWEST	Check	<u>INV023339</u>	PENSION FUND CONT	71000.32000.51209	59.00
				71000.40000.51209	22.00
				71000.81100.51209	378.00
<u>1820</u>	TARGET MAILING SERVICES INC				
APBWEST	Check	<u>36490</u>	FY18-19 BPO- MAILING AND WATER BILLING	71000.32000.53101	1,141.51
<u>1799</u>	TYLER TECHNOLOGIES INC				
APBWEST	Check	<u>025-236820</u>	FY 18-19 BPO MONTHLY FEES	71000.32000.52200	180.00
<u>0158</u>	VULCAN MATERIALS COMPANY				
APBWEST	Check	<u>71945258</u>	STREET MAINTENANCE	71000.81100.53206	453.53
<u>0335</u>	WATERLINE TECHNOLOGIES				
APBWEST	Check	<u>5430113</u>	Chlorine Gas Water Treatment	71000.81100.53209	3,488.75
		<u>5430399</u>	RETURNED CYLINDER DEPOSIT	71000.81100.53209	-900.00
Fund 71000 Total:					16,337.11
Fund:	72000 - SEWER				
<u>VEN01485</u>	CALIF. WATER ENVIRONMENTAL ASSOCIATION				
APBWEST	Check	<u>0000461361</u>	CWEA MEMBERSHIP FEE	72000.81200.53409	188.00
<u>PUPEN</u>	LIUNA UNION PENSION				
APBWEST	Check	<u>INV023339</u>	PENSION FUND CONT	72000.32000.51209	22.00
				72000.81200.51209	223.55
<u>1799</u>	TYLER TECHNOLOGIES INC				
APBWEST	Check	<u>025-236820</u>	FY 18-19 BPO MONTHLY FEES	72000.32000.52200	45.00
Fund 72000 Total:					478.55
Report Total:					147,534.46



Packet: APPKT04241 - LIB100918
Vendor Set: 01 - Vendor Set 01

Check Date: 10/03/2018

Vendor Number	Vendor Name	Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
Fund: 10000 - GENERAL FUND							
<u>1644</u>	AMAZON						
APBWEST	Check			<u>968587653874</u>	LIBRARY-various(Books/Ref/Prog/Media/Supplie	10000.90000.53406	14.66
				<u>689688967339</u>	LIBRARY-various(Books/Ref/Prog/Media/Supplie	10000.90000.53406	7.67
<u>0132</u>	BAKER & TAYLOR, INC.						
APBWEST	Check			<u>4012316637</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	24.89
				<u>4012300436</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	4.50
				<u>4012310801</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	49.62
				<u>4012310967</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	64.75
				<u>4012323746</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	43.32
				<u>4012313395</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	11.17
				<u>4012325358</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	0.21
				<u>4012316636</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	468.69
				<u>4012323745</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	1,301.65
				<u>4012310966</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	1,702.85
				<u>4012313394</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	253.47
<u>VEN02614</u>	BIBLIONIX LLC						
APBWEST	Check			<u>4871</u>	Apollo Annual Contract Maintenance	10000.90000.52200	5,095.00
Fund 10000 Total:							9,042.45
Fund: 29005 - LIBRARY GRANTS							
<u>0145</u>	BRODART						
APBWEST	Check			<u>505171</u>	STEAM GRANT	29005.90000.53999	812.44
				<u>CG1879</u>	STEAM GRANT	29005.90000.53999	-133.84
Fund 29005 Total:							678.60
Fund: 39002 - LIBRARY - GIFT AND MEMORIAL							
<u>1644</u>	AMAZON						
APBWEST	Check			<u>745776658655</u>	SUPPLIES	39002.90000.53999	218.99
<u>0132</u>	BAKER & TAYLOR, INC.						
APBWEST	Check			<u>4012296879</u>	BOOKS & REFERENCE	39002.90000.53406	63.66
Fund 39002 Total:							282.65
Fund: 39006 - FRIENDS OF THE LIBRARY DONATION FUND							
<u>1644</u>	AMAZON						
APBWEST	Check			<u>936897473855</u>	RETURN ON BOOKS	39006.90000.53406	-24.46
				<u>453863586886</u>	LIBRARY-various(Books/Ref/Prog/Media/Supplie	39006.90000.53406	5.09
				<u>977486473955</u>	LIBRARY-various(Books/Ref/Prog/Media/Supplie	39006.90000.53406	37.59
				<u>445935479577</u>	LIBRARY-various(Books/Ref/Prog/Media/Supplie	39006.90000.53406	37.94
				<u>659967985574</u>	LIBRARY-various(Books/Ref/Prog/Media/Supplie	39006.90000.53406	121.60
				<u>443873978794</u>	LIBRARY-various(Books/Ref/Prog/Media/Supplie	39006.90000.53406	25.53
				<u>443758893733</u>	LIBRARY-various(Books/Ref/Prog/Media/Supplie	39006.90000.53406	65.65
				<u>459789758937</u>	LIBRARY-various(Books/Ref/Prog/Media/Supplie	39006.90000.53406	27.34
				<u>575446887366</u>	LIBRARY-various(Books/Ref/Prog/Media/Supplie	39006.90000.53406	8.76
				<u>436985566354</u>	LIBRARY-various(Books/Ref/Prog/Media/Supplie	39006.90000.53999	57.38
<u>0132</u>	BAKER & TAYLOR, INC.						
APBWEST	Check			<u>4012300435</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	34.02
				<u>T85942560</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	164.45
				<u>4012325357</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	11.25
				<u>T86128880</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	89.42
				<u>4012310800</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	243.71
				<u>T86128870</u>	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	16.39
Fund 39006 Total:							921.66
Report Total:							10,925.36



City of Sierra Madre Agenda Report

Denise Delmar, Mayor
John Harabedian, Mayor Pro Tem
Rachelle Arizmendi, Council Member
John Capoccia, Council Member
Gene Goss, Council Member

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor and Members of the City Council

FROM: Chris Cimino, Director of Public Works

REVIEWED BY: Gabriel Engeland, City Manager 

DATE: October 9, 2018

SUBJECT: CONSIDERATION OF AWARD OF CONSTRUCTION CONTRACT FOR THE FISCAL YEAR 2018-19 WATER MAIN REPLACEMENT PROJECT TO T.A. RIVARD INC., IN AN AMOUNT NOT TO EXCEED \$1,400,000

STAFF RECOMMENDATION

Staff recommends that the City Council award a construction contract to T.A. Rivard Inc. in an amount not to exceed \$1,400,000 for the base bid plus alternate #1 of the RFP for the Fiscal Year 2018-19 Water Main Replacement Project.

ALTERNATIVES

1. The City Council may award a contract to T.A. Rivard Inc. for the base bid section only of the project , in an amount not to exceed \$874,640.
2. The City Council may award a contract to T.A. Rivard Inc. for the base bid plus both alternates #1 and #2 in an amount not to exceed \$1,580,544.

SUMMARY

Staff completed a Water System Master Plan in 2017. The Plan evaluated every water main in the City's distribution system and prioritized replacement based on leak frequency, age of pipe, type of material, water pressure and likelihood of future failure. From the report staff identified 32 water mains in need of immediate replacement. This led the City Council to initiate an aggressive water main replacement program.

Since the Water System Master Plan was completed the City has replaced four of the most degraded water mains and designed plans for an additional eighteen segments (blocks) of water mains for replacement. Along with the eighteen segments designed

the City added two small cul-de-sacs to the list. As a result, on September 12, 2017 the City Council approved of an aggressive water main replacement project starting this current fiscal year. Onward Engineering designed eighteen total segments (blocks) of water mains for replacement. Staff's recommendation covers eleven of the eighteen designed segments for a total of \$1,340,644. The base bid and Alternate #1 is an area that was originally installed together in the Sierra Madre Valley View track that was built before 1955.

At the current rate of leaks replacing both the base and alternate #1 will reduce the frequency of leaks in the system by up to 35%.

Staff solicited bids for the construction replacement of the following water mains.

Base bid;

1. Santa Anita Court from Sierra Place to Rancho Road,
2. South Canon cul-de sac,
3. Oak Meadow cul-de-sac,
4. San Gabriel Court from Sierra Place to Holdman Avenue,
5. Colony Avenue,

Alternate #1;

6. Holdman Avenue,
7. Fane Street,
8. San Gabriel Court from Colony Avenue to Rancho Road,
9. Rancho Road from Sierra Madre Blvd. to San Gabriel Court,

Alternate #2;

10. West Montecito Avenue from Auburn Avenue to Baldwin Avenue,
11. Winsor Lane.

Staff has plans and specifications for the remaining eight segments ready for Fiscal Year 2019-2020. Staff will also recommend a design of the City's next water main replacement project for the following fiscal year so we can continue the program.

ANALYSIS

Staff solicited bids for construction of the Fiscal Year 2018-19 Water Main Replacement Program on August 15, 2018. Bids were publicly opened at Sierra Madre City Hall at 2:00 pm on September 24, 2018. Eight bids were received. All bids received were well under the City Engineer's estimate of \$3,376,000.

Staff also directed the City Engineer to have in the bid schedule two different types of pipes to be installed. There is the industry standard Ductile Iron pipe and a less expensive C-900 Poly Vinyl Chloride Pipe in the bid schedule. The actual savings for

the C-900 pipe was a savings of \$101,050 with the lowest bid.

The following are the bid results.

BIDDER	TYPE	BASE BID	ALTERNATE 1	ALTERNATE 2	TOTAL
T.A Rivard Inc.	DIP C-900	\$945,890 \$874,640	\$495,804 \$466,004	\$239,900 \$239,900	\$1,681,594 \$1,580,544
Steven Doreck Equipment	DIP C-900	\$1,020,810 \$949,750	\$495,001 \$470,001	\$945,196 \$874,640	\$1,752,796 \$1,646,401
MNR Construction	DIP C-900	\$1,511,705 \$1,453,955	\$802,678 \$772,878	\$389,300 \$376,000	\$2,703,683 \$2,602,833
Dominquez General Eng.	DIP C-900	\$1,360,350 \$1,248,850	\$501,708 \$442,108	\$243,100 \$235,200	\$2,105,258 \$1,926,158
William Bonadiman	DIP C-900	\$1,452,650 \$1,351,300	\$742,456 \$696,356	\$335,100 \$324,200	\$2,530,206 \$2,371,856
Cedro Construction	DIP C-900	\$1,474,898 \$1,424,723	\$731,565 \$704,485	\$416,616 \$397,510	\$2,623,079 \$2,526,718
JA Salazar Construction	DIP C-900	\$1,382,060 \$1,324,885	\$733,816 \$702,976	\$386,000 \$370,050	\$2,501,876 \$2,397,911

Staff is recommending the installation of the C-900 pipe. The C-900 Pipe is installed throughout the country with the support of the industry, and has become a common and trusted material. The C-900 is installed in the same manner as the DIP type pipe.

Staff is recommending the lowest responsive bidder; T.A. Rivard Inc., at a price not to exceed \$1,400,000, which includes a 5% contingency for unforeseen issues the City may discover during the installation. T.A. Rivard was the contractor for the City's last water main replacement on Sierra Place and Manzanita Avenues. That project was completed without any problems and only one change order that was suggested by staff for extra asphalt repairs to the existing water repair patches on the streets. For this project, City staff covered this issue in the current plans and specs so there would not be a change or addition. Staff is comfortable asking for a 5% (\$60,000) contingency for this project.

FINANCIAL REVIEW

The bid for accomplishing the recommended main replacements exceeds the amount of funding available in the Fiscal Year 2018-19 Budget. Staff believes the \$200,000 additional expenditure is warranted and recommended due to the age and condition of the water mains in question. The additional funds may be absorbed from the Water Fund budget through a change in operations or a budget adjustment may be necessary. If a budget adjustment is required it will come before Council as a mid-year or 3rd quarter budget adjustment.

CEQA / ENVIRONMENTAL

This project, consisting of the replacement of existing water mains with similarly sized pipelines, is categorically exempt from review under CEQA pursuant to Guidelines section 15302, subdivision (c), which exempts “replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced, including... (c) Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity.”

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City’s website at www.cityofsierramadre.com.
Attachment:



City of Sierra Madre Agenda Report

Denise Delmar, Mayor
John Harabedian, Mayor Pro Tem
Rachelle Arizmendi, Council Member
John Capoccia, Council Member
Gene Goss, Council Member

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor Delmar and Members of the City Council

FROM: Vincent Gonzalez, Planning & Community Preservation Director 

REVIEWED BY: Gabe Engeland, City Manager 

DATE: October 9, 2018

SUBJECT: **FIRST READING OF ORDINANCE 1404 AMENDING TITLE 17 ("ZONING"), CHAPTER 17.22 ("SECOND UNITS") OF THE SIERRA MADRE MUNICIPAL CODE, OMITTING THE PERIODIC INSPECTION REQUIREMENT FOR A SECOND UNIT PERMIT.**

STAFF RECOMMENDATION

Staff recommends that the City Council introduce, waive reading in full, and authorize reading by title only of Ordinance 1404, Municipal Code Text Amendment 18-02, amending Chapter 17.22 ("Second Units"), Section 17.30.130 ("Recordation"), omitting the periodic inspection requirement for a second unit permit.

ALTERNATIVES

1. Keep covenant, but remove language in the zoning code regarding periodic inspections as the City already has this right to inspect a property when a code violation is suspected.
2. Take no action – retaining the language in the zoning code regarding periodic inspections.
3. Provide further direction to staff.

SUMMARY

At the July 31, 2018 meeting, the City Council discussed the City's regulations requiring a deed restriction and covenant for second unit permits. At the conclusion of the discussion the City Council directed staff to retain the language in the covenant and to amend the Second Unit ordinance by omitting the requirement for periodic inspections. The City Council determined that the amendment would not reduce the ability of the City to ensure compliance with City ordinances and applicable building and fire codes.

Staff is recommending that the City Council adopt Ordinance 1404, Municipal Code Text Amendment 18-02, by amending Title 17 (“Zoning”), Chapter 17.22 (“Second Units”), Section 17.22.130 (“Recordation”), of the Sierra Madre Municipal Code by omitting the periodic inspection requirement for second unit permits.

ANALYSIS

Background

The City of Sierra Madre 2014-2021 update of the Housing Element included a proactive program to promote the development of new second units and to legalize existing second units which met certain criteria through an amnesty program. The California Department of Housing and Community Development also recognizes second units as affordable housing units which are counted toward the City’s Regional Housing Needs Assessment allocations.

The City of Sierra Madre also recognizes that second units are a valuable form of housing. Second units provide housing within existing neighborhoods for family members, elderly, in-home health care providers, persons with disabilities and others, at below market rates. Homeowners who create second units benefit from added income and an increased sense of security.

Deed Restriction and Covenant Requirement

One of the provisions of the Second Unit Ordinance requires applicants to file a covenant and deed restriction with the Los Angeles County Assessor’s Office, pursuant to Section 17.22.130 – Recordation. The Second Unit Ordinance also authorizes the City to conduct periodic inspections of second units.

At the July 31, 2018 meeting, the City Council provided staff with the following direction:

1. That the covenant and deed restriction be retained in full, stating that the recordation informs new property owners of the covenant requirements upon transfer of ownership, and that such property owners are bound by the provisions of the covenant; and
2. That the provision in the covenant and deed restriction in Section 9(h) “Prevailing Party,” of said document offers the City certain protections in the event of a potential lawsuit, and
3. Directed staff to omit the language authorizing the City to conduct periodic inspections in Section 17.22.130 – Recordation, since the City already has the right to inspect a property when a code violation is suspected.

The following analysis highlights the proposed amendments to Title 17 (“Second Units”), Section 17.22.130 (“Recordation”) as follows:

Section 17.22.130 – Recordation.

As a prerequisite to obtaining a building permit, the applicant for a second unit permit shall cause to be recorded a covenant or deed restriction (in a form approved by the city attorney) specifying that the second unit will at all times comply with the provisions of this chapter and applicable state law. The recorded covenant shall run with the land, shall set forth the requirements of this chapter, ~~and shall contain provisions implementing the requirements of this chapter, including but not limited to authorizing the city to make periodic inspections to ascertain compliance with the requirements of this chapter~~ and the terms of the recorded covenant, and authorizing the city to abate any violation of this chapter at the cost of the then owner, including that the city may record a lien to recover the cost of such abatement proceedings including all reasonable administrative costs in connection therewith.

FINANCIAL REVIEW / SOURCE OF FUNDING

There is no financial impact related to the municipal code amendment to Title 17, Chapter 17.22. Staff time was incurred in the preparation of the report.

ENVIRONMENTAL (CEQA)

The City Council hereby finds that adoption of the amendments qualify for an exemption from California Environmental Quality Act review pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations as it can be seen with certainty that there is no possibility that the adoption of this Ordinance may have a significant effect on the environment because omitting the regulatory requirement to conduct periodic inspections in order to build a second unit is not likely to result in additional construction beyond that already permissible. Therefore, the City Council concludes that the amendments to Chapter 17.22 will not have a significant effect on the environment.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City’s website at www.cityofsierramadre.com.

Attachments:

Attachment A: City Council Ordinance 1404

Attachment B: Existing Covenant and Second Unit Ordinance

ORDINANCE NO. 1404

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE AMENDING TITLE 17 (“ZONING”), CHAPTER 17.22 (“SECOND UNITS”) OF THE SIERRA MADRE MUNICIPAL CODE, OMITTING THE PERIODIC INSPECTION REQUIREMENT FOR A SECOND UNIT PERMIT.

THE CITY COUNCIL OF THE CITY OF SIERRA MADRE DOES HEREBY RESOLVE:

SECTION 1. Municipal Code Amendment. Section 17.22.130 (“Recordation”) of Chapter 17.22 entitled (“Second Units”) of Title 17 (“Zoning”) is hereby amended as follows:

17.22.130 - Recordation.

As a prerequisite to obtaining a building permit, the applicant for a second unit permit shall cause to be recorded a covenant or deed restriction (in a form approved by the city attorney) specifying that the second unit will at all times comply with the provisions of this chapter and applicable state law. The recorded covenant shall run with the land, shall set forth the requirements of this chapter, ~~and shall contain provisions implementing the requirements of this chapter; including but not limited to authorizing the city to make periodic inspections to ascertain compliance with the requirements of this chapter~~ and the terms of the recorded covenant, and authorizing the city to abate any violation of this chapter at the cost of the then owner, including that the city may record a lien to recover the cost of such abatement proceedings including all reasonable administrative costs in connection therewith.

SECTION 2. Continuity. To the extent the provisions of this ordinance are substantially the same as previous provisions of the Sierra Madre Municipal Code, these provisions shall be construed as continuations of those provisions and not as new enactments.

SECTION 3. Severability.

If any part of this chapter is declared to be invalid or unenforceable, the city council declares that such invalidity shall be severable, and that it would have adopted every other provision hereof without regard to such invalidity.

SECTION 4. CEQA Finding. The City Council hereby finds that adoption of the amendments qualify for an exemption from California Environmental Quality Act review pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations as it can be seen with certainty that there is no possibility that the adoption of this Ordinance may have a significant effect on the environment because omitting the regulatory requirement to conduct periodic inspections in order to build a second unit is not likely to result in additional construction beyond that already permissible. Therefore, the City Council

concludes that the amendments to Chapter 17.22 will not have a significant effect on the environment.

SECTION 5. Effective Date. This ordinance is adopted by the City Council and shall take effect 30 days after adoption. This Ordinance and the City Clerk's certification, together with proof of publication, shall be entered in the Book of Ordinances of the City Council.

SECTION 6. Certification. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

PASSED, APPROVED AND ADOPTED, this ____ day of _____, 2018

Denise Delmar, Mayor

ATTEST:

Sue Spears, City Clerk

I, Sue Spears, City Clerk of the City of Sierra Madre, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Sierra Madre held on the ____ day of _____ 2018, and was adopted at its regular meeting of _____, 2018 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

**RECORDING REQUESTED BY
CITY OF SIERRA MADRE**

WHEN RECORDED MAIL TO

City Clerk
City of Sierra Madre
232 W. Sierra Madre Blvd.
Sierra Madre, CA 91024

No Recording Fee—Exempt
Pursuant to Government Code Section 6103

Space above this line for recorder's use

DEED RESTRICTION AND COVENANT

RECITALS

- A. THIS DEED RESTRICTION AND COVENANT ("Deed Restriction") is made as of _____, 201_ (the "Effective Date") by and between _____, ("Grantors") and the City of Sierra Madre, a municipal corporation (the "City").
- B. Grantor is the owner of certain real property (the "Property") located in the City of Sierra Madre, County of Los Angeles, State of California, and more particularly described on Exhibit A attached hereto and more commonly known as 150 S. Baldwin Avenue, Sierra Madre, California.
- C. Pursuant to Chapter 17.22 of the Sierra Madre Municipal Code, the Grantors desire to obtain a building permit to construct on the Property a second unit, as defined in Section 17.22.020 of the Municipal Code (the "Second Unit").
- D. Pursuant to Section 17.22.130, any owner of a property with a second unit constructed pursuant to Chapter 17.22 must record a deed restriction or covenant against the property.
- E. The Grantors agree to comply with Chapter 17.22 (Second Unit Ordinance) of the Sierra Madre Municipal Code, as a copy of which is attached as Exhibit B and incorporated by reference, as a condition of obtaining a building permit for a second unit on the Property.

NOW, THEREFORE, Grantors agree to this Deed Restriction pursuant to the terms contained herein:

1. Building Permit. In recognition of the City's consideration of a building permit to the Grantor to construct the Second Unit, Grantors hereby agree to the terms and conditions of this Deed Restriction and to record this Deed Restriction as a covenant running with the land in perpetuity.

2. Restriction on Rentals. Consistent with the residential zoning restrictions prohibiting hotel, motel or bed and breakfast type uses, Grantor agrees that the Second Unit may only be rented or leased for periods exceeding 30 days; no "short term rentals," e.g., rentals for periods of less than 30 days, including but not limited to, so-called vacation rentals or "Air BNB" uses are permitted.

3. Violations. Grantors agree if the City is required to abate any violations of this Deed Restriction, the costs of such abatement, including any and all administrative costs, court costs and attorneys' fees shall be the responsibility of the Grantors, and the City may record a lien against the Property to recover such costs of any abatement proceedings.

4. Running with the Land. The execution of this Deed Restriction by the Grantors shall constitute an agreement with the City of each provision, term and condition contained herein and shall be recorded as a covenant running with the land and which shall be binding in perpetuity upon the Property, the Grantors, and the heirs, devisees, assigns, transferees, and successors in interest of the Grantors.

5. Subsequent Transfers. Grantors agrees to incorporate (including incorporation by reference) the terms of this Deed Restriction in any deed or other legal instrument by which Grantors divests itself of any interest in all or a portion of the Property, including, without limitations, a leasehold interest. The failure of Grantors to perform any act provided in this section shall not impair the validity of this Covenant or limit its enforceability in any way.

6. City's Remedies. If the City determines that Grantors are in violation of the terms of this Deed Restriction or that a violation is threatened, the City shall give written notice to Grantors of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Property resulting from any use or activity inconsistent with the purpose of this Deed Restriction, to restore the portion of the Property so injured. If Grantors fail to cure the violation within 30 days after receipt of notice thereof from the City, or under circumstances where the violation cannot reasonably be cured within a 30-day period, fails to begin curing such violation within the 30-day period, or fails to continue diligently to cure such violation until finally cured, the City may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Deed Restriction, to enjoin the violation by temporary or permanent injunction, to recover any damages to which it may be entitled for violation of the terms of this Deed Restriction or injury to any protected value, including damages for any loss thereof, and to require the restoration of the Property to the condition that existed prior to any such injury. If the City, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the protected values of the Property, the City may pursue its remedies under this paragraph without waiting for the period provided for cure to expire. The City's rights under this paragraph apply equally in the event of either actual or threatened violations of the terms of this Deed Restriction, and Grantor agrees that the City's remedies at law for any violation of the terms of this Deed Restriction are inadequate and that the City shall be entitled to the injunctive relief described in this paragraph, both prohibitive and mandatory, in addition to such other relief to which the City may be entitled,

without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. The City's remedies described in this paragraph shall be cumulative and shall be in addition to all remedies now or thereafter existing at law or in equity.

7. City's Discretion. Enforcement of the terms of this Deed Restriction shall be at the discretion of the City, and any forbearance by the City to exercise its rights under this Deed Restriction in the event of any breach of any term of this Deed Restriction by Grantor shall not be deemed or construed to be a waiver by the City of such term or of any subsequent breach of the same or any other term of this Deed Restriction or of any of the City's rights under this Deed Restriction. No delay or omission by the City in the exercise of any right or remedy on any breach by Grantors shall impair such right or remedy or be construed as a waiver.

8. Costs and Taxes. Grantors retain all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Property. Grantors shall pay any and all taxes, assessments, fees, and charges levied by competent authority on the Property or on this Deed Restriction. It is intended that this Deed Restriction constitutes an enforceable restriction within the meaning of Article XIII, Section 8 of the California Constitution and that this Deed Restriction qualifies as an enforceable restriction under the provisions of California Revenue and Taxation Code Section 402.1.

9. General Provisions.

(a) Controlling Law. The interpretation and performance of this Deed Restriction shall be governed by the laws of the State of California.

(b) Severability. If a court or competent jurisdiction voids or invalidates on its face any provision to other persons or circumstances.

(c) No Forfeiture. Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.

(d) Captions. The captions in this instrument have been inserted solely for convenience of reference, are not a part of this instrument, and shall have no effect upon construction or interpretation.

(e) Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the subject matter hereof. There are no representations or promises made to any party hereto concerning the subject matter of this Deed Restriction except as set forth herein. It is expressly understood by each of the parties that this Deed Restriction may not be altered, amended, modified, or otherwise changed in any respect or particular whatsoever, except by a writing executed by each Party hereto which expressly refers to this paragraph.

(f) Construction. Each of the parties represents and warrants that it has been represented in the negotiations for, and in the preparation of, this Deed Restriction by counsel of its own choosing, that it has read this Deed Restriction or has had it read to it by its attorney, and that it is fully aware of and understand its contents and its legal affect. Accordingly, this Deed Restriction

shall not be construed against any party, and the rule of construction that a Deed Restriction is construed against the party by which it is drafted shall not apply.

(g) Governing Law. This Deed Restriction shall be interpreted in accordance with the laws of the State of California, as applicable to residents of the state.

(h) Prevailing Party. If any party to this Deed Restriction initiates any proceeding to enforce, interpret, defend, defend against, or establish the applicability or validity of this Deed Restriction, the party which is determined by the court or administrative body to be the prevailing party in such proceeding shall be entitled to an award of its attorneys' fees and costs, in addition to any other relief provided by law.

(i) Notice. Any notice required by this Deed Restriction shall be given in writing by personal delivery or overnight delivery of a reputable courier for receipt on a business day to:

THE CITY

City of Sierra Madre
Planning & Community Preservation Department
232 W. Sierra Madre Blvd.
Sierra Madre, California 91024

GRANTORS

James Watson and Kathy Watson

150 S. Baldwin Avenue

Sierra Madre, CA 91024

(j) Counterparts. This Deed Restriction may be executed in any number of counterparts, each of which so executed shall be deemed an original of the Deed Restriction. These counterparts shall together constitute one Deed Restriction. The execution of this Deed Restriction by any of the parties will not become effective until the counterparts have been duly executed by all the parties.

(k) Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Deed Restriction shall be liberally construed in favor of the grant to effect the purpose of this Deed Restriction and the policy and purpose California Government Code Sections 51070-51097. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purpose of the Deed Restriction that would render the provision valid shall be favored over any interpretation that would render it invalid.

IN WITNESS WHEREOF, the parties have set their hands as of the date and date first above written.

GRANTORS

EXHIBIT A

Legal Description

EXHIBIT B

Urgency Ordinance 1383-U
Municipal Code Text Amendment 16-04
Effective Date: December 13, 2016

Chapter 17.22 - SECOND UNITS⁽³⁾

Sections:

Footnotes:

--- (3) ---

Editor's note— Ord. No. 1383-U, adopted Dec. 13, 2016, repealed Ch. 17.22 in its entirety and enacted new provisions to read as herein set out. Former Ch. 17.22, §§ 17.22.005—17.22.170 pertained to similar subject matter and derived from Ord. No 1368, § 1(Exh. A), adopted Nov. 24, 2015. See the Code Comparative Table for a complete derivation.

17.22.005 - Findings and determinations.

The city council finds and determines:

- A. Assembly Bill 1866, signed into law on September 29, 2002 by the Governor of the state of California and effective January 1, 2003, affecting, among other provisions of state law, California Government Code Sections 65852.2 and 65583.1, requires that as of July 1, 2003, all applications for second units be considered ministerially without discretionary review or hearing.
- B. Senate Bill 1069, signed into law on September 27, 2016 by the Governor of the state of California and effective January 1, 2017, affecting, among other provisions of state law, California Government Code Sections 65582.1, 65852.2, 65583.1, 65589.4, 65852.150, 66412.2, 65852.2, introduces new development standards including allowable floor area, garage conversion requirements, setback provisions, rental restrictions, fire sprinkler requirements, and utility connections.
- C. Various provisions of state law relating to the housing goals, objectives and needs, including regional housing needs, and requirements pertaining to the provision of affordable housing as applicable to the city, are affected by the requirements of Assembly Bill 1866 and the effect thereof on second housing units on residentially zoned property in the city.
- D. The city finds that second dwelling units are a valuable form of housing. Second units provide housing within existing neighborhoods for family members, elderly, in-home health care providers, persons with disabilities and others, at below market rates. Homeowners who create second units benefit from added income and an increased sense of security.
- E. The limitations set forth herein are necessary to protect the health and welfare of residents, and do not jeopardize the city's obligation to comply with Government Code Sections 65852.2 and 65583.1.

(Ord. No. 1383-U, 12-13-16)

17.22.010 - Purpose.

The purpose of this chapter is to implement Assembly Bill No. 1866, Chapter 1062 of Stats. 2002. It is also the purpose of this chapter to allow for an increase in the supply of affordable housing in the city in conformance with the goals and policies of the housing element of the Sierra Madre general plan. It is the intent of the city to encourage secondary dwelling units and impose standards to enable homeowners to create second units that will not aggravate or create neighborhood problems. In doing so, and to ensure that no avoidable adverse impacts on the public health, safety, and general welfare result from the creation of a

second unit, this chapter provides standards for the approval of such second units that limit the circumstances under which second units may be permitted consistent with the findings and determinations set forth in Section 17.22.005 and the purposes of this chapter.

(Ord. No. 1383-U, 12-13-16)

17.22.020 - Definitions.

For the purpose of this chapter, a "second unit" also known as an "accessory dwelling unit," means an attached or a detached residential dwelling unit which provides complete independent living facilities for one or more persons. It shall include permanent provisions for living, eating, cooking, sanitation, and shall have no more than one bedroom and shall be located on the same parcel as the single-family dwelling is situated.

"Converted" or "conversion" means the repurposing of all or a portion of an existing structure as a second unit entirely within the existing structure building envelope and in accordance with all requirement residential building and construction standards set forth in the applicable California Building Codes.

"Short-term rental" refers to a rental whereby a residence or a portion of a residence is rented to a tenant for a period of less than thirty days.

(Ord. No. 1383-U, 12-13-16)

17.22.030 - Permitted areas.

One second unit shall be permitted only on residentially zoned lots with the following limitations: (i) no second unit shall be permitted on a lot having an existing guest house; (ii) no lot with a second unit shall be permitted to have a guest house; (iii) no existing guest house may be converted to a second unit except with full compliance with this chapter; and (iv) neither the primary residential dwelling unit nor the second unit shall be a mobile home, trailer, or vehicle; (v) no garage which satisfies the parking requirements of the primary unit shall be converted to a second unit without providing alternative required parking on-site.

(Ord. No. 1383-U, 12-13-16)

17.22.040 - Standards of development—Generally.

All "second units" shall comply with the standards of development set forth in the following sections.

(Ord. No. 1383-U, 12-13-16)

17.22.050 - Allowable floor area.

- A. The total floor area of all buildings on the lot, including the second unit, shall not exceed the maximum floor area otherwise allowed in accordance with this title.
- B. An attached second unit shall not exceed fifty percent of the existing living area (including a basement and attic) of the single family dwelling or one thousand two hundred square feet, whichever is less.
- C. The maximum floor area for a detached second unit shall not exceed one thousand two hundred square feet.

(Ord. No. 1383-U, 12-13-16)

17.22.060 - Height.

The maximum height of a detached new second unit shall be fifteen feet as measured in accordance with the height provisions of the underlying residential zone.

17.22.070 - Parking.

One on-site parking space shall be designated for the second unit in addition to the required on-site parking for the primary dwelling unit. In order to accommodate required parking on site, parking for a second unit may be allowed in setback areas (in locations determined by the city) and through tandem parking.

(Ord. No. 1383-U, 12-13-16)

17.22.080 - Access and facilities.

All new second units shall have a separate entrance and contain a separate kitchen and bathroom facility.

(Ord. No. 1383-U, 12-13-16)

17.22.085 - All other standards.

Except as specifically provided in this chapter, all second units shall comply with all other provisions of this code applicable to the residential zone in which it is located, except as follows:

- A. New second units located on a reversed corner lot shall provide a minimum setback along the secondary frontage equal to the front yard setback of the underlying zone.
- B. The minimum required side yard setback of an existing accessory structure being converted to a second unit on a reversed corner lot shall be the same as that of the primary structure along the secondary frontage.

(Ord. No. 1383-U, 12-13-16)

17.22.090 - Owner occupancy required.

The owner of the lot on which the second unit is located shall maintain either the primary single family dwelling unit or the second unit as his/her/their principal domicile as long as the second unit exists on the lot.

(Ord. No. 1383-U, 12-13-16)

17.22.095 - Rental restrictions.

No second unit shall be used as a "short term" rental.

(Ord. No. 1383-U, 12-13-16)

17.22.100 - Utilities.

Second units shall not have separate utility connections, but shall receive all utilities via the pre-existing principal unit, with the exception of telephone, cable television, and computer modem lines or other communication facilities.

(Ord. No. 1383-U, 12-13-16)

17.22.110 - Ownership.

The second unit may not be owned separately, or sold or hypothecated separately, from the primary dwelling unit, but may be rented or leased for a period not to exceed one-year terms.

(Ord. No. 1383-U, 12-13-16)

17.22.120 - Conversion of existing structures into second units.

A. Prior to the approval of a second unit permit for the conversion of an existing structure for which there is no record of a building permit being issued, satisfactory completion of a safety inspection by the city's building official and fire department is required. An applicant must commit to upgrade the second unit to health and safety codes in order to be granted approval of a second unit permit, including without limitations the following items:

1. Independent entrance to second unit.
2. Direct access to exterior of building from bedroom (door or window).
3. Adequate light and ventilation in each habitable room.
4. Minimum seven-foot-high ceiling in all rooms, kitchens, halls, and baths.
5. Properly installed electrical wiring including separate access to electrical shut off.
6. Structural Integrity:

- a. Foundation not cracked, damaged, or shifting.
 - b. Framing not sagging or deteriorated.
7. Comfort Heating:
- a. Heating as required per the building code.
 - b. Separate access to gas shut-off, if applicable.
8. Working Plumbing:
- a. Kitchen and bathroom facilities with hot water.
 - b. Water heater strapped and properly vented.
 - c. Connection to approved sewage system.
9. Fire Safety:
- a. Hallways serving sleeping rooms must have smoke and carbon monoxide detectors.
 - b. Each sleeping room must have a smoke detector.
- B. Once an inspection by the city's building official and fire department occurs, the applicant is required to correct those items that are identified as violating current health and safety codes for the structure's current use even in the event that the applicant decides to withdraw the second unit permit application.

(Ord. No. 1383-U, 12-13-16)

17.22.130 - Recordation.

As a prerequisite to obtaining a building permit, the applicant for a second unit permit shall cause to be recorded a covenant or deed restriction (in a form approved by the city attorney) specifying that the second unit will at all times comply with the provisions of this chapter and applicable state law. The recorded covenant shall run with the land, shall set forth the requirements of this chapter, and shall contain provisions implementing the requirements of this chapter, ~~including but not limited to authorizing the city to make periodic inspections to ascertain compliance with the requirements of this chapter~~ and the terms of the recorded covenant, and authorizing the city to abate any violation of this chapter at the cost of the then owner, including that the city may record a lien to recover the cost of such abatement proceedings including all reasonable administrative costs in connection therewith.

(Ord. No. 1383-U, 12-13-16)

17.22.140 - Permit process.

All proposed second dwelling units are subject to review for compliance with the terms of this chapter by the director of planning and community preservation. A second unit application must be submitted to the city along with the appropriate fee as established by the city council by resolution in accordance with applicable law, and a list, in a form required by the city for property owner notifications, of property owners within a three-hundred-foot radius of the property on which the second unit is proposed. Property owners within a three-hundred-foot radius of the property for which a new second dwelling application is made shall be notified in writing of the second dwelling unit application at least twenty days prior to the date of the director's action on the second unit permit application. The director shall complete the review of the application for a second unit permit within thirty days of receipt of a complete submission. Review of, and the denial of or granting of, an application for a second unit permit by the city is a ministerial action. The director shall not approve an application for a second unit permit or issue a second unit permit unless the proposed second unit complies with the requirements of this chapter. The decision of the director shall be final and conclusive. An applicant who obtains a second unit permit shall be required to obtain a building permit for the second unit. This chapter is not intended to amend the California Environmental Quality Act requirement relating to historic resources.

(Ord. No. 1383-U, 12-13-16)

17.22.150 - Permit termination.

A second unit permit validly issued pursuant to this chapter shall terminate when any one or more of the following occur: (1) the permit is not used within one hundred eighty days from the date of permit issuance; (2) the permit has been abandoned or discontinued for one hundred eighty consecutive days; (3) the second unit owner files a declaration with the director of planning and community preservation that the permit has been abandoned or discontinued and the second unit has been removed from the property; (4) the permit has expired by its terms; or (5) the permit has been revoked as provided in Section 17.22.160.

(Ord. No. 1383-U, 12-13-16)

17.22.160 - Permit revocation.

In the event (i) a second unit permit was obtained by fraud or misrepresentation, or (ii) a permitted second unit dwelling is used, operated, or maintained in violation of this chapter or applicable state or federal law, or (iii) the second unit has been used or is being used in a manner so as to constitute a public nuisance, the director of planning and community preservation, on not less than ten days' written notice to the second unit owner, may hold a permit revocation hearing which shall be heard by a hearing officer in accordance with applicable law. The director and the second unit owner shall each be permitted to present evidence with respect to the proposed permit revocation. The hearing officer shall issue a written decision within ten days of the conclusion of the hearing. The decision of the hearing officer shall be final. Upon revocation the second unit shall be removed; provided, however, if at the time of revocation there are tenants occupying the second unit pursuant to a valid and binding rental or lease agreement that is consistent with the provisions of this chapter, such tenants shall be permitted to continue to occupy the second unit until the expiration or earlier termination of the rental or lease agreement, and upon such expiration or earlier termination the second unit shall be removed. Nothing herein shall preclude or prevent the city from undertaking any other enforcement action with respect to the second unit which the city is otherwise authorized under this code or applicable state or federal law, including but not limited to the abatement of public nuisances.

(Ord. No. 1383-U, 12-13-16)

17.22.170 - Severability.

If any part of this chapter is declared to be invalid or unenforceable, the city council declares that such invalidity shall be severable, and that it would have adopted every other provision hereof without regard to such invalidity.

(Ord. No. 1383-U, 12-13-16)



Denise Delmar, Mayor
John Harabedian, Mayor Pro Tem
Rachelle Arizmendi, Council Member
John Capoccia, Council Member
Gene Goss, Council Member

City of Sierra Madre Agenda Report

Sue Spears, City Clerk
Michael Amerio, City Treasurer

TO: Honorable Mayor and Members of the City Council

FROM: Rebecca Silva-Barrón, Community Services Manager

REVIEWED BY: Gabriel Engeland, City Manager *MEY*

DATE: October 9, 2018

SUBJECT: **COMMUNITY SERVICES COMMISSION UPDATE REGARDING
KERSTING COURT REMODEL PROJECT**

RECOMMENDATION

It is recommended that the City Council provide staff with direction.

SUMMARY

At a previous Council meeting staff was directed to bring back an update presented by the Community Services Commission as it relates to the Kersting Court Remodel Project.

Over the course of this past year, the Community Services Department worked with the Commission and established a Steering Committee formed by current Commission Chair, David Ouch; and Vice Chair Tom Sullivan, as well as two Sierra Madre residents.

The Steering Committee met on Wednesday, April 4, 2018 and established the following:

- Committee Member Roles
- Timelines and/or Project Goals
- Steering Committee Future Meeting Dates
- Additional Project Committees including Fundraising/ Outreach/ Design

The Steering Committee met consecutively on Friday, May 4th with City staff and further developed both their Core Goals and Guiding Principles as it applies to the vision for the Kersting Court Project:

Core Goals

1. Compliance of the ADA REPORT
2. Use of Public Art Funds
3. Community Gathering Place
4. Preservation of Existing Character and Elements
5. Sierra Madre Landmark Sign

Guiding Principles

- a. Preservation of the Pepper Tree
- b. Update Existing Kiosk
- c. Preservation of the Bell Tower including adding Historical Educational Component
- d. Maintain Flag Pole
- e. Native Drought Landscaping and Plentiful Seating

ANALYSIS

The Steering Committee has served as a project advisory group on behalf of the Community Services Commission for the said project goals and principles.

Steering Committee members will continue to advise and report to City staff and the Commission collectively while leading the efforts to pursue community outreach with the business district and implement fund raising strategies spearheaded by commissioners.

The Community Services Commission will continue providing project updates as needed before council as well as accomplished project milestones.

FINANCIAL REVIEW

The City's Arts in Public Places Funds in the amount of \$57,714 are budgeted for FY 2018-2019 and will be used for the art components incorporated into the project design.

Additionally, subject to review and approval of this item under the Los Angeles County Board of Supervisors Agenda, which is expected to take place this October 2018, the Regional Parks and Open Space District anticipates that grant funds will consequently be awarded for the Kersting Court Remodel in the amount of \$300,000.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process.

Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.



City of Sierra Madre Agenda Report

Denise Delmar, Mayor
John Harabedian, Mayor Pro Tem
Rachelle Arizmendi, Council Member
John Capoccia, Council Member
Gene Goss, Council Member

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor Delmar and Members of the City Council

FROM: James Carlson, Management Analyst *JC*

REVIEWED BY: Gabriel Engeland, City Manager *GE*

DATE: October 9, 2018

SUBJECT: **NOMINATION FOR SAN GABRIEL BASIN WATER QUALITY
AUTHORITY BOARD MEMBER – RESOLUTION 18-53**

STAFF RECOMMENDATION

It is recommended that the City Council:

1. Consider a nomination for Board Member to the San Gabriel Basin Water Quality Authority Board; and
2. Direct staff to send resolution 18-53, naming a nomination for Board Member to the San Gabriel Basin Water Quality Authority.

ALTERNATIVES

1. Council may nominate a Sierra Madre Councilmember to fill the seat.
2. Council may nominate or send a letter of support for the nomination of the Rosemead Mayor Pro Tem Margaret Clark.

SUMMARY

Staff is in receipt of a letter dated August 30, 2018 from the San Gabriel Basin Water Quality Authority which includes a call for nominations for City Councilmembers to be considered for a position on the seven-member board. The letter is included with this report as **Attachment A**. The City is also in receipt of a letter dated October 2, 2018 from Rosemead Mayor Pro Tem Margaret Clark requesting that the Sierra Madre City Council nominate her for the position (**Attachment B**).

Analysis

The San Gabriel Basin Water Quality Authority (WQA) was established by the State Legislature (SB 1679) on February 11, 1989, to develop, finance, and implement groundwater treatment programs in the San Gabriel Basin. The WQA is under the direction and leadership of a seven member board. The Board is comprised of one member from each of the overlying municipal water districts, one from a city with prescriptive water pumping rights, one from a city without the prescriptive water pumping rights, and two members representing water purveyors in the San Gabriel Basin. The cities without prescriptive water pumping rights are defined in the legislation, and include Baldwin Park, Bradbury, Duarte, La Puente, La Verne, Rosemead, San Dimas, San Gabriel, San Marino, Sierra Madre, South El Monte, Temple City, and West Covina. Please note that while Sierra Madre is listed as not having prescriptive pumping rights in the San Gabriel Basin, there is no effect on its pumping rights within the East Raymond Basin.

The current board member representing cities without pumping rights is Valerie Munoz from the City of La Puente and her term expires on January 1, 2019. The thirteen cities listed above must hold an election to fill her seat on December 19, 2018 at the WQA headquarters in West Covina. The nomination period will expire on October 19, 2018.

WQA Functions

The mission statement of the WQA is as follows:

- Accelerate Removal of Containment Mass in the Basin
- Prevent Migration of Containment into the Critical Groundwater Supplies
- Integrate Cleanup with Water Supply
- Minimize Economic Impact to the Public

Since the WQA's inception in 1993, its sponsored projects have been responsible for removing nearly 45 tons of contaminants from the San Gabriel Valley groundwater basin. WQA projects have been responsible for removing more than 50 percent of the total contaminants removed from the basin since the contamination was discovered in 1979. WQA assessments to accomplish cleanup of the San Gabriel Basin have averaged \$7.25 per household per year.

Staff has included the most recent (2016) Annual Report for additional information (**Attachment C**).

Staff is requesting the City Council to consider nominating a Sierra Madre Councilperson to be considered for a position on the board. Resolution 15-53 has been included with this report as **Attachment D** and would be used to nominate a Sierra Madre Councilmember.

Nomination for SG Basin Water Quality Authority Board.

October 9, 2018

Page 3 of 3

City of Rosemead Mayor Pro Tem Margaret Clark was nominated by the Rosemead Council and she is seeking your support. Sierra Madre Council could nominate (with Resolution 18-53) or send a letter of support for Mayor Pro Tem Clark in place of a Sierra Madre representative.

FINANCIAL REVIEW

There is no fiscal impact associated with this item.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.

Attachments (4)

Attachment A: 8/30/2018 Letter from San Gabriel Basin Water Quality Authority

Attachment B: 10/2/2018 Letter from Rosemead Mayor Pro Tem Margaret Clark

Attachment C: WQA Annual Report - 2016

Attachment D: Resolution 18-53



San Gabriel Basin Water Quality Authority

1720 W. Cameron Avenue, Suite 100, West Covina, CA 91790 • 626-338-5555 • Fax 626-338-5775

August 30, 2018

City Manager
CITY OF SIERRA MADRE
232 West Sierra Madre Blvd.
Sierra Madre, CA 91024

**RE: NOMINATIONS FOR WQA BOARD MEMBER AND ALTERNATE
REPRESENTING CITIES WITHOUT PUMPING RIGHTS**

Dear City Manager:

The San Gabriel Basin Water Quality Authority (WQA) was established by the State Legislature (SB 1679) on February 11, 1993 to develop, finance and implement groundwater treatment programs in the San Gabriel Valley. The WQA is under the direction and leadership of a seven member board, one member each from an overlying municipal water district, one from a city with water pumping rights, one from a city without water pumping rights and two members representing water purveyors. Under the WQA's enabling legislation, the term of the board member and alternate representing cities without pumping rights expires on January 1, 2019. An election to fill this seat is scheduled for **December 19, 2018 at 12:00 p.m. at WQA Headquarters.**

Nominations of candidates for the office of Member of the Board of Directors of the San Gabriel Basin Water Quality Authority representing cities without pumping rights may be made by any of the cities without pumping rights listed below, by **resolution** of the city council of such city. Resolutions nominating a candidate must be received by the WQA at least 60 days prior to the election, by October 19, 2018. **Resolutions cannot be accepted prior to September 20, 2018.**

A candidate must be a city council member from a city without pumping rights; however, a city is not limited to nominating its own council members and may vote in the election whether or not it nominated a candidate. Listed below are cities from which city council members are eligible:

CITIES WITHOUT PUMPING RIGHTS

Baldwin Park
La Puente
San Dimas
Sierra Madre
West Covina

Bradbury
La Verne
San Gabriel
South El Monte

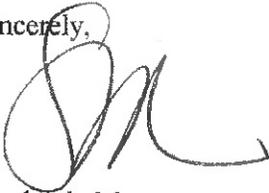
Duarte
Rosemead
San Marino
Temple City

Please find enclosed the "Call for Nominations" form and a sample resolution. Please read through the enclosures and forward copies to your council members. We will accept nominations made only by resolution from September 20, 2018 through October 19, 2018 at 5:00 p.m. Nominations arriving before or after the nomination period will not be accepted.

To ensure that we receive your nominations, please send the resolution by certified mail, FedEx, UPS, etc. with "signature required" or hand deliver to our office Monday through Friday 8:00 a.m. to 12:00 p.m. and 1:00 p.m. to 5:00 p.m. After nominations are collected, a ballot listing the candidates will be sent to cities eligible to vote no later than November 2, 2018.

If I can be of any assistance, please contact me at (626) 338-5555 or at Stephanie@wqa.com .

Sincerely,



Stephanie Moreno
San Gabriel Basin Water Quality Authority
Stephanie@wqa.com

Enclosures

CALL FOR NOMINATIONS
FOR
ELECTION OF CITY MEMBERS AND ALTERNATES FROM
CITIES WITHOUT PUMPING RIGHTS
TO THE BOARD OF THE SAN GABRIEL BASIN WATER QUALITY AUTHORITY
PURSUANT TO SB 1679

CITY: SIERRA MADRE

TO THE CITY COUNCIL:

The election of the city member and alternate of the Board of the San Gabriel Basin Water Quality Authority ("the Authority") from cities without pumping rights will take place at the regular meeting of the Board of the Authority set for December 19, 2018, at 12:00 p.m., at 1720 W. Cameron Ave., Suite 100, West Covina, California.

Nominations for candidates for a city member elected by cities without pumping rights may be made by any city without pumping rights. Each city may nominate only one candidate.

The member and alternate shall be City Council members or Mayors from cities without pumping rights. An alternate member acts in the place, and performs all the duties, of the city member selected by the same cities if that city member is absent from a meeting of the Authority or has vacated his or her office until the vacancy is filled pursuant to the provisions of SB 1679.

No person who, directly or indirectly, at the time of election, receives, or during the two-year period immediately preceding election received, 10 percent or more of his or her income from any person or public entity subject to regulation by, or that received grants from or contracts for work with, the Authority may serve as a member of the Authority.

Your city may nominate one candidate by resolution of the City Council. Your nomination must be submitted to the Authority at least 60, but not more than 90 days preceding the meeting at which the election is to be held.

(SAMPLE RESOLUTION)

If you would like an electronic version of this resolution please email Stephanie Moreno to request one at: stephanie@wqa.com

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF _____, CALIFORNIA
NOMINATING COUNCILMEMBER _____
TO REPRESENT CITIES WITHOUT PRESCRIPTIVE WATER
PUMPING RIGHTS ON THE BOARD OF THE
SAN GABRIEL BASIN WATER QUALITY AUTHORITY**

WHEREAS, on September 22, 1992, Senate Bill 1679 was signed into law by Governor Pete Wilson authorizing the creation of the San Gabriel Basin Water Quality Authority; and

WHEREAS, the Board of the San Gabriel Basin Water Quality Authority is composed of seven members with three appointed members from each of the three municipal water districts, one elected city council person from cities in the San Gabriel Basin with prescriptive water pumping rights, one elected city council person from cities in the San Gabriel Basin without prescriptive water pumping rights, and two members representing water producers in the San Gabriel Basin and;

WHEREAS, the City of _____ is one of the cities in the San Gabriel Basin without prescriptive water pumping rights; and

WHEREAS, the City of _____ may nominate a representative by resolution from September 20, 2018 through October 19, 2018.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF _____,
CALIFORNIA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:**

SECTION 1. The City Council of the City of _____ nominates Councilmember _____ as the representative for cities in the San Gabriel Basin without prescriptive water pumping rights.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2018.

MAYOR:
STEVEN LY

MAYOR PRO TEM:
MARGARET CLARK

COUNCIL MEMBERS:
SANDRA ARMENTA
POLLY LOW



City of Rosemead

8838 E. VALLEY BOULEVARD P.O. BOX 399
ROSEMEAD, CALIFORNIA 91770
TELEPHONE (626) 569-2100
FAX (626) 307-9218

October 2, 2018

Honorable Mayor and Councilmembers
City of Sierra Madre
232 W. Sierra Madre Blvd.
Sierra Madre, CA 91024

Sent Via Email: laguilar@cityofsierramadre.com

Re: Request for Nomination to the San Gabriel Basin Water Quality Authority

Dear Mayor and Councilmembers:

I have always appreciated having your City's nomination and I am asking for it again. My City nominated me to the San Gabriel Basin Water Quality Authority on September 25, 2018 and I am requesting your City's nomination.

As you know, I have represented your city and the other cities without pumping rights on the San Gabriel Basin Water Quality Authority which I lobbied to create in 1993 to oversee the cleanup of our groundwater basin. The period when cities nominate by resolution closes on October 19th and then the cities vote again by resolution November 2, to December 19, 2018.

Our projects have removed over 71 tons of contaminants, and there is still work to be done. I feel I can continue to be your voice on these important environmental issues and water is so complex, especially with the extremely expensive stormwater regulations we are facing. I think it is important for our representative to be involved in the multiple issues we face as we build relationships to make a difference.

Please feel free to call or email me. My cell is (626) 833-6673 and my email is clarkeesc@yahoo.com.

Thanks so much,

Margaret "Maggie" Clark
Mayor Pro Tem, City of Rosemead
Alternate Board Member, San Gabriel Basin Water Quality Authority

Enclosure

Mayor Pro Tem - Margaret Clark

City of Rosemead



Margaret Clark has served on the Rosemead City Council since March 1991, including six terms as Mayor. Prior to her election to the City Council she was a Commissioner on the Rosemead Planning and Traffic Commissions. In addition to her council responsibilities, Margaret has been an active leader in national, state and regional organizations and agencies. She was elected by 88 cities to serve as President of the Los Angeles County Division of the League of California Cities and has been a member of the California Contract Cities Association executive board. Margaret also represents the City of Rosemead on the San Gabriel Valley Council of Governments (SGVCOG) and serves as the first Vice President.

Well respected for her knowledge of water quality and environmental issues, Mrs. Clark was selected by her colleagues from 29 SGVCOG cities to serve as a founding board member on the San Gabriel and Lower Los Angeles Rivers and Mountain Conservancy. She has served as a board member or alternate of the San Gabriel Basin Water Quality Authority since its establishment in 1992 by legislative action to oversee clean-up of one of the largest Superfund sites in the nation. Margaret's environmental credentials also include membership on the National League of Cities Energy, Environment and Natural Resources Committee as well as numerous other environmental committee assignments.

Prior to matriculating from college, Margaret studied in Europe at the University of Bordeaux through the University of California Education Abroad Program. She holds a bachelor's degree and teaching credential from UCLA, where she met her husband Jim. Soon thereafter, they chose Rosemead in which to reside and raise their family. Feel free to send Council Member Clark an e-mail at clarkeesc@yahoo.com or call her at (626) 833-6673.

HISTORY OF CLEANING GROUNDWATER AND ENHANCING THE WATER SUPPLY

Over its 24-year history, San Gabriel Basin Water Quality Authority (WQA) has worked with its partners to clean up 1.45 million acre-feet of contaminated groundwater – enough to meet the water needs of Basin customers for almost five years.

- 2016:** 32 Cleanup Facilities are removing contaminants from the groundwater that have been there since the 1950s or earlier
- 2014:** Acquired General Discharge Permit
- 2013:** Extended WQA mandate through 2030
- 2012:** Secured \$10 million in State funding for four projects
- 2009:** Obtained additional \$50 million for WQA Restoration Fund
- 2000:** H.R. 910, which established the San Gabriel Basin Restoration Fund to facilitate groundwater cleanup, became Public Law 106-554
- 1999:** Spearheaded legislation for \$75 million in Federal funding
- 1995:** WQA's first treatment facility completed in Montevia
- 1994:** Developed Consensus Approach to Integrating both water supply and cleanup programs
- 1993:** WQA established by the State Legislature
- 1983:** The US Environmental Protection Agency (USEPA) declared four Superfund sites in portions of the Metropolitan San Gabriel Basin

Photo: California Department of Water Resources

San Gabriel Basin Water Quality Authority ANNUAL REPORT 2016



Cleaning up the Basin's Groundwater and Providing
a Much Needed Boost to Groundwater Supplies

San Gabriel Basin Water Quality Authority

1720 W. Cameron Ave., Suite 100 | West Covina, CA 91790
Phone: (626) 338-5555 | Email: info@wqa.com | Web: www.wqa.com

 facebook.com/SGBWQA  twitter.com/SGBWQA

BOARD OF DIRECTORS 2017

Jorge Merquez – Chairman
Bob Kuhn – Vice Chairman
Valerie Munoz – Secretary
Tim Miller – Treasurer
Mark Paulson – Board Member
Ed Chavez – Board Member
Michael Whitehead – Board Member

STAFF

Kenneth R. "Ken" Manning – Executive Director
Randy Schoelleman, P.E.
Assistant Executive Director/Senior Engineer
Mary Scanz – Director of Finance
Dan Colby – Project Resource Manager
Stephanie A. Moreno – Executive Assistant, Public Outreach Coordinator
Michelle Sanchez – Administrative and Accounting Assistant
Richard Padilla – Legal Counsel

IMPROVING THE WATER SUPPLY WHILE ENSURING CLEAN GROUNDWATER

A Message from the Executive Director

Cleanup: Helping to Build Water Supply and Independence. By the end of 2016, when the worst drought in California history was winding down, it became clear how critical our groundwater cleanup efforts are in providing and making available clean water to our communities. Since the early 1990s, over 479 billion gallons of water have been treated and made available to customers – enough to meet all the water needs of our region for over five years.

Funding Issues Threaten Progress. The groundwater cleanup has so far removed a total of over 81 tons of contaminants using 52 treatment facilities spread throughout the Basin. This achievement is currently jeopardized by a lack of funding from the Federal government, which has been paralyzed in its ability to follow through with its funding commitments.

As a result, our top priority in 2016 – as in recent years – has been to ensure continued progress in funding from the Responsible Parties and the State, and to seek to break the Federal funding log jam.

"Because of the drought, the more self-sufficient we are in the San Gabriel Basin, the less water we have to import from the Sacramento River Delta or Colorado River, which are more expensive and less reliable sources of water."

Ken Manning, Executive Director

Grants and Funding Successes in 2016. We have successfully assisted local agencies to obtain State Proposition 84 grants and apply for Proposition 1 funding. WQA also helped bring a landmark update of the Baldwin Park Operable Unit agreement to near-completion during 2016. WQA is also working with the United States Bureau of Reclamation and Congress to successfully keep open the possibility of additional Federal appropriations.

Key to Our Shared Success is Our Ability to Work Together. As always, I want to thank our partners who all play critical roles in making our joint achievements possible.



Kenneth R. "Ken" Manning
Executive Director

Cleaning and Protecting the Groundwater Reservoir Beneath Our Feet

Major California Department of Water Resources

LEADING THE CLEAN-UP OF OUR SHARED GROUNDWATER BASIN

Our Focus: Cleaning Groundwater and Increasing Water Supply Independence

WQA develops, finances, coordinates and implements groundwater treatment programs in the Basin. Since 1993, WQA has worked successfully with many partners and the Responsible Parties to detect and clean up contamination in six areas called Operable Units.

WQA Cleanup Programs Benefit our Community

Accelerate Removal of Groundwater Contamination. WQA focuses on projects that will accelerate and advance cleanup activities.

Increase Local Water Supply Independence. The recent drought and limited supplies of imported water show how important it is that the high quality water from the treatment process be used by consumers and not wasted.

Prevent Migration of Contamination into Clean Groundwater Supplies. In some areas, the contamination continues to spread toward and threaten wells. WQA prioritizes cleanup of wells in threatened areas.

Lower Costs for the Public. Cleanup projects can be delayed for years by studies, regulations and litigation. As a result, WQA and local water purveyors pool resources to rapidly get the job done. WQA aggressively pursues outside funding from Responsible Parties as well as the Federal and State governments.

Provide Environmental Benefits. Cleaning and using local groundwater decreases the need to import water from sensitive northern California rivers. It also saves electrical power needed to pump and transport water long distances.

Many Successes to-Date – but Much More to Be Done



The groundwater Basin is a large underground aquifer that provides water to 90 percent of the people living and working in the San Gabriel Valley. Some 1.4 million people depend on the Basin's groundwater, an integral part of a secure water future for the Valley.

Facilities Nearly Complete: Next Challenge is Funding Treatment and Remediation

ASSISTING LOCAL AGENCIES TO OBTAIN STATE FUNDING

With treatment plant construction essentially complete, we are faced with the new challenge of how to fund their long-term operation. Only a quarter of the cost is capital, while 75% of the cost is long-term treatment and remediation, and Federal funding has completely stalled in the last several years.



San Gabriel Valley Water Company's Plant 85.

WQA CONTINUING TO HAVE SUCCESS OBTAINING GRANT FUNDING

\$25 Million Total in Proposition 84 Grants. WQA serves as Vice-Chair for the Upper San Gabriel River and Rio Honda River Subregion of the Greater Los Angeles County Integrated Regional Water Management Group, and in that position has helped the City of Monterey Park recently acquire \$4.15 million in Proposition 84 funding. Including funding from the State Water Board Division of Drinking Water, over time, WQA has helped several local water agencies obtain more than \$25 million from Proposition 84 to fund Capital Projects.

\$900 Million Raised To-Date But More Funding Needed
\$314 MILLION IN UNFUNDED COSTS REMAIN
It is Critical that the Federal Government Step Up and Reinstate Funding

\$2.4 Million in Proposition 1 Grants. The State Regional Water Control Board is administering \$800 million in Proposition 1 Groundwater Cleanup Grants. The State Board staff contacted WQA and asked that we coordinate a meeting with the applicants so that the

State Board could better understand how proposed projects contribute to the completion WQA's 406 Plan. That two-day meeting was held along with site visits to every applicant's project. WQA staff remain in conversation with the State Board staff to answer questions regarding the overall effect of the projects within the Basin.

WQA followed up this work with the State Board by helping three local providers submit pre-applications for Proposition 1 grants.

Seeking to Make Available \$80 Million in Proposition 1 Treatment and Remediation Funding. There is \$80 million reserved in Proposition 1 for treatment and remediation. However, the Attorney General says that this fund can only be used for capital facilities. For much of the year, WQA has been working with WQA consultants, Bond Counsel and the State Board staff to get a favorable resolution to the issue.

LACK OF FEDERAL FUNDING JEOPARDIZES THE CLEANUP AND WATER SUPPLY

Continuing to Press for Increased Federal Appropriations. If WQA is unable to secure additional Federal funding and increased treatment and remediation flexibility in the very near future, a number of high valued groundwater cleanup projects in the San Gabriel Basin may be forced to shut down. This will jeopardize our progress in containing plumes of contaminants and cut off critical local water supplies for the region.

RESTORATION FUND NEARLY DEPLETED WQA IS WORKING TO RESTORE FUNDING

The lack of funding severely limits WQA's ability to reach a fair settlement and contribution from Responsible Parties, and jeopardizes the entire cleanup.

WQA HAS PROTECTED LOCAL RATEPAYERS BY ASSURING THAT OTHERS PAY THEIR FAIR SHARE

Responsible Parties 74.2%

Local 9.6%

State 3.7%

Federal 12.5%



\$70.5 MILLION Appropriated by Congress and Allocated for Cleanup

\$4.5 MILLION LEFT

\$54.5 MILLION Authorized But NOT Appropriated

WQA is Seeking to Get These Funds Appropriated

Collaboration is the Foundation of the Basin Cleanup

Since 1993, WQA has worked successfully with many partners and the Responsible Parties to detect and clean up contamination in six areas called Operable Units. Parties responsible for the contamination are paying a majority of the costs, which are expected to exceed \$1.3 billion by 2036.

WHITTIER NARROWS OPERABLE UNIT (WNNOU)

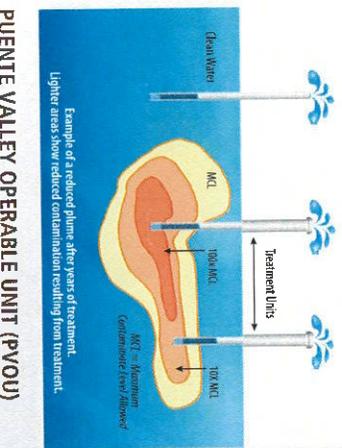
WNNOU Progresses Smoothly Amid Changes. In 2014 the Whittier Narrows operations transitioned from the United States Environmental Protection Agency (USEPA) to the State. WQA has helped overcome regulatory and institutional hurdles, thereby facilitating the transition to the new operator to continue pumping and to complete the needed improvements. WQA assisted in completing the project's Proposition 1 application, and continues to work with all entities to ensure that Whittier Narrows is fully operational as soon as possible.

EL MONTE OPERABLE UNIT (EMOU)

Making Progress Despite Setbacks from Drought and New Contamination Discovery. WQA has assisted with getting grant funds to involved entities and has helped coordinate Proposition 1 grants for Chromium 6 investigations and cleanup. The WQA has also taken a lead role for the work done in Rosemead to construct the pipeline and wells that will eventually transport water to the City of El Monte for cleanup and distribution. Finally, WQA assisted the City and Responsible Parties to obtain permits, which are expected soon.

SOUTH EL MONTE OPERABLE UNIT (SEMOU)

Continued Operations. SEMOU is a fund lead project that requires WQA to obtain funds from USEPA to cover the differential costs associated with groundwater cleanup. Even though WQA entered settlements with the Responsible Parties in the SEMOU, the USEPA has control over the majority of funds for cleanup. WQA works closely with the water purveyors who are doing the work and the USEPA to make sure cleanup continues, and continues pressing for 1,4 Dioxane to be included as part of the final cleanup.



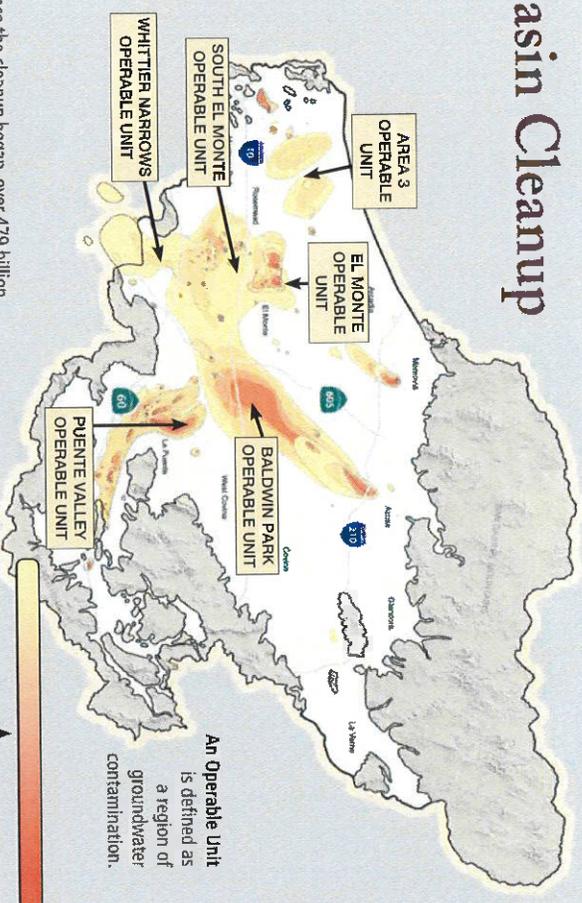
PUENTE VALLEY OPERABLE UNIT (PVOU)

PVOU Shows Benefits of Working Well With Accountable Parties. WQA has been involved with the PVOU process since 2011 and is ramping up its engagement. WQA has approved an \$800,000 matching grant to assist with the project and facilitated a legislative hearing to provide focus to PVOU as well as BPOU and EMOU. That hearing accomplished its purpose – the parties have been on schedule with the project ever since – with a ground breaking scheduled for late 2017 or early 2018. While the remedy is being constructed, San Gabriel Valley Water Company continues to operate its Plants B7 and B11 to halt further migration of the contaminant plume.

NON-OPERABLE UNIT CLEANUPS

Covina Irrigation Company (CIC). WQA has helped CIC obtain Proposition 84 funding for a new reservoir, site improvements, well rehabilitation, as well as Federal funding for a potential treatment process that is still under investigation.

Whitmore Project. WQA added a new extraction well, and retrofitted a monitoring well to restore capacity due to falling groundwater tables during the drought. WQA also received approval for another year of funding from the State Water Resources Control Board. Staff also submitted a Proposition 1 application to investigate contamination around the Whitmore well site.



Since the cleanup began, over 479 billion gallons of water have been treated. This is enough to fill the Rose Bowl over 5,600 times.

“The Baldwin Park Operable Unit is the most effective and largest groundwater cleanup program in the country. WQA is largely responsible for that effective program.”

John Lyons, Acting Deputy Director of USEPA, Region 9

NEARING COMPLETION OF MAJOR BPOU AGREEMENT

BALDWIN PARK OPERABLE UNIT (BPOU)

The BPOU has been the most successful groundwater cleanup program in the country due, to a great extent, to the creation of a landmark agreement first executed in 2002. As a result, the Responsible Parties have paid to build – and are required to continue to provide funding to operate the cleanup facilities for a total of about 15 years under the current agreement through 2017. After several years of intense negotiations, the agreement, close to completion by the end of 2016, was extended for another 10 years.

KEY TERMS OF THE DRAFT AGREEMENT

VALUE TO: \$200 million to \$250 million paid by Responsible Parties.

RATE PAYERS: Responsible Parties.

WHO PAYS: Responsible Parties pay cleanup costs.

WHO DOES THE WORK: Local suppliers continue operating the treatment facilities.

IMPROVEMENTS: More efficient project management structure speeds cleanup and lowers costs.

WQA ROLE: WQA set the environment for successful negotiations by maintaining pressure through supporting a public hearing by Senator Hernandez, publication of advertorials, contribution of bridge funds, and through intensive coordination with USEPA.

Working Together and Keeping the Public Informed

One of WQA's goals is to make sure that the public is updated regularly about the progress being made on groundwater cleanup. This is accomplished through WQA's extensive outreach program.

NEW TOOLS EXPAND OUTREACH TO THE COMMUNITY

This past year WQA added new communication strategies to more effectively communicate with Chinese and Spanish speaking residents, and also to youth. Below are examples of WQA's outreach programs:

- **EcoVoices Summer Outreach to Students.** This science and math-rich hands-on program provides 1,000 young people from eight schools with lessons on San Gabriel River watershed issues, including: groundwater quality, drought preparedness, pollution prevention, and restorative biodiversity. It is delivered in a dynamic and theatrical way that helps students remember and retain what they hear.
- **Advertorials in Multiple Languages.** WQA began publishing advertorials in Spanish and Chinese language newspapers to reach the region's expanding immigrant population.
- **Chinese Television.** The WQA Executive Director initiated a project with the Main San Gabriel Basin Watermaster General Manager to conduct quarterly TV interviews on the status of the drought and other water issues.
- **Website Improvements.** WQA has made improvements to its website, adding content and graphics.
- **Email Blast.** WQA conducted an email blast of its annual report publication to 62,500 people throughout the San Gabriel Valley. It was received by 60,201, with 18,842 opening it and 8,093 reading it. This is a strategy that is cost effective and fast to employ.
- **Children's Hospital.** WQA participated in National Jeans Day for Children's Hospitals, helping raise money for this important cause.



EcoVoices students sample San Gabriel River water.



Advertorials are published in English, Spanish, and Chinese.



Email blasts are an even cost-effective communication tool.

PARTICIPATING IN THE COALITION FOR ENVIRONMENTAL PROTECTION, RESTORATION AND DEVELOPMENT

Because WQA helped develop the original Department of Public Health (DPH) permits on dealing with highly contaminated groundwater (DPH 97-005 permits) and continues to be the primary user of these permits within the region, WQA was asked by the Coalition for Environmental Protection, Restoration and Development (Coalition) to be a part of the discussion on the effectiveness and refinement of the 97-005 DPH policy. The goal is to identify improvements and then work with the legislature and the Department of Drinking Water to implement them through legislation or administrative changes.

Water Quality Authority agreed to participate in and help fund development of these reforms with a group of water agencies that are concerned about Regional Reliability and Sustainability of the water supply.

Participants include: Los Angeles Department of Water and Power, Southern California Edison, Metropolitan Water District of Southern California, City of Long Beach, Orange County Water District, Central Basin Municipal Water District, Water Replenishment District, Southern California Water Committee, Department of Toxic Substances Control, and State Environmental Protection Agency.

OTHER COLLABORATION ACTIVITIES

The WQA Executive Director spoke at or attended the following water conferences and forums:

- Spoke at the Association of Groundwater Agencies (AGWA) Conference in Ontario
- Spoke at the Southern California Water Committee Conference on Drought Response
- Attended the L.A. Water Resource Future at UCLA
- Participated in the San Gabriel Water Forum
- Speaker at the Water 101 Information session



WQA Executive Director Ken Manning speaking at the Water 101 Information session.

RESOLUTION NO. 18-53

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA
MADRE, CALIFORNIA NOMINATING COUNCILMEMBER
_____ TO REPRESENT CITIES WITHOUT PRESCRIPTIVE
WATER PUMPING RIGHTS ON THE BOARD OF THE SAN GABRIEL
BASIN WATER QUALITY AURTHORITY**

WHEREAS, on September 22, 1992, Senate Bill 1679 was signed into law by Governor Pete Wilson authorizing the creation of the San Gabriel Basin Water Quality Authority; and

WHEREAS, the Board of the San Gabriel Basin Water Quality Authority is composed of seven members with three appointed members from each of the three municipal water districts, one elected city council person from cities in the San Gabriel Basin with prescriptive water pumping rights, one elected city council person from cities in the San Gabriel Basin without prescriptive water pumping rights, and two members representing water producers in the San Gabriel Basin and;

WHEREAS, the City of Sierra Madre is one of the cities in the San Gabriel Basin without prescriptive water pumping rights; and

WHEREAS, the City of Sierra Madre may nominate a representative by resolution from September 20, 2018 through October 19, 2018.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, CALIFORNIA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. The City Council of the City of Sierra Madre nominates Councilmember _____ as the representative for cities in the San Gabriel Basin without prescriptive water pumping rights.

PASSED, APPROVED, AND ADOPTED this 9th day of October, 2018.