

AGENDA
REGULAR CITY COUNCIL MEETING
WEINGART BALLROOM
5000 CLARK AVENUE
LAKEWOOD, CALIFORNIA

January 26, 2021

Pursuant to Governor Newsom's Executive Order No. N-29-20, members of the City Council of the City of Lakewood or staff may participate in this meeting via teleconference. While maintaining appropriate social distancing, members of the public may participate in person at 5000 Clark Avenue, Lakewood, California. Public comments and questions pertaining to any item on the agenda will be accepted via email at cityclerk@lakewoodcity.org up to 5:30 p.m. on the day of the meeting. We ask that you please indicate the specific item on which you wish to be heard or whether your comments will be under oral communications.

ADJOURNED MEETING:

6:00 p.m.

CAPITAL IMPROVEMENT PROGRAM FUNDING ALLOCATIONS AND STRATEGIC INFRASTRUCTURE PLANS - Staff recommends City Council appropriate \$4,230,000 from the General Fund, \$131,225 from the Water Fund, and \$286,455 from the SB 2 Grant for the FY20-21 and FY 21-22 capital projects; confirm Priority Order for SIP's; and authorize staff to proceed with soliciting proposals for consulting services to prepare the proposed Strategic Infrastructure Plans.

MAPLE ROOM

CALL TO ORDER

7:30 p.m.

INVOCATION:

PLEDGE OF ALLEGIANCE:

ROLL CALL: Mayor Todd Rogers
Vice Mayor Jeff Wood
Council Member Steve Croft
Council Member Ariel Pe
Council Member Vicki Stuckey

ANNOUNCEMENTS AND PRESENTATIONS:

Presentation by Captain David Sprengel, Lakewood Sheriff's Station, Regarding Quarterly Public Safety Report

ROUTINE ITEMS:

All items listed within this section of the agenda are considered to be routine and will be enacted by one motion without separate discussion. Any Member of Council may request an item be removed for individual discussion or further explanation. All items removed shall be considered immediately following action on the remaining items.

RI-1 MEETING MINUTES - Staff recommends City Council approve Minutes of the Meeting held September 22, October 13, October 27, November 10, November 24, and December 8, 2020

RI-2 PERSONNEL TRANSACTIONS - Staff recommends City Council approve report of personnel transactions.

RI-3 REGISTERS OF DEMANDS - Staff recommends City Council approve registers of demands.

City Council Agenda

January 26, 2021

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ROUTINE ITEMS: - Continued

- RI-4 MEETING REPORTS AND AUTHORIZATIONS PURSUANT TO AB1234 - Staff recommends City Council approve report and authorizations.
- RI-5 MONTHLY REPORT OF INVESTMENT TRANSACTIONS - DECEMBER 2020 - Staff recommends City Council approve monthly report of investment transactions.
- RI-6 RESOLUTION NO. 2021-3; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD EXTENDING A LOCAL EMERGENCY DUE TO THE COVID-19 VIRUS - Staff recommends City Council adopt proposed resolution.
- RI-7 ARCHITECTURAL SERVICES AGREEMENT - DAVID GEORGE + ASSOCIATES - Staff recommends City Council authorize an on-call Architectural Services agreement with David George + Associates, Inc. based upon their FY20-21 rate schedule.
- RI-8 AMEND AGREEMENT FOR HVAC AND REFRIGERATION MAINTENANCE AND REPAIR SERVICES WITH AIRE RITE A/C AND REFRIGERATION, INC. - Staff recommends City Council amend the services agreement with Aire Rite Air Conditioning and Refrigeration, Inc., for a period ending June 30, 2021, to increase the not-to-exceed limit to \$150,000 per year and authorize the Mayor and City Clerk to sign the amendment in a form approved by the City Attorney.
- RI-9 LEASE OF HIGH-SPEED COLOR PRINTER FOR THE CITY PRINT SHOP - Staff recommends City Council authorize the five-year lease of one Ricoh C5300S printer from CBE Office Solutions and authorize the City Manager to sign the contract in a form approved by the City Attorney.
- RI-10 ADDITIONAL CONSULTING SERVICES FOR MAYFAIR WATER CAPTURE PROJECT BY TETRA TECH, INCORPORATED AND WILLDAN ENGINEERING, INC. - Staff recommends City Council approve Amendment #9 to Tetra Tech's contract to provide additional support services during construction for the Mayfair Park Water Capture Project in amount of \$70,012 and authorize the Mayor to sign the Amendment in a form approved by the City Attorney; and authorize Willdan Engineering, Inc. to provide additional Construction Management services during construction for the Mayfair Park Water Capture Project in amount of \$146,520 under their existing on-call Engineering Services Agreement and authorize the Mayor to sign the authorization.

REPORTS:

- 3.1 ANNUAL CITY INVESTMENT POLICY AND QUARTERLY SCHEDULE OF INVESTMENTS - AS OF DECEMBER 31, 2020 - Staff recommends City Council adopt the Investment Policy and receive and file the Quarterly Schedule of Investments for December 31, 2020.
- 3.2 COMMUNITY DIALOGUE ACTION PLAN - Staff recommends the City Council approve the creation of the Council Committee on Race, Equity, Diversity and Inclusion and approve the Community Dialogue Action Plan submitted with this report.

ORAL COMMUNICATIONS:

ADJOURNMENT

In compliance with the Americans with Disabilities Act, if you are a qualified individual with a disability and need an accommodation to participate in the City Council meeting, please contact the City Clerk's Office, 5050 Clark Avenue, Lakewood, CA, at 562/866-9771, ext. 2200; or at cityclerk@lakewoodcity.org at least 48 hours in advance to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

Agenda items are on file in the Office of the City Clerk, 5050 Clark Avenue, Lakewood, and are available for public review during regular business hours. Any supplemental material distributed after the posting of the agenda will be made available for public inspection during normal business hours in the City Clerk's Office. For your convenience, the agenda and the supporting documents are available in an alternate format by request and are also posted on the City's website at www.lakewoodcity.org

COUNCIL AGENDA

January 26, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Capital Improvement Program Funding Appropriations and Strategic Infrastructure Plans

INTRODUCTION

Staff has been working with the CIP Council Committee to develop a CIP Plan for FY 20-21 and FY 21-22. A plan has been developed to recommend a suite of facilities repair and maintenance projects for the City's parks and buildings. An extensive presentation will be made at the Council Study Session on January 26, 2021 to review the recommended projects.

STATEMENT OF FACT

The following project list is recommended for approval and appropriation:

	Additional Appropriations	
	FY 20-21	FY 21-22
General Fund Projects:		
Annual Facilities Projects - Fire & Security	-	\$25,000
Annual Facilities Projects - Fence Replacements	-	\$25,000
Annual Facilities Projects - Park Hardscape	-	\$50,000
Annual Facilities Projects - Roof Maint Program	\$50,000	\$100,000
Pillars of Community Art Piece	\$60,000	-
Equestrian Center Abatement & Demolition	\$300,000	-
San Martin Park Project ¹	\$728,085	-
Mayfair Pool Fence Replacement	\$100,000	-
Mayfair Picnic Shelter Reroofing	\$40,000	-
Palms Game Court Fencing	-	\$75,000
Weingart Sr. Center Floor Coverings	\$50,000	-
PW/CD Shared Space Renovation	\$50,000	-
Bloomfield Activity Building Repairs	\$150,000	-
Electrical Panel and Feeder Replacements	\$700,000	-
ARC Flash Study (Arbor Yd arc flash \$15,000)	\$150,000	-
HVAC Replacements (Water Fund HVAC \$131,225)	\$718,775	-
Roof Replacements (Water Fund Roofs \$85,000)	\$370,000	-
Rynerson Park Picnic Shelter 1	\$275,000	-
Rynerson Park Picnic Shelter 2 - Slab Compete	\$231,000	-
Strategic Infrastructure Plan Sites (SIPs)	\$100,000	\$200,000
Project Contingency	\$157,140	
Total General Fund Appropriations	\$4,230,000	\$475,000
Arbor Yard Roof, Electrical and HVAC - Water Fund	\$131,225	-
PW/CD Counter Replacement - SB 2 Grant Funds	\$286,455	-

RECOMMENDATION

Staff and the CIP Committee Recommend that Council:

1. Appropriate \$4,230,000 from the General Fund, \$131,225 from the Water Fund, and \$286,455 from the SB 2 Grant for the FY20-21 and FY 21-22 capital projects listed above.

2. Confirm Priority Order for SIP's:
 1. Palms Park
 2. Nixon Yard
 3. Del Valle Park
 4. Bolivar Park

3. Authorize staff to proceed with soliciting proposals for consulting services to prepare the proposed Strategic Infrastructure Plans.


Lisa Ann Rapp
Director of Public Works


Thaddeus McCormack
City Manager

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Routine Item 1 - City Council Minutes
will be available prior to the meeting

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COUNCIL AGENDA
January 26, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Report of Personnel Transactions

	<u>Name</u>	<u>Title</u>	<u>Schedule</u>	<u>Effective Date</u>
1. FULL-TIME EMPLOYEES				
A. Appointments				
	Lisa Dalmatoff	Administrative Clerk	08A	01/10/2021
B. Changes				
	None			
C. Separations				
	None			
2. PART-TIME EMPLOYEES				
A. Appointments				
	None			
B. Changes				
	Kaweeshia Gamage	Recreation Leader II	A to	01/10/2021
		Maintenance Services Aide III	B	
C. Separations				
	Denise Hayward	Administrative Specialist 1	B	12/31/2020


Thaddeus McCormack
City Manager

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**CITY OF LAKEWOOD
FUND SUMMARY 1/7/2021**

In accordance with section 2521 of the Lakewood Municipal Code there is presented herewith a summary of obligations to be paid by voucher 100712 through 100775. Each of the following demands has been audited by the Director of Administrative Services and approved by the City Manager.

1010	GENERAL FUND	149,096.03
1020	CABLE TV	2,008.08
1030	CDBG CURRENT YEAR	20,875.00
1050	COMMUNITY FACILITY	1,095.75
3070	PROPOSITION "C"	119.98
5020	CENTRAL STORES	287.42
5030	FLEET MAINTENANCE	2,015.10
7500	WATER UTILITY FUND	17,672.84
8030	TRUST DEPOSIT	200.00
		193,370.20

Council Approval

Date

City Manager

Attest

City Clerk

Director of Administrative Services

**CITY OF LAKEWOOD
SUMMARY CHECK REGISTER**

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
100712	01/07/2021	4842	A T & T CORP	263.78	0.00	263.78
100713	01/07/2021	4684	AMAZON.COM LLC	1,716.51	0.00	1,716.51
100714	01/07/2021	5266	BAY AREA DRIVING SCHOOL. INC.	32.50	0.00	32.50
100715	01/07/2021	66044	BENNETT-BOWEN & LIGHTHOUSE INC	60.78	0.00	60.78
100716	01/07/2021	1813	BIOMETRICS4ALL INC	3.00	0.00	3.00
100717	01/07/2021	307	CALIF. STATE DISBURSEMENT UNIT	405.80	0.00	405.80
100718	01/07/2021	4978	CALIFORNIA FOUNDATION FOR THE	172.90	0.00	172.90
100719	01/07/2021	7800	CERRITOS CITY	4,862.00	0.00	4,862.00
100720	01/07/2021	45894	CINTAS CORPORATION	130.52	0.00	130.52
100721	01/07/2021	162	CITY & COUNTY ENGINEER'S ASSOC	100.00	0.00	100.00
100722	01/07/2021	66284	COCHICO. WILFRED Z	19.98	0.00	19.98
100723	01/07/2021	5008	COLOR CARD ADMINISTRATOR CORP.	75.08	0.00	75.08
100724	01/07/2021	53451	COMMUNITY FAMILY GUIDANCE CTR	6,000.00	0.00	6,000.00
100725	01/07/2021	27200	DICKSON R F CO INC	45,836.43	0.00	45,836.43
100726	01/07/2021	3213	DIRECTV INC	41.25	0.00	41.25
100727	01/07/2021	5169	DY. DERWIN	115.00	0.00	115.00
100728	01/07/2021	4251	PROFIT SYSTEMS INC	300.00	0.00	300.00
100729	01/07/2021	4435	ELLIOTT AUTO SUPPLY COMPANY INC	249.11	0.00	249.11
100730	01/07/2021	4884	FRONTIER CALIFORNIA INC.	2,824.00	0.00	2,824.00
100731	01/07/2021	42031	HOME DEPOT	76.00	0.00	76.00
100732	01/07/2021	65891	HUMAN SERVICES ASSOCIATION	6,000.00	0.00	6,000.00
100733	01/07/2021	4622	JHM SUPPLY INC	1,758.92	0.00	1,758.92
100734	01/07/2021	2956	KICK IT UP KIDZ. LLC	182.00	0.00	182.00
100735	01/07/2021	53311	LAKEWOOD MEALS ON WHEELS	4,875.00	0.00	4,875.00
100736	01/07/2021	18550	LAKEWOOD. CITY OF	200.00	0.00	200.00
100737	01/07/2021	18400	LAKEWOOD. CITY WATER DEPT	40,697.19	0.00	40,697.19
100738	01/07/2021	4783	LANDCARE HOLDINGS INC	7,807.91	0.00	7,807.91
100739	01/07/2021	2409	LIFTECH ELEVATOR SERVICES INC	390.00	0.00	390.00
100740	01/07/2021	20300	LONG BEACH CITY GAS & WATER DEPT	250.30	0.00	250.30
100741	01/07/2021	58414	MANAGED HEALTH NETWORK	353.21	0.00	353.21
100742	01/07/2021	4190	NATIONAL UNION FIRE INSURANCE CO	516.20	0.00	516.20
100743	01/07/2021	4892	NESTLE WATERS NORTH AMERICA	223.53	0.00	223.53
100744	01/07/2021	4443	O'REILLY AUTOMOTIVE STORES INC	237.88	0.00	237.88
100745	01/07/2021	47554	OFFICE DEPOT BUSINESS SVCS	882.56	0.00	882.56
100746	01/07/2021	5136	OPUS INSPECTION. INC.	1,405.69	0.00	1,405.69
100747	01/07/2021	50512	PATHWAYS VOLUNTEER HOSPICE	4,000.00	0.00	4,000.00
100748	01/07/2021	1615	PFM ASSET MANAGEMENT LLC	6,382.75	0.00	6,382.75
100749	01/07/2021	4459	READWRITE EDUCATIONAL SOLUTIONS INC	154.05	0.00	154.05
100750	01/07/2021	45437	S & J SUPPLY CO	658.86	0.00	658.86
100751	01/07/2021	4436	SESAC	1,571.00	0.00	1,571.00
100752	01/07/2021	5036	SFG RETIREMENT PLAN CONSULTING LLC	2,400.00	0.00	2,400.00
100753	01/07/2021	5230	SITEONE LANDSCAPE SUPPLY. LLC	622.44	0.00	622.44
100754	01/07/2021	26900	SO CALIF SECURITY CENTERS INC	26.28	0.00	26.28
100755	01/07/2021	29400	SOUTHERN CALIFORNIA EDISON CO	15,701.66	0.00	15,701.66

**CITY OF LAKEWOOD
SUMMARY CHECK REGISTER**

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
100756	01/07/2021	4972	CHARTER COMMUNICATIONS HOLDINGS. LLC	4,270.00	0.00	4,270.00
100757	01/07/2021	37930	STANDARD INSURANCE CO UNIT 22	2,210.85	0.00	2,210.85
100758	01/07/2021	37930	STANDARD INSURANCE CO UNIT 22	9,012.05	0.00	9,012.05
100759	01/07/2021	4581	STEIN. ANDREW T	1,234.69	0.00	1,234.69
100760	01/07/2021	5278	THE TECHNOLOGY DEPOT	1,098.80	0.00	1,098.80
100761	01/07/2021	4873	TRANSAMERICA LIFE INSURANCE COMPANY	1,687.62	0.00	1,687.62
100762	01/07/2021	35089	UNDERGROUND SERVICE ALERT	184.90	0.00	184.90
100763	01/07/2021	5284	UNIFIRST CORPORATION	23.61	0.00	23.61
100764	01/07/2021	5511	UNIOUE RECREATION CONSULTANTS. INC.	1,500.00	0.00	1,500.00
100765	01/07/2021	4718	UNITED WATER WORKS INC	395.73	0.00	395.73
100766	01/07/2021	64652	CELLCO PARTNERSHIP	764.78	0.00	764.78
100767	01/07/2021	57135	VISION SERVICE PLAN	4,419.31	0.00	4,419.31
100768	01/07/2021	3943	WATERLINE TECHNOLOGIES INC	2,813.86	0.00	2,813.86
100769	01/07/2021	17640	WAXIE ENTERPRISES INC	63.89	0.00	63.89
100770	01/07/2021	37745	WESTERN EXTERMINATOR CO	53.50	0.00	53.50
100771	01/07/2021	35146	WILLDAN ASSOCIATES	2,865.25	0.00	2,865.25
100772	01/07/2021	2145	WYNN. LAKYN	26.00	0.00	26.00
100773	01/07/2021	3699	BENDER. TOBY	42.25	0.00	42.25
100774	01/07/2021	3699	BURTON. SCHUYLER	26.00	0.00	26.00
100775	01/07/2021	3699	FLORES. DENISE	95.04	0.00	95.04
Totals:				<u>193,370.20</u>	<u>0.00</u>	<u>193,370.20</u>

**CITY OF LAKEWOOD
FUND SUMMARY 1/14/2021**

In accordance with section 2521 of the Lakewood Municipal Code there is presented herewith a summary of obligations to be paid by voucher 100776 through 100834. Each of the following demands has been audited by the Director of Administrative Services and approved by the City Manager.

1010	GENERAL FUND	176,638.01
1020	CABLE TV	600.00
1030	CDBG CURRENT YEAR	13,073.37
1050	COMMUNITY FACILITY	6,489.93
3001	CAPITAL IMPROV PROJECT FUND	2,153.85
3070	PROPOSITION "C"	617.64
5020	CENTRAL STORES	2,979.84
5030	FLEET MAINTENANCE	2,504.59
6020	GEOGRAPHIC INFORMATION SYSTEM	57.88
7500	WATER UTILITY FUND	99,114.63
8030	TRUST DEPOSIT	100.00
		304,329.74

Council Approval

Date

City Manager

Attest

City Clerk

Director of Administrative Services

**CITY OF LAKEWOOD
SUMMARY CHECK REGISTER**

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
100776	01/14/2021	4113	SHAKER NERMINE	1,925.00	0.00	1,925.00
100777	01/14/2021	4644	AGRI-TURF DISTRIBUTING	581.85	0.00	581.85
100778	01/14/2021	2701	AIRE RITE A/C & REFRIGERATION INC	5,023.17	0.00	5,023.17
100779	01/14/2021	5131	ALLISON MECHANICAL. INC.	4,946.00	0.00	4,946.00
100780	01/14/2021	4684	AMAZON.COM LLC	101.22	0.00	101.22
100781	01/14/2021	1757	ANIMAL PEST MANAGEMENT SERVICES. INC	500.00	0.00	500.00
100782	01/14/2021	5322	N. HARRIS COMPUTER CORPORATION	32,424.00	0.00	32,424.00
100783	01/14/2021	443	B&M LAWN AND GARDEN INC	52.47	0.00	52.47
100784	01/14/2021	4197	BARBOZA. DAVID J	41.32	0.00	41.32
100785	01/14/2021	307	CALIF. STATE DISBURSEMENT UNIT	405.80	0.00	405.80
100786	01/14/2021	45894	CINTAS CORPORATION	60.51	0.00	60.51
100787	01/14/2021	5214	CLEANCOR HOLDINGS LLC DBA CLEANCOR LNG L	465.00	0.00	465.00
100788	01/14/2021	4654	BRAGG INVESTMENT COMPANY. INC.	156.38	0.00	156.38
100789	01/14/2021	53451	COMMUNITY FAMILY GUIDANCE CTR	750.00	0.00	750.00
100790	01/14/2021	4776	CORELOGIC. INC.	45.50	0.00	45.50
100791	01/14/2021	4348	D&J INTERNATIONAL INC	2,701.13	0.00	2,701.13
100792	01/14/2021	4498	DELTA DENTAL INSURANCE COMPANY	535.67	0.00	535.67
100793	01/14/2021	56889	DELTA DENTAL OF CALIFORNIA	3,962.01	0.00	3,962.01
100794	01/14/2021	1686	DI MICELI. DEBORAH	600.00	0.00	600.00
100795	01/14/2021	5340	DOXIM INC.	10,981.96	0.00	10,981.96
100796	01/14/2021	3199	EDCO WASTE SERVICES LLC	17,973.00	0.00	17,973.00
100797	01/14/2021	4435	ELLIOTT AUTO SUPPLY COMPANY INC	48.26	0.00	48.26
100798	01/14/2021	5343	GALLS PARENT HOLDINGS. LLC	95.66	0.00	95.66
100799	01/14/2021	3912	GOLDEN METERS SERVICES	2,845.94	0.00	2,845.94
100800	01/14/2021	5272	GREENE BACKFLOW	440.00	0.00	440.00
100801	01/14/2021	38311	H & H NURSERY	1,464.56	0.00	1,464.56
100802	01/14/2021	35477	HARA M LAWNMOWER CENTER	192.39	0.00	192.39
100803	01/14/2021	42031	HOME DEPOT	591.40	0.00	591.40
100804	01/14/2021	4180	JONES RICHARD D. A PROF LAW CORP	820.00	0.00	820.00
100805	01/14/2021	53365	KENNY'S AUTO SERVICE	271.00	0.00	271.00
100806	01/14/2021	18550	LAKWOOD. CITY OF	100.00	0.00	100.00
100807	01/14/2021	19710	LINCOLN EQUIPMENT INC	20.43	0.00	20.43
100808	01/14/2021	36844	LA COUNTY DEPT OF PUBLIC WORKS	2,153.85	0.00	2,153.85
100809	01/14/2021	4409	MALLORY SAFETY AND SUPPLY LLC	278.71	0.00	278.71
100810	01/14/2021	23130	MC MASTER-CARR SUPPLY CO	66.40	0.00	66.40
100811	01/14/2021	5522	M.A.W. INC	7,323.37	0.00	7,323.37
100812	01/14/2021	4443	O'REILLY AUTOMOTIVE STORES INC	195.36	0.00	195.36
100813	01/14/2021	47554	OFFICE DEPOT BUSINESS SVCS	69.65	0.00	69.65
100814	01/14/2021	15600	LONG BEACH PUBLISHING CO	2,589.48	0.00	2,589.48
100815	01/14/2021	5367	OUADIENT LEASING USA. INC.	284.56	0.00	284.56
100816	01/14/2021	59218	SIERRA INSTALLATIONS INC	11,550.00	0.00	11,550.00
100817	01/14/2021	5022	MWB COPY PRODUCTS. INC.	115.76	0.00	115.76
100818	01/14/2021	29400	SOUTHERN CALIFORNIA EDISON CO	79,791.16	0.00	79,791.16
100819	01/14/2021	29500	SOUTHERN CALIFORNIA GAS CO	745.35	0.00	745.35

**CITY OF LAKEWOOD
SUMMARY CHECK REGISTER**

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
100820	01/14/2021	4026	SPASEFF TED C	87.50	0.00	87.50
100821	01/14/2021	44104	STATE WATER RESOURCES CONTROL BOARD	60.00	0.00	60.00
100822	01/14/2021	4581	STEIN. ANDREW T	993.20	0.00	993.20
100823	01/14/2021	37365	SU CASA ENDING DOMESTIC VIOLENCE	5,000.00	0.00	5,000.00
100824	01/14/2021	5278	THE TECHNOLOGY DEPOT	1,546.18	0.00	1,546.18
100825	01/14/2021	53026	TRANE U S INC	1,970.00	0.00	1,970.00
100826	01/14/2021	5284	UNIFIRST CORPORATION	23.61	0.00	23.61
100827	01/14/2021	64652	CELLCO PARTNERSHIP	7,881.63	0.00	7,881.63
100828	01/14/2021	3943	WATERLINE TECHNOLOGIES INC	2,004.14	0.00	2,004.14
100829	01/14/2021	5317	WATERSMART SOFTWARE. INC.	51,900.00	0.00	51,900.00
100830	01/14/2021	40925	WEST COAST ARBORISTS INC	36,433.60	0.00	36,433.60
100831	01/14/2021	3699	BORGES. LUCIANNE	8.04	0.00	8.04
100832	01/14/2021	3699	KILDOO. CHRISTOPHER	26.00	0.00	26.00
100833	01/14/2021	3699	SANTOS. EDERITO	100.56	0.00	100.56
100834	01/14/2021	3699	SOON. JANE	10.00	0.00	10.00
Totals:				<u>304,329.74</u>	<u>0.00</u>	<u>304,329.74</u>

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COUNCIL AGENDA

January 26, 2021

TO: The Honorable Mayor and City Council

SUBJECT: AB 1234 Meeting Report

INTRODUCTION

Assembly Bill 1234 became effective January 1, 2006. The legislation requires members of a legislative body to provide brief reports on the meetings they attended at the expense of the local agency at the next regular meeting of the legislative body.

STATEMENT OF FACT

Two council members (Council Members Ariel Pe and Vicki Stuckey) virtually attended the League of California Cities' New Mayors and Council Members Academy that will take place January 21, 22, 28 and 29, 2021. The council members will be participating in several educational sessions that are helpful to the city's interests, including: conducting effective and respectful council meetings, relationships between city council and city management, a workshop on city financial responsibilities, effective advocacy and key city issues, policy role in land use planning and communications and civic engagement.

RECOMMENDATION

That the City Council receive and file this report.

Paolo Beltran *PB*
Deputy City Manager


Thaddeus McCormack
City Manager

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COUNCIL AGENDA

January 26, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Monthly Report of Investment Transactions – December 2020

INTRODUCTION

In accordance with California Government Code Section 53607, the City Council has delegated to the City Treasurer the responsibility to invest or to reinvest funds, or to sell or exchange securities so purchased. The California Government Code Section 53607 requires that, if such responsibility has been delegated, then the Treasurer “shall make a monthly report of those transactions to the legislative body.” In compliance with this requirement, the Monthly Report of Investment Transactions is being rendered to be received and filed.

STATEMENT OF MONTHLY ACTIVITY

<u>Date</u>	<u>Amount at Cost</u>	<u>Investment</u>	<u>Transaction</u>
12/01/2020	1,811.25	CORP	Interest 3.150%
12/01/2020	.43	MMF	Interest
12/01/2020	250.44	BOND	Interest 0.560%
12/01/2020	579.00	CORP	Interest 1.350%
12/03/2020	310.00	CORP	Interest 0.400%
12/03/2020	780.00	CORP	Interest 0.800%
12/04/2020	654,351.55	AGENCY	Purchase 0.250%
12/04/2020	274,624.61	TREAS	Purchase 0.375%
12/04/2020	375,038.92	CD	Sell 2.830%
12/04/2020	567,016.45	CD	Sell 3.240%
12/08/2020	240.00	CORP	Interest 0.800%
12/15/2020	51.33	ABS	Interest 0.440%
12/15/2020	34.38	ABS	Interest 0.550%
12/15/2020	37.63	ABS	Interest 0.430%
12/15/2020	1,053.50	ABS	Interest 1.720%
12/15/2020	36.67	ABS	Interest 0.400%
12/15/2020	39.58	ABS	Interest 0.500%
12/15/2020	433.13	ABS	Interest 1.890%
12/17/2020	1,990.14	AGENCY	Interest 0.500%
12/18/2020	50.88	TREAS	Interest 0.370%
12/20/2020	35.63	ABS	Interest 0.450%
12/20/2020	78.33	ABS	Interest 0.470%
12/23/2020	92,391.30	CORP	Maturity 3.000%
12/24/2020	1,300,000.00	LAIF	Deposit
12/25/2020	32.00	ABS	Interest 0.480%
12/25/2020	7,709.99	AGENCY	Paydown 3.560%

12/25/2020	24,826.73	AGENCY	Paydown 3.203%
12/26/2020	1,508.75	CORP	Interest 3.550%
12/31/2020	3,437.50	TREAS	Interest 1.375%
12/31/2020	5,287.50	TREAS	Interest 2.250%
12/31/2020	2,712.50	TREAS	Interest 1.750%

INVESTMENT GLOSSARY

ABS (Asset-Backed Securities)

A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond.

AGENCY (U.S. Government Agency Issues)

Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no portfolio percentage limits for U. S. Government Agency issues.

BOND (Municipal Bonds or Note)

Registered treasury notes or bonds issued by states or municipalities, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California.

CAMP (California Asset Management Program)

A Joint Powers Authority established in 1989 by the treasurers and finance directors of several California public agencies to provide an investment pool at a reasonable cost. Participation is limited to California public agencies.

CD (Certificate of Deposit)

Negotiable CDs are issued by large banks and are freely traded in secondary markets as short term (2 to 52 weeks), large denomination (\$100,000 minimum) CDs, that are either issued at a discount on its par value, or at a fixed interest rate payable at maturity.

COM (Commercial Paper)

Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization.

CORP (Corporate Notes)

Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and

operating within the United States or by depository institutions licensed by the United States, or any state and operating within the United States.

FNMA (Federal National Mortgage Association)

A government-sponsored, privately owned corporation established to create a secondary market for Federal Housing Administration mortgages.

LAIF (Local Agency Investment Fund, State of California)

The Treasurer of the State of California administers this investment pool, providing a high-level of liquidity and strong safety through diversification of investments.

MMF (Money Market Fund)

This is a money market interest-bearing checking account that is fully insured and collateralized.

SUPRA (Supra-National Agency Bonds or Notes)

Supranational bonds and notes are debt of international or multi-lateral financial agencies. The debt is used to finance economic/infrastructure development, environmental protection, poverty reduction and renewable energy around the globe, rated AAA, highly liquid and issued in a range of maturities.

TREAS (U.S. Treasury Notes)

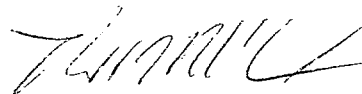
A Treasury obligation of the U.S. Government to provide for the cash flow needs of the Federal Government.

RECOMMENDATION

It is recommended that the City Council receive and file the Monthly Report of Investment Transactions rendered for the month of December 2020.



Jose Gomez
Director of Finance & Administrative Services



Thaddeus McCormack
City Manager

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RESOLUTION NO. 2021-3

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAKEWOOD EXTENDING A LOCAL EMERGENCY DUE TO THE
COVID-19 VIRUS.

THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES RESOLVE AS
FOLLOWS:

SECTION 1. On March 24, 2020, the City Council adopted Resolution No. 2020-5, ratifying a Proclamation of a Local Emergency that the City Manager, acting in his capacity as the City's Director of Emergency Services, had issued on March 17, 2020, due to the COVID-19 virus. On May 12, 2020, the City Council adopted Resolution No. 2020-14, extending such Local Emergency. On June 23, 2020, the City Council adopted Resolution No. 2020-35, extending such Local Emergency. On July 28, 2020, the City Council adopted Resolution No. 2020-37, extending such Local Emergency. On September 22, 2020, the City Council adopted Resolution No. 2020-52, extending such Local Emergency. On November 10, 2020, the City Council adopted Resolution No. 2020-58, extending such Local Emergency. On December 8, 2020, the City Council adopted Resolution No. 2020-61, extending such Local Emergency. The City Council hereby extends such Local Emergency, on the same terms and conditions.

SECTION 2. The Local Emergency shall remain in effect until terminated by the City Council. The City Council shall review the need for continuing the Local Emergency at least once every 60 days until the City Council terminates the Local Emergency, as required by section 8630 of the California Government Code.

SECTION 3. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Resolution. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution.

ADOPTED AND APPROVED THIS 26TH DAY OF JANUARY, 2021.

Mayor

ATTEST:

City Clerk

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COUNCIL AGENDA

January 26, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Architectural Services Agreement – David George + Associates

INTRODUCTION

The City of Lakewood is in need of additional consulting Architectural Services. An on-call agreement with David George + Associates is proposed for this purpose. DG+A offers a wide array of project experience, including park and civic buildings. They are immediately available to assist the City in an urgent park or facility improvement project.

STATEMENT OF FACT

Due to the onslaught of voluminous and urgent capital project needs, it would be beneficial to establish a relationship with an additional architectural firm to assist. The City has looked at several firms and has determined that David George + Associates, Inc. is the most qualified and has appropriate staff and applicable expertise to meet the City's immediate and ongoing needs. DG+A is willing to take on smaller projects that the City frequently has, as well as larger projects as they develop.

The Architectural Services Agreement would be structured the same as the previous agreements with Meyer and Associates and Dahlin Group. The firm would prepare a proposal for a project scope established by staff. Larger projects with fees in excess of \$20,000 would be presented to Council for approval. Smaller projects with fees less than \$20,000 could be authorized by the City Manager. Billing would be on an hourly basis with a not-to-exceed cap. Most urgently, they have prepared a proposal for their design services for front counter and shared space improvements at Community Development and Public Works. The proposed fee is substantially less than \$20,000, and it will be authorized by the City Manager under the terms of the on-call agreement.

The improvements at Community Development and Public Works will be an opportunity to gage the firm's ability to deliver plans and specifications for a project in a timely fashion within a set scope of work. We would then be able to determine if we would like to use the firm on future projects as they come up. We are under no obligation to continue using them if we are not satisfied with the quality or timeliness of their work. Based upon our interview with David George, principal architect of David George + Associates, we believe that they have the talent, expertise and experience to meet our needs. DG+A have done significant projects for a number of cities in California and come highly recommended.

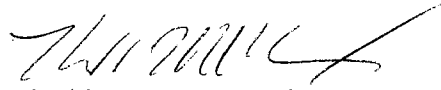
RECOMMENDATION

Staff recommends that the City Council:

- (1) Authorize an on-call Architectural Services agreement with David George + Associates, Inc. based upon their FY 20-21 rate schedule.



Lisa Ann Rapp
Director of Public Works



Thaddeus McCormack
City Manager

AGREEMENT
FOR
ARCHITECTURAL SERVICES

THIS AGREEMENT, made and entered into on January 26, 2021, by and between the CITY OF LAKEWOOD, a municipal corporation, sometimes hereinafter referred to as "City," and DAVID GEORGE + ASSOCIATES, Inc., sometimes hereinafter referred to as "Architect."

W I T N E S S E T H:

WHEREAS, the City desires to retain Architect for Architectural services in connection with the work hereafter described; and

WHEREAS, Architect has the necessary skills and qualifications and licenses required by law to perform the Architectural services required under this Agreement in connection with said project; and

WHEREAS, the City Council at a regular meeting held on January 26, 2021, authorized the Mayor and the City Clerk to enter into this Agreement; and

NOW, THEREFORE, it is hereby agreed by and between the parties that:

1. DEFINITIONS. As used in this Agreement, the following definitions shall be applicable:

- A. Architect. Architect shall mean:
David George + Associates, Inc.
2222 Martin, Suite 210
Irvine, California 92612 USA
Phone: (949) 719-9818
E-Mail: dave@dga-arch.com
- B. City. City shall mean the City of Lakewood, a municipal corporation, 5050 Clark Avenue, Lakewood, California, 90712.
- C. City Council. City Council shall mean the City Council of the City of Lakewood.
- D. Contractor. Contractor shall mean that person or persons awarded any contract by the City to perform the work designed by the Architect.
- E. Services. Services shall mean the Architectural services to be performed by Architect pursuant to this Agreement.
- F. Work. Work shall mean the installation, construction and development of projects as assigned under "On-Call Architectural Support Services" for which the Architectural services are hereby authorized.

2. SCOPE OF SERVICES. Architect agrees to prepare and furnish the City, following written authorization to proceed from the City, those services as set forth in Architect's written proposals for specific projects as requested by the City.

Upon specific and separate authorization by the City, Architect agrees to prepare plans and specifications and/or provide construction management for City projects, with scope of work and fee based on project-specific written proposals. Budgeted projects where the fee is less than \$20,000 may be authorized by the City Manager. Budgeted projects where the fee exceeds \$20,000 will require written approval by the City Council.

As applicable to the project-specific written proposal, Architect agrees to consult with the Director of Public Works at such reasonable times and places as may be necessary to accomplish the foregoing. In performing said services Architect shall use, whenever possible, the standard specifications and forms, prepared and approved by the City for public works contracts. All drawings and specifications shall be adequate and sufficient for the City to solicit bids for the award of the contract for said work.

As applicable to the project-specific written proposal, upon approval of said drawings and specifications by the Director of Public Works, Architect shall furnish suitable reproducible plans, details, and special and technical specifications for the City to incorporate with its bid and contract documents for the purpose of advertising for bids to construct the work. Architect shall subsequently make any necessary corrections to each set of drawing and specifications as required by any addenda, and incorporate any changes which may be authorized during construction to develop the "as-built" drawings. Architect shall also prepare a list of qualified bidders and assist the City in the evaluation of the bids and the qualifications of the contractors being considered for award of contract.

As applicable to the project-specific written proposal, during the course of construction by the Contractor, Architect shall provide consultation and interpretation of the plans and specifications, and shall review and approve any use of alternate equipment or materials, subject to approval by the Director of Public Works. Architect shall review and approve detailed shop drawings accordingly.

As applicable to the project-specific written proposal, during the progress of the work, Architect shall make monthly estimates of the completed work and shall have the responsibility of certifying to progress payments on the construction contract. Architect agrees to use reasonable diligence to protect the City against any defects and deficiency in the work of the Contractor, but it is expressly understood Architect does not guarantee the performance of any contract by any contractor.

3. EXCLUSION FROM SCOPE OF SERVICES. It is agreed by and between the parties hereto that the services to be provided by Architect under this agreement do not include any exclusions listed in the project-specific proposal.

4. PAYMENT. For and in consideration of the Architectural services performed by Architect and when approved by the City, the City agrees to pay to Architect on a time and material basis, at a rate determined by the Schedule attached, for services actually rendered.

The aforementioned consideration shall be paid to Architect upon completion of each phase and submission of Architect's statement of time expended and the applicable rate to be charged to the Director of Public Works. No payment shall be made until the aforementioned work has been certified by the Director of Public Works as having been completed in accordance with the applicable rate.

5. TIME FOR PERFORMANCE. It is understood and agreed by and between the parties hereto that time is of the essence. Architect agrees that he will diligently and reasonably pursue the performance of the services required by him by this Agreement consistent with Architect's Standard of Care.

6. TERMINATION. The City may terminate this Agreement at any time by giving the Architect at least fifteen days prior written notice. In the event of termination, the City shall pay the Architect the total value of the services of the Architect to the final date of termination, computed in accordance with the terms and provisions of this Agreement, provided, however, that the same does not in any case exceed the maximum amount hereinbefore set forth for payment of consideration. Except as herein provided, this Agreement shall continue until the successful completion of the work and the acceptance of said work by the City.

7. ASSIGNMENT AND SUBCONTRACTING. Notwithstanding any provision of this Agreement to the contrary, Architect shall not assign, subcontract or transfer any part or portion of this Agreement, or any responsibility hereunder, without the prior written consent of the City.

8. OWNERSHIP OF DOCUMENTS. Upon receipt of undisputed invoice fees for services provided, it is further agreed by and between the parties hereto that the City shall have full, complete and absolute title to all preliminary plans, drawings, reports, cost estimates, schematic drawings, and other Architectural drawings and specifications prepared by the Architect pursuant to this Agreement, regardless of the state of completion thereof. It is further agreed by and between the parties that the City may make full and complete use of said materials so prepared for the City as it desires, and within its own discretion without any liability of any kind whatsoever to the Architect other than payment of compensation as provided in this Agreement.

Originals of drawings, specifications, estimates, field notes and calculations prepared by the Architect shall be and remain the property of the Architect with the exception, however, that an electronic "CAD" copy, an electronic pdf copy, and mylar base copy of specifications and drawings shall be provided to the City, in which the City shall have full, complete and absolute title. The use by the City of the aforementioned documents, title to which is vested in the City pursuant to this paragraph, in any subsequent project in which Architect has not been retained, shall be at the sole risk and responsibility of the City, and Architect shall not be responsible to the City for any errors or omissions in respect to said materials.

9. INDEPENDENT CONTRACTOR. It is expressly understood and agreed that Architect has been retained as an independent contractor as distinguished from an employee or agent of the City to perform the aforementioned services. Architect acknowledges the independent contractual relationship and releases the City from any liability or obligation to make deductions or withhold for the compensation of any officer, agent or employee thereof, in respect to unemployment, income tax, disability, social security, health, pension or retirement benefits. It is expressly understood that no officer, agent or employee of Architect shall have any City status or benefit, including health, retirement and workers' compensation benefits.

Architect shall cover all its officers and employees where required by law with workers' compensation insurance or benefits. Architect does hereby assume all risk to himself, his personnel, subcontractors and agents and employees thereof for personal injury or death, and all risk of property damage or loss to any property, wares, vehicles and materials from whatever sources and further releases the City, its officers and employees from any liability therefor.

10. LIABILITY AND INDEMNIFICATION. Architect agrees to assume liability, and defend and indemnify the City, the City Council, its officers and employees, and consultants from any loss, cost or expense caused by the negligent or wrongful act or omission of Architect, its agents and employees, or its subcontractors and the agents and employees thereof, for or on account of any injury or damage sustained because of or arising out of services performed by Architect herein, but only to the extent that liability is imposed on the City by reason of the malfeasance or nonfeasance of Architect.

During the term of this Agreement, Architect shall maintain in full force and effect, and deposit with the City, insurance or a Certificate of Insurance which shall evidence the fact that Architect has in full force and effect a comprehensive personal injury and property damage policy protecting Architect and the City from liability in amounts of not less than one million dollars (\$1,000,000) per occurrence. Said policy shall contain a provision that the same cannot be canceled without at least thirty (30) days notice to the City thereof and shall name the City as an additional insured.

Prior to commencing services under this Agreement, Architect shall deliver to the City satisfactory proof that Architect maintains Professional Liability Insurance with limits of not less than \$1,000,000 each occurrence/claim, and \$1,000,000 annual aggregate, which insurance shall remain in full force and effect throughout the term of this Agreement.

11. RESERVATION OF RIGHTS. Nothing in this Agreement shall be deemed to bind the City to any course of conduct other than its obligation hereunder to pay Architect for said services as rendered. It is understood that the City reserves the complete right within its discretion to reject all or any part of any design, plan, specification or recommendation made to it or submitted by said Architect, and in that regard the only responsibility of the City shall be to pay said Architect for services as rendered. It is further understood that acceptance herein by the City of any design, plan or specification of Architect shall be for the purpose of compensating Architect only, and shall not be binding on the City as to any further course of action. The City reserves the complete right to authorize the completion and construction of any phase of the work, or to deviate from

said construction plan in any degree, or to discharge Architect in accordance with the terms and provisions of this Agreement.

12. NOTICE. Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail in an envelope bearing the proper amount of postage thereon, and addressed as follows:

To the CITY: CITY CLERK
CITY OF LAKEWOOD
5050 N. CLARK AVE.
LAKEWOOD, CA 90712

To ARCHITECT: DAVID GEORGE + ASSOCIATES, INC.
2222 MARTIN, SUITE 210
IRVINE, CALIFORNIA 92612 USA

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed the day and year first above written.

SERVICE PROVIDER

CITY OF LAKEWOOD

David George
DAVID GEORGE + ASSOCIATES, INC.

MAYOR

APPROVED AS TO FORM:

ATTEST:

CITY ATTORNEY

CITY CLERK



DG+A 2021 STANDARD HOURLY RATE SCHEDULE

Principal.....	\$150.00 - 200.00
Project Managers.....	\$100.00 - 150.00
Senior Designer/Technical Personnel.....	\$80.00 – 90.00
Intermediate Designer/Technical Personnel.....	\$65.00 – 75.00
Junior Designer/Technical Personnel.....	\$40.00 - 50.00
Graphic Designer/Technical Personnel.....	\$25 - 50.00
Clerical / Word Processing.....	\$35.00

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COUNCIL AGENDA

January 26, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Amend Agreement for HVAC and Refrigeration Maintenance and Repair Services with Aire Rite A/C and Refrigeration, Inc.

INTRODUCTION

Aire Rite Air Conditioning and Refrigeration, Inc. has been assisting the City in providing preventative maintenance and repair services since early 2011, on refrigeration and on City heating, ventilating and air conditioning systems and equipment at the Centre and other City facilities. Our HVAC equipment is aging at several facilities, requiring repairs to keep the units running. Staff recommends their agreement be amended to increase the not-to-exceed limits to accommodate the additional cost of necessary HVAC and refrigeration repairs.

STATEMENT OF FACT

The City relies on the part-time services of an HVAC system maintenance company to inspect, repair and maintain various heating and cooling equipment at several city facilities. Aire Rite maintains the HVAC and refrigeration equipment in a cost-effective manner, evaluates the city's HVAC and refrigeration systems for repairs and replacement, and performs the necessary repairs upon specific authorization. Their agreement allows for a monthly service fee, and maintenance parts such as filters and belts. Their agreement also includes an allowance for repairs and replacement parts and components for the refrigeration and HVAC systems to prevent overload, reduce energy consumption, and employee or client discomfort and to reduce City/ Aire Rite administrative costs.

In 2017, the City established a new contract with Aire Rite that set the not-to-exceed limit to \$110,000. Since then, the need for various repairs has increased as our HVAC equipment at several facilities has continued to age. The City relies on Aire Rite to make timely HVAC repairs to keep the equipment running. Due to increased needs for repairs, Staff recommends their contract be amended to increase the not-to-exceed limit to \$150,000.

RECOMMENDATION

Staff recommends that the City Council:

1. Amend the services agreement with Aire Rite Air Conditioning and Refrigeration, Inc., for a period ending June 30, 2021, to increase the not-to-exceed limit to \$150,000 per year and authorize the Mayor and City Clerk to sign the amendment in a form approved by the City Attorney.



Lisa Ann Rapp
Director of Public Works



Thaddeus McCormack
City Manager

AMENDMENT OF AGREEMENT FOR SERVICES
BETWEEN CITY OF LAKEWOOD AND
AIRE RITE AIR CONDITIONING AND REFRIGERATION, INC.

The Agreement dated June 27, 2017, is hereby further amended as follows:

1. Paragraph 2 – Compensation for Services, the undersigned agree the total compensation under this Agreement shall not exceed \$150,000.

The Agreement of June 27, 2017, is reaffirmed in all other aspects, except as amended herein.
Dated the 26th day of January, 2021.

SERVICE PROVIDER

CITY OF LAKEWOOD

DON LANGSTON, PRESIDENT
AIRE RITE A/C AND REFRIGERATION, INC.

MAYOR

APPROVED AS TO FORM:

ATTEST:

CITY ATTORNEY

CITY CLERK

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COUNCIL AGENDA

January 26, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Lease of High-speed Color Printer for the City Print Shop

INTRODUCTION

The five-year lease of two high-speed printers at the City Print Shop is coming to an end, and the Public Information Officer has requested that the City transition to leasing just one printer for the next five years. The City utilized the services of its print management consultant who assisted greatly in the analysis of the Print Shop’s needs and evaluation of the options for fulfilling those needs. With more of the City’s publicity taking place electronically, the Print Shop spends more time on graphic design now and less on hard-copy printing. However, the City still does a substantial amount of printing and, thus, the consultant and City staff believe that a single high-speed color printer will handle the City’s needs in the Print Shop for the coming five years, which provides the opportunity for a cost savings over two printers.

STATEMENT OF FACT

The Purchasing Officer carried out a Request for Proposals from five leading manufacturers and business machine supply companies. With the help of the consultant, Print Shop staff reviewed the specifications for each machine, saw sample printings, and reviewed maintenance and repair abilities of each proposer. City staff then held virtual demonstrations with the two lowest-cost machines: the Ricoh Pro C5300S offered by CBE Solutions of Irvine, CA and the Canon C165 offered by Canon USA. The costs below include the fixed monthly lease and the per-print charges all machine providers impose, based on the City’s estimated number of prints. The estimated annual cost between the two machines was nearly identical, with a difference of only \$56 a year.

	Monthly Lease	Estimated Monthly Print charges	Estimated annual cost
Ricoh Pro C5300	\$394.81	\$964.14	\$16,307.40
Canon 165	\$449.67	\$904.60	\$16,251.24

However, staff determined that the Ricoh was much more similar to the Print Shop’s existing printer and that there would be a much more seamless transition for the City in going with the Ricoh.


Sufficient funds exist in the FY20-21 approved budget of the Print Shop for this lease, and transitioning to a single printer in the Print Shop should result in a cost savings of around \$10,000 annually.

STAFF RECOMMENDATION

It is recommended that the City Council authorize the five-year lease of one Ricoh C5300S printer from CBE Office Solutions and authorize the City Manager to sign the contract in a form approved by the City Attorney.



Jose Gomez
Director of Finance and Administrative Services



Thaddeus McCormack
City Manager

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COUNCIL AGENDA

January 26, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Additional Consulting Services for Mayfair Water Capture Project by Tetra Tech, Incorporated and Willdan Engineering, Inc.

INTRODUCTION

There are two primary consultants who have been working on the Mayfair Water Capture Project: Tetra Tech, Inc. is the design firm and Willdan Engineering, Inc has been performing construction management on the projects. As we approach completion of the project in the next few months, they have requested additional authorization under their contracts for several reasons, including the extended length of the contract and additional scope of services.

STATEMENT OF FACT

The City Council approved a Cooperative Implementation Agreement with Caltrans for a grant of \$15,000,000 on June 14, 2016 for this project. There are no matching funds or cost share required from the City. When the project was awarded for construction, after allocation of a substantial contingency allowance, there was still about \$1M in the project budget that was unallocated.

On October 11, 2016 the City Council approved Tetra Tech to prepare the design for this project. When the construction contract was awarded in February 2018, Tetra Tech was granted another amendment for design support services during construction. They have received several amendments for additional design work during construction, including a study and design of expansion of the filtration system to expand the capacity of the plant and provide greater operational flexibility, as well as added design support during construction.

Willdan Engineering has an on-call agreement with the City for engineering services, and when the Mayfair Project was initiated in October 2016, they were authorized to assist city staff during the design phase to ensure that the lessons learned during the first water capture project were included in the Mayfair design. They received additional authorizations in February 2018, January 2020, and October 2020 to provide construction management services during the construction phase.

The proposals for both consultants are attached for your information. The consulting costs are all for items that have been beyond the City's control and are reasonable and justifiable expenses. It should be noted that the construction contract was originally set to conclude in August 2019 and the consultant's original proposals were based upon the original contract length. The contractor has been or will be granted extra days for rain delays and the dry out periods after the rain, changes in the scope of work due to unforeseen conditions, requirements by outside agencies, and delays

due to the impacts of Covid on their work crews and supply chains. Additional delays were generated by the necessary repair work inside the prefabricated storage gallery, which is the responsibility of the manufacturer. Current projections are for completion in May or June 2021, and we are awaiting a revised schedule from the contractor at this time.

Willdan's services relate directly to the length of time that the contractor is working on the site, and additional full-time inspection of the repair work inside the storage gallery. They have provided an estimate of \$146,520 to provide services through completion and start-up of the plant. The original scope of work includes project management, construction observation, contract administration, and labor compliance, all of which is continuing during the time that the contractor is on the site beyond the original contract period. This includes the inspection and coordination required for unforeseen items such as change orders, permit requirements and repair work. Inspection of the repair work for the storage gallery, averaging about \$30,000 per month since early October 2020, is to be back-charged to the general contractor.

Tetra Tech has provided a proposal which details all the added work that they have done or anticipates doing. There have been extra submittals from the contractor, contract changes, change orders, and repair work for which Tetra Tech's engineers must provide review, oversight and testing. Because the Sanitation Districts provided new requirements for equipment related to the connection to their sewer line that must be housed in the equipment room, Tetra Tech had to revise the drawings for the building expansion. They also provided technical expertise for the review and approval of proposed repair methods for the storage gallery. Their proposal includes an estimate of \$70,012 through mid-2021 and will also include a time extension to December 31, 2021 so that they can assist with start-up and operations through the end of the year. The estimate also reflects a credit of nearly \$4,500 in their time expended to resolve an issue with vault and valve sizing. Staff continues to work with TetraTech to finalize necessary changes related to the construction of the two vaults and valves, as well as the cost of those changes. Tetra Tech has indicated that they are willing to work with the City regarding the costs incurred to resolve this issue.

Both Willdan's and TetraTech's continued participation in the completion of the project is critical to ensure compliance with the plans and specifications, resolution of problems that arise, quality control and successful start-up of operations. They are keeping careful records of all time expended that would be eligible for back charge to the contractor for work that is related to the contractor's or subcontractor's repairs of the storage gallery. The project is fully funded by Caltrans in an amount of \$15,000,000 and sufficient funds are available for this extra work by the consultants.

Additional Consulting Services for Mayfair Water Capture Project by Tetra Tech, Incorporated
and Willdan Engineering, Inc.

January 27, 2021

Page 3 of 3

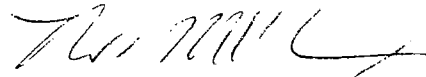
RECOMMENDATION

Staff recommends that the City Council:

1. Approve Amendment #9 to Tetra Tech's contract to provide additional support services during construction for the Mayfair Park Water Capture Project in an amount of \$70,012 and authorize the Mayor to sign the Amendment in a form approved by the City Attorney.
2. Authorize Willdan Engineering, Inc to provide additional Construction Management services during construction for the Mayfair Park Water Capture Project in an amount of \$146,520 under their existing on-call Engineering Services Agreement and authorize the Mayor to sign the authorization.



Lisa Ann Rapp
Director of Public Works



Thaddeus McCormack
City Manager

AMENDMENT NO. 9

**AGREEMENT FOR ENGINEERING SERVICES
Lakewood Water Capture and Infiltration Project**

THE AGREEMENT FOR ENGINEERING SERVICES, made and entered into on January 26, 2021, by and between the CITY OF LAKEWOOD, a municipal corporation, the "City," and **Tetra Tech, Inc.**, the "Engineer" shall be amended as follows:

1. Section 2. SCOPE OF SERVICES. The scope of services shall be expanded to include additional design support services for the Mayfair Park Water Capture Project. Engineer agrees provide to the City those services as set forth in Engineer's written proposal for "Mayfair Park Stormwater and Runoff Capture Project, Change Order for Phase 3, Additional Design Support Services during Construction At Mayfair Park," dated November 24, 2020 and approved by the City Council on January 26, 2021, attached hereto and made a part hereof as though set forth in full.
2. Section 4 Payment. The following paragraph shall be added to Section 4 PAYMENT: "For and in consideration of the services set forth in the proposal for "Mayfair Park Stormwater and Runoff Capture Project, Change Order for Phase 3, Additional Design Support Services during Construction At Mayfair Park," dated November 24, 2019 and performed by the ,Engineer, the City agrees to pay to the Engineer a sum not to exceed **\$70,012** as shown in attached proposal dated November 24, 2020, for services actually rendered."
3. Section 5 Time for Performance. The following paragraph shall be added to Section 5 Time for Performance: Phase 3 of the project is intended to include services through completion of the construction contract and start-up operations. This amendment will be in effect until December 31, 2021.

All other terms and condition of the agreement shall remain in effect. Dated the 26th day of January, 2021.

TetraTech, Inc.

CITY OF LAKEWOOD

Principle

Mayor

Approved as to form:

ATTEST:

City Clerk

City Attorney



November 24, 2020

Ms. Lisa Ann Rapp, Director
 Public Works Department
 City of Lakewood
 5050 Clark Avenue
 Lakewood, CA 90712

**Reference: Lakewood Stormwater and Runoff Capture Project
 Change Order for Phase 3, Additional Design Support Services During Construction at
 Mayfair Park (Change Order No. 3)**

Dear Ms. Rapp:

Per our conversation on October 13, 2020, we appreciate the opportunity to continue to support the City of Lakewood (City) on the Mayfair Park Stormwater and Urban Runoff Capture Project.

Tetra Tech has exhausted the available budget for construction support as a result of the (1) construction schedule extension, (2) additional structural coordination regarding the repairs of the Jensen Precast storage units, (3) the removal and backfill of soil to replace the jointing tape for the Jensen Precast storage units, (4) reviewing additional requests for information (RFIs) and submittals beyond what was scoped, (5) rearranging building equipment to accommodate a panel required by Los Angeles County Sanitation District, and (6) additional coordination required for the rebar placement in the expanded building footing.

Per the previously approved change order in January 2020, it was assumed that the project would be completed in May 2020. Due to additional unforeseen delays, the construction schedule has extended beyond May 2020. Construction was originally estimated to be complete in August 2019. The new completion date is projected for the end of March 2021; however, it is expected to extend slightly longer to account for startup and commissioning. Tetra Tech is not aware of all the reasons for construction delays, but some of it can be attributed to repairs of the Jensen Precast storage units and inclement weather.

Tetra Tech acknowledges that the City would like a better understanding of the level of effort required to provide design support of the Jensen Precast storage unit repairs and soil removal and backfill. Table 1 summarizes the support that Mike Olsen and Tyler Parra from Tetra Tech provided associated with the storage unit repairs. Copies of previously submitted invoices including Mike and Tyler’s time as tabulated below are included in Enclosure 2. Mike and Tyler’s hours are highlighted.

Table 1. Jensen Precast Storage Support (Cost to Date)

Date	Description	Staff Hours	
		Mike (\$150/hr)	Tyler (\$125/hr)
11/16/2018	Site Visit to Plant to Inspect Remaining Units for Damage Units	4	4
8/7/2019	Review of Submittal #65	6	
10/7/2019	Review Core Samples	4	
10/8/2019	On-Site Meeting with Wildan/Sukut/Jensen	4	4
10/9/2019	Review/Correspondence/Teleconferences	2	
10/10/2019	Review/Correspondence/Teleconferences	4	
10/28/2019	Review of Submittal #70	2	

Date	Description	Staff Hours	
		Mike (\$150/hr)	Tyler (\$125/hr)
10/30/2019	Review of Submittal #70	2	
10/31/2019	Review of Submittal #70	2	
11/1/2019	Review of Submittal #70	2	
11/4/2019	Review of Submittal #70	5	
11/5/2019	Review of Submittal #70	2	
12/17/2019	Review of Submittal #70.2	4	
1/6/2020	Review of Submittal #70.3	4	
4/7/2020	Review X-Ray Information	2	
4/8/2020	Review X-Ray Information	2	
4/9/2020	Review X-Ray Information	1.5	
5/18/2020	Review of Submittal #70.4	2	
5/18/2020	Reviewed waterproofing specs and submittals		2
5/19/2020	Review of Submittal #70.4	3	
5/22/2020	Review of Submittal #70.4	2	
6/22/2020	Review of Submittal #70.5	1	
6/23/2020	Review of Submittal #70.5	1	
6/24/2020	Review of Submittal #70.5	0.5	
6/26/2020	Review of Submittal #70.5	4	
7/14/2020	Review of Submittal #70.6/Coordination & Discussion with Jensen/Wildan	2	
7/16/2020	Review of Submittal #70.6/Coordination & Discussion with Jensen/Wildan	2	2
10/9/2020	Site Visit to Mayfair	4	
	General Submittal Coordination		2
	Staff Hours Subtotal	74	14
	Cost Subtotal	\$11,100	\$1,750
	Total Staff Hours to Date	88	
	Total Cost to Date*	\$12,850	
	Additional Repair Inspections and Final Walk Through	\$3,000	
	Total Cost	\$15,850	

*The level of effort shown above does not include effort to perform additional repair inspections and final walk through. It is anticipated that four (4) additional repair inspections and one (1) final walk through will be required for an additional 20 staff hours (\$3,000) for Mike Olsen to continue to support. Therefore, the total cost to support the repairs is anticipated to be \$15,850.

Tetra Tech acknowledges the request from the City that the effort associated with RFI 051, should not be borne upon the City. Being that the City and Tetra Tech have a long-standing working history and together have completed many successful projects, Tetra Tech has considered and accepted to deduct the hours associated with RFI 051 that have been invoiced to date. Table 2 reflects the effort performed by Tyler Parra and that has been invoiced to date. Based on the City's request, the time included in Table 2 and invoiced to date were deducted from this change order request. In addition, all additional time spent on this RFI will be withheld from future invoices.

Table 2. Tetra Tech's Deducted Effort Spent on Jensen Precast Storage Support

Date	Description	Staff Hours
		Tyler (\$125/hr)
3/16/2020	Discuss Options with Valmatic	0.5
3/20/2020	Discuss Options with Auma	1
3/25/2020	Discuss Options with Auma	2
4/22/2020	Created Layout with Detached Controller Head Adapter	2
4/23/2020	Created Layout with Detached Controller Head Adapter	2
6/9/2020	Created Replacement Vault Alternatives	4
6/18/2020	Site Visit to Mayfair	4
8/18/2020	Created Layout with Knife Gate Valves	3
8/19/2020	Created Layout with Knife Gate Valves	3
10/8/2020	Revised Layout with Detached Controller Head Adapter	2
10/9/2020	Revised Layout with Detached Controller Head Adapter	2
10/12/2020	Reviewed Options with City/Sukut/Wildan	2
10/13/2020	Created Three (3) Layouts for 2-Way Valve	6
10/14/2020	Reviewed Options with City/Sukut/Wildan	2
Total Hours		35.5
Total Deducted Fee		(\$4,438)

Table 3 summarizes the support performed by Tetra Tech's geotechnical team to provide additional construction quality assurance (CQA) of the soil removal and backfill needed to replace the jointing tape around the Jensen Precast storage units. Copies of previously submitted invoices associated with this work are attached. Copies of previously submitted invoices including the geotechnical team's time as tabulated below are included in Enclosure 3 with their hours highlighted.

**Table 3. Cost Estimate for Construction Quality Assurance (CQA)
for Re-excavation and Backfill to Repair Tape Seals (July 2019 through Dec. 2019)**

Description	Quantity	Rate	Total
Construction Monitoring - CQA			
Project Coordination			\$725
Principal Engineer	1 hours	@ \$230	\$230
Project Engineer	3 hours	@ \$165	\$495
Grading: Excavation of Trenches over Units and Backfill Recompaction			\$10,948
Soils Technician PW for 10 days	80 hours	@ \$108	\$8,640
Project Engineer Visit	4 hours	@ \$165	\$660
Field Vehicle	84 hours	@ \$12	\$1,008
Nuclear Gauge	80 hours	@ \$8	\$640
Total Cost			\$11,673

The review of additional submittals and requests for information (RFIs) has also contributed to exhausting the available budget for construction support. A comparison of the number of submittals and RFIs that were scoped to be reviewed and that have been reviewed to date are included in Table 4. While not included directly in building the fee associated with this change order request, this information is being included for reference as to the number of factors that have contributed to exhausting the budget. This is also the case for rearranging the building equipment to accommodate the panel required by Los Angeles County Sanitation District, and the additional coordination required for the rebar placement in the expanded building footing.

Table 4. Summary of Submittals and RFIs included in Scope and Reviewed to Date

Submittals					
	Reviewed through 12/3/2019	Reviewed between 12/3/2019 & 11/3/2020	Total Reviewed to Date	Original Scope	Difference
Initial Submittals	67	19	86	75	11
Resubmittals	47	21	68	35	33
Total Submittals	114	40	154	110	44
RFIs					
	Reviewed through 12/3/2019	Reviewed between 12/3/2019 & 11/3/2020	Total Reviewed to Date	Original Scope	Difference
RFIs	48	24	72	50	22

Additional scope and fee are required to continue to support the project through to completion. The following contract modifications are requested:

- Extend existing contract from December 31, 2020 to May 1, 2021 to facilitate project close-out.
- Budget increase to account for the additional support previously provided, and to continue to provide construction support services, start up, commissioning, final walk through and as-builts through April 1, 2021.

Below is a description of additional construction support services to be provided through April 1, 2021, including startup and commissioning.

TASK 3100 PROJECT MANAGEMENT

Support will be required for an additional six (6) months after the construction support budget was nearly exhausted in early October 2020. During this time, the Senior Project Engineer will continue to oversee design coordination and the Project Engineer will continue to attend bi-weekly construction meetings. In general, the Senior Project Engineer is spending two (2) hours per month on overseeing design coordination, and the Project Engineer is spending four (4) hours per bi-weekly construction meeting. It is anticipated that the level of effort to coordinate with the City and the construction manager will be reduced from the original effort that Tetra Tech had been providing, since the project is nearing completion. These hours reflect the reduced effort. At a minimum, the following labor hours are anticipated for the Project Manager, Senior Project Engineer, and Project Engineer to provide support through April 1, 2021:

- Project Manager (6 months @ 2 hours/month): 12 hours
- Senior Project Engineer (6 months @ 2 hours/month): 12 hours
- Project Engineer (6 months = 24 weeks = 12 bi-weekly construction meetings @ 2 hours/meeting): 24 hours

TASK 3200 PROJECT ENGINEER DESIGN SUPPORT

Per the previous approved change order, it was assumed that 50 staff hours would be needed for the Jensen Precast storage units. As explained above, the repairs and involvement has been greater than anticipated. To date, 88 staff hours have been used to provide structural support and coordination. Repair work is currently underway. It is expected that four (4) additional repair inspections will be required, in addition to a final walk through. It is assumed that up to 20 hours may be required to perform the necessary inspections.

Also per the previous approved change order, it was assumed that the level of effort would be 8 staff hours per week for the project engineer to respond to questions and requests from the construction manager, attend unanticipated meetings and/or teleconferences, and provide support when called upon through May 2020. While the rate of 8 staff hours per week has been consistent with our previous assumption, the duration of construction has exceeded the previous construction date provided to Tetra Tech and during the prolonged construction duration the level of effort has not wavered. Four (4) hours per week are expected to continue through completion of construction in April 2021. This amounts to 6 months (24 weeks) at 4 hours per week, or 96 hours.

Additional support is required to review outstanding submittals for civil, electrical, and landscape elements. Twenty (20) hours are estimated for the review of each of the civil and electrical trades (40 hours total). Per discussions with the construction manager, it is estimated that there might be up to ten (10) more landscape submittals. Forty (40) staff hours are estimated to review and approve the remaining landscape submittals.

Overall, this amounts to 100 staff hours to continue to provide Project Engineer Design Support.

TASK 3400 GEOTECHNICAL SUPPORT

The additional geotechnical related support includes the following tasks. These additional tasks are primarily related to providing geotechnical construction quality assurance (CQA) of the re-excavation and backfill over the Jensen Precast storage units:

- Seven (7) days for a full-time technician to be in the field at prevailing wage rates overseeing the compaction of various utility trenches and various other facilities including channel wall backfill and cover.
- Completion of CQA Report. Although this item was included in the original scope of work, the CQA has taken longer than anticipated because of additional visits to the job site. The additional effort has exhausted the budget originally allocated for this task. The amount of time required for CQA varies depending on the project and the number of site visits. Additional site visits are only made when requested by a City representative.

Below is a budget analysis for the addition geotechnical construction support budget being requested. Table 5 represents the original contract and subsequent amended contract effort and budgets previously approved. Table 6 represents the effort to date, which includes the effort to support the City with the re-work required associated with the Jensen Precast storage units, and Table 6 details the additional budget needed to inspect final grading and prepare the final CQA Report. Table 7 summarizes the support required by Tetra Tech’s geotechnical team to provide construction quality assurance (CQA) through the estimated construction completion date of April 1, 2020.

Table 5. Geotechnical Construction Support Original Planned Effort

CONTRACTS	Planned Field Tech Hours	Planned Office, Engineering, RFIs, Tech Consultations, Field Visits, Management, and CQA Report	Budget
Original Budget	340 hours	124 hours	\$67,015 on 4/12/2018
Amendment	120 hours	68 hours	\$25,561 on 1/16/2020
TOTALS	460 hours	192 hours	\$92,576

Table 6. Geotechnical Construction Support Effort to Date

ACTUAL CHARGES	Actual Field Tech Hours	Actual Office, Engineering, RFIs, Tech Consultations, Field Visits, Management, and CQA Report
To Date	430 hours	170 hours
Total Remaining	30 hours	22 hours

Table 7. Geotechnical Construction Support Effort Needed to Complete Project

ESTIMATED REMAINING	Remaining Field Tech Hours	Remaining hours for Office and complete CQA Report	Field Vehicle and Nuclear Gauge
Remaining Work	Estimated 7 full time days = 56 hours	44 CQA Report + 6 hours coordination = 50 hours	N/A
Additional/Extra effort over planned effort/budget (line above – second line in Table 3)	26 hours @ \$108.00	24 hours @\$145 4 hours @230	26 @ \$12 (FV) +26 @ \$8 (NG)
Partial Totals	\$2,808	\$4,400	\$520
TOTAL	\$7,728		

TASK 3600, 3700, AND 3800 – SITE INSPECTIONS, FINAL INSPECTION AND COMMISSIONING, AND AS-BUILT DRAWINGS, RESPECTIVELY

As a result of the earlier mentioned factors, Tetra Tech has used the budget to perform the site inspections, final inspection and startup and commissioning, and as-built drawings. The scope and fee associated with these tasks is included in a proposal from Tetra Tech to the City of Lakewood, dated December 11, 2017. The scope and level of effort associated with the site inspections was also increased to account for additional troubleshooting support that will likely be required. Startup and commissioning were originally expected to occur during March and April 2020, but are now expected to commence in February and March 2021. Since some of the work has been completed such as the pump station, building inspection and several portions of the civil and structural, the level of effort for the general Site Inspections and Final Inspections has been reduced from 236 staff hours to 88 staff hours. Similarly, some of the as-built data has already been included in the plan set, so that level of effort has also been reduced from 117 staff hours to 62 staff hours.

LABOR AND FEE ESTIMATE

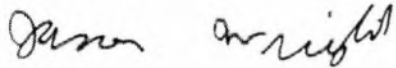
Our fee summary is included below, and in the attached Price Proposal. Tetra Tech is prepared to complete the additional support on a **Time and Materials (T&M)** basis. The existing hourly rates currently being used will be carried forward through the duration of the project.

TASK	DESCRIPTION	AMOUNT
3100	Project Management	\$8,160
3200	Project Engineer Design Support	\$32,300
3400	Geotechnical Support	\$7,728

TASK	DESCRIPTION	AMOUNT
3600	Site Inspections	\$5,014
3700	Final Inspection and Commissioning	\$13,498
3800	As-Built Drawings	\$7,750
Subtotal		\$74,450
Fee Deduction (See Table 2)		(\$4,438)
Total		\$70,012

Thank you for the opportunity and we look forward to continuing our services for the City of Lakewood. Please feel free to contact us if you have questions or requests for additional information at (919) 485-2064, or jason.wright@tetrattech.com.

Sincerely,



Jason Wright, PE
 Project Manager
 Tetra Tech, Inc.

APPROVED FOR: City of Lakewood

BY: _____

TITLE: _____

DATE: _____

- Enclosure 1: Price Proposal
- Enclosure 2: Previous Invoices (11/2018 – 10/2020)
- Enclosure 3: Previous Geotechnical Invoices (7/2019 – 8/2019)



December 21, 2020

Ms. Lisa Rapp
Director of Public Works
City of Lakewood
Department of Public Works
5050 Clark Avenue
Lakewood, CA 90712

Subject: Proposal to Provide Additional Construction Management Services
for the Stormwater and Runoff Capture Project at Mayfair Park

Dear Ms. Rapp:

Willdan Engineering (Willdan) is pleased to be given the opportunity to submit this proposal to provide additional project management, contract administration, construction observation, and labor compliance services for the Stormwater and Runoff Capture Project at Mayfair Park.

This request is mainly due to the unforeseen issues with the repair work that is required for the water storage gallery, the construction modifications of the 2-way and 3-way plug valves, and the completion of the project per the approved plans. The water storage repair work requires a full-time observation to confirm that the work is being performed and documented per the approved repair procedure. It is our understanding that construction of the project will be substantially completed by the end of April 2021; with startup, commissioning, and project closeout being completed in June of 2021.

SCOPE OF SERVICES

We propose to provide the following basic services for the project:

Project Management

1. Maintain continuous communication with the City Project Manager.
2. Provide agendas of special items for discussion, and minutes listing agreed actions.
3. Monitor progress of construction management team for project delivery on schedule and within budget.
4. Provide project updates on a monthly basis.

5. Maintain continuous awareness of the status of each project task as it proceeds and make provisions to expedite and resolve any difficulties that may impede progress.
6. Proactively initiate communications any time there arises a question or inconsistency in the flow of work production.

Contract Administration

1. Assist City with public awareness and an information program to keep residents and local interests advised of project status and impacts to traffic flow circulation.
2. Review public construction notices distributed to residents and local interest group.
3. Verify that the Contractor distributes public construction notices.
4. Provide and monitor 800 hot-line number and respond to calls within 24 hours.
5. Maintain response log of inquiries made via hot-line.
6. Prepare special concerns to be presented at the preconstruction conference.
7. Conduct meeting and prepare preconstruction conference minutes and distribute to attendees.
8. Review Contractor's safety program in consultation with City staff.
9. Through Willdan's system of project control, monitor activities related to the project, such that the project is constructed pursuant to contract documents and in a timely fashion.
10. Log, track, and process submittals, Request for Information (RFIs), Request for Changes (RFCs), Contract Change Orders (CCOs), field directives, Notices of Potential Claim (NOPCs), Non-Conformance Reports (NCRs), construction schedule, and detailed traffic control plan.
11. Closely review schedule and advise contractor to take action on schedule slippage.
12. Assume responsibility for coordination with construction observation staff and City staff.
13. Monitor activities of engineering support, testing, and work by utilities or other agencies.
14. Monitor ADA improvements and NPDES conformance.



15. Evaluate Contractor's requests for clarification of plans and specifications.
16. Conduct special site meetings, when necessary, with Contractor and City staff to review job progress, scheduling, and coordination.
17. Perform quantity, time and cost analysis required for negotiation of contract changes.
18. Assist in negotiation and preparation of change orders.
19. Monitor materials documentation and testing results and enforce corrections.
20. Review for approval Contractor's progress payment requests.
21. Monitor preparation of punch list at substantial completion, and follow up.
22. Routinely review construction files to ensure conformance to agency standards and good construction management practice.
23. Assist City with Stop Notices and Release of Retention.

Construction Observation

1. Review plans, specifications, and all other contract and construction related documents.
2. Attend progress meetings with the Project Manager, Contractor, and subcontractors.
3. Provide construction observation of the work to monitor materials and methods toward compliance with plans, specifications, and contract documents; address and document non-conforming items as they are discovered.
4. Meet with the Contractor at the beginning of each day and review proposed work plans, including specific details that may affect progress.
5. Conduct daily measurements of quantities of work with the Contractor.
6. Review actual Contractor performance throughout the day and discuss discrepancies with the Contractor as they occur.
7. Coordinate the Contractor's field work with utility companies and other agencies.
8. Evaluate the Contractor's operation and production with respect to quality and progress, and report to the Project Manager and City.



9. Photograph in color continuous property frontages along park alignment once prior to construction and once immediately following construction.
10. Monitor testing results and require the Contractor to provide corrective measures to achieve compliance.
11. Maintain copies of all permits needed to construct the project and enforce special requirements of each.
12. Prepare and maintain detailed daily diary inspector reports on construction progress.
13. Prepare weekly statement of working days.
14. Maintain field file bound workbooks during construction, including a cumulative record of quantities constructed, daily and weekly reports, working day reports, change order documentation, photographs, and other documentation.
15. Review the construction schedule and enforce requirements for updating schedules and maintaining appropriate progress of the work.
16. Coordinate engineering support at response to construction clarification requests.
17. Analyze delays and review claims on a timely basis and make recommendations to the City.
18. Review, evaluate, and discuss with the City all requests for change of work, including costs involved; prepare change orders.
19. Provide complete measurements and calculations documented to administer progress payments.
20. Maintain and submit a clean set of plans marked in red for as-built corrections on record drawings to be filed with the City.
21. Prepare punch list at substantial completion and follow up with the Contractor regarding progress of corrections.
22. Schedule final inspection with the City and applicable agencies; prepare, distribute, and inspect corrections to the final punch list for completion; recommend final acceptance.
23. Prepare documentation for final payment to the Contractor.
24. Upon project completion, provide the finished set of project workbooks to the City.



Labor Compliance

1. Receive field interviews from the public works observer and spot-check against contractor-submitted certified payroll reports. Request supplemental documentation as required, including fringe benefit statements, apprenticeship documentation, and payroll deduction authorizations.
2. Follow up with contractor by telephone, email, and/or certified mail regarding payroll discrepancies and deficiencies.
3. Receive, pursue, and document labor complaints; prepare violation reports to oversight agencies as required; recommend special action if contractor continuously fails to comply.
4. Coordinate with City staff the withholding of progress and/or retention payments if contractor fails to abide by labor compliance requirements.
5. Maintain content and format of labor compliance file in conformance with applicable government requirements.
6. Submit complete labor compliance file to City for retention.

FEE

Our proposed not-to-exceed fee for the above additional scope of services is \$146,520. Please see attached project additional fee schedule.

Following is a summary of the revised project total not-to-exceed fees:

• Current Fee	\$692,624
• Additional Fee	<u>\$146,520</u>
Total Not-to-Exceed Fee	\$839,144

Compensation for weekend inspection and inspection beyond the allocated working days and hours of the construction contract will be on a time-and-materials basis.

Please indicate the City's approval and authorization to proceed by either printing out and signing two originals and returning one hard copy original to our office, or by scanning one signed original and returning it by email.



Thank you for giving us the opportunity to assist the City of Lakewood. If you have any questions, please contact Adel Freij at (562) 364-8486 or afreij@willdan.com.

Respectfully submitted,

Approval and Authorization to Proceed By:

WILLDAN ENGINEERING

CITY OF LAKEWOOD



Adel M. Freij, PE
Director of City Engineering

Signature

Date

Enclosure

910005/WW.00.30/P20-394_21416



City of Lakewood
Additional Construction Management Services
for
Stormwater and Runoff Capture Project at Mayfair Park

Additional Fee Schedule

TASK / CLASSIFICATION	HOURLY RATE:					TOTAL LABOR	MISC. EXP.	TOTAL COST
	Project Manager \$196	Construction Manager \$163	Senior Public Works Observer \$114	Labor Compliance Manager \$139	Clerical \$73			
Project Management	80				0	\$15,680	\$0	\$15,680
Contract Administration		60			8	\$10,364	\$200	\$10,564
Construction Observation			996		8	\$114,128	\$150	\$114,278
Labor Compliance				40	6	\$5,998	\$0	\$5,998
TOTAL NOT-TO-EXCEED FEE	80	60	996	40	22	\$146,170	\$350	\$146,520

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COUNCIL AGENDA

January 26, 2021

TO: Honorable Mayor and City Council

SUBJECT: Annual City Investment Policy and Quarterly Schedule of Investments – as of December 31, 2020

INTRODUCTION

The city's investment policy is reviewed and approved by the City Council annually, as required by law, the last time being in January 2020. As expressed in our Investment Policy, the city's investment objectives continue to be safety, liquidity and yield in the investment of public funds.

STATEMENT OF FACTS

Attached is the city's updated investment policy being recommended, along with a separate "redline" version illustrating the proposed changes. Although not required, there are some minor recommended changes related to recent minor revisions to the California Government Code ("Code") statutes.

The city's first policy was adopted in 1980, and has been periodically updated since then to conform to sound investment practices and laws. PFM Asset Management LLC (PFM), the city's professional investment consultant, advises that several items be incorporated as they will enhance the Policy's clarity and ensure consistency with Code provisions. The changes are as follows:

- 1) Eliminate the 10% limit on outstanding commercial paper investment for any one issuer. Note that the city's policy is more restrictive as it already includes a 10% per issuer limit that applies across all corporate sectors combined (including commercial paper).
- 2) In the event of, and only for the duration of, a period of negative market interest rates, allow the city to invest in securities issued or backed by the U.S. government that could result in zero or negative interest accrual if held to maturity. Out of an abundance of caution this provision provides flexibility to "invest" if market rates turn negative. In such an instance, staff would also consider other alternatives such as depositing the funds into a bank account and weighing the fees that are likely to be applied.

The city's investment portfolio includes funds managed by PFM as well as deposits in the Local Agency Investment Fund (LAIF - a state-wide pooled account), and the California Asset Management Program (CAMP - a joint powers authority established to provide public agencies with professional investment services).

In addition to reviewing the city's investment policy, it is also appropriate to review PFM's investment performance. This includes a comparison of the managed investment portfolio to the established market index. Since inception, the portfolio under PFM's management has gained greater total return than the benchmark, currently the ICE Bank of America Merrill Lynch (BofAML) 1-5 Year U.S. Treasury Index provided by Bloomberg Financial Markets.

Below is a table illustrating the annualized returns since the portfolio's 2007 inception:

Data as of December 31, 2020			Annualized Returns				
Portfolio/ Benchmark	Effective Duration	Current Quarter	1 Year	3 Year	5 Year	10 Year	Since Inception
City of Lakewood	2.63	0.22%	4.63%	3.51%	2.52%	1.71%	2.04%
Benchmark	2.59	0.02%	4.25%	3.26%	2.21%	1.45%	1.85%
Difference		0.20%	0.38%	0.25%	0.31%	0.26%	0.19%

Following is a table with a comprehensive view of the city's portfolio for the quarter ending December 31, 2020, including the funds managed by PFM:

Summary - Schedule of Investments as of December 31, 2020

PMF MANAGED PORTFOLIO

Security Type	Market Value	% of Portfolio	% Change vs. 12/30/19	Permitted by Policy	In Compliance
U.S. Treasury Notes	\$ 17,038,000	43.0%	-19.6%	100%	X
Corporate Notes	8,195,510	20.7%	8.8%	30%	X
Negotiable CDs	1,472,769	3.7%	-43.8%	30%	X
Federal Agency	6,477,170	16.4%	168.8%	100%	X
Supranationals	1,762,524	4.5%	33.9%	30%	X
Municipal Bonds	2,150,730	5.4%	66.8%	100%	X
Federal Agency CMO	120,091	0.3%	-57.2%	100%	X
Asset Backed Securities	2,103,635	5.3%	108.8%	20%	X
Securities Sub-Total	\$ 39,320,429	99.3%			
Money Market Fund	261,173	0.7%	122.7%	20%	X
Accrued Interest	158,918				
Total Managed Portfolio	\$39,740,520	100.0%			

POOLED INVESTMENT ACCOUNTS

Market Value

LAIF	State of CA	\$11,252,963.02
CAMP	US Bank	\$2,410,389.76
		<u>\$13,663,352.78</u>

BANK ACCOUNTS

Balance

City - Checking	F&M	\$3,075,550.05
City Payroll	F&M	\$526,676.44
Successor Housing – Checking	F&M	\$397,420.40
		<u>\$3,999,646.89</u>

Funds held in reserve as required by debt issuance or non-agency funds - not available for City expenditures:

Successor Agency – Checking	F&M	\$1,972,001.16
		<u>\$1,972,001.16</u>

Total Portfolio **\$59,375,520.83**

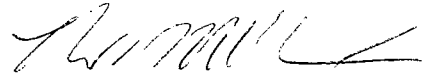
Richard Babbe from PFM will provide a detailed investment presentation at the City Council meeting, including broader market and economic policy factors.

RECOMMENDATION

Staff recommends that the Council adopt the attached Investment Policy and receive and file the Quarterly Schedule of Investments for December 31, 2020.



Jose Gomez
Director of Finance & Administrative Services



Thaddeus McCormack
City Manager

Attached:

- PFM Recommendations Memo
- City Investment Policy
- City Investment Policy – with changes highlighted



December 14, 2020

Memorandum

To: Jose Gomez, Director of Administrative Services
City of Lakewood

From: Sarah Meacham, Managing Director
Richard Babbe, Senior Managing Consultant
Michael Martis, Analyst
PFM Asset Management LLC

Re: 2020 Investment Policy Review

We completed our review of the City of Lakewood's (the "City") Investment Policy (the "Policy") as part of the City's annual review process. The Policy is comprehensive and in compliance with the California Government Code ("Code") statutes regulating the investment of public funds.

We are, however, recommending several minor revisions to the Policy related to Senate Bill 998, which will take effect on January 1, 2021. Our recommendations are summarized below. In addition, we have attached a blacklined version of the Policy illustrating our recommendations.

The Bill's amendments to Code and our recommendations are described below. As revised, the Code:

- Allows local agencies that have more than \$100 million of investment assets under management to invest up to 40% in commercial paper (existing limit is 25% for all agencies other than a county or a city and county). As the City does not meet this threshold, no change to the Policy is needed.
- Eliminates the 10% limit on the outstanding commercial paper of any one issuer and establishes a combined 10% per issuer limit on commercial paper and corporate notes. We recommend that the City eliminate the 10% limit on the outstanding commercial paper as it is no longer in the Code. There no need to incorporate the new 10% per issuer limit as the City already has a 10% per issuer limit that applies across corporate sectors.



- Allows local agencies to invest in securities issued or backed by the U.S. government that could result in zero or negative interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. While we do not anticipate negative market interest rates, we recommend the City incorporate this provision into the Policy, so the City has the flexibility to invest if market rates go negative.
- Allows federally recognized Indian tribes to invest and participate in investment JPAs. This provision does not apply to the City.

Please let us know if you have any questions or if you would like to discuss our recommendations in more detail.

CITY OF LAKEWOOD
INVESTMENT POLICY - January 2021

I. Scope

This policy applies to the investment of the City of Lakewood's ("City") applies to all funds accounted for in the annual budget. Funds of the City will be invested in compliance with the provisions of, but not necessarily limited to California Government Code Section 53601 et seq. and other applicable statutes. Investments will be in accordance with these policies and written administrative procedures. This policy does not regulate the investment of bond proceeds.

II. Objectives

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

Safety. Safety of principal is the primary and most important objective of the investment program. Investments of the City will be made in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will endeavor to mitigate credit and market risk.

Liquidity. The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated. This will be achieved through maturity diversification and purchases of securities with an established secondary market.

Yield. The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints, liquidity needs, and cash flow characteristics of the portfolio. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

III. Standards of Care

Prudence

The City of Lakewood adheres to the guidance provided by the "prudent investor" standard (CA 53600.3) to insure that:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

This standard of prudence is to be used by all investment staff and will be applied in the context of managing an overall portfolio.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

Delegation of Authority

The authority to invest City funds is delegated to the Director of Finance & Administrative Services for a period of one year. The Director of Finance & Administrative Services is also subject to the direction and supervision of the City Manager. Subject to review, the City Council may renew the delegation of authority each year or more frequently, if desired. Additionally, the City Manager is granted the ability to unilaterally reassign or modify these responsibilities. If carried out, he/she will notify the City Council no later than the subsequent City Council meeting. The Director of Finance & Administrative Services and his/her designated staff, herein referred to as investment staff, are responsible for City's investment program. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established. The Director of Finance & Administrative Services shall be responsible for all transactions undertaken and will establish a system of controls to regulate the activities of subordinate officials.

The City may delegate its investment decision making and execution authority to an investment advisor. The advisor shall follow the policy and such other written instructions as are provided.

IV. Authorized and Suitable Investments

Surplus funds of local agencies may only be invested in certain eligible securities as listed below. Percentage holding limits, where shown, apply at the time the security is purchased. Credit criteria listed in this section refers to the credit rating at the time the security is purchased. If an investment's credit rating falls below the minimum rating required at the time of purchase, the City's investment advisor (if any) and Director of Finance & Administrative Services will review the rating agency action and decide whether to sell or hold the investment. The investment strategy for the City of Lakewood is to administer an operational portfolio. A definition of an operational portfolio is to have adequate funds available at all times to meet appropriated and projected cash flow requirements for the City of Lakewood.

The City of Lakewood does **NOT** purchase or sell securities on **MARGIN**.

1. *U.S. Treasury Obligations.* United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no portfolio percentage limits for U.S. Treasury obligations.

2. *U.S. Government Agency Issues.* Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no portfolio percentage limits for U.S. Government Agency issues.

3. *Municipal Obligations.* Municipal obligations to include the following:

(a) Registered Treasury Notes or Bonds of the State of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

(b) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within the State of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

(b) Registered Treasury Notes or Bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California.

Obligations are required to be rated in a rating category of “AA” or its equivalent or better by a nationally recognized statistical rating organization (NRSRO). There are no portfolio percentage limits for municipal obligations.

4. *Negotiable Certificates of Deposit.* Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a federally licensed or state-licensed branch of a foreign bank. Purchases are limited to securities rated in a rating category of “A” (long-term) or “A-1” (short-term) or their equivalents or better by an NRSRO. No more than 30% of the City’s portfolio may be invested in negotiable certificates of deposit.

5. *Placement Service Deposits.* Fully insured deposits placed through a deposit placement service that meets the requirements under Code Section 53601.8. No more than 30% of the City’s portfolio may be invested in placement service deposits.

6. *Money Market Funds.* Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision, these companies shall either: (1) attain the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations; or (2) retain an investment advisor registered or exempt from registration with the Securities and Exchange commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000). No more than 20% of the City’s portfolio may be invested in money market funds. The purchase price of shares shall not include any commission charged by the fund. No more than 10% of the City’s portfolio may be invested in any one fund.

7. *Government Pools.* Shares of beneficial interest issued by a joint powers authority (6509.7) that invests in securities authorized by Section 53601 of the California Government Code. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

(a) The adviser is registered or exempt from registration with the Securities and Exchange Commission.

(b) The adviser has not less than five years of experience investing in the securities and obligations authorized in California Government Code section subdivisions (a) to (q), inclusive.

(c) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

There is no portfolio percentage limit for Government Pools.

8. *State of California's Local Agency Investment Fund.* Investment in LAIF may not exceed the current LAIF limit and should be reviewed periodically.

9. *Los Angeles County Pool.* Investment in the Los Angeles County Pool may not exceed the current pool limits and should be reviewed periodically.

10. *Commercial paper.* Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (a) or paragraph (b):

(a) The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars (\$500,000,000). (iii) Has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by a NRSRO.

(b) The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.

Purchases of commercial paper shall have a maximum maturity of 270 days. No more than 25% of the City's portfolio may be invested in commercial paper.

11. *Corporate Notes.* Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the

United States, or any state and operating within the United States. Medium-term corporate notes shall be rated in a rating category of "A" or its equivalent or better by a NRSRO. No more than 30% of the City's portfolio may be invested in corporate notes.

12. *Supranationals*. Supranationals, defined as United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Supranationals shall be rated in a rating category of "AA" or its equivalent or better by a NRSRO. No more than 30% of the City's portfolio may be invested in supranationals.

13. *Asset-Backed Securities*. A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond. Securities eligible for investment under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO. Purchases of asset-backed securities shall have a maximum maturity of five years. No more than 20% of the City's portfolio may be invested in asset-backed securities.

V. Ineligible Investments

Any security type or structure not specifically approved by this policy is hereby prohibited; these include, but are not restricted to, the following:

(a) "Complex" derivative securities such as range notes, dual index notes, inverse floating-rate notes, leveraged or deleveraged floating-rate notes, or any other complex variable-rate or structured note.

(b) Interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity except as authorized by Code Section 53601.6.

(c) Financial Futures and Financial Options also known as forward contracts for securities.

VI. Investment Parameters

Diversification. The City's investments shall be diversified by:

- Limiting investments to avoid over concentration in securities from a specific issuer or sector. No more than 10% of the portfolio may be invested in the securities of any one issuer, regardless of security type; excluding U.S. Treasuries, federal agencies, supranationals, and pooled investments such as LAIF, LA County Pool, and Government Pools.
- Limiting investment in securities that have higher credit risks.
- Investing in securities with varying maturities.

- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools or money market funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

Maximum Maturities. To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless stated otherwise in Section IV of this Policy, the maximum maturity of the City's eligible investments will not exceed five years unless the City Council has granted express authority to make that investment either specifically or as a part of an investment program approved by the City Council no less than three months prior to the investment.

Sale of Securities. The City does not make investments for the purpose of trading or speculation, but buys with the prevalent intent to hold securities to maturity. The prohibition of speculative investment precludes pursuit of profit through unusual risk or conjectural fluctuations in market prices. However, fluctuations in market rates or changes in credit quality may produce situations where securities may be sold at a nominal loss in order to mitigate further erosion of principal or to reinvest proceeds of sale in securities that will out-perform the original investment.

VII. Depository Services

Legal Constraints

Money must be deposited in state or national banks, state or federal savings associations, or state or federal credit unions in the state. It may be in inactive deposits, active deposits or interest-bearing active deposits. The deposits cannot exceed the amount of the bank's or savings and loan's paid up capital and surplus.

The bank or savings and loan must secure the active and inactive deposits with eligible securities having a market value of 110% of the total amount of the deposits. State law also allows, as an eligible security, first trust deeds having a value of 150% of the total amount of the deposits. A third class of collateral is letters of credit drawn on the Federal Home Loan Bank (FHLB). As a matter of policy, the City does not accept 150% collateral in first trust deeds or 105% Letters of Credit drawn on the FHLB, even though the state statutes allow municipalities to accept them.

The Director of Finance & Administrative Services may at his discretion waive security for that portion of a deposit which is insured pursuant to federal law. Currently, the first \$250,000 of a deposit is federally insured. It is to the City's advantage to waive this collateral requirement for the first \$250,000 because we receive a higher interest rate. If funds are to be collateralized, the collateral we accept is 110% of the deposit in government securities.

Depository Services

Active deposits are demand or checking accounts which receive revenues and pay disbursements. The City of Lakewood has three demand accounts:

- General checking account
- Payroll checking account
- Successor agency project account

Successor agency housing account

Interest-bearing active deposits are money market accounts at a financial institution (i.e., bank, savings and loan, credit union). These accounts are demand accounts (i.e., checking accounts) with restricted transaction activity.

Inactive deposits are Certificates of Deposit issued in any amount for periods of time as short as 14 days and as long as several years. Interest must be calculated on a 360-day basis, actual number of days. There is no portfolio percentage limit for Inactive Deposits. The maximum maturity shall be limited to one year.

We require that each financial institution submit current financial statements which are evaluated by staff prior to the investment of funds. We use the following criteria:

The institution must have been in business at least three years.

The institution must submit audited financial statements.

The institution must have assets of at least \$50 million and a net worth to liability ratio of 3.5 to 1. For calculations, net worth does not include subordinated debt and Reserves for Allowance for Loan Losses.

City investments of less than 180 days to maturity can use a net worth to asset ratio of 3 to 1.

Investments in Credit Unions require an Equity (net worth) to Asset Value of 5.0%. The loan balance to share draft ratio is compared to industry standards, but should not exceed 90%. The City may invest funds for a period up to 120 days in institutions with a Regular Reserve to Loan Balance ratio of at least 3.25%. For longer periods of time, the ratio must be at least 4.0%.

In addition, examination is made of the Reserve for Loan Losses category to evaluate the financial trend of the institution's asset base. Comparison is made of institution ratio values to the industry averages.

Under deposits, if data is available, we track the ratio of \$250,000 certificates of deposit (brokered money) to the total deposit base. A percent greater than 50% is an area of concern.

Whenever possible, the use of several years' financial data is evaluated to present a trend of activity in the institution.

We also require that interest be paid to the City on a monthly basis (current state law only requires quarterly payment). We do not place more than \$250,000 in a savings and loan, small bank, or credit union.

VIII. Safekeeping and Custody

Delivery vs. Payment

All investment transactions conducted with deliverable securities will be executed on a delivery versus payment basis. Deliverable securities will be held in safekeeping by a third party custodian designated by the City. The custodian will be required to provide timely (written or on-line) confirmation of receipt and monthly position and transaction reports.

IX. Reporting Requirements

Monthly Reporting

The Director of Finance & Administrative Services will provide to the City Council monthly investment reports that provide a detailed summary of transactions in the City's portfolio.

Quarterly Reporting

The Director of Finance & Administrative Services will provide to the City Council quarterly investment reports which provide a detailed summary of the status of the investment program. The quarterly report will contain the following:

- The type of investment, issuer, and date of maturity par and dollar amount invested on all securities, investments and moneys held by the local agency.
- A description of any of the local agency's funds, investments, or programs that are under the management of contracted parties, including lending programs.
- A current market value as of the date of the report and the source of this same valuation for all securities held by the local agency, and under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund.
- A statement of compliance with the Government Code and this policy.
- A statement denoting the ability of the local agency to meet its pool's expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available.

X. Performance Standards

The City's portfolios are managed with the objective of obtaining a market rate of return, commensurate with identified risk constraints and cash flow characteristics. Because the composition of the portfolio fluctuates, depending on market and credit conditions, various indices will be used to monitor performance.

XI. Investment Advisor Review

The performance of the City's investment advisor and investment advisory firm shall be reviewed annually based on the following criteria:

- Understanding of the city's overall investment program and the investment objectives and constraints unique to the city, and approach to management of the city's portfolio.
- Experience, resources, and qualifications of the firm and individuals assigned to this account.

- Experience of the firm in managing state/local/district government reserve funds.
- Performance of the managed portion of the city's portfolio.
- Reporting methodology and additional investment of financial services offered or available through affiliation.
- Fees, relative to services.

XII. Policy Considerations

This policy shall be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individual(s) charged with maintaining internal controls.

CITY INVESTMENT POLICY

– with changes highlighted

CITY OF LAKEWOOD
INVESTMENT POLICY - January 2021⁰

I. Scope

This policy applies to the investment of the City of Lakewood's ("City") applies to all funds accounted for in the annual budget. Funds of the City will be invested in compliance with the provisions of, but not necessarily limited to California Government Code Section 53601 et seq. and other applicable statutes. Investments will be in accordance with these policies and written administrative procedures. This policy does not regulate the investment of bond proceeds.

II. Objectives

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

Safety. Safety of principal is the primary and most important objective of the investment program. Investments of the City will be made in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will endeavor to mitigate credit and market risk.

Liquidity. The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated. This will be achieved through maturity diversification and purchases of securities with an established secondary market.

Yield. The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints, liquidity needs, and cash flow characteristics of the portfolio. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

III. Standards of Care

Prudence

The City of Lakewood adheres to the guidance provided by the "prudent investor" standard (CA 53600.3) to insure that:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

This standard of prudence is to be used by all investment staff and will be applied in the context of managing an overall portfolio.

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Delegation of Authority

The authority to invest City funds is delegated to the Administrative Services Director for a period of one year. The Administrative Services Director is also subject to the direction and supervision of the City Manager. Subject to review, the City Council may renew the delegation of authority each year or more frequently, if desired. Additionally, the City Manager is granted the ability to unilaterally reassign or modify these responsibilities. If carried out, he/she will notify the City Council no later than the subsequent City Council meeting. The Administrative Services Director and his/her designated staff, herein referred to as investment staff, are responsible for City's investment program. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established. The Administrative Services Director shall be responsible for all transactions undertaken and will establish a system of controls to regulate the activities of subordinate officials.

The City may delegate its investment decision making and execution authority to an investment advisor. The advisor shall follow the policy and such other written instructions as are provided.

IV. Authorized and Suitable Investments

Surplus funds of local agencies may only be invested in certain eligible securities as listed below. Percentage holding limits, where shown, apply at the time the security is purchased. Credit criteria listed in this section refers to the credit rating at the time the security is purchased. If an investment's credit rating falls below the minimum rating required at the time of purchase, the City's investment advisor (if any) and Director of Finance & Administrative Services will review the rating agency action and decide whether to sell or hold the investment. The investment strategy for the City of Lakewood is to administer an operational portfolio. A definition of an operational portfolio is to have adequate funds available at all times to meet appropriated and projected cash flow requirements for the City of Lakewood.

The City of Lakewood does **NOT** purchase or sell securities on **MARGIN**.

1. *U.S. Treasury Obligations.* United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no portfolio percentage limits for U.S. Treasury obligations.

2. *U.S. Government Agency Issues.* Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully

guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no portfolio percentage limits for U.S. Government Agency issues.

3. *Municipal Obligations.* Municipal obligations to include the following:

(a) Registered Treasury Notes or Bonds of the State of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

(b) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within the State of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

(b) Registered Treasury Notes or Bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California.

Obligations are required to be rated in a rating category of “AA” or its equivalent or better by a nationally recognized statistical rating organization (NRSRO). There are no portfolio percentage limits for municipal obligations.

4. *Negotiable Certificates of Deposit.* Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a federally licensed or state-licensed branch of a foreign bank. Purchases are limited to securities rated in a rating category of “A” (long-term) or “A-1” (short-term) or their equivalents or better by an NRSRO. No more than 30% of the City’s portfolio may be invested in negotiable certificates of deposit.

5. *Placement Service Deposits.* Fully insured deposits placed through a deposit placement service that meets the requirements under Code Section 53601.8. No more than 30% of the City’s portfolio may be invested in placement service deposits.

6. *Money Market Funds.* Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision, these companies shall either: (1) attain the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations; or (2) retain an investment advisor registered or exempt from registration with the Securities and Exchange commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000). No more than 20% of the City’s portfolio may be invested in money market funds. The purchase price of shares shall not any commission charged by the fund. No more than 10% of the City’s portfolio may be invested in any one fund.

7. *Government Pools.* Shares of beneficial interest issued by a joint powers authority (6509.7) that invests in securities authorized by Section 53601 of the California Government Code. Each

share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

- (a) The adviser is registered or exempt from registration with the Securities and Exchange Commission.
- (b) The adviser has not less than five years of experience investing in the securities and obligations authorized in California Government Code section subdivisions (a) to (q), inclusive.
- (c) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

There is no portfolio percentage limit for Government Pools.

8. *State of California's Local Agency Investment Fund.* Investment in LAIF may not exceed the current LAIF limit and should be reviewed periodically.

9. *Los Angeles County Pool.* Investment in the Los Angeles County Pool may not exceed the current pool limits and should be reviewed periodically.

10. *Commercial paper.* Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (a) or paragraph (b):

- (a) The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars (\$500,000,000). (iii) Has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by a NRSRO.
- (b) The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.

Purchases of commercial paper shall have a maximum maturity of 270 days, ~~nor represent more than 10% of the outstanding paper of an issuing corporation.~~ No more than 25% of the City's portfolio may be invested in commercial paper.

11. *Corporate Notes.* Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States, or any state and operating within the United States. Medium-term corporate notes

shall be rated in a rating category of "A" or its equivalent or better by a NRSRO. No more than 30% of the City's portfolio may be invested in corporate notes.

12. *Supranationals*. Supranationals, defined as United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Supranationals shall be rated in a rating category of "AA" or its equivalent or better by a NRSRO. No more than 30% of the City's portfolio may be invested in supranationals.

13. *Asset-Backed Securities*. A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond. Securities eligible for investment under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO. Purchases of asset-backed securities shall have a maximum maturity of five years. No more than 20% of the City's portfolio may be invested in asset-backed securities.

V. Ineligible Investments

Any security type or structure not specifically approved by this policy is hereby prohibited; these include, but are not restricted to, the following:

(a) "Complex" derivative securities such as range notes, dual index notes, inverse floating-rate notes, leveraged or deleveraged floating-rate notes, or any other complex variable-rate or structured note.

(b) Interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity except as authorized by Code Section 53601.6.

(c) Financial Futures and Financial Options also known as forward contracts for securities.

VI. Investment Parameters

Diversification. The City's investments shall be diversified by:

- Limiting investments to avoid over concentration in securities from a specific issuer or sector. No more than 10% of the portfolio may be invested in the securities of any one issuer, regardless of security type; excluding U.S. Treasuries, federal agencies, supranationals, and pooled investments such as LAIF, LA County Pool, and Government Pools.
- Limiting investment in securities that have higher credit risks.
- Investing in securities with varying maturities.
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools or money market funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

Maximum Maturities. To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless stated otherwise in Section IV of this Policy, the maximum maturity of the City's eligible investments will not exceed five years unless the City Council has granted express authority to make that investment either specifically or as a part of an investment program approved by the City Council no less than three months prior to the investment.

Sale of Securities. The City does not make investments for the purpose of trading or speculation, but buys with the prevalent intent to hold securities to maturity. The prohibition of speculative investment precludes pursuit of profit through unusual risk or conjectural fluctuations in market prices. However, fluctuations in market rates or changes in credit quality may produce situations where securities may be sold at a nominal loss in order to mitigate further erosion of principal or to reinvest proceeds of sale in securities that will out-perform the original investment.

VII. Depository Services

Legal Constraints

Money must be deposited in state or national banks, state or federal savings associations, or state or federal credit unions in the state. It may be in inactive deposits, active deposits or interest-bearing active deposits. The deposits cannot exceed the amount of the bank's or savings and loan's paid up capital and surplus.

The bank or savings and loan must secure the active and inactive deposits with eligible securities having a market value of 110% of the total amount of the deposits. State law also allows, as an eligible security, first trust deeds having a value of 150% of the total amount of the deposits. A third class of collateral is letters of credit drawn on the Federal Home Loan Bank (FHLB). As a matter of policy, the City does not accept 150% collateral in first trust deeds or 105% Letters of Credit drawn on the FHLB, even though the state statutes allow municipalities to accept them.

The Administrative Services Director may at his discretion waive security for that portion of a deposit which is insured pursuant to federal law. Currently, the first \$250,000 of a deposit is federally insured. It is to the City's advantage to waive this collateral requirement for the first \$250,000 because we receive a higher interest rate. If funds are to be collateralized, the collateral we accept is 110% of the deposit in government securities.

Depository Services

Active deposits are demand or checking accounts which receive revenues and pay disbursements. The City of Lakewood has three demand accounts:

- General checking account
- Payroll checking account
- Successor agency project account
- Successor agency housing account

Interest-bearing active deposits are money market accounts at a financial institution (i.e., bank, savings and loan, credit union). These accounts are demand accounts (i.e., checking accounts) with restricted transaction activity.

Inactive deposits are Certificates of Deposit issued in any amount for periods of time as short as 14 days and as long as several years. Interest must be calculated on a 360-day basis, actual number of days. There is no portfolio percentage limit for Inactive Deposits. The maximum maturity shall be limited to one year.

We require that each financial institution submit current financial statements which are evaluated by staff prior to the investment of funds. We use the following criteria:

The institution must have been in business at least three years.

The institution must submit audited financial statements.

The institution must have assets of at least \$50 million and a net worth to liability ratio of 3.5 to 1. For calculations, net worth does not include subordinated debt and Reserves for Allowance for Loan Losses.

City investments of less than 180 days to maturity can use a net worth to asset ratio of 3 to 1.

Investments in Credit Unions require an Equity (net worth) to Asset Value of 5.0%. The loan balance to share draft ratio is compared to industry standards, but should not exceed 90%. The City may invest funds for a period up to 120 days in institutions with a Regular Reserve to Loan Balance ratio of at least 3.25%. For longer periods of time, the ratio must be at least 4.0%.

In addition, examination is made of the Reserve for Loan Losses category to evaluate the financial trend of the institution's asset base. Comparison is made of institution ratio values to the industry averages.

Under deposits, if data is available, we track the ratio of \$250,000 certificates of deposit (brokered money) to the total deposit base. A percent greater than 50% is an area of concern.

Whenever possible, the use of several years' financial data is evaluated to present a trend of activity in the institution.

We also require that interest be paid to the City on a monthly basis (current state law only requires quarterly payment). We do not place more than \$250,000 in a savings and loan, small bank, or credit union.

VIII. Safekeeping and Custody

Delivery vs. Payment

All investment transactions conducted with deliverable securities will be executed on a delivery versus payment basis. Deliverable securities will be held in safekeeping by a third party custodian

designated by the City. The custodian will be required to provide timely (written or on-line) confirmation of receipt and monthly position and transaction reports.

IX. Reporting Requirements

Monthly Reporting

The Administrative Services Director will provide to the City Council monthly investment reports that provide a detailed summary of transactions in the City's portfolio.

Quarterly Reporting

The Administrative Services Director will provide to the City Council quarterly investment reports which provide a detailed summary of the status of the investment program. The quarterly report will contain the following:

- The type of investment, issuer, and date of maturity par and dollar amount invested on all securities, investments and moneys held by the local agency.
- A description of any of the local agency's funds, investments, or programs that are under the management of contracted parties, including lending programs.
- A current market value as of the date of the report and the source of this same valuation for all securities held by the local agency, and under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund.
- A statement of compliance with the Government Code and this policy.
- A statement denoting the ability of the local agency to meet its pool's expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available.

X. Performance Standards

The City's portfolios are managed with the objective of obtaining a market rate of return, commensurate with identified risk constraints and cash flow characteristics. Because the composition of the portfolio fluctuates, depending on market and credit conditions, various indices will be used to monitor performance.

XI. Investment Advisor Review

The performance of the City's investment advisor and investment advisory firm shall be reviewed annually based on the following criteria:

- Understanding of the city's overall investment program and the investment objectives and constraints unique to the city, and approach to management of the city's portfolio.
- Experience, resources, and qualifications of the firm and individuals assigned to this account.
- Experience of the firm in managing state/local/district government reserve funds.

- Performance of the managed portion of the city's portfolio.
- Reporting methodology and additional investment of financial services offered or available through affiliation.
- Fees, relative to services.

XII. Policy Considerations

This policy shall be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individual(s) charged with maintaining internal controls.

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COUNCIL AGENDA

January 26, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Community Dialogue Action Plan

INTRODUCTION

Following the death of George Floyd in May 2020, the City Council created a Community Dialogue process with residents to discuss ideas related to building on all the good in Lakewood and making the city the safest, most welcoming place it can be, for everyone. The Mayor convened an Interfaith Council of religious leaders of many congregations and denominations in Lakewood that meets regularly to discuss these issues. The City organized two virtual Town Halls open to all residents to attend, and the City enabled residents to also email or mail in thoughts and suggestions. During a Weekend of Dialogue in September that included one of the Town Halls, nine religious congregations also met to discuss these issues.

Over 350 residents participated in the overall process, with over 150 comments and recommendations submitted.

Two City Council committees (the Public Safety Committee and Ad Hoc Committee on the Community Dialogue) have reviewed those comments and recommendations with the goal of devising a Community Dialogue Action Plan to move forward towards the goal of making Lakewood the best community it can be for all of its residents. Elements of the plan were then discussed with the Interfaith Council at its meeting earlier this month.

With the concurrence of the two Council committees, City staff are prepared now to recommend that the full City Council review the projects and ideas for implementation, which are included in this Action Plan.

STATEMENT OF FACT

The proposed Action Plan includes the following:

1. **Create a Council Committee on Race, Equity, Diversity and Inclusion.** This REDI Committee would provide an ongoing mechanism for the council to review, discuss and recommend actions related to racial equity and the goals of the Community Dialogue.
2. **Create a public Quarterly Roundtable on Race, Equity, Diversity and Inclusion.** The Quarterly REDI Roundtable meetings would allow any member of the public to attend, discuss and recommend actions related to racial equity and the goals of the Community Dialogue. This will allow all interested residents to have an ongoing mechanism for

discussion and input on these important matters. It is envisioned that two City Council Members would attend each Roundtable and do so on a rotating basis, with one member usually being a member of the REDI Council Committee.

3. **Create a Lakewood Multicultural Festival/International Food Festival.** This was suggested by several members of the public during the Community Dialogue. The two Council Committees and staff concur in the value of this festival, and believe that the City should begin planning for this event soon for implementation in Fall of 2021 if public health safeguards will allow. The exact details of the event are to be worked out, but the goal will be to highlight the wide range of cultures and ethnicities that Lakewood is proud to have as part of its community today.
4. **Provide training on racial sensitivity and inclusion to City officials and staff.** The City has provided anti-discrimination training to its staff for many years, and the City provided an additional round of training to all staff in the summer of 2020 following the George Floyd killing. However, following up on the recommendations from the Community Dialogue, the two Council Committees and staff propose to do more in this area, and to that end, the City has joined the Government Alliance on Race and Equity (GARE) which will provide the City with access to best practices and specialized training in this area.
5. **Enhance the City's work with teens on racial equity.** The City operates two Teen Centers in Lakewood and manages the Lakewood Teen Action Committee, comprised of approximately 30 teens, who meet regularly to discuss current topics and carry out volunteer projects. The LTAC has not met since COVID began, but City staff propose to incorporate racial equity discussions in the LTAC in the future and to publicize the LTAC and the Teen Centers more to our residents to increase participation and knowledge of the programs.
6. **Organize more community talks with the Sheriff's Department.** Several members of the public recommended this during the Town Halls. Over the past three years, the City has greatly increased the number of such talks and gatherings, including Coffees with a Deputy, a new Ice Cream with a Deputy, and 10 community meetings with deputies and city public safety staff during 2019. Obviously, many of these gatherings could not take place in 2020 once COVID hit. Clearly, the City should do a better job publicizing these gatherings in the future so that more residents are aware of them, and the City should continually look for new and innovative ways to allow more people to participate in such talks and gatherings that can build on Lakewood traditionally strong community-law enforcement relations.
7. **Create neighborhood-level or park-level events for residents to meet their neighbors.** Another recommendation from the Community Dialogue was the idea of creating some smaller sized events at the neighborhood level where residents could meet

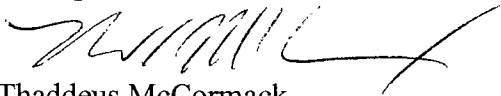
each other. Staff proposes looking into events like this once COVID restrictions make them safe to convene.

8. **Publicize the public complaint process for the Sheriff's Department and the business discrimination process of the state and federal governments.** Several residents raised concerns in this area, including allegations of racially discriminatory behavior by local businesses. The two Council Committees concurred with staff that the City should publicize the complaint processes that exist for the Sheriff's Department and the state and federal business discrimination agencies so that Lakewood residents are fully aware of how to protect their rights in these matters. The City also plans to increase the publicity for its longstanding fair housing consultant who assists residents who believe they may be victims of housing discrimination.
9. **Unite members of different community groups in volunteer service projects.** In follow up to another recommendation of the Community Dialogue, the City will look at ways to intermix members of different community groups at future Volunteer Day and other volunteer service projects. For example, instead of having all 12 members of one group work on a single project, the City will look to have three members of that group work on four different projects, thereby interacting with lots of other community groups, with the goal of increasing awareness, friendship and collegiality among as many groups and people as possible in the city.
10. **Educate residents on the city motto of "Times Changes, Values Don't."** The motto was mentioned by a few residents in the Community Dialogue, and it became clear that some people may not realize that the city's motto is not from the city's founding in 1954 but instead was created in 2004 and was meant to convey timeless community values such as recreation for all, beautiful neighborhood parks, well-maintained streets and infrastructure, volunteerism, and public safety. The motto was not meant in any way to reflect the housing discrimination that regrettably existed throughout the nation in the 1950s, including in Lakewood. Public education on the city motto will be an opportunity to educate residents on the history of discrimination in our nation, and that included Lakewood in the early 1950s, and also on the positive progress towards diversity that has been made in the years since, including in Lakewood, which was identified in 2010 as one of California's most diversifying cities. This public education effort will be another opportunity to articulate for our residents the goals of Lakewood's Community Dialogue process.
11. **Actions already taken by the City that should be continued.** One recommendation from the Community Dialogue was the creation of a Bridge Builder Award. The council's Public Safety Committee approved the creation of that award for use in the 2021 Award of Valor, and it was bestowed upon the Interfaith Council for their work on the Community Dialogue. While not specifically recommended as part of the Community Dialogue, the City also took a major public education initiative this month to promote the anti-racism and non-violent political action teachings of Dr. Martin Luther King, Jr. on

the commemoration of his birthday. City staff intend to discuss similar public education initiatives on commemorative days on the calendar with the REDI Committee and other council committees in the months ahead.

STAFF RECOMMENDATION

It is recommended that the City Council approve the creation of the Council Committee on Race, Equity, Diversity and Inclusion and approve the Community Dialogue Action Plan included with this report.

A handwritten signature in black ink, appearing to read 'Thaddeus McCormack', written in a cursive style.

Thaddeus McCormack
City Manager