

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

March 23, 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:

Water Rate Study

6:00 p.m.
MAPLE ROOM

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code §54956.9(d)(1)

City of Lakewood, et al. v. Central Basin Municipal Water District, et al., Case No. 19STCP03882

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:

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 Meetings held January 12, January 26, February 9, February 23, and March 9, 2021

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

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ROUTINE ITEMS: - Continued

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

RI-4 CITY COUNCIL COMMITTEES' ACTIVITIES - Staff recommends City Council approve report of City Council Committees' activities.

RI-5 MONTHLY REPORT OF INVESTMENT TRANSACTIONS - FEBRUARY 2021 - Staff recommends City Council approve monthly report of investment transactions.

RI-6 RESOLUTION NO. 2021-6; 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 RESOLUTION NO. 2021-7; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD RESCINDING RESOLUTIONS ESTABLISHING PHYSICALLY HANDICAPPED PERSONS DESIGNATED PARKING SPACES WITHIN THE CITY OF LAKEWOOD - Staff recommends City Council adopt proposed resolution.

RI-8 RESOLUTION NO. 2021-8; AGREEMENT WITH ECONOMIC & PLANNING SYSTEMS, INC. FOR PREPARATION OF A FISCAL IMPACT MODEL - Staff recommends City Council adopt the proposed resolution approving the proposed professional services agreement with Economic & Planning Systems, Inc. for the creation of a fiscal impact model.

RI-9 PROFESSIONAL SERVICES AGREEMENT TO SPECIFIC ENERGY FOR PUMP CONTROL PRODUCTS AND SERVICES - Staff recommends City Council appropriate \$94,000.00 in Water Reserve Fund for Pump Control Products and Services; award a Professional Services Agreement in an amount not to exceed \$94,000.00 to Specific Energy for Pump Control Products and Services; and authorize the Mayor to sign the contract in a form approved by the City Attorney.

REPORTS:

3.1 ADOPTION OF 2021 LEGISLATIVE PLATFORM – The Intergovernmental Relations Committee recommends the City Council adopt the Legislative Platform for 2021.

3.2 GENERAL PLAN ANNUAL PROGRESS REPORT - The Planning and Environment Commission recommends that the City Council receive and file the 2020 General Plan Annual Progress Report and direct staff to submit the same to the Department of Housing and Community Development and to the Governor's Office of Planning and Research.

3.3 MEASURE L CITIZENS OVERSIGHT COMMITTEE MEETING #2 UPDATE – Staff recommends City Council receive and file the report.

AGENDA

LAKEWOOD HOUSING SUCCESSOR AGENCY

1. REGISTER OF DEMANDS - Staff recommends Housing Successor Agency approve registers of demands.

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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

Adjourned

COUNCIL AGENDA

March 23, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Water Rate Study

Please note: At the time of this writing this item had not yet been presented to the City Council Water Resources Committee at their March 18, 2021 meeting. The rate recommendations included are likely to be modified by the committee. All feedback and recommendations from the committee will be subsequently incorporated and presented to the City Council prior to the meeting.

INTRODUCTION

On November 10, 2020, the City Council approved an agreement with Raftelis Financial Consultants, Inc. (RFC) to prepare a water rate study. RFC is familiar with the city's water operations as it conducted the study for the city in 2017 as part of a comprehensive water master plan project.

Over the course of the last four months, RFC has examined the city's operations and developed a five-year water rate structure for the city's review. The resulting structure updates the prior study and refines the existing rate structure allowing for continued fiscal stability, incorporates tiers promoting ongoing water conservation, and integrates the nexus requirement between rates and their costs.

STATEMENT OF FACT

RFC's methodology for determining the rate structure involved three steps:

- Setting the financial goals and reserve levels
- Evaluating capital projects, financing and cash flow analysis
- Cost allocations and rate design

Financial goals, policies and reserve levels

First the rate structure RFC developed must meet current legal provisions, which includes the cost of service requirements of Proposition 218 and 26 (the nexus) and the various legislative actions relating to water conservation. The rate structure also includes tiers that are designed to promote conservation.

A key component of the proposed rate structure is for it to maintain desired reserve levels that are recognized as best practices for water agencies. They include:

- An operating reserve of 90 days (25% of operations and maintenance budget)
- A capital reserve equivalent to the 5-year average spent on capital improvement projects
- A rate stabilization reserve equivalent to 10 percent of consumption (commodity) revenue.

Evaluating capital projects, financing and cash flow analysis

The capital improvement projects (CIP) projection used in the rate study is based on anticipated projects over the next five years. Funding for the CIPs is projected to be from a "save then pay" method, as opposed to issuing debt. Cash flow is largely contingent on water sales and the study anticipates water sales to remain consistent over the next five years.

Cost allocations and rate design

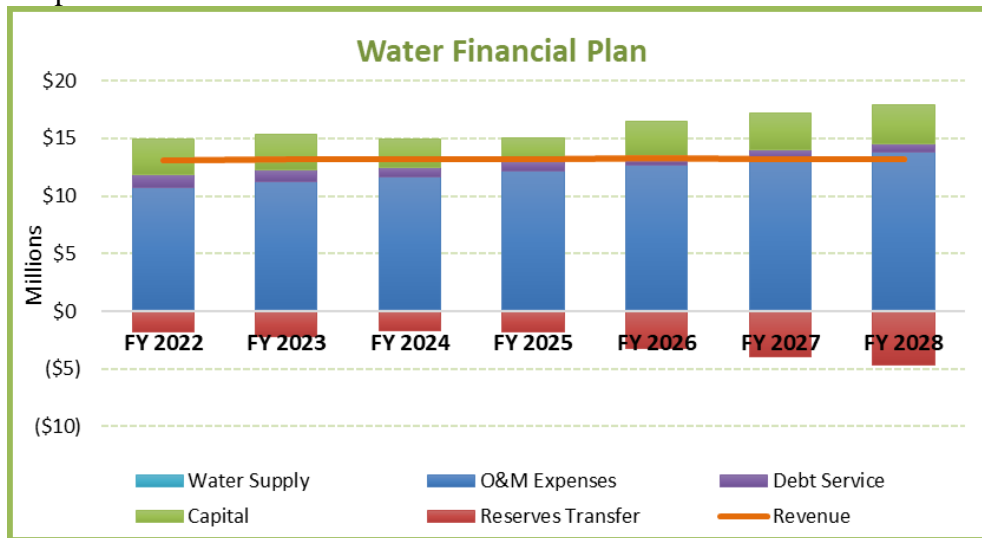
The rate structure developed is based on the cost of service and each rate is built by identifying the nexus and the allocation of various cost components. These cost components are water supply, delivery, extra capacity for peak flow, desired conservation, meter maintenance, and customer service. Based on industry standards, the costs of water supply, delivery conservation and a portion of the extra capacity costs are covered by the commodity/volumetric rate. The cost of meter maintenance, customer services and the remaining portion of extra capacity are covered by the fixed meter rate; and is designed to cover 25 percent of revenue to provide fiscal stability.

The developed rate structure includes meter rates for all sizes of meters for regular use and for fire, and three commodity rates for single family residence (SFR), multi-family residence (MFR), irrigation (potable), and non-residential (commercial, institution, fire).

Water Fund Reserves

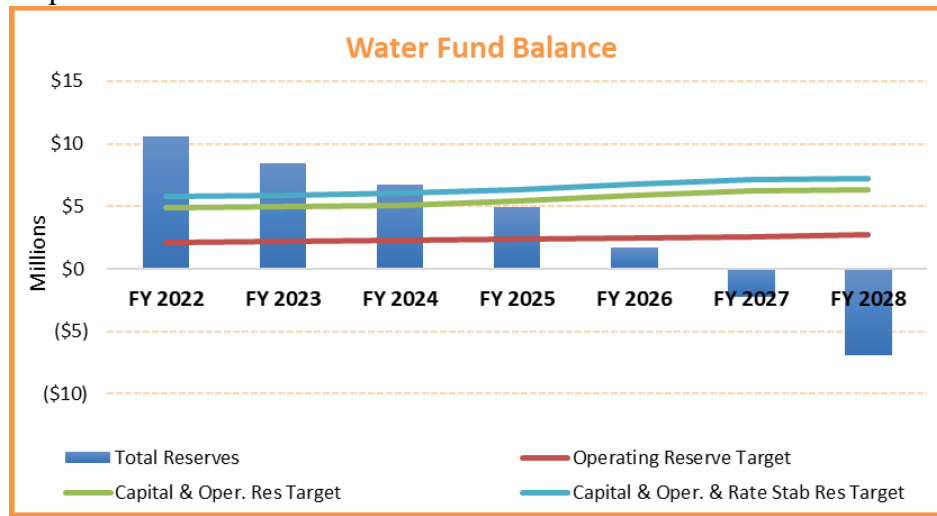
The rate study found that while current fund reserve amounts are adequate, they will deplete below acceptable levels without future-year rate adjustments. Following is a graph illustrating the city's water operations if no rate increases were implemented. Forecasted revenues would remaining flat (horizontal orange line) when compared to the various anticipated expenses (stacked bars) growing over time. The result is an annual shortfall (red bars) that would be growing and only addressed by transferring (utilizing) reserve funds.

Graph 1



Obviously, the scenario above would adversely impact fund reserves. As shown below, the three previously-identified reserve targets would be adequately met initially, however reserve levels would shrink below acceptable levels in the not-too-distant-future.

Graph 2

Rate Adjustments

Below are the recommended bi-monthly meter (fixed rate) charges from RFC:

Table 1

	Current Rates	July 1, 2021	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
All Accounts (Potable)						
5/8" or 3/4"	\$19.14	\$20.38	\$21.00	\$21.63	\$22.28	\$22.95
1"	\$29.61	\$31.95	\$32.91	\$33.90	\$34.92	\$35.97
1 1/2"	\$55.80	\$60.87	\$62.70	\$64.59	\$66.53	\$68.53
2"	\$87.23	\$95.58	\$98.45	\$101.41	\$104.46	\$107.60
3"	\$186.74	\$205.48	\$211.65	\$218.00	\$224.54	\$231.28
4"	\$333.39	\$367.44	\$378.46	\$389.82	\$401.52	\$413.57
6"	\$684.30	\$754.98	\$777.63	\$800.96	\$824.99	\$849.74
8"	\$1,260.43	\$1,391.25	\$1,432.99	\$1,475.98	\$1,520.26	\$1,565.87
Private Fire						
2"	\$9.65	\$9.87	\$10.17	\$10.48	\$10.80	\$11.13
3"	\$28.00	\$28.67	\$29.53	\$30.42	\$31.34	\$32.29
4"	\$59.66	\$61.09	\$62.93	\$64.82	\$66.77	\$68.78
6"	\$173.28	\$177.45	\$182.78	\$188.27	\$193.92	\$199.74
8"	\$369.25	\$378.16	\$389.51	\$401.20	\$413.24	\$425.64
10"	\$664.03	\$680.06	\$700.46	\$721.48	\$743.13	\$765.43

Below are the recommended bi-monthly commodity/volumetric charges from RFC:

Table 2

Commodity Rate (\$/hcf)	Current Rates		Tier Breakpoint (hcf)	July 1, 2021	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
3-Tier SFR		3-Tier SFR						
1-2 Units	\$0.00	Tier 1	13	\$2.89	\$2.99	\$3.08	\$3.18	\$3.28
3rd Unit	\$3.01	Tier 2	25	\$3.47	\$3.58	\$3.69	\$3.81	\$3.93
4th Unit	\$3.01	Tier 3	>25	\$4.10	\$4.23	\$4.36	\$4.50	\$4.64
Over 4 Units	\$3.50	MFR, Commercial, Institution		\$3.35	\$3.46	\$3.57	\$3.68	\$3.80
Over 25 Units	\$3.63	Irrigation - Potable		\$3.61	\$3.73	\$3.85	\$3.97	\$4.09
All Other Classes	\$3.50							

Similar to their recommendations in 2017, to be fully compliant with rate-setting protocols RFC proposes that there be a charge for all units of water. Prior to the last water study, four units of “free” water were included in the city’s base meter charge. As part of the “transitional rate structure” adopted by the Council for FYs 2018-19 through 2020-21, gradual rate structure changes were made where the base meter charge now only includes two units.

As in the past, rather than implementing the RFC five-year rate structure as presented, staff recommends a “phased-in” approach by employing a one-year “transitional rate structure” for FY 2021-22. It would mitigate the rate increases to SFR customers in the lower-end of the usage spectrum. Under the FY 2021-22 transitional rate structure the bi-monthly meter (fixed rate) charge for SFR customers would remain in line with RFC’s recommendation, however the volumetric charge would be calculated as follows:

- One unit of water would be included with the base meter charge (currently two)
- Units two through four would be at \$2.89 each
- Units five through 25 would be at \$3.35 each
- 26 Units + would be at \$4.10 each

Under the transitional rate structure, “average” SFR customers consuming 19 hundred cubic feet (hcf) of water in FY 2021-22 would see their bi-monthly bill increase from \$77.66 to \$79.30, or \$1.64. This includes the fixed (meter) charge increasing from \$19.14 to \$20.38, or \$1.24. The volumetric (water usage) increase would be from \$58.52 to \$58.92, or \$0.40. As a frame of reference, increases for 19-hcf residential customers over the last three years have seen a bi-monthly increase between \$2.69 and \$3.87 each year.

It is recommended that the transitional rate structure be utilized only during the first year. RFC’s rate structure for SFR customers, including the elimination of the last remaining “free” unit, could be fully implemented starting in FY 2022-23. Doing so would provide the “average” SFR customer with an annual increase in their bi-monthly bill of \$2.05 in FY 2022-23, \$2.46 in FY 2023-24, \$2.67 in FY 2024-25, and \$2.69 in FY 2025-26. This is roughly a 3% increase per year.

Attachment A (double-sided) illustrates in a table format the various impacts to SFR customer bills at all usage levels over a five-year period (FY 2021-22 and FY 2025-26). Specifically, for FY 2021-22 it details the rate increase impact under both RFC’s recommendation and the transitional rate model. The orange-colored row highlights the “average” SFR customer usage and rates. Attachment B (double-sided) graphically illustrates the information presented in Attachment A.

Non-SFR Water Rates

The RFC proposed rate structure for MFR customers and all non-residential customers includes a slight modification. See Table 2 on Page 4. Currently, these customers are all under the same classification and rate structure. RFC recommends that they be split into two categories. One would consist of MFR, commercial, and institutional (i.e. school districts, CalTrans, etc.) customers. The other would solely include irrigation (potable water) customers. This is reflective of different peaking and system demands among the various customer types. The recommended split better aligns the customers according to their use profile. Staff recommends a further (slight) modification to RFC's proposed rate structure. In an effort to maintain funding consistency, for the MFR, commercial, and institutional customers staff recommends maintaining the current \$3.50 per unit rate charge only for FY 2021-22 and FY 2022-23 instead of \$3.35 and \$3.46, respectively.

Recycled Water

In addition to potable water rates, it is also appropriate to address those for recycled water. The City purchases recycled water from the City of Cerritos. As such, staff proposes a recycled water commodity rate that incorporates roughly a 10% annual increase, in line with the City of Cerritos' annual recycled water structure. The recommended rates are as follows:

Table 3

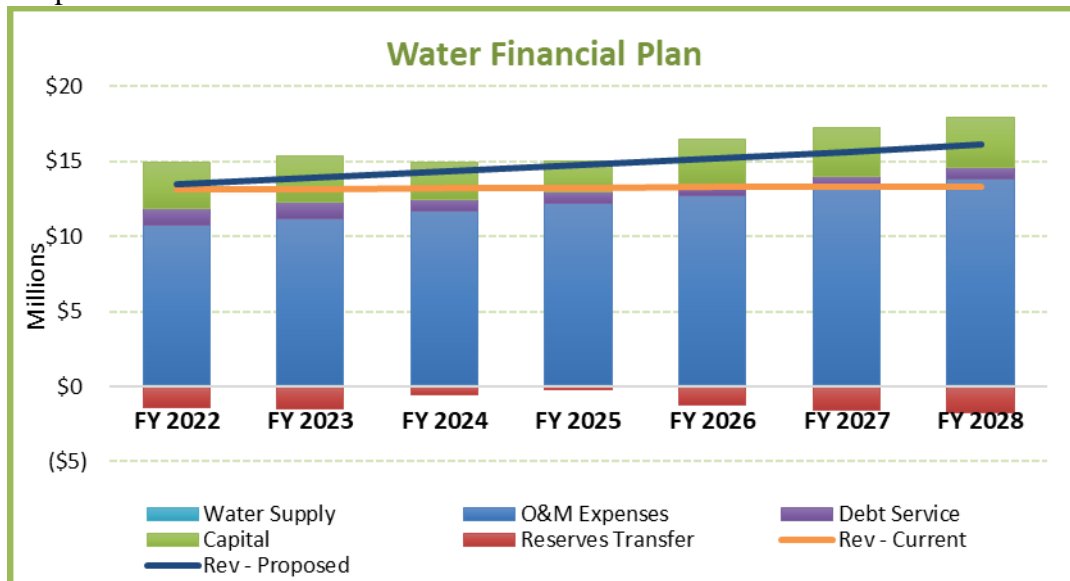
Meter Size	Current Rate	Proposed FY 2022	Proposed FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026
2"	\$43.62	\$47.79	\$49.23	\$50.71	\$52.23	\$53.80
3"	\$93.37	\$102.74	\$105.83	\$109.00	\$112.27	\$115.64
4"	\$166.70	\$183.72	\$189.23	\$194.91	\$200.76	\$206.79
6"	\$341.15	\$377.49	\$388.82	\$400.48	\$412.50	\$424.87
8"	\$630.22	\$695.62	\$716.50	\$737.99	\$760.13	\$782.94
Recycled Volumetric Rate (\$/ hcf)	\$2.42	\$2.66	\$2.92	\$3.16	\$3.39	\$3.60

Water Fund

Adopting the recommended changes to the city's water rates assures that the city's Water Utility Fund will continue to be well-positioned to support all necessary operational and capital needs into the future.

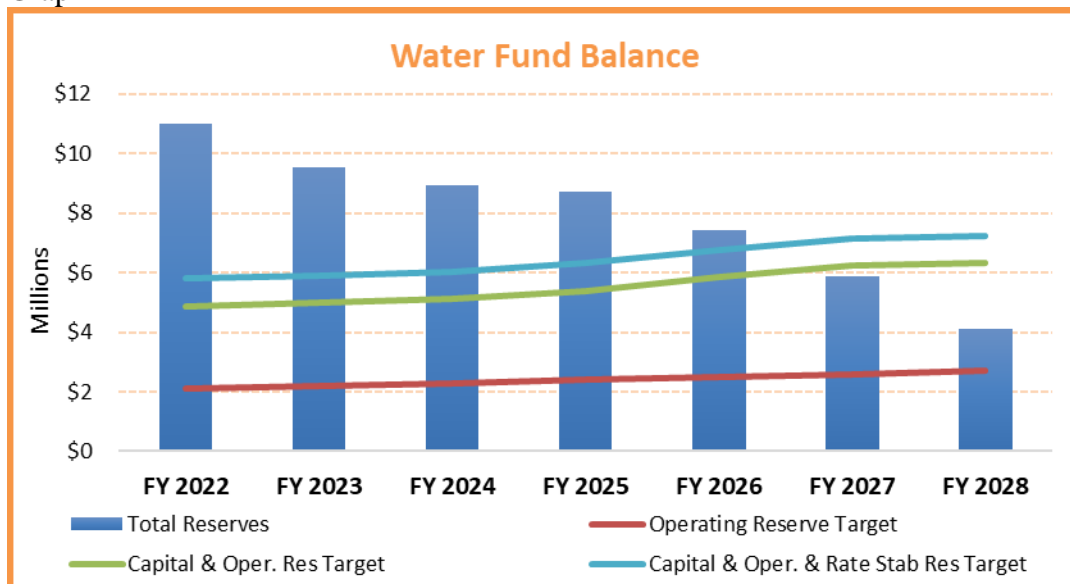
The graph below (an updated version of Graph 1) illustrates the effect of the proposed rate adjustments on the Water Fund's financial outlook. While it anticipates the use some fund reserves, it does so in a coordinated and less-invasive manner.

Graph 3



The graph below (an updated version of Graph 2) illustrates the effect of the proposed rate adjustments on the forecasted fund balance. All three of the reserve targets would be met for the next five years. That said, the Committee may consider adopting rates for a shorter period of time as it did three years ago. Doing so would potentially allow for smaller rate adjustments over a longer period of time.

Graph 4



Attachment C provides a comprehensive cash flow analysis with more detailed information reflected in the charts above. It is important to note that the rate study did not incorporate potential revenues from water sold to the City of Long Beach as part of the interconnect program. Given the volatility in their water purchases over the last year, staff preferred not to anticipate revenue from them.

Water Survey

Attachment D provides a survey of 14 cities / water agencies in the region (including Lakewood). It illustrates the bi-monthly bill for a SFR customer using the “average” 19 hcf of water. Please note that some of the agencies listed include up to 10 units of water in the base water meter charge.

Rate Setting Decision

The city adopts a biennial budget, but rates have historically been reviewed and set on an annual basis and in 2018 they were adopted for a three-year period. A key question for the Water Resources Committee is whether it should recommend adoption for a single-year or a multi-year period (e.g., a two-year period to match its budget, or a longer period based on the results of the five-year rate study). Regardless of the approach, a key rate-setting element is the public outreach and education of customers to provide transparency and understanding of the expected rate adjustments.

Public Notice Requirements

To comply with Proposition 218, before a water rate adjustment is proposed to the City Council, the City must mail a notice to every customer specifying the date of a public hearing and the maximum proposed rate adjustment to be considered. This has been done in the past by including the notice in the Lakewood Briefs which is inserted into the water and refuse bill or through a separate stand-alone mailing.

A public hearing must be held no sooner than 45 days after the last notice is mailed. In the past, the City has determined that only written protests received by the time of the hearing will be considered. As an aside, any public notice would also include information regarding a proposed refuse rate adjustment recently recommended by the City Council’s Environmental Management Committee.

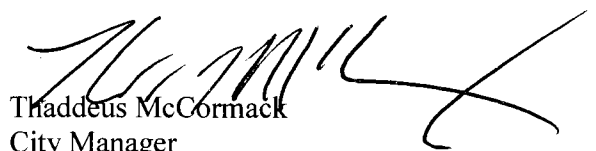
RECOMMENDATION

It is recommended that the City Council the City Council:

- Approve the commencement of the public noticing process for rate changes effective Fiscal Year 2022 (July 1, 2021) as presented in Tables One through Three (above) with the following exceptions:
 - The transitional water rate structure for Fiscal Year 2021-22 (as detailed in Attachment A) will supersede RFC’s recommendation.
 - For MFR, commercial, and institutional customers, the per unit rate charge will be \$3.50 during FY 2021-22 and FY 2022-23.
- Direct staff to schedule a public hearing at the City Council meeting on June 22, 2021.



Jose Gomez
Director of Finance & Administrative Services



Thaddeus McCormack
City Manager

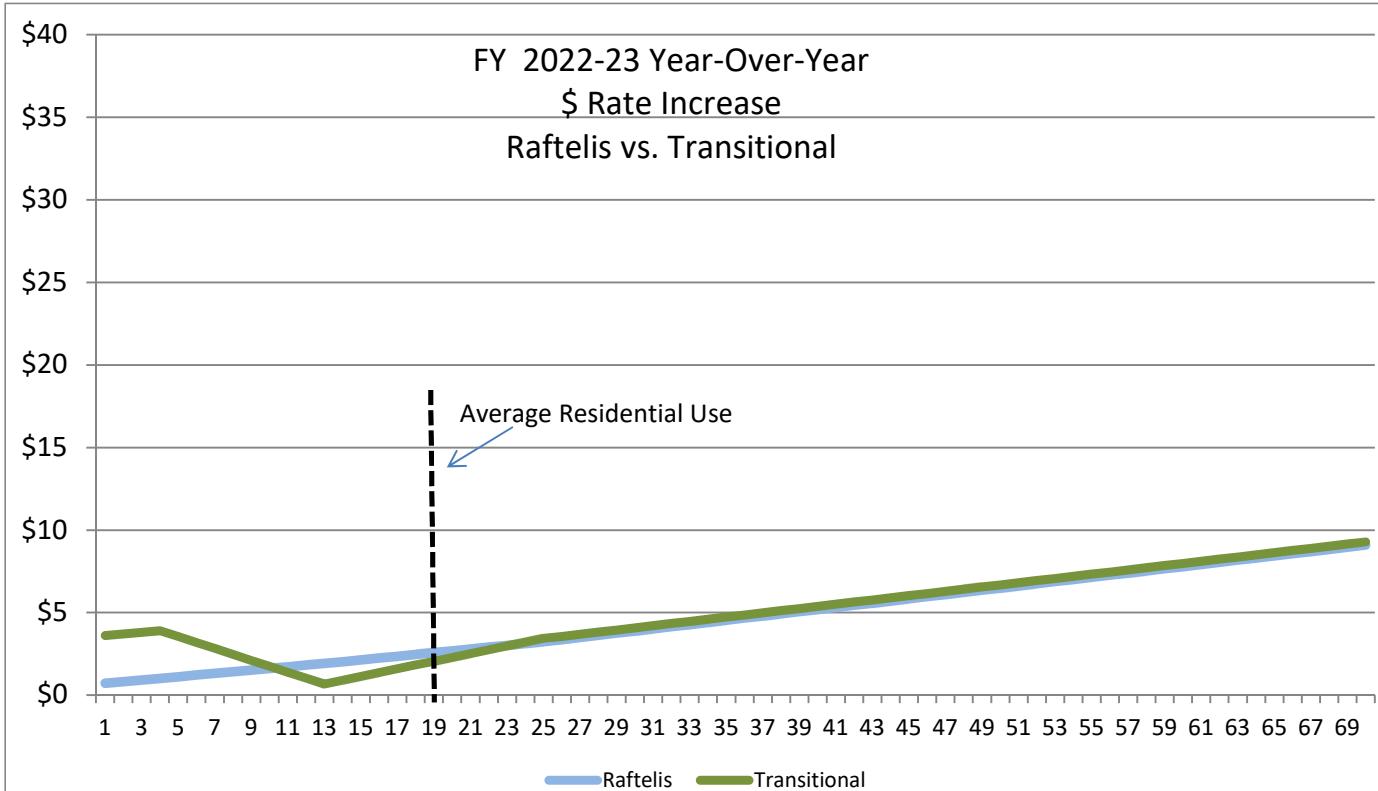
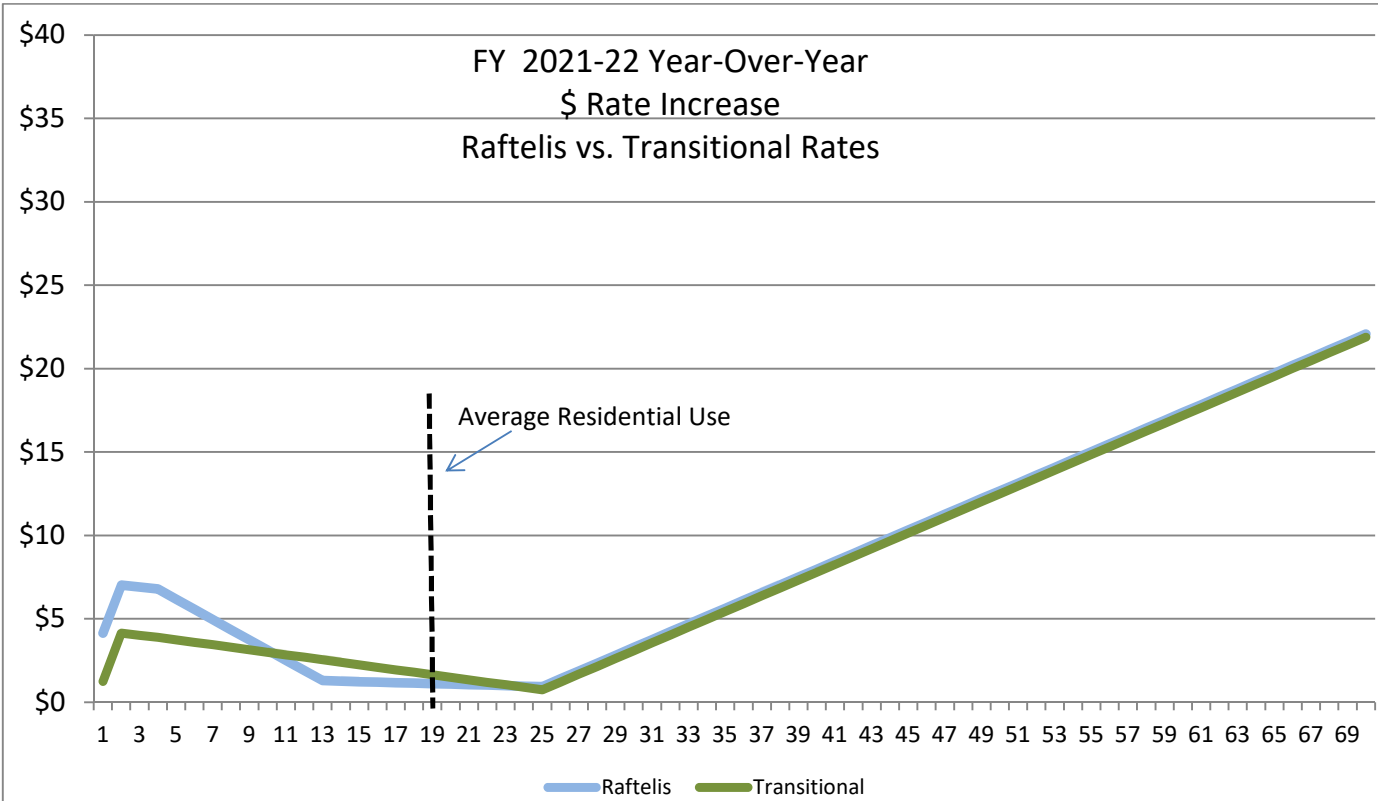
Attachment A - Single-Family Residential Water Rates

FISCAL YEAR 2020-21 (Current)							FY 2021-22 (Using RAFTELIS Rates)						FY 2021-22 (Using Transitional Rates)						FISCAL YEAR 2022-23							vs. Raftelis	vs. Trans	
Rate	Units	Meter	Unit	Total	Y-O-Y		Rate	Units	Meter	Unit	Total	YOY \$	Rate	Units	Meter	Unit	Total	YOY \$		Rate	Units	Meter	Unit	Total	YOY \$	YOY \$		
\$ -	1	\$ 19.14	\$ -	\$ 19.14	\$ 0.74		\$ 2.89	1	\$ 20.38	\$ 2.89	\$ 23.27	\$ 4.13	\$ -	1	\$ 20.38	\$ -	\$ 20.38	\$ 1.24		\$ 2.99	1	\$ 21.00	\$ 2.99	\$ 23.99	\$ 0.72	\$ 3.61		
	2	\$ 19.14	\$ -	\$ 19.14	\$ 0.74			2	\$ 20.38	\$ 5.78	\$ 26.16	\$ 7.02	\$ 2.89	2	\$ 20.38	\$ 2.89	\$ 23.27	\$ 4.13			2	\$ 21.00	\$ 5.98	\$ 26.98	\$ 0.82	\$ 3.71		
\$ 3.01	3	\$ 19.14	\$ 3.01	\$ 22.15	\$ 3.75			3	\$ 20.38	\$ 8.67	\$ 29.05	\$ 6.90		3	\$ 20.38	\$ 5.78	\$ 26.16	\$ 4.01			3	\$ 21.00	\$ 8.97	\$ 29.97	\$ 0.92	\$ 3.81		
	4	\$ 19.14	\$ 6.02	\$ 25.16	\$ 3.87			4	\$ 20.38	\$ 11.56	\$ 31.94	\$ 6.78		4	\$ 20.38	\$ 8.67	\$ 29.05	\$ 3.89			4	\$ 21.00	\$ 11.96	\$ 32.96	\$ 1.02	\$ 3.91		
\$ 3.50	5	\$ 19.14	\$ 9.52	\$ 28.66	\$ 3.87			5	\$ 20.38	\$ 14.45	\$ 34.83	\$ 6.17	\$ 3.35	5	\$ 20.38	\$ 12.02	\$ 32.40	\$ 3.74			5	\$ 21.00	\$ 14.95	\$ 35.95	\$ 1.12	\$ 3.55		
	6	\$ 19.14	\$ 13.02	\$ 32.16	\$ 3.87			6	\$ 20.38	\$ 17.34	\$ 37.72	\$ 5.56		6	\$ 20.38	\$ 15.37	\$ 35.75	\$ 3.59			6	\$ 21.00	\$ 17.94	\$ 38.94	\$ 1.22	\$ 3.19		
	7	\$ 19.14	\$ 16.52	\$ 35.66	\$ 3.87			7	\$ 20.38	\$ 20.23	\$ 40.61	\$ 4.95		7	\$ 20.38	\$ 18.72	\$ 39.10	\$ 3.44			7	\$ 21.00	\$ 20.93	\$ 41.93	\$ 1.32	\$ 2.83		
	8	\$ 19.14	\$ 20.02	\$ 39.16	\$ 3.87			8	\$ 20.38	\$ 23.12	\$ 43.50	\$ 4.34		8	\$ 20.38	\$ 22.07	\$ 42.45	\$ 3.29			8	\$ 21.00	\$ 23.92	\$ 44.92	\$ 1.42	\$ 2.47		
	9	\$ 19.14	\$ 23.52	\$ 42.66	\$ 3.87			9	\$ 20.38	\$ 26.01	\$ 46.39	\$ 3.73		9	\$ 20.38	\$ 25.42	\$ 45.80	\$ 3.14			9	\$ 21.00	\$ 26.91	\$ 47.91	\$ 1.52	\$ 2.11		
	10	\$ 19.14	\$ 27.02	\$ 46.16	\$ 3.87			10	\$ 20.38	\$ 28.90	\$ 49.28	\$ 3.12		10	\$ 20.38	\$ 28.77	\$ 49.15	\$ 2.99			10	\$ 21.00	\$ 29.90	\$ 50.90	\$ 1.62	\$ 1.75		
	11	\$ 19.14	\$ 30.52	\$ 49.66	\$ 3.87			11	\$ 20.38	\$ 31.79	\$ 52.17	\$ 2.51		11	\$ 20.38	\$ 32.12	\$ 52.50	\$ 2.84			11	\$ 21.00	\$ 32.89	\$ 53.89	\$ 1.72	\$ 1.39		
	12	\$ 19.14	\$ 34.02	\$ 53.16	\$ 3.87			12	\$ 20.38	\$ 34.68	\$ 55.06	\$ 1.90		12	\$ 20.38	\$ 35.47	\$ 55.85	\$ 2.69			12	\$ 21.00	\$ 35.88	\$ 56.88	\$ 1.82	\$ 1.03		
	13	\$ 19.14	\$ 37.52	\$ 56.66	\$ 3.87			13	\$ 20.38	\$ 37.57	\$ 57.95	\$ 1.29		13	\$ 20.38	\$ 38.82	\$ 59.20	\$ 2.54			13	\$ 21.00	\$ 38.87	\$ 59.87	\$ 1.92	\$ 0.67		
	14	\$ 19.14	\$ 41.02	\$ 60.16	\$ 3.87		\$ 3.47	14	\$ 20.38	\$ 41.04	\$ 61.42	\$ 1.26		14	\$ 20.38	\$ 42.17	\$ 62.55	\$ 2.39		\$ 3.58	14	\$ 21.00	\$ 42.45	\$ 63.45	\$ 2.03	\$ 0.90		
	15	\$ 19.14	\$ 44.52	\$ 63.66	\$ 3.87			15	\$ 20.38	\$ 44.51	\$ 64.89	\$ 1.23		15	\$ 20.38	\$ 45.52	\$ 65.90	\$ 2.24			15	\$ 21.00	\$ 46.03	\$ 67.03	\$ 2.14	\$ 1.13		
	16	\$ 19.14	\$ 48.02	\$ 67.16	\$ 3.87			16	\$ 20.38	\$ 47.98	\$ 68.36	\$ 1.20		16	\$ 20.38	\$ 48.87	\$ 69.25	\$ 2.09			16	\$ 21.00	\$ 49.61	\$ 70.61	\$ 2.25	\$ 1.36		
	17	\$ 19.14	\$ 51.52	\$ 70.66	\$ 3.87			17	\$ 20.38	\$ 51.45	\$ 71.83	\$ 1.17		17	\$ 20.38	\$ 52.22	\$ 72.60	\$ 1.94			17	\$ 21.00	\$ 53.19	\$ 74.19	\$ 2.36	\$ 1.59		
	18	\$ 19.14	\$ 55.02	\$ 74.16	\$ 3.87			18	\$ 20.38	\$ 54.92	\$ 75.30	\$ 1.14		18	\$ 20.38	\$ 55.57	\$ 75.95	\$ 1.79			18	\$ 21.00	\$ 56.77	\$ 77.77	\$ 2.47	\$ 1.82		
	19	\$ 19.14	\$ 58.52	\$ 77.66	\$ 3.87			19	\$ 20.38	\$ 58.39	\$ 78.77	\$ 1.11		19	\$ 20.38	\$ 58.92	\$ 79.30	\$ 1.64			19	\$ 21.00	\$ 60.35	\$ 81.35	\$ 2.58	\$ 2.05		
	20	\$ 19.14	\$ 62.02	\$ 81.16	\$ 3.87			20	\$ 20.38	\$ 61.86	\$ 82.24	\$ 1.08		20	\$ 20.38	\$ 62.27	\$ 82.65	\$ 1.49			20	\$ 21.00	\$ 63.93	\$ 84.93	\$ 2.69	\$ 2.28		
	21	\$ 19.14	\$ 65.52	\$ 84.66	\$ 3.87			21	\$ 20.38	\$ 65.33	\$ 85.71	\$ 1.05		21	\$ 20.38	\$ 65.62	\$ 86.00	\$ 1.34			21	\$ 21.00	\$ 67.51	\$ 88.51	\$ 2.80	\$ 2.51		
	22	\$ 19.14	\$ 69.02	\$ 88.16	\$ 3.87			22	\$ 20.38	\$ 68.80	\$ 89.18	\$ 1.02		22	\$ 20.38	\$ 68.97	\$ 89.35	\$ 1.19			22	\$ 21.00	\$ 71.09	\$ 92.09	\$ 2.91	\$ 2.74		
	23	\$ 19.14	\$ 72.52	\$ 91.66	\$ 3.87			23	\$ 20.38	\$ 72.27	\$ 92.65	\$ 0.99		23	\$ 20.38	\$ 72.32	\$ 92.70	\$ 1.04			23	\$ 21.00	\$ 74.67	\$ 95.67	\$ 3.02	\$ 2.97		
	24	\$ 19.14	\$ 76.02	\$ 95.16	\$ 3.87			24	\$ 20.38	\$ 75.74	\$ 96.12	\$ 0.96		24	\$ 20.38	\$ 75.67	\$ 96.05	\$ 0.89			24	\$ 21.00	\$ 78.25	\$ 99.25	\$ 3.13	\$ 3.20		
	25	\$ 19.14	\$ 79.52	\$ 98.66	\$ 3.87			25	\$ 20.38	\$ 79.21	\$ 99.59	\$ 0.93		25	\$ 20.38	\$ 79.02	\$ 99.40	\$ 0.74			25	\$ 21.00	\$ 81.83	\$ 102.83	\$ 3.24	\$ 3.43		
\$ 3.63	26	\$ 19.14	\$ 83.15	\$ 102.29	\$ 4.00		\$ 4.10	26	\$ 20.38	\$ 83.31	\$ 103.69	\$ 1.40	\$ 4.10	26	\$ 20.38	\$ 83.12	\$ 103.50	\$ 1.21		\$ 4.23	26	\$ 21.00	\$ 86.06	\$ 107.06	\$ 3.37	\$ 3.56		
	27	\$ 19.14	\$ 86.78	\$ 105.92	\$ 4.13			27	\$ 20.38	\$ 87.41	\$ 107.79	\$ 1.87		27	\$ 20.38	\$ 87.22	\$ 107.60	\$ 1.68			27	\$ 21.00	\$ 90.29	\$ 111.29	\$ 3.50	\$ 3.69		
	28	\$ 19.14	\$ 90.41	\$ 109.55	\$ 4.26			28	\$ 20.38	\$ 91.51	\$ 111.89	\$ 2.34		28	\$ 20.38	\$ 91.32	\$ 111.70	\$ 2.15			28	\$ 21.00	\$ 94.52	\$ 115.52	\$ 3.63	\$ 3.82		
	29	\$ 19.14	\$ 94.04	\$ 113.18	\$ 4.39			29	\$ 20.38	\$ 95.61	\$ 115.99	\$ 2.81		29	\$ 20.38	\$ 95.42	\$ 115.80	\$ 2.62			29	\$ 21.00	\$ 98.75	\$ 119.75	\$ 3.76	\$ 3.95		
	30	\$ 19.14	\$ 97.67	\$ 116.81	\$ 4.52			30	\$ 20.38	\$ 99.71	\$ 120.09	\$ 3.28		30	\$ 20.38	\$ 99.52	\$ 119.90	\$ 3.09			30	\$ 21.00	\$ 102.98	\$ 123.98	\$ 3.89	\$ 4.08		
	31	\$ 19.14	\$ 101.30	\$ 120.44	\$ 4.65			31	\$ 20.38	\$ 103.81	\$ 124.19	\$ 3.75		31	\$ 20.38	\$ 103.62	\$ 124.00	\$ 3.56			31	\$ 21.00	\$ 107.21	\$ 128.21	\$ 4.02	\$ 4.21		
	32	\$ 19.14	\$ 104.93	\$ 124.07	\$ 4.78			32	\$ 20.38	\$ 107.91	\$ 128.29	\$ 4.22		32	\$ 20.38	\$ 107.72	\$ 128.10	\$ 4.03			32	\$ 21.00	\$ 111.44	\$ 132.44	\$ 4.15	\$ 4.34		
	33	\$ 19.14	\$ 108.56	\$ 127.70	\$ 4.91			33	\$ 20.38	\$ 112.01	\$ 132.39	\$ 4.69		33	\$ 20.38	\$ 111.82	\$ 132.20	\$ 4.50			33	\$ 21.00	\$ 115.67	\$ 136.67	\$ 4.28	\$ 4.47		
	34	\$ 19.14	\$ 112.19	\$ 131.33	\$ 5.04			34	\$ 20.38	\$ 116.11	\$ 136.49	\$ 5.16		34	\$ 20.38	\$ 115.92	\$ 136.30	\$ 4.97			34	\$ 21.00	\$ 119.90	\$ 140.90	\$ 4.41	\$ 4.60		
	35	\$ 19.14	\$ 115.82	\$ 134.96	\$ 5.17			35	\$ 20.38	\$ 120.21	\$ 140.59	\$ 5.63		35	\$ 20.38	\$ 120.02	\$ 140.40	\$ 5.44			35	\$ 21.00	\$ 124.13	\$ 145.13	\$ 4.54	\$ 4.73		
	36	\$ 19.14	\$ 119.45	\$ 138.59	\$ 5.30			36	\$ 20.38	\$ 124.31	\$ 144.69	\$ 6.10		36	\$ 20.38	\$ 124.12	\$ 144.50	\$ 5.91			36	\$ 21.00	\$ 128.36	\$ 149.36	\$ 4.67	\$ 4.86		
	37	\$ 19.14	\$ 123.08	\$ 142.22	\$ 5.43			37	\$ 20.38	\$ 128.41	\$ 148.79	\$ 6.57		37	\$ 20.38	\$ 128.22	\$ 148.60	\$ 6.38			37	\$ 21.00	\$ 132.59	\$ 153.59	\$ 4.80	\$ 4.99		
	38	\$ 19.14	\$ 126.71	\$ 145.85	\$ 5.56			38	\$ 20.38	\$ 132.51	\$ 152.89	\$ 7.04		38	\$ 20.38	\$ 132.32	\$ 152.70	\$ 6.85			38	\$ 21.00	\$ 136.82	\$ 157.82	\$ 4.93	\$ 5.12		
	39	\$ 19.14	\$ 130.34	\$ 149.48	\$ 5.69			39	\$ 20.38	\$ 136.61	\$ 156.99	\$ 7.51		39	\$ 20.38	\$ 136.42	\$ 156.80	\$ 7.32			39	\$ 21.00	\$ 141.05	\$ 162.05	\$ 5.06	\$ 5.25		
	40	\$ 19.14	\$ 133.97	\$ 153.11	\$ 5.82			40	\$ 20.38	\$ 140.71	\$ 161.09	\$ 7.98		40	\$ 20.38	\$ 140.52	\$ 160.90	\$ 7.79			40	\$ 21.00	\$ 145.28	\$ 166.28	\$ 5.19	\$ 5.38		
	41	\$ 19.14	\$ 137.60	\$ 156.74	\$ 5.95			41	\$ 20.38	\$ 144.81	\$ 165.19	\$ 8.45		41	\$ 20.38	\$ 144.62	\$ 165.00	\$ 8.26			41	\$ 21.00	\$ 149.51	\$ 170.51	\$ 5.32	\$ 5.51		
	42	\$ 19.14	\$ 141.23	\$ 160.37	\$ 6.08			42	\$ 20.38	\$ 148.91	\$ 169.29	\$ 8.92		42	\$ 20.38	\$ 148.72	\$ 169.10	\$ 8.73			42	\$ 21.00	\$ 153.74	\$ 174.74	\$ 5.45	\$ 5.64		
	43	\$ 19.14	\$ 144.86	\$ 164.00	\$ 6.21			43	\$ 20.38	\$ 153.01	\$ 173.39	\$ 9.39		43	\$ 20.38	\$ 152.82	\$ 173.20	\$ 9.20			43	\$ 21.00	\$ 157.97	\$ 178.97	\$ 5.58	\$ 5.77		
	44	\$ 19.14	\$ 148.49	\$ 167.63	\$ 6.34			44	\$ 20.38	\$ 157.11	\$ 177.49	\$ 9.86		44	\$ 20.38	\$ 156.92	\$ 177.30	\$ 9.67			44	\$ 21.00	\$ 162.20	\$ 183.20	\$ 5.71	\$ 5.90		
	45	\$ 19.14	\$ 152.12	\$ 171.26	\$ 6.47			45	\$ 20.38	\$ 161.21	\$ 181.59	\$ 10.33		45	\$ 20.38	\$ 161.02	\$ 181.40	\$ 10.14			45	\$ 21.00	\$ 166.43	\$ 187.43	\$ 5.84	\$ 6.03		
	46	\$ 19.14	\$ 155.75	\$ 174.89	\$ 6.60			46	\$ 20.38	\$ 165.31	\$ 185.69	\$ 10.80		46	\$ 20.38	\$ 165.12	\$ 185.50	\$ 10.61			46	\$ 21.00	\$ 170.66	\$ 191.66	\$ 5.97	\$ 6.16		
	47	\$ 19.14	\$ 159.38	\$ 178.52	\$ 6.73			47	\$ 20.38	\$ 169.41	\$ 189.79	\$ 11.27		47	\$ 20.38	\$ 169.22	\$ 189.60	\$ 11.08			47	\$ 21.00	\$ 174.89	\$ 195.89	\$ 6.10	\$ 6.29		
	48	\$ 19.14	\$ 163.01	\$ 182.15	\$ 6.86			48	\$ 20.38	\$ 17																		

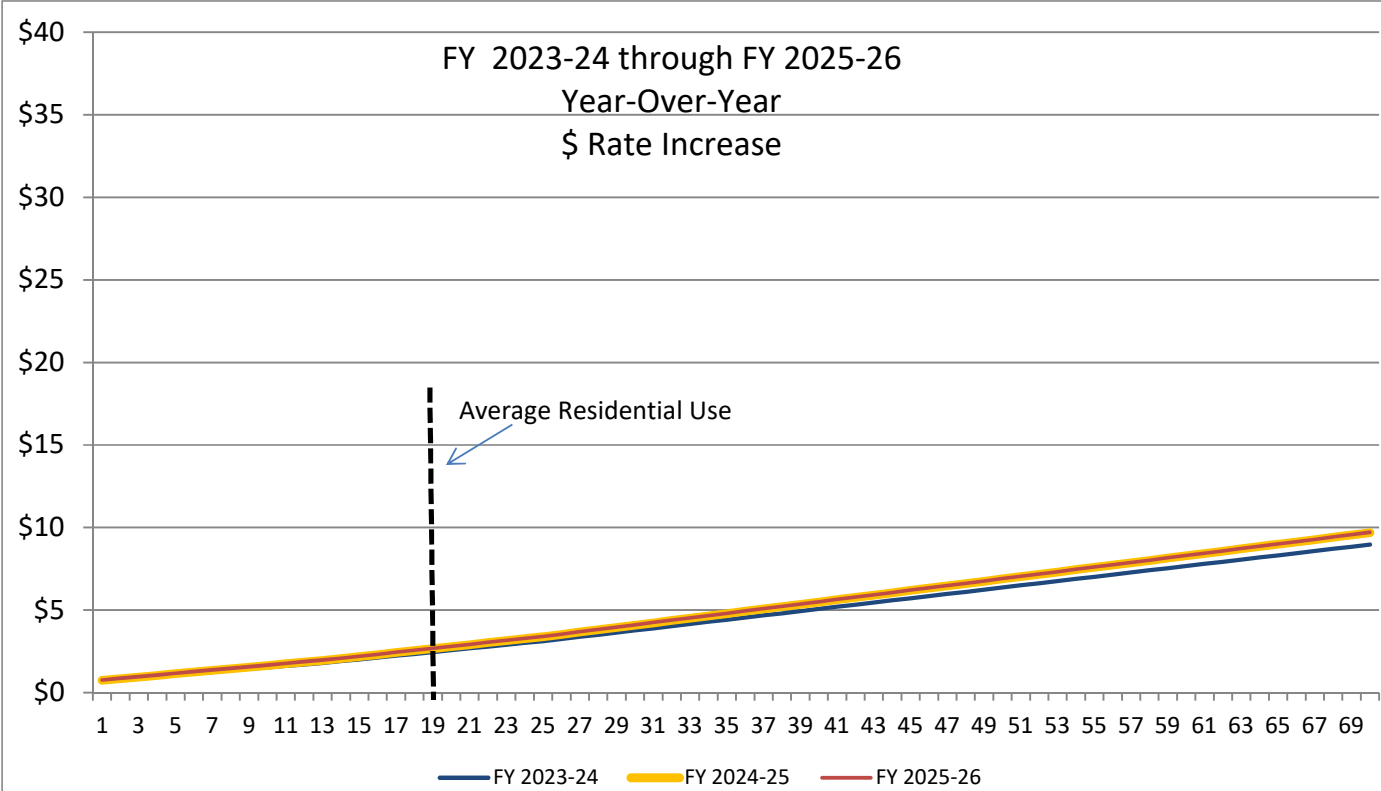
Attachment A (continued) - Single-Family Residential Water Rates

FISCAL YEAR 2023-24						FISCAL YEAR 2024-25						FISCAL YEAR 2025-26					
	Units	Meter	Unit	Total	YOY \$		Units	Meter	Unit	Total	YOY \$		Units	Meter	Unit	Total	YOY \$
\$ 3.08	1	\$ 21.63	\$ 3.08	\$ 24.71	\$ 0.72	\$ 3.18	1	\$ 22.28	\$ 3.18	\$ 25.46	\$ 0.75	\$ 3.28	1	\$ 22.95	\$ 3.28	\$ 26.23	\$ 0.77
	2	\$ 21.63	\$ 6.16	\$ 27.79	\$ 0.81		2	\$ 22.28	\$ 6.36	\$ 28.64	\$ 0.85		2	\$ 22.95	\$ 6.56	\$ 29.51	\$ 0.87
	3	\$ 21.63	\$ 9.24	\$ 30.87	\$ 0.90		3	\$ 22.28	\$ 9.54	\$ 31.82	\$ 0.95		3	\$ 22.95	\$ 9.84	\$ 32.79	\$ 0.97
	4	\$ 21.63	\$ 12.32	\$ 33.95	\$ 0.99		4	\$ 22.28	\$ 12.72	\$ 35.00	\$ 1.05		4	\$ 22.95	\$ 13.12	\$ 36.07	\$ 1.07
	5	\$ 21.63	\$ 15.40	\$ 37.03	\$ 1.08		5	\$ 22.28	\$ 15.90	\$ 38.18	\$ 1.15		5	\$ 22.95	\$ 16.40	\$ 39.35	\$ 1.17
	6	\$ 21.63	\$ 18.48	\$ 40.11	\$ 1.17		6	\$ 22.28	\$ 19.08	\$ 41.36	\$ 1.25		6	\$ 22.95	\$ 19.68	\$ 42.63	\$ 1.27
	7	\$ 21.63	\$ 21.56	\$ 43.19	\$ 1.26		7	\$ 22.28	\$ 22.26	\$ 44.54	\$ 1.35		7	\$ 22.95	\$ 22.96	\$ 45.91	\$ 1.37
	8	\$ 21.63	\$ 24.64	\$ 46.27	\$ 1.35		8	\$ 22.28	\$ 25.44	\$ 47.72	\$ 1.45		8	\$ 22.95	\$ 26.24	\$ 49.19	\$ 1.47
	9	\$ 21.63	\$ 27.72	\$ 49.35	\$ 1.44		9	\$ 22.28	\$ 28.62	\$ 50.90	\$ 1.55		9	\$ 22.95	\$ 29.52	\$ 52.47	\$ 1.57
	10	\$ 21.63	\$ 30.80	\$ 52.43	\$ 1.53		10	\$ 22.28	\$ 31.80	\$ 54.08	\$ 1.65		10	\$ 22.95	\$ 32.80	\$ 55.75	\$ 1.67
	11	\$ 21.63	\$ 33.88	\$ 55.51	\$ 1.62		11	\$ 22.28	\$ 34.98	\$ 57.26	\$ 1.75		11	\$ 22.95	\$ 36.08	\$ 59.03	\$ 1.77
	12	\$ 21.63	\$ 36.96	\$ 58.59	\$ 1.71		12	\$ 22.28	\$ 38.16	\$ 60.44	\$ 1.85		12	\$ 22.95	\$ 39.36	\$ 62.31	\$ 1.87
	13	\$ 21.63	\$ 40.04	\$ 61.67	\$ 1.80		13	\$ 22.28	\$ 41.34	\$ 63.62	\$ 1.95		13	\$ 22.95	\$ 42.64	\$ 65.59	\$ 1.97
\$ 3.69	14	\$ 21.63	\$ 43.73	\$ 65.36	\$ 1.91	\$ 3.81	14	\$ 22.28	\$ 45.15	\$ 67.43	\$ 2.07	\$ 3.93	14	\$ 22.95	\$ 46.57	\$ 69.52	\$ 2.09
	15	\$ 21.63	\$ 47.42	\$ 69.05	\$ 2.02		15	\$ 22.28	\$ 48.96	\$ 71.24	\$ 2.19		15	\$ 22.95	\$ 50.50	\$ 73.45	\$ 2.21
	16	\$ 21.63	\$ 51.11	\$ 72.74	\$ 2.13		16	\$ 22.28	\$ 52.77	\$ 75.05	\$ 2.31		16	\$ 22.95	\$ 54.43	\$ 77.38	\$ 2.33
	17	\$ 21.63	\$ 54.80	\$ 76.43	\$ 2.24		17	\$ 22.28	\$ 56.58	\$ 78.86	\$ 2.43		17	\$ 22.95	\$ 58.36	\$ 81.31	\$ 2.45
	18	\$ 21.63	\$ 58.49	\$ 80.12	\$ 2.35		18	\$ 22.28	\$ 60.39	\$ 82.67	\$ 2.55		18	\$ 22.95	\$ 62.29	\$ 85.24	\$ 2.57
	19	\$ 21.63	\$ 62.18	\$ 83.81	\$ 2.46		19	\$ 22.28	\$ 64.20	\$ 86.48	\$ 2.67		19	\$ 22.95	\$ 66.22	\$ 89.17	\$ 2.69
	20	\$ 21.63	\$ 65.87	\$ 87.50	\$ 2.57		20	\$ 22.28	\$ 68.01	\$ 90.29	\$ 2.79		20	\$ 22.95	\$ 70.15	\$ 93.10	\$ 2.81
	21	\$ 21.63	\$ 69.56	\$ 91.19	\$ 2.68		21	\$ 22.28	\$ 71.82	\$ 94.10	\$ 2.91		21	\$ 22.95	\$ 74.08	\$ 97.03	\$ 2.93
	22	\$ 21.63	\$ 73.25	\$ 94.88	\$ 2.79		22	\$ 22.28	\$ 75.63	\$ 97.91	\$ 3.03		22	\$ 22.95	\$ 78.01	\$ 100.96	\$ 3.05
	23	\$ 21.63	\$ 76.94	\$ 98.57	\$ 2.90		23	\$ 22.28	\$ 79.44	\$ 101.72	\$ 3.15		23	\$ 22.95	\$ 81.94	\$ 104.89	\$ 3.17
	24	\$ 21.63	\$ 80.63	\$ 102.26	\$ 3.01		24	\$ 22.28	\$ 83.25	\$ 105.53	\$ 3.27		24	\$ 22.95	\$ 85.87	\$ 108.82	\$ 3.29
	25	\$ 21.63	\$ 84.32	\$ 105.95	\$ 3.12		25	\$ 22.28	\$ 87.06	\$ 109.34	\$ 3.39		25	\$ 22.95	\$ 89.80	\$ 112.75	\$ 3.41
\$ 4.36	26	\$ 21.63	\$ 88.68	\$ 110.31	\$ 3.25	\$ 4.50	26	\$ 22.28	\$ 91.56	\$ 113.84	\$ 3.53	\$ 4.64	26	\$ 22.95	\$ 94.44	\$ 117.39	\$ 3.55
	27	\$ 21.63	\$ 93.04	\$ 114.67	\$ 3.38		27	\$ 22.28	\$ 96.06	\$ 118.34	\$ 3.67		27	\$ 22.95	\$ 99.08	\$ 122.03	\$ 3.69
	28	\$ 21.63	\$ 97.40	\$ 119.03	\$ 3.51		28	\$ 22.28	\$ 100.56	\$ 122.84	\$ 3.81		28	\$ 22.95	\$ 103.72	\$ 126.67	\$ 3.83
	29	\$ 21.63	\$ 101.76	\$ 123.39	\$ 3.64		29	\$ 22.28	\$ 105.06	\$ 127.34	\$ 3.95		29	\$ 22.95	\$ 108.36	\$ 131.31	\$ 3.97
	30	\$ 21.63	\$ 106.12	\$ 127.75	\$ 3.77		30	\$ 22.28	\$ 109.56	\$ 131.84	\$ 4.09		30	\$ 22.95	\$ 113.00	\$ 135.95	\$ 4.11
	31	\$ 21.63	\$ 110.48	\$ 132.11	\$ 3.90		31	\$ 22.28	\$ 114.06	\$ 136.34	\$ 4.23		31	\$ 22.95	\$ 117.64	\$ 140.59	\$ 4.25
	32	\$ 21.63	\$ 114.84	\$ 136.47	\$ 4.03		32	\$ 22.28	\$ 118.56	\$ 140.84	\$ 4.37		32	\$ 22.95	\$ 122.28	\$ 145.23	\$ 4.39
	33	\$ 21.63	\$ 119.20	\$ 140.83	\$ 4.16		33	\$ 22.28	\$ 123.06	\$ 145.34	\$ 4.51		33	\$ 22.95	\$ 126.92	\$ 149.87	\$ 4.53
	34	\$ 21.63	\$ 123.56	\$ 145.19	\$ 4.29		34	\$ 22.28	\$ 127.56	\$ 149.84	\$ 4.65		34	\$ 22.95	\$ 131.56	\$ 154.51	\$ 4.67
	35	\$ 21.63	\$ 127.92	\$ 149.55	\$ 4.42		35	\$ 22.28	\$ 132.06	\$ 154.34	\$ 4.79		35	\$ 22.95	\$ 136.20	\$ 159.15	\$ 4.81
	36	\$ 21.63	\$ 132.28	\$ 153.91	\$ 4.55		36	\$ 22.28	\$ 136.56	\$ 158.84	\$ 4.93		36	\$ 22.95	\$ 140.84	\$ 163.79	\$ 4.95
	37	\$ 21.63	\$ 136.64	\$ 158.27	\$ 4.68		37	\$ 22.28	\$ 141.06	\$ 163.34	\$ 5.07		37	\$ 22.95	\$ 145.48	\$ 168.43	\$ 5.09
	38	\$ 21.63	\$ 141.00	\$ 162.63	\$ 4.81		38	\$ 22.28	\$ 145.56	\$ 167.84	\$ 5.21		38	\$ 22.95	\$ 150.12	\$ 173.07	\$ 5.23
	39	\$ 21.63	\$ 145.36	\$ 166.99	\$ 4.94		39	\$ 22.28	\$ 150.06	\$ 172.34	\$ 5.35		39	\$ 22.95	\$ 154.76	\$ 177.71	\$ 5.37
	40	\$ 21.63	\$ 149.72	\$ 171.35	\$ 5.07		40	\$ 22.28	\$ 154.56	\$ 176.84	\$ 5.49		40	\$ 22.95	\$ 159.40	\$ 182.35	\$ 5.51
	41	\$ 21.63	\$ 154.08	\$ 175.71	\$ 5.20		41	\$ 22.28	\$ 159.06	\$ 181.34	\$ 5.63		41	\$ 22.95	\$ 164.04	\$ 186.99	\$ 5.65
	42	\$ 21.63	\$ 158.44	\$ 180.07	\$ 5.33		42	\$ 22.28	\$ 163.56	\$ 185.84	\$ 5.77		42	\$ 22.95	\$ 168.68	\$ 191.63	\$ 5.79
	43	\$ 21.63	\$ 162.80	\$ 184.43	\$ 5.46		43	\$ 22.28	\$ 168.06	\$ 190.34	\$ 5.91		43	\$ 22.95	\$ 173.32	\$ 196.27	\$ 5.93
	44	\$ 21.63	\$ 167.16	\$ 188.79	\$ 5.59		44	\$ 22.28	\$ 172.56	\$ 194.84	\$ 6.05		44	\$ 22.95	\$ 177.96	\$ 200.91	\$ 6.07
	45	\$ 21.63	\$ 171.52	\$ 193.15	\$ 5.72		45	\$ 22.28	\$ 177.06	\$ 199.34	\$ 6.19		45	\$ 22.95	\$ 182.60	\$ 205.55	\$ 6.21
	46	\$ 21.63	\$ 175.88	\$ 197.51	\$ 5.85		46	\$ 22.28	\$ 181.56	\$ 203.84	\$ 6.33		46	\$ 22.95	\$ 187.24	\$ 210.19	\$ 6.35
	47	\$ 21.63	\$ 180.24	\$ 201.87	\$ 5.98		47	\$ 22.28	\$ 186.06	\$ 208.34	\$ 6.47		47	\$ 22.95	\$ 191.88	\$ 214.83	\$ 6.49
	48	\$ 21.63	\$ 184.60	\$ 206.23	\$ 6.11		48	\$ 22.28	\$ 190.56	\$ 212.84	\$ 6.61		48	\$ 22.95	\$ 196.52	\$ 219.47	\$ 6.63
	49	\$ 21.63	\$ 188.96	\$ 210.59	\$ 6.24		49	\$ 22.28	\$ 195.06	\$ 217.34	\$ 6.75		49	\$ 22.95	\$ 201.16	\$ 224.11	\$ 6.77
	50	\$ 21.63	\$ 193.32	\$ 214.95	\$ 6.37		50	\$ 22.28	\$ 199.56	\$ 221.84	\$ 6.89		50	\$ 22.95	\$ 205.80	\$ 228.75	\$ 6.91
	51	\$ 21.63	\$ 197.68	\$ 219.31	\$ 6.50		51	\$ 22.28	\$ 204.06	\$ 226.34	\$ 7.03		51	\$ 22.95	\$ 210.44	\$ 233.39	\$ 7.05
	52	\$ 21.63	\$ 202.04	\$ 223.67	\$ 6.63		52	\$ 22.28	\$ 208.56	\$ 230.84	\$ 7.17		52	\$ 22.95	\$ 215.08	\$ 238.03	\$ 7.19
	53	\$ 21.63	\$ 206.40	\$ 228.03	\$ 6.76		53	\$ 22.28	\$ 213.06	\$ 235.34	\$ 7.31		53	\$ 22.95	\$ 219.72	\$ 242.67	\$ 7.33
	54	\$ 21.63	\$ 210.76	\$ 232.39	\$ 6.89		54	\$ 22.28	\$ 217.56	\$ 239.84	\$ 7.45		54	\$ 22.95	\$ 224.36	\$ 247.31	\$ 7.47
	55	\$ 21.63	\$ 215.12	\$ 236.75	\$ 7.02		55	\$ 22.28	\$ 222.06	\$ 244.34	\$ 7.59		55	\$ 22.95	\$ 229.00	\$ 251.95	\$ 7.61
	56	\$ 21.63	\$ 219.48	\$ 241.11	\$ 7.15		56	\$ 22.28	\$ 226.56	\$ 248.84	\$ 7.73		56	\$ 22.95	\$ 233.64	\$ 256.59	\$ 7.75
	57	\$ 21.63	\$ 223.84	\$ 245.47	\$ 7.28		57	\$ 22.28	\$ 231.06	\$ 253.34	\$ 7.87		57	\$ 22.95	\$ 238.28	\$ 261.23	\$ 7.89
	58	\$ 21.63	\$ 228.20	\$ 249.83	\$ 7.41		58	\$ 22.28	\$ 235.56	\$ 257.84	\$ 8.01		58	\$ 22.95	\$ 242.92	\$ 265.87	\$ 8.03
	59	\$ 21.63	\$ 232.56	\$ 254.19	\$ 7.54		59	\$ 22.28	\$ 240.06	\$ 262.34	\$ 8.15		59	\$ 22.95	\$ 247.56	\$ 270.51	\$ 8.17
	60	\$ 21.63	\$ 236.92	\$ 258.55	\$ 7.67		60	\$ 22.28	\$ 244.56	\$ 266.84	\$ 8.29		60	\$ 22.95	\$ 252.20	\$ 275.15	\$ 8.31
	61	\$ 21.63	\$ 241.28	\$ 262.91	\$ 7.80		61	\$ 22.28	\$ 249.06	\$ 271.34	\$ 8.43		61	\$ 22.95	\$ 256.84	\$ 279.79	\$ 8.45
	62	\$ 21.63	\$ 245.64	\$ 267.27	\$ 7.93		62	\$ 22.28	\$ 253.56	\$ 275.84	\$ 8.57		62	\$ 22.95	\$ 261.48	\$ 284.43	\$ 8.59
	63	\$ 21.63	\$ 250.00	\$ 271.63	\$ 8.06		63	\$ 22.28	\$ 258.06	\$ 280.34	\$ 8.71		63	\$ 22.95	\$ 266.12	\$ 289.07	\$ 8.73
	64	\$ 21.63	\$ 254.36	\$ 275.99	\$ 8.19		64	\$ 22.28	\$ 262.56	\$ 284.84	\$ 8.85		64	\$ 22.95	\$ 270.76	\$ 293.71	\$ 8.87
	65	\$ 21.63	\$ 258.72	\$ 280.35	\$ 8.32		65	\$ 22.28	\$ 267.06	\$ 289.34	\$ 8.99		65	\$ 22.95	\$ 275.40	\$ 298.35	\$ 9.01
	66	\$ 21.63	\$ 263.08	\$ 284.71	\$ 8.45		66	\$ 22.28	\$ 2								

Attachment B - Bi-Monthly SRF Rate Increase (By Usage)



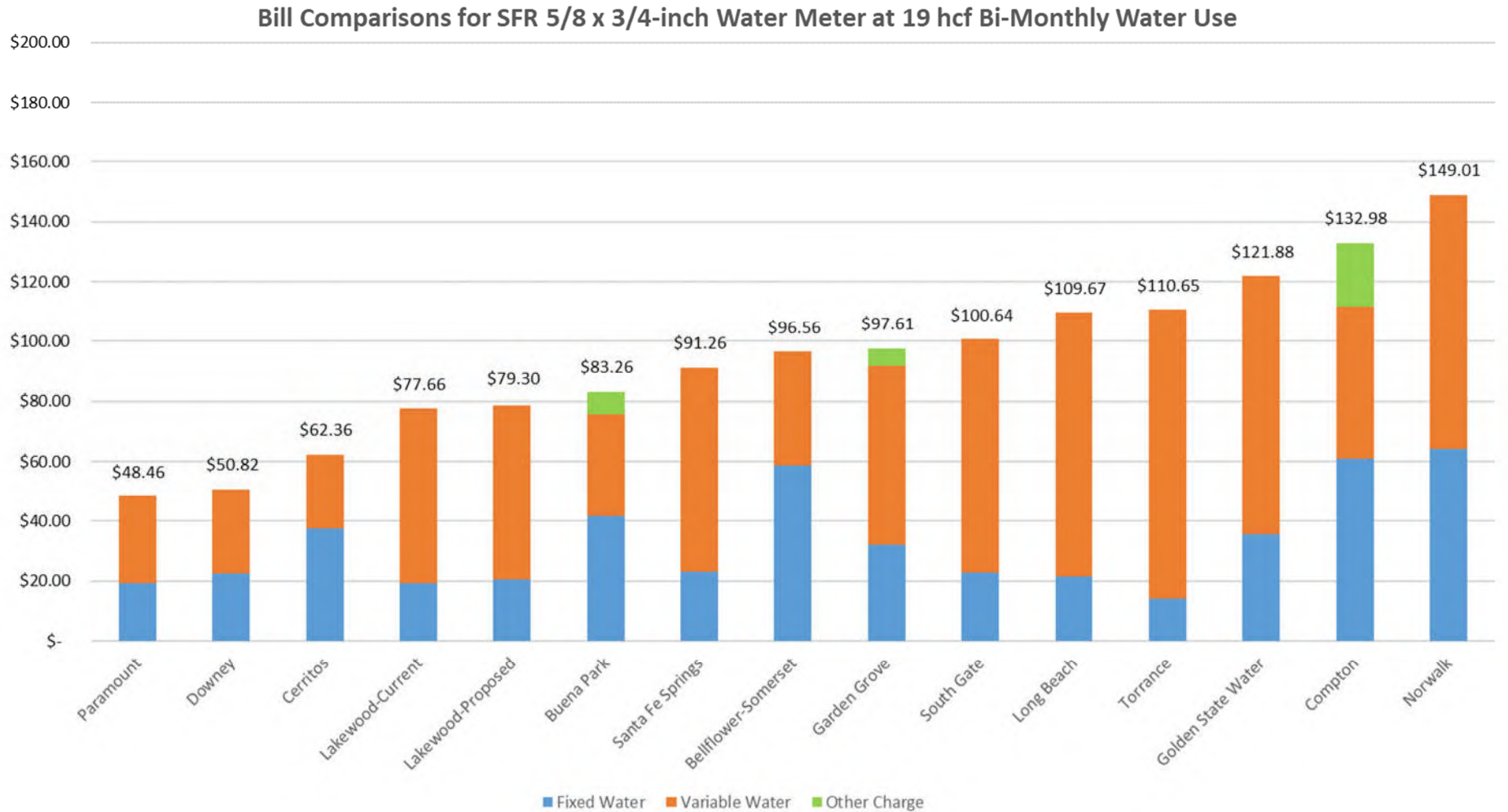
Attachment B - Bi-Monthly SRF Rate Increase (By Usage)



Line		FY 2021 Actual	FY 2022 Budget	FY 2023 Budget	FY 2024 Projected	FY 2025 Projected	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected
1	<u>Revenue</u>								
2	Water Revenue at Current Rates	\$11,915,000	\$12,048,271	\$12,048,271	\$12,048,271	\$12,048,271	\$12,048,271	\$12,048,271	\$12,048,271
3	Additional Water Revenue:								
4	Fiscal Year								
5	2022		\$361,448	\$361,448	\$361,448	\$361,448	\$361,448	\$361,448	\$361,448
6	2023			\$372,292	\$372,292	\$372,292	\$372,292	\$372,292	\$372,292
7	2024				\$383,460	\$383,460	\$383,460	\$383,460	\$383,460
8	2025					\$394,964	\$394,964	\$394,964	\$394,964
9	2026						\$406,813	\$406,813	\$406,813
10	2027							\$419,017	\$419,017
11	2028								\$431,588
12	2029								
13	2030								
	2031								
14	Recycled Water Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Fiscal Year								
	2022		\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2023			\$0	\$0	\$0	\$0	\$0	\$0
	2024				\$0	\$0	\$0	\$0	\$0
	2025					\$0	\$0	\$0	\$0
	2026						\$0	\$0	\$0
	2027							\$0	\$0
	2028								\$0
	2029								
	2030								
15	Additional Rate Revenue		\$361,448	\$733,740	\$1,117,200	\$1,512,164	\$1,918,977	\$2,337,995	\$2,769,583
16	Total Potable Rate Revenue	\$11,915,000	\$12,409,719	\$12,782,011	\$13,165,471	\$13,560,435	\$13,967,248	\$14,386,265	\$14,817,853
17	Recyled Water Revenue	\$470,000	\$559,984	\$610,383	\$659,214	\$705,359	\$747,680	\$770,111	\$793,214
18	Other Revenue	\$1,032,500	\$355,165	\$357,857	\$360,575	\$363,321	\$366,094	\$368,895	\$371,724
19	Other Revenue - Rents & Leases	\$56,750	\$56,750	\$56,750	\$56,750	\$56,750	\$56,750	\$56,750	\$56,750
19	Interest Income	\$200,000	\$116,503	\$102,051	\$91,874	\$87,797	\$80,357	\$66,380	\$49,737
20	Total Revenue	\$13,674,250	\$13,498,122	\$13,909,051	\$14,333,884	\$14,773,662	\$15,218,130	\$15,648,401	\$16,089,279
21									
22	<u>Water Operations O&M Expense</u>								
23	Water Administration	\$2,222,780	\$2,248,455	\$2,319,397	\$2,392,607	\$2,468,158	\$2,546,127	\$2,626,591	\$2,709,633
24	Source of Supply	\$127,310	\$135,637	\$139,706	\$143,897	\$148,214	\$152,661	\$157,240	\$161,958
25	Water Replishment District	\$2,625,000	\$2,756,000	\$2,905,368	\$3,079,690	\$3,264,471	\$3,460,339	\$3,667,960	\$3,888,037
27	Pumping Operations	\$1,682,295	\$1,776,264	\$1,831,163	\$1,887,772	\$1,946,147	\$2,006,342	\$2,068,416	\$2,132,428
28	Maintenance of Lines	\$1,016,301	\$1,033,701	\$1,067,228	\$1,101,861	\$1,137,638	\$1,174,598	\$1,212,779	\$1,252,223
29	Customer Service	\$211,320	\$212,770	\$219,743	\$226,949	\$234,395	\$242,090	\$250,043	\$258,262
30	Total Water Operations O&M Expense	\$7,885,006	\$8,162,827	\$8,482,604	\$8,832,776	\$9,199,023	\$9,582,157	\$9,983,029	\$10,402,540
31		TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
32	Recycled Water Supply	\$427,400	\$470,000	\$524,778	\$577,255	\$634,981	\$698,479	\$768,327	\$845,160
33	Recycled Water Operations	\$324,332	\$333,236	\$343,756	\$354,614	\$365,818	\$377,382	\$389,316	\$401,633
34		TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
35	<u>Non-Operating Expense</u>								
36	Potable General Fund Transfer	\$1,683,008	\$1,683,008	\$1,733,498	\$1,785,503	\$1,839,068	\$1,894,240	\$1,951,068	\$2,009,600
37	Recycled General Fund Transfer	\$112,692	\$112,692	\$116,073	\$119,555	\$123,142	\$126,836	\$130,641	\$134,560
38	Total Non-Operating Expense	\$1,795,700	\$1,795,700	\$1,849,571	\$1,905,058	\$1,962,210	\$2,021,076	\$2,081,708	\$2,144,160
39									
40	Total Operating Expense	\$10,432,438	\$10,761,763	\$11,200,709	\$11,669,703	\$12,162,032	\$12,679,094	\$13,222,381	\$13,793,492
41									
42	<u>Capital Expense</u>								
43	Rate Funded CIP	\$4,131,457	\$3,120,366	\$3,112,592	\$2,466,824	\$2,067,779	\$3,017,708	\$3,196,181	\$3,310,172
44	Total Capital Expense	\$4,131,457	\$3,120,366	\$3,112,592	\$2,466,824	\$2,067,779	\$3,017,708	\$3,196,181	\$3,310,172
45									
46	<u>Debt Service</u>								
47	Existing Debt Service	\$1,058,323	\$1,058,323	\$1,058,323	\$780,309	\$780,309	\$780,309	\$780,309	\$780,309
48	Proposed Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
49	Total Debt Service	\$1,058,323	\$1,058,323	\$1,058,323	\$780,309	\$780,309	\$780,309	\$780,309	\$780,309
50									
51	Total Operating, Capital and Debt Exp.	\$15,622,218	\$14,940,452	\$15,371,623	\$14,916,836	\$15,010,120	\$16,477,111	\$17,198,871	\$17,883,973
52									
53	Net Cash Flow	(\$1,947,968)	(\$1,442,330)	(\$1,462,572)	(\$582,952)	(\$236,458)	(\$1,258,981)	(\$1,550,469)	(\$1,794,694)

Interest on Reserves			1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
			12,012,582	11,607,290	11,853,183	12,221,685	11,382,073		
Line	Water Fund	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1	Beginning Balance		\$12,429,729	\$10,987,399	\$9,524,826	\$8,941,874	\$8,705,416	\$7,446,435	\$5,895,966
2	Net Cash Flow	(\$1,947,968)	(\$1,442,330)	(\$1,462,572)	(\$582,952)	(\$236,458)	(\$1,258,981)	(\$1,550,469)	(\$1,794,694)
3	Ending Balance	(\$1,947,968)	\$10,987,399	\$9,524,826	\$8,941,874	\$8,705,416	\$7,446,435	\$5,895,966	\$4,101,271
4	Interest Income		\$116,503	\$102,051	\$91,874	\$87,797	\$80,357	\$66,380	\$49,737
5									
6	Reserve Targets								
7	Operating Reserve Target	\$2,050,759	\$2,122,248	\$2,206,590	\$2,296,847	\$2,391,210	\$2,489,885	\$2,593,086	\$2,701,043
8	Capital Reserve Target	\$2,979,803	\$2,757,054	\$2,772,217	\$2,811,733	\$3,009,983	\$3,359,019	\$3,632,028	\$3,616,866
9	Rate Stabilization Reserve Target	\$921,896	\$921,896	\$921,896	\$921,896	\$921,896	\$921,896	\$921,896	\$921,896
10	Total Proposed Reserves Target	\$5,952,458	\$5,801,197	\$5,900,702	\$6,030,476	\$6,323,089	\$6,770,799	\$7,147,010	\$7,239,805
11									
12	Debt Coverage	306%	259%	256%	341%	335%	325%	311%	294%
13	Required Debt Coverage	115%	115%	115%	115%	115%	115%	115%	115%
	Variance from Target (\$)		\$5,186,201	\$3,624,124	\$2,911,399	\$2,382,327	\$675,636	(\$1,251,045)	(\$3,138,533)
	Variance from Target (%)		89%	61%	48%	38%	10%	-18%	-43%

Attachment D – Water Agency Survey



D I V I D E R S H E E T

COUNCIL AGENDA

March 23, 2021

TO: Honorable Mayor and City Council

SUBJECT: Central Basin Municipal Water District Settlement Agreement

INTRODUCTION

From September 2019 to June 2020, the City of Lakewood paid \$43,834.72 to the Central Basin Municipal Water District (CBMWD) for a “Fixed Meter Charge” that the CBMWD alleged it approved and adopted on July 31, 2019. The City of Lakewood paid these charges under protest pending the outcome of litigation brought forth by 22 water purveyor Members of the CBMWD.

STATEMENT OF FACT

The following is a brief chronology of the events of this case:

- CBMWD begins considering the Fixed Meter Charge at its April 22, 2019 board meeting upon the presentation of the draft results of a Rate Study
- CBMWD Board adopts Resolutions 07-19-987 (Fixed Meter Charges) and 07-19-988 (Rates) at their July 31, 2019 board meeting, and begins billing and collecting the Fixed Meter Charges in September 2019
- On September 6, 2019 the City of Lakewood, along with 21 other water purveyor Members of the CBMWD, filed an instant action, petition for writ of mandate, and complaint for determination of validity and declaratory relief with the Los Angeles Superior Court
- From September 2019 to June 2020, the City of Lakewood paid \$43,834.72 (under protest) to CBMWD for the “Fixed Meter Charge”
- On December 10, 2020, following answer, amendment, substitution of attorney and other procedural actions, Case Number 19STCP03882 *City of Signal Hill v. Central Basin Municipal Water District* was heard
- On December 10, 2020, a favorable ruling was granted to the petitioners indicating that the CBMWD’s Rate Study did not establish that the Fixed Meter Charge is no more necessary to cover the reasonable costs of the government activity and must be classified as a tax under Proposition 26. This Fixed Meter Charge must be rescinded and payments returned to the water purveyors Members.

A settlement agreement has been proposed by CBMWD stating their intention to reimburse all Fixed Meter Charges directly to the water purveyors involved in this litigation and to reimburse the legal fees paid to Aleshire & Wynder, LLP

This proposed settlement agreement would result in the reimbursement of approximately \$43,834.72 of Fixed Meter Charges paid by the City of Lakewood. This proposed settlement agreement would also result in the reimbursement of approximately \$27,247.63, which is

Lakewood's proportional amount of \$193,520.65 in legal fees paid directly to Aleshire & Wynder, LLP as of December 2020

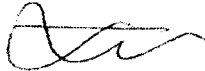
SUMMARY

Per the judgement entered in Los Angeles County Superior Court Case Number 19STCP03882 on January 20, 2021, CBMWD will return the Fixed Meter Charges collected from the petitioners and reimburse the petitioner's legal fees incurred during this successful litigation.


RECOMMENDATION

Staff recommends that the City Council:

1. Approve the proposed settlement between Central Basin Municipal Water District and the petitioning water purveyor Members in Los Angeles County Superior Court Case Number 19STCP03882 titled *City of Signal Hill v. Central Basin Municipal Water District*.
2. Authorize City Manager to execute this proposed settlement in a form approved by City Attorney.



Jason J. Wen, Ph.D., P.E.
Water Resources Director



Thaddeus McCormack
City Manager

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This SETTLEMENT AGREEMENT AND MUTUAL RELEASE (“**Agreement**”) is entered into as of March 1, 2021 (the “**Effective Date**”) by and between CENTRAL BASIN MUNICIPAL WATER DISTRICT and BOARD OF DIRECTORS OF CENTRAL BASIN MUNICIPAL WATER DISTRICT (collectively “**District**”) and those water purveyor Members of the Central Basin Municipal Water District who are Petitioners in Los Angeles County Superior Court Case Number 19STCP03882 titled *City of Signal Hill v. Central Basin Municipal Water District* being CITIES OF SIGNAL HILL, LAKEWOOD, PARAMOUNT, DOWNEY, VERNON, SANTA FE SPRINGS, TRACT 349 MUTUAL WATER COMPANY, MONTEBELLO LAND AND WATER COMPANY, MAYWOOD MUTUAL WATER COMPANY NO. 3, BELLFLOWER-SOMERSET MUTUAL WATER COMPANY, SOUTH MONTEBELLO IRRIGATION DISTRICT, PICO WATER DISTRICT, CITY OF CERRITOS, LA HABRA HEIGHTS COUNTY WATER DISTRICT, CITIES OF PICO RIVERA, NORWALK, SOUTH GATE, WALNUT PARK MUTUAL WATER COMPANY, TRACT 180 WATER COMPANY, ORCHARD DALE WATER DISTRICT, CITIES OF COMMERCE and HUNTINGTON PARK (“**Petitioners**”) (all parties are collectively referred to herein as the “**Parties**”), based on the following terms and conditions.

RECITALS

WHEREAS, District is a public water wholesaler that provides water to purveyors, including to some of Petitioners, for eventual sale to their end-use customers. District purchases imported water from the Metropolitan Water District of Southern California and also sells recycled water it purchases from the Los Angeles County Sanitation Districts. Board of Directors of Central Basin Municipal Water District (“**Board**”) is District’s decision-making body, and acts to approve and adopt rates and charges for District. Petitioners are 22 county water districts, cities, irrigation districts, and mutual water companies subject to District’s purported Fixed Meter Charges which were the subject of the Board’s Resolution 07-19-978 (the “**Fixed Meter Charges**”). The Petitioners are among a larger group of similar entities subject to District’s jurisdiction referred to as the “**Purveyors**” hereunder. Additionally, a group of the Purveyors are associated in the Central Basin Water Association referred to as the “**Association**” hereunder;

WHEREAS, Petitioners were all charged the Fixed Meter Charges but received varying services from District as follows: the Cities of Lakewood, Whittier, and Downey, and Montebello Land And Water Company, Pico Water District, Tract 180 Water Company, Tract 349 Mutual Water Company, and Walnut Park Mutual Water Company, among certain others, received no water from District; the City of Cerritos received no water in Fiscal Year 2018-2019; South Montebello Irrigation District and Orchard Dale Water District ordinarily receive no water from District; the City of South Gate has two connections but has not taken water in over 20 years, and is already charged a standby fee. Notwithstanding these differences, District also began charging *all* of the Petitioners the Fixed Meter Charges based on the number of meters available to the Petitioners and not the actual water consumed, intended to be effective July 1, 2019;

WHEREAS, in 2015, a State Audit found District to be fiscally mismanaged and criticized the District for engaging in questionable contract practices, avoiding competitive bidding, and inappropriately using amendments to extend and expand contracts. The State Legislature approved

and the Governor subsequently signed two bills to reform District. AB 1794 added three appointed officials with experience in the water business to the District Board of Directors (Wat. Code §71566). SB 953 restricted the use of sole-source contracting and prohibited the District directors from changing existing ethics rules and their benefits without a two-thirds vote of their Board of Directors. (Wat. Code § 72770.)

WHEREAS, in the hopes of addressing District's ongoing fiscal mismanagement, in January 2018, District and the Purveyors formed the District Retail Agency Ad Hoc Committee on Budget and Finance (the "**Committee**"). The Committee held a series of meetings with District representatives, and reviewed and discussed detailed budget information, including revenue, expenditures, staff/personnel, sales projections, and the capital, operation, and maintenance of the recycled water system, but the recommendations and reforms of the Committee were not adopted.

WHEREAS, in 2018 and 2019 District came under increasing financial pressure due to declining water sales and debt obligations based on the structure of its debt. It faced demands from its bondholders. Moreover, there was friction between the three new appointed Directors per AB 1794 and the five elected Directors. In developing the FY 2019-20 budget, the General Manager retained Raftelis to study the District's finances and develop new revenue measures. The increased friction amongst the Directors eventually led to the replacement of District General Manager and General Counsel;

WHEREAS, the Meter Charge was first considered by the Board at its April 22, 2019 meeting, when presented with the draft results of a "Wholesale Water and Recycled Water Rate Study Final Report" ("Rate Study") prepared by Raftelis. The Rate Study dated May 22, 2019 recommended a new annual Fixed Meter Charge, that would be assessed on all Purveyors, including each and all of Petitioners, based on the number of retail meter connections within the jurisdiction of each Purveyor. On June 20, 2019, Raftelis updated and submitted the Final Report to District. The Final Rate Study indicated that the Fixed Meter Charge was intended to pay for District's Board Services and Water Resources & Planning and sought to recover District's expected reduction in base revenues from anticipated significant reductions in water purchases by the Water Replenishment District of Southern California. Petitioners and others protested and presented letters and extensive comment at Board meetings.

WHEREAS, on July 10, 2019, after discussion by the Board and public comment, on a motion made by an appointed board member and with affirmative vote of all three appointed board members representing the Purveyors, the Board approved the fiscal year 2020 budget with \$78,000 in budget reductions and a reduced Fixed Meter Charge of \$2. At its July 22, 2019 regular meeting, the Board unanimously confirmed the appointment of four ad hoc members to the Committee referred to on the agenda as the "Retail Meter Charge Working Group". The Board considered a substitute motion for Agenda Item 14 to defer action on the Fixed Meter Charge for further discussion at the Ad Hoc Committee due to concerns of potential litigation regarding the Fixed Meter Charge which was not approved and unanimously rejected by all three appointed board members representing the Purveyors. The Board considered the original motion to approve Agenda Item 14, and Proposed Resolution 07-19-980 (the tolling resolution supported by Petitioners and others) which was not approved. The Board also considered a substitute motion on Agenda Item 14.2 regarding the Rate Study and Proposed Resolutions 07-19-984 (Fixed Meter Charge) and 07-19-985 (Rates) to defer action until the ad hoc Committee had an opportunity to

resolve any concerns or issues which failed and was unanimously rejected by two of the appointed board members representing the Purveyors (one appointed official was absent). The original motion regarding Agenda Item 14.2 Resolutions and Rate Study were again considered, voted on, and failed.

WHEREAS, on July 31, 2019, executive staff at District stated it was unclear that the Board had adopted its rates and charges on July 10, 2019, and therefore, the matter was re-agendized and was voted on again. At its July 31, 2019 special meeting, the Board considered a substitute motion to defer action on Agenda Item 3, and Proposed Resolution 07-19-986 (the tolling Resolution) and have the ad hoc Committee try to resolve any issues which were not approved and unanimously rejected by the three appointed board members representing the Purveyors. The Board considered the original motion regarding Agenda Item 3, and Proposed Resolution 07-19-986 (the tolling Resolution) on a motion of an appointed official and second by another appointed official votes of the 8-member board were 4 yes, 2 no, 1 abstain and 1 absent with all appointed board members representing the Purveyors voting in the affirmative. The Board also considered Agenda Item 4 regarding the Water Rate Study and Proposed Resolutions 07-19-987 (Fixed Meter Charge) and 07-19-988 (Rates). These 2 Resolutions and the Water Rate Study were then finally approved at the July 31, 2019 meeting. The votes were 6 yes and 2 absent with all three appointed board members representing the Purveyors voting in the affirmative.

WHEREAS, after the adoption of the Fixed Charges, on Sept 6, 2019 Petitioners filed the instant action, a petition for writ of mandate and complaint for determination of invalidity and declaratory relief which, following answer, amendment, substitution of attorney and other procedural actions was heard by the Honorable Mary Strobel on December 10, 2020 who ruled that the Rate Study does not sufficiently show that (1) the Fixed Meter Charge is imposed only for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged; (2) the manner in which the costs claimed to be covered by the Fixed Meter Charge are allocated to a payor bear a fair or reasonable relationship to the payor's burdens or benefits received from the government activity; (3) the Rate Study does not establish that Fixed Meter Charge is no more than necessary to cover the reasonable costs of the government activity; and based on these findings the Court determined that the Fixed Meter Charge must be classified as a tax under Proposition 26 subject to the requirement that it be approved by a 2/3 vote of the voters, and since it was not approved, accordingly it contravenes Proposition 26 and must be set aside.

WHEREAS, Petitioners, but for the parties' entering into this Settlement Agreement and Release, Petitioners' would filed a motion for award of attorney fees which is not set for hearing until June 22, 2021 due to current caseloads. District has the legal right to contest Petitioners' claim for attorneys' fees and to appeal the Court ruling. However, discussions have proceeded with the Parties and District has initiated significant efforts to reduce its expenses including reductions of staff and other costs, and to explore other funding sources. District wishes to work with the Purveyors by establishing a working group of the Purveyors to relook at financial issues as was done in the past with Committee. District hopes to replace the recent litigation environment surrounding its relations with the Purveyors with an environment of dialogue. The Petitioners favor these efforts. In this vein, the Parties wish by this Settlement Agreement to (i) make arrangements for repayment of the Fixed Meter Charges which were collected over approximately a year, (ii) to establish a schedule for such repayment taking into account the sums paid by each Petitioner, and (iii) to reimburse Petitioners the attorneys' fees paid to pursue this matter, upon which Petitioners would not file their motion for attorney fees, saving legal expense

and relieving the judicial system stressed by COVID pandemic with the need to further involve itself with this dispute.

AGREEMENT

NOW THEREFORE, for the reasons stated above, the parties agree as follows:

1. Recitals. The foregoing Recitals are true and correct.

2. Repayment of Fixed Meter Charges. Upon the adoption of Resolutions 07-19-987 (Fixed Meter Charges) and 07-19-988 (Rates) on July 31, 2019 the District commenced invoicing and collecting the Fixed Meter Charges from Petitioners, who generally paid under protest pursuant to *Water Replenishment District of Southern California v. City of Cerritos* (2013) 220 Cal.App.4th 1450. Said Resolutions and Fixed Meter Charges shall be rescinded and declared inoperative per Judge Strobel's Order on December 10, 2020 and the amounts collected pursuant thereto shall be returned. The total collected was \$859,314.89 The District and Petitioners have both audited their records and agreed that the amounts shown in the Statement of Amounts Paid attached as **Exhibit A** and incorporated herein by this reference represents the amount due back to Petitioners. Such amounts shall be paid, from the Effective Date first above stated, as follows:

- a. All Petitioners owed less than \$6,000, or where the payment by monthly credit would result in money owed to the Petitioner on a monthly basis, shall be paid by District within 30 days of the Effective Date.
- b. All other Petitioners shall be paid in six equal payments commencing within 30 days of the Effective Date and continuing every 30 days thereafter until paid.

3. Payment by Credits. For those Petitioners with active accounts with District, payments may be made in the form of credits against such active accounts, as provided in an example with Downey: Assume Downey pays District \$34,000/mo. for water. District will divide their \$66,000 fixed meter charge paid balance by 6 months (\$11,000) and on Downey's monthly bills (Apr - Sept) they would see an itemized credit of -\$11,000 under a Fixed Meter Charge, making the monthly bill due \$23,000. After six months the credit is removed and Downey would resume making regular monthly payments of approximately \$34,000.

4. Late Payment. Interest is not being charged on these payments except in the event of late payment of any amount due under this Agreement, a ten percent (10%) penalty shall be assessed on the payment.

5. Attorneys' Fees. Petitioners' attorneys' fees in the matter have amounted to \$195,000. Said amount shall be paid by District to Aleshire & Wynder, LLP ("A&W") for the benefit of Petitioners within ten (10) days of the Effective Date to reimburse unpaid fees and then will be disbursed by A&W as separately agreed between that law firm and Petitioners. Late payment by District shall be subject to Section 4 above.

6. Waiver of Right to Appeal. District and Board hereby waive their right to appeal from the judgment entered in Los Angeles County Superior Court Case Number 19STCP03882 on January 20, 2021. In the event a notice of appeal is filed prior to full execution of this Agreement, District and Board shall promptly dismiss such appeal after this Agreement is executed.

7. Not Reenact Fee in Next Fiscal Year; Cooperation. District declares that it has effectuated measures making the Fixed Meter Charge unnecessary in the current or subsequent Fiscal Year, and agrees it will not reconsider such Fee during such period. In addition, a new fiscal committee will be formed with the Purveyors to consider financial reforms, but the adoption of such reforms will be in the sole authority of District.

8. General Release By Petitioners. For valuable consideration, the receipt and adequacy of which are hereby acknowledged, Petitioners hereby agrees to release and forever discharge the District and the "Releasees" hereunder, consisting of the District's elected or appointed public officials, its officers, employees and agents, including, but not limited to, each of their associates, predecessors, successors, heirs, assignees, agents, directors, officers, employees, representatives, elected or appointed public officials, attorneys, and all persons acting by, through, under or in concert with them, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, loss, cost or expenses, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called "Claims"), which Petitioners now have or may hereafter have against the District and/or the Releasees, or any of them, by reason of any matter, cause, or thing arising out of, based upon, or relating to that certain suit now pending in the Superior Court of the State of California, County of Los Angeles, entitled *City of Signal Hill v. Central Basin Municipal Water District*, LASC Case No. 19STCP03882, as well as any matters, causes, or things whatsoever that were, or could have been, alleged in the respective pleadings filed in said suit, or that should reasonably have been a part of that joint action, except for any breach of this Agreement. *[Question: Is this section necessary? Do any Petitioners have separate claims? Need separate signoffs?]*

9. Discovery of Different or Additional Facts. The Parties acknowledge that they may hereafter discover facts different from or in addition to those that they now know or believe to be true with respect to the claims, demands, causes of action, obligations, damages, and liabilities of any nature whatsoever that are the subject of the Release set forth in Paragraph 8 of this Agreement, and expressly agree to assume the risk of the possible discovery of additional or different facts, and the Parties agree that this Agreement shall be and remain effective in all respects regardless of such additional or different facts.

10. Release of Unknown Claims. The Release set forth above in Paragraph 8 of this Agreement is a release of ALL claims, demands, causes of action, obligations, damages, and liabilities of any nature whatsoever that are described in the Release and is intended to encompass all known and unknown, foreseen and unforeseen claims which the Petitioners may have as a result of the Action and the Incident, except for any claims which may arise from the terms of this Agreement.

11. Waiver of Civil Code Section 1542. Further, Petitioners expressly agrees to waive and relinquish all rights and benefits they may have against the District and/or the Releasees under Paragraph 4 of this Agreement based on Section 1542 of the Civil Code of the State of California. That section reads as follows:

" §1542. [General release; extent] A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time

of executing the release and that, if known by him would have materially affected his or her settlement with the debtor or released party."

12. No Other Pending Actions. Petitioners represent that they have not filed any complaints or charges (other than the Action referenced above) against District and/or the Releasees with any local, state or federal agency or court; and that if any such agency or court assumes jurisdiction of any complaint or charge against the District, or its predecessors, successors, heirs, assigns, employees, shareholders, officers, directors, agents, attorneys, subsidiaries, divisions or affiliated corporations or organizations, whether previously or hereafter affiliated in any manner, on behalf of Petitioners, whenever filed, Petitioners will request such agency or court to withdraw and dismiss the matter forthwith.

13. Non-Admission of Liability. The Parties acknowledge and agree that this Agreement is a settlement of disputed claims. Neither the fact that the Parties have settled nor the terms of this Agreement shall be construed in any manner as an admission of any liability by any Party hereto, or any of its employees, or an affiliated person(s) or entity/ies, including the District's attorneys, all of whom have consistently taken the position that they have no liability whatsoever to Petitioners.

14. No Assignment of Claims. The Parties each warrant that they have made no assignment, and will make no assignment, of any claim, cause of action, right of action or any right of any kind whatsoever, embodied in any of the claims and allegations referred to herein, and that no other person or entity of any kind had or has any interest in any of the demands, obligations, actions, causes of action, debts, liabilities, rights, contracts, damages, attorneys' fees, costs, expenses, losses or claims referred to herein.

15. Successors and Assigns. This Agreement, and all the terms and provisions hereof, shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, legal representatives, successors and assigns.

16. Knowing and Voluntary. This Agreement is an important legal document and in all respects has been voluntarily and knowingly executed by the Parties hereto. The Parties specifically represent that prior to signing this Agreement they have been provided a reasonable period of time within which to consider whether to accept this Agreement. The Parties further represent that they have each carefully read and fully understand all of the provisions of this Agreement, and that they are voluntarily, knowingly, and without coercion entering into this Agreement based upon their own judgment.

17. Assistance of Counsel. The Parties each specifically represent that they have consulted to their satisfaction with and received independent advice from their respective counsel prior to executing this Agreement concerning the terms and conditions of this Agreement.

18. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original but all of which shall constitute one agreement.

19. Singular and Plural. Whenever required by the context, as used in this Agreement the singular shall include the plural, and the masculine gender shall include the feminine and the neuter, and the feminine gender shall include the masculine and the neuter.

20. Enforcement Costs. Should any legal action be required to enforce the terms of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and costs in addition to any other relief to which that Party may be entitled.

21. Injunctive Relief for Breach. The Parties acknowledge and agree that any material violation of this Agreement is likely to result in immediate and irreparable harm for which monetary damages are likely to be inadequate. Accordingly, the Parties consent to injunctive and other appropriate equitable relief upon the institution of proceedings therefor by any other Party in order to protect the rights of the Parties under this Agreement. Such relief shall be in addition to any other relief to which the Parties may be entitled at law or in equity.

22. No Third Party Beneficiaries. No person or entity shall be deemed to be a third Party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than the Parties hereto, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

23. Severability. Should any portion, word, clause, phrase, sentence or paragraph of this Agreement be declared void or unenforceable, such portion shall be considered independent and severable from the remainder, the validity of which shall remain unaffected.

24. Ambiguity. The Parties acknowledge that this Agreement was jointly prepared by them, by and through their respective legal counsel, and any uncertainty or ambiguity existing herein shall not be interpreted against any of the Parties, but otherwise shall be interpreted according to the application of the rules on interpretation of contracts.

25. Waiver. Failure to insist on compliance with any term, covenant or condition contained in this Agreement shall not be deemed a waiver of that term, covenant or condition, nor shall any waiver or relinquishment of any right or power contained in this Agreement at any one time or more times be deemed a waiver or relinquishment of any right or power at any other time or times.

26. Governing Law. This Agreement is made and entered into in the State of California, and shall in all respects be interpreted, enforced and governed under the laws of said State without giving effect to conflicts of laws principles. The Parties further agree that the Los Angeles County Superior Court will retain jurisdiction over this matter in the event that a dispute arises. The Parties further agree that this Agreement may be enforced by any Party hereto by a motion under Section 664.6 of the California Code of Civil Procedure or by any other procedure permitted by law in the Los Angeles County Superior Court.

27. Entire Agreement. This Agreement constitutes the entire agreement between the Parties who have executed it and supersedes any and all other agreements, understandings, negotiations, or discussions, either oral or in writing, express or implied between the Parties to this Agreement. The Parties to this Agreement each acknowledge that no representations, inducements, promises, agreements, or warranties, oral or otherwise, have been made by them, or anyone acting on their behalf, which are not embodied in this Agreement, that they have not executed this Agreement in reliance on any such representation, inducement, promise, agreement or warranty, and that no representation, inducement, promise, agreement or warranty not contained

in this Agreement, including, but not limited to, any purported supplements, modifications, waivers, or terminations of this Agreement shall be valid or binding, unless executed in writing by all of the Parties to this Agreement.

28. Modifications. Any alteration, change, or modification of or to this Agreement shall be made by written instrument executed by each Party hereto in order to become effective.

DISTRICT:

Central Basin Municipal Water District

PETITIONERS:

[See Petitioners Signature Pages attached]

By: _____

APPROVED AS TO FORM:

Aleshire & Wynder, LLP

Robert Baker
District Counsel

By: _____
David J. Aleshire
Attorneys for Petitioners

PETITIONERS' SIGNATURE PAGE

(Page 1 of 2)

CITY OF CERRITOS

CITY OF COMMERCE

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

CITY OF DOWNEY

CITY OF HUNTINGTON PARK

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

CITY OF LAKEWOOD

CITY OF NORWALK

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

CITY OF PARAMOUNT

CITY OF PICO RIVERA

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

CITY OF SANTA FE SPRINGS

CITY OF SIGNAL HILL

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

CITY OF SOUTH GATE

CITY OF VERNON

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

PETITIONERS' SIGNATURE PAGE
(Page 2 of 2)

**BELLFLOWER-SOMERSET MUTUAL
WATER COMPANY**

By: _____
Name: _____
Title: _____

**LA HABRA HEIGHTS COUNTY
WATER DISTRICT**

By: _____
Name: _____
Title: _____

**MAYWOOD MUTUAL WATER
COMPANY NO. 3**

By: _____
Name: _____
Title: _____

**MONTEBELLO LAND AND WATER
COMPANY**

By: _____
Name: _____
Title: _____

ORCHARD DALE WATER DISTRICT

By: _____
Name: _____
Title: _____

PICO WATER DISTRICT

By: _____
Name: _____
Title: _____

**SOUTH MONTEBELLO IRRIGATION
DISTRICT**

By: _____
Name: _____
Title: _____

TRACT 180 WATER COMPANY

By: _____
Name: _____
Title: _____

**TRACT 349 MUTUAL WATER
COMPANY**

By: _____
Name: _____
Title: _____

**WALNUT PARK MUTUAL WATER
COMPANY**

By: _____
Name: _____
Title: _____

D I V I D E R S H E E T

Routine Items

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

D I V I D E R S H E E T

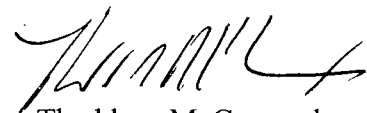
COUNCIL AGENDA

March 23, 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	None			
B. Changes	Tawny Ruiz	Accountant Utility Billing Supervisor	18B to 24B	03/07/2021
C. Separations	None			
2. PART-TIME EMPLOYEES				
A. Appointments	None			
B. Changes	None			
C. Separations	None			



Thaddeus McCormack
City Manager

D I V I D E R S H E E T

**CITY OF LAKEWOOD
FUND SUMMARY 3/4/21**

In accordance with section 2521 of the Lakewood Municipal Code there is presented herewith a summary of obligations to be paid by voucher 101214 through 101292. Each of the following demands has been audited by the Director of Administrative Services and approved by the City Manager.

1010	GENERAL FUND	191,092.48
1020	CABLE TV	3,064.97
1050	COMMUNITY FACILITY	6,956.46
1621	LA CNTY MEASURE R	931.00
1622	LA CNTY MEASURE M	310.29
1623	LA CNTY MEASURE W	8,173.25
3001	CAPITAL IMPROV PROJECT FUND	160,400.04
3070	PROPOSITION "C"	119.98
5020	CENTRAL STORES	2,588.41
5030	FLEET MAINTENANCE	2,813.93
7500	WATER UTILITY FUND	32,247.63
8030	TRUST DEPOSIT	500.00
		<hr/>
		409,198.44

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
101214	03/04/2021	61307	PERRIS FENCE & SUPPLY	334.07	0.00	334.07
101215	03/04/2021	4842	A T & T CORP	268.64	0.00	268.64
101216	03/04/2021	2701	AIRE RITE A/C & REFRIGERATION INC	15,584.00	0.00	15,584.00
101217	03/04/2021	4684	AMAZON.COM LLC	649.08	0.00	649.08
101218	03/04/2021	5246	ASSOCIATED PRODUCTION MUSIC LLC	2,500.00	0.00	2,500.00
101219	03/04/2021	5322	N. HARRIS COMPUTER CORPORATION	30,914.10	0.00	30,914.10
101220	03/04/2021	57770	B & H FOTO & ELECTRONICS CORP	5,855.55	0.00	5,855.55
101221	03/04/2021	5158	BANNER BANK	8,012.50	0.00	8,012.50
101222	03/04/2021	59748	BIG STUDIO INC	101.84	0.00	101.84
101223	03/04/2021	1935	BREA. CITY OF	35,649.13	0.00	35,649.13
101224	03/04/2021	4978	CALIFORNIA FOUNDATION FOR THE	192.40	0.00	192.40
101225	03/04/2021	6600	CALIFORNIA STATE DEPT OF JUSTICE	256.00	0.00	256.00
101226	03/04/2021	45894	CINTAS CORPORATION	71.83	0.00	71.83
101227	03/04/2021	5368	CAMERON WELDING SUPPLY	346.37	0.00	346.37
101228	03/04/2021	4975	AIRLINE MEDIA PRODUCTIONS. INC.	450.00	0.00	450.00
101229	03/04/2021	4504	CONCEPT FRAMING INTERNATIONAL LP	19,088.50	0.00	19,088.50
101230	03/04/2021	4734	DOSSIER SYSTEMS. INC.	1,383.00	0.00	1,383.00
101231	03/04/2021	52316	FEDERAL EXPRESS CORP	14.87	0.00	14.87
101232	03/04/2021	4641	Fontela, Thao	685.10	0.00	685.10
101233	03/04/2021	5343	GALLS PARENT HOLDINGS. LLC	55.09	0.00	55.09
101234	03/04/2021	34845	GLASBY MAINTENANCE SUPPLY CO	101.21	0.00	101.21
101235	03/04/2021	33150	GRAINGER W W INC	50.69	0.00	50.69
101236	03/04/2021	49554	HAWK. TRUDY (FAHTIEM)	45.50	0.00	45.50
101237	03/04/2021	4880	HODGE PRODUCTS INC.	270.37	0.00	270.37
101238	03/04/2021	42031	HOME DEPOT	924.45	0.00	924.45
101239	03/04/2021	4688	HUNTER. JOHN L & ASSOCIATES	5,681.25	0.00	5,681.25
101240	03/04/2021	5427	HUYNH. CHI DBA HELLO NAILS AND SPA	100.00	0.00	100.00
101241	03/04/2021	5219	INDUCTIVE AUTOMATION. LLC	3,058.80	0.00	3,058.80
101242	03/04/2021	4622	JHM SUPPLY INC	900.32	0.00	900.32
101243	03/04/2021	4180	JONES RICHARD D. A PROF LAW CORP	8,729.84	0.00	8,729.84
101244	03/04/2021	18550	LAKEWOOD. CITY OF	400.00	0.00	400.00
101245	03/04/2021	18400	LAKEWOOD. CITY WATER DEPT	43,815.38	0.00	43,815.38
101246	03/04/2021	44733	LIEBERT CASSIDY WHITMORE	456.00	0.00	456.00
101247	03/04/2021	19710	LINCOLN EQUIPMENT INC	595.21	0.00	595.21
101248	03/04/2021	59144	LONG BEACH CITY	2,375.29	0.00	2,375.29
101249	03/04/2021	20300	LONG BEACH CITY GAS & WATER DEPT	261.18	0.00	261.18
101250	03/04/2021	36844	LA COUNTY DEPT OF PUBLIC WORKS	11,707.64	0.00	11,707.64
101251	03/04/2021	36844	LA COUNTY DEPT OF PUBLIC WORKS	15,478.65	0.00	15,478.65
101252	03/04/2021	63809	MACAULAY. CHRISTINA	150.00	0.00	150.00
101253	03/04/2021	4892	NESTLE WATERS NORTH AMERICA	5.95	0.00	5.95
101254	03/04/2021	4443	O'REILLY AUTOMOTIVE STORES INC	461.16	0.00	461.16
101255	03/04/2021	47554	OFFICE DEPOT BUSINESS SVCS	7.60	0.00	7.60
101256	03/04/2021	43079	ORKIN SERVICES OF CALIFORNIA. INC.	80.00	0.00	80.00
101257	03/04/2021	450	PACIFIC EH & S SERVICES INC	108.00	0.00	108.00

CITY OF LAKEWOOD

SUMMARY CHECK REGISTER

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
101258	03/04/2021	4330	RON'S MAINTENANCE INC	2,492.00	0.00	2,492.00
101259	03/04/2021	45437	S & J SUPPLY CO	182.25	0.00	182.25
101260	03/04/2021	4309	SAFESHRED	25.00	0.00	25.00
101261	03/04/2021	41691	SAFETY-KLEEN CORP	452.50	0.00	452.50
101262	03/04/2021	5197	SIGNAL HILL AUTO ENTERPRISES INC.	524.60	0.00	524.60
101263	03/04/2021	52279	SMART & FINAL INC	14.32	0.00	14.32
101264	03/04/2021	29400	SOUTHERN CALIFORNIA EDISON CO	3,282.23	0.00	3,282.23
101265	03/04/2021	4026	SPASEFF TED C	37.50	0.00	37.50
101266	03/04/2021	4972	CHARTER COMMUNICATIONS HOLDINGS. LLC	4,186.52	0.00	4,186.52
101267	03/04/2021	5128	SUKUT CONSTRUCTION. LLC	152,237.50	0.00	152,237.50
101268	03/04/2021	66215	SUPERIOR COURT OF CALIFORNIA	2,805.50	0.00	2,805.50
101269	03/04/2021	66215	SUPERIOR COURT OF CALIFORNIA	5,152.50	0.00	5,152.50
101270	03/04/2021	66215	SUPERIOR COURT OF CALIFORNIA	4,718.00	0.00	4,718.00
101271	03/04/2021	66215	SUPERIOR COURT OF CALIFORNIA	3,097.50	0.00	3,097.50
101272	03/04/2021	52610	SWANK MOTION PICTURES INC	2,650.00	0.00	2,650.00
101273	03/04/2021	5278	THE TECHNOLOGY DEPOT	949.80	0.00	949.80
101274	03/04/2021	5297	THURSTON ELEVATOR CONCEPTS. INC.	140.00	0.00	140.00
101275	03/04/2021	60685	TURF STAR	449.49	0.00	449.49
101276	03/04/2021	31800	U S POSTMASTER	245.00	0.00	245.00
101277	03/04/2021	35089	UNDERGROUND SERVICE ALERT	188.20	0.00	188.20
101278	03/04/2021	5284	UNIFIRST CORPORATION	47.22	0.00	47.22
101279	03/04/2021	4907	VARSITY BRANDS HOLDING CO INC	32.52	0.00	32.52
101280	03/04/2021	64652	CELLCO PARTNERSHIP	1,580.23	0.00	1,580.23
101281	03/04/2021	3943	WATERLINE TECHNOLOGIES INC	1,169.52	0.00	1,169.52
101282	03/04/2021	17640	WAXIE ENTERPRISES INC	1,165.51	0.00	1,165.51
101283	03/04/2021	37745	WESTERN EXTERMINATOR CO	115.00	0.00	115.00
101284	03/04/2021	35146	WILLDAN ASSOCIATES	931.00	0.00	931.00
101285	03/04/2021	5279	ZUMAR INDUSTRIES. INC.	310.29	0.00	310.29
101286	03/04/2021	3699	HAFCO GROUP INC	172.48	0.00	172.48
101287	03/04/2021	3699	HALE. PAMELA	61.28	0.00	61.28
101288	03/04/2021	3699	MONZON. NICHOLAS & LAURA	14.15	0.00	14.15
101289	03/04/2021	3699	MR. REPIPE	277.44	0.00	277.44
101290	03/04/2021	3699	PHILLIPS. HARRY	600.00	0.00	600.00
101291	03/04/2021	3699	RAMOS. ADORA	671.63	0.00	671.63
101292	03/04/2021	3699	TESLA ENERGY OPERATIONS INC	43.20	0.00	43.20
Totals:				<u>409,198.44</u>	<u>0.00</u>	<u>409,198.44</u>

**CITY OF LAKEWOOD
FUND SUMMARY 3/11/2021**

In accordance with section 2521 of the Lakewood Municipal Code there is presented herewith a summary of obligations to be paid by voucher 101293 through 101383. Each of the following demands has been audited by the Director of Administrative Services and approved by the City Manager.

1010	GENERAL FUND	169,950.89
1020	CABLE TV	41.88
1030	CDBG CURRENT YEAR	3,199.58
1050	COMMUNITY FACILITY	47,702.74
1070	RETIREE BENEFITS	200,233.00
3001	CAPITAL IMPROV PROJECT FUND	925,984.85
3070	PROPOSITION "C"	50.00
5010	GRAPHICS AND COPY CENTER	183.11
5020	CENTRAL STORES	2,802.68
5030	FLEET MAINTENANCE	7,952.10
6020	GEOGRAPHIC INFORMATION SYSTEM	127.80
7500	WATER UTILITY FUND	24,287.33
8030	TRUST DEPOSIT	400.00
		<hr/>
		1,382,915.96

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
101293	03/11/2021	61142	ADAMS-HILLERY SHARRON	2,399.68	0.00	2,399.68
101294	03/11/2021	5264	ADVANTAGE MAILING. LLC	2,397.07	0.00	2,397.07
101295	03/11/2021	2440	ALLIED 100 GROUP. INC	143.55	0.00	143.55
101296	03/11/2021	2701	AIRE RITE A/C & REFRIGERATION INC	5,023.17	0.00	5,023.17
101297	03/11/2021	5518	MNRO HOLDINGS. LLC	865.63	0.00	865.63
101298	03/11/2021	4684	AMAZON.COM LLC	731.62	0.00	731.62
101299	03/11/2021	50163	AMERICAN PUBLIC WORKS ASSN	268.75	0.00	268.75
101300	03/11/2021	5158	BANNER BANK	45,807.66	0.00	45,807.66
101301	03/11/2021	5266	BAY AREA DRIVING SCHOOL. INC.	42.90	0.00	42.90
101302	03/11/2021	59748	BIG STUDIO INC	153.30	0.00	153.30
101303	03/11/2021	307	CALIF. STATE DISBURSEMENT UNIT	405.80	0.00	405.80
101304	03/11/2021	53983	CALIF STATE FRANCHISE TAX BOARD	799.90	0.00	799.90
101305	03/11/2021	45894	CINTAS CORPORATION	62.33	0.00	62.33
101306	03/11/2021	5214	CLEANCOR HOLDINGS LLC DBA CLEANCOR LNG L	3,647.44	0.00	3,647.44
101307	03/11/2021	4498	DELTA DENTAL INSURANCE COMPANY	1,047.01	0.00	1,047.01
101308	03/11/2021	56889	DELTA DENTAL OF CALIFORNIA	7,386.72	0.00	7,386.72
101309	03/11/2021	27200	DICKSON R F CO INC	45,836.43	0.00	45,836.43
101310	03/11/2021	43597	DIVE/CORR INC	4,170.00	0.00	4,170.00
101311	03/11/2021	5340	DOXIM INC.	9,210.66	0.00	9,210.66
101312	03/11/2021	5229	DUNRITE PEST CONTROL INC.	260.00	0.00	260.00
101313	03/11/2021	3199	EDCO WASTE SERVICES LLC	4,172.30	0.00	4,172.30
101314	03/11/2021	4251	PROFIT SYSTEMS INC	3,001.85	0.00	3,001.85
101315	03/11/2021	5388	FABRIC WALLCRAFT OF CALIFORNIA. INC.	43,575.55	0.00	43,575.55
101316	03/11/2021	4435	ELLIOTT AUTO SUPPLY COMPANY INC	22.98	0.00	22.98
101317	03/11/2021	65038	FED EX OFFICE & PRINT SVCS INC	345.67	0.00	345.67
101318	03/11/2021	4947	FILE KEEPERS. LLC	42.80	0.00	42.80
101319	03/11/2021	5067	FISHER. RICHARD ASSOCIATES	9,000.00	0.00	9,000.00
101320	03/11/2021	4884	FRONTIER CALIFORNIA INC.	2,906.44	0.00	2,906.44
101321	03/11/2021	4422	GARIBALDO'S NURSERY	89.50	0.00	89.50
101322	03/11/2021	34845	GLASBY MAINTENANCE SUPPLY CO	151.81	0.00	151.81
101323	03/11/2021	35477	HARA M LAWNMOWER CENTER	84.58	0.00	84.58
101324	03/11/2021	49520	HINDERLITER DE LLAMAS & ASSOC	4,035.61	0.00	4,035.61
101325	03/11/2021	4880	HODGE PRODUCTS INC.	115.80	0.00	115.80
101326	03/11/2021	42031	HOME DEPOT	1,755.45	0.00	1,755.45
101327	03/11/2021	36589	IMMEDIATE MEDICAL CARE	130.00	0.00	130.00
101328	03/11/2021	4622	JHM SUPPLY INC	682.41	0.00	682.41
101329	03/11/2021	2956	KICK IT UP KIDZ. LLC	84.50	0.00	84.50
101330	03/11/2021	18550	LAKEWOOD. CITY OF	300.00	0.00	300.00
101331	03/11/2021	4783	LANDCARE HOLDINGS INC	7,807.92	0.00	7,807.92
101332	03/11/2021	2409	LIFTECH ELEVATOR SERVICES INC	390.00	0.00	390.00
101333	03/11/2021	3564	LONG BEACH. CITY OF	139.17	0.00	139.17
101334	03/11/2021	21600	LOS ANGELES CO SHERIFFS DEPT	15,727.01	0.00	15,727.01
101335	03/11/2021	60037	LOS ANGELES ENGINEERING. INC	870,345.59	0.00	870,345.59
101336	03/11/2021	58414	MANAGED HEALTH NETWORK	357.39	0.00	357.39

CITY OF LAKEWOOD

SUMMARY CHECK REGISTER

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
101337	03/11/2021	4190	NATIONAL UNION FIRE INSURANCE CO	516.20	0.00	516.20
101338	03/11/2021	4443	O'REILLY AUTOMOTIVE STORES INC	1,261.57	0.00	1,261.57
101339	03/11/2021	47554	OFFICE DEPOT BUSINESS SVCS	164.79	0.00	164.79
101340	03/11/2021	63708	DY-JO CORPORATION	570.00	0.00	570.00
101341	03/11/2021	5199	PETTY CASH/ANDREW CAMACHO	1,297.12	0.00	1,297.12
101342	03/11/2021	5367	OUADIENT LEASING USA. INC.	984.49	0.00	984.49
101343	03/11/2021	5516	RAFTELIS FINANCIAL CONSULTANTS. LLC	12,021.25	0.00	12,021.25
101344	03/11/2021	4459	READWRITE EDUCATIONAL SOLUTIONS INC	71.35	0.00	71.35
101345	03/11/2021	63364	REEVES NORM HONDA	41.39	0.00	41.39
101346	03/11/2021	41691	SAFETY-KLEEN CORP	1,136.57	0.00	1,136.57
101347	03/11/2021	66280	BARRY SANDLER ENTERPRISES	118.05	0.00	118.05
101348	03/11/2021	47141	STEARNS CONRAD & SCHMIDT CONSLT ENG	4,500.00	0.00	4,500.00
101349	03/11/2021	5197	SIGNAL HILL AUTO ENTERPRISES INC.	363.83	0.00	363.83
101350	03/11/2021	5230	SITEONE LANDSCAPE SUPPLY. LLC	585.53	0.00	585.53
101351	03/11/2021	52279	SMART & FINAL INC	69.03	0.00	69.03
101352	03/11/2021	26900	SO CALIF SECURITY CENTERS INC	342.75	0.00	342.75
101353	03/11/2021	5022	MWB COPY PRODUCTS. INC.	255.60	0.00	255.60
101354	03/11/2021	29400	SOUTHERN CALIFORNIA EDISON CO	24,320.41	0.00	24,320.41
101355	03/11/2021	29450	SOUTHERN CALIFORNIA EDISON	3,916.28	0.00	3,916.28
101356	03/11/2021	29500	SOUTHERN CALIFORNIA GAS CO	697.98	0.00	697.98
101357	03/11/2021	37930	STANDARD INSURANCE CO UNIT 22	2,381.60	0.00	2,381.60
101358	03/11/2021	37930	STANDARD INSURANCE CO UNIT 22	9,106.75	0.00	9,106.75
101359	03/11/2021	5278	THE TECHNOLOGY DEPOT	686.50	0.00	686.50
101360	03/11/2021	53026	TRANE U S INC	1,690.00	0.00	1,690.00
101361	03/11/2021	4873	TRANSAMERICA LIFE INSURANCE COMPANY	1,590.40	0.00	1,590.40
101362	03/11/2021	4356	U S BANK PARS ACCT #6746022500	200,233.00	0.00	200,233.00
101363	03/11/2021	5284	UNIFIRST CORPORATION	23.61	0.00	23.61
101364	03/11/2021	64652	CELLCO PARTNERSHIP	3,858.06	0.00	3,858.06
101365	03/11/2021	57135	VISION SERVICE PLAN	4,370.64	0.00	4,370.64
101366	03/11/2021	3943	WATERLINE TECHNOLOGIES INC	1,442.63	0.00	1,442.63
101367	03/11/2021	17640	WAXIE ENTERPRISES INC	1,670.85	0.00	1,670.85
101368	03/11/2021	35146	WILLDAN ASSOCIATES	5,569.65	0.00	5,569.65
101369	03/11/2021	4837	XEROX CORPORATION	183.11	0.00	183.11
101370	03/11/2021	3699	DEL GARCIA. MARIA	43.00	0.00	43.00
101371	03/11/2021	3699	DENT. RYAN	185.00	0.00	185.00
101372	03/11/2021	3699	HARPY. ELTON	250.00	0.00	250.00
101373	03/11/2021	3699	HARRIS. JACOB	100.00	0.00	100.00
101374	03/11/2021	3699	JG BUILDERS INC	69.12	0.00	69.12
101375	03/11/2021	3699	JIMENEZ. CYNTHIA	33.00	0.00	33.00
101376	03/11/2021	3699	PUREST ACADEMY FOR KIDS	43.00	0.00	43.00
101377	03/11/2021	3699	ROBERT TAYLOR	12.75	0.00	12.75
101378	03/11/2021	3699	ROSALES. GRACIELA	53.00	0.00	53.00
101379	03/11/2021	3699	SCOTT. KAREN	43.00	0.00	43.00
101380	03/11/2021	3699	SMITH. LISA	42.00	0.00	42.00

**CITY OF LAKEWOOD
SUMMARY CHECK REGISTER**

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
101381	03/11/2021	3699	SUEKAWA, VICTORIA	34.00	0.00	34.00
101382	03/11/2021	3699	TEMP AIR SYSTEM INC	29.52	0.00	29.52
101383	03/11/2021	3699	WU, JEFFREY	13.63	0.00	13.63
Totals:				<u>1,382,915.96</u>	<u>0.00</u>	<u>1,382,915.96</u>

**CITY OF LAKEWOOD
FUND SUMMARY 3/18/2021**

In accordance with section 2521 of the Lakewood Municipal Code there is presented herewith a summary of obligations to be paid by voucher 101384 through 101458. Each of the following demands has been audited by the Director of Administrative Services and approved by the City Manager.

1010	GENERAL FUND	1,661,548.21
1030	CDBG CURRENT YEAR	3,125.00
1050	COMMUNITY FACILITY	7,188.42
1336	STATE COPS GRANT	20,287.38
1622	LA CNTY MEASURE M	1,229.08
3001	CAPITAL IMPROV PROJECT FUND	128,313.08
3070	PROPOSITION "C"	804.18
5010	GRAPHICS AND COPY CENTER	1,853.35
5020	CENTRAL STORES	1,007.43
5030	FLEET MAINTENANCE	23,004.53
7500	WATER UTILITY FUND	296,872.45
8020	LOCAL REHAB LOAN	14,823.60
8030	TRUST DEPOSIT	100.00
		<hr/>
		2,160,156.71

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
101384	03/18/2021	4644	AGRI-TURF DISTRIBUTING	1,547.69	0.00	1,547.69
101385	03/18/2021	1700	ALLIED REFRIGERATION INC	511.54	0.00	511.54
101386	03/18/2021	47151	ALTEC INDUSTRIES INC	18,719.29	0.00	18,719.29
101387	03/18/2021	4684	AMAZON.COM LLC	898.23	0.00	898.23
101388	03/18/2021	63294	BROADCAST MUSIC INC	733.00	0.00	733.00
101389	03/18/2021	39123	BACKFLOW APPARATUS & VALUE COMPANY	152.15	0.00	152.15
101390	03/18/2021	4790	COMPASS BANK	267,933.55	0.00	267,933.55
101391	03/18/2021	5292	BECKER & ASSOCIATES. INC.	881.19	0.00	881.19
101392	03/18/2021	1935	BREA. CITY OF	28,100.75	0.00	28,100.75
101393	03/18/2021	46162	C S M F O	150.00	0.00	150.00
101394	03/18/2021	45894	CINTAS CORPORATION	71.83	0.00	71.83
101395	03/18/2021	53451	COMMUNITY FAMILY GUIDANCE CTR	750.00	0.00	750.00
101396	03/18/2021	4911	DG INVESTMENT INTERMEDIATE HOLDINGS 2. INC	6,394.00	0.00	6,394.00
101397	03/18/2021	4776	CORELOGIC. INC.	37.25	0.00	37.25
101398	03/18/2021	27200	DICKSON R F CO INC	1,395.00	0.00	1,395.00
101399	03/18/2021	43597	DIVE/CORR INC	3,600.00	0.00	3,600.00
101400	03/18/2021	3199	EDCO WASTE SERVICES LLC	442,837.33	0.00	442,837.33
101401	03/18/2021	4435	ELLIOTT AUTO SUPPLY COMPANY INC	67.68	0.00	67.68
101402	03/18/2021	3946	FERGUSON ENTERPRISES INC	812.87	0.00	812.87
101403	03/18/2021	65779	GOLDEN STATE WATER COMPANY	8,386.55	0.00	8,386.55
101404	03/18/2021	52540	GONSALVES JOE A & SON	4,526.00	0.00	4,526.00
101405	03/18/2021	5257	GRANITE TELECOMMUNICATIONS. LLC	85.08	0.00	85.08
101406	03/18/2021	65575	HAP'S AUTO PARTS	338.55	0.00	338.55
101407	03/18/2021	35477	HARA M LAWNMOWER CENTER	54.75	0.00	54.75
101408	03/18/2021	42031	HOME DEPOT	2,728.65	0.00	2,728.65
101409	03/18/2021	65891	HUMAN SERVICES ASSOCIATION	750.00	0.00	750.00
101410	03/18/2021	66107	IPMA-HR	417.00	0.00	417.00
101411	03/18/2021	4622	JHM SUPPLY INC	379.67	0.00	379.67
101412	03/18/2021	4180	VOID			
101413	03/18/2021	53365	KENNY'S AUTO SERVICE	302.00	0.00	302.00
101414	03/18/2021	2956	KICK IT UP KIDZ. LLC	107.25	0.00	107.25
101415	03/18/2021	18300	LAKEWOOD CHAMBER OF COMMERCE	1,833.33	0.00	1,833.33
101416	03/18/2021	53311	LAKEWOOD MEALS ON WHEELS	875.00	0.00	875.00
101417	03/18/2021	19710	LINCOLN EQUIPMENT INC	138.81	0.00	138.81
101418	03/18/2021	21600	LOS ANGELES CO SHERIFFS DEPT	996,550.15	0.00	996,550.15
101419	03/18/2021	45069	LOS ANGELES CO/DEPT PW BLDG SVCS	61,234.77	0.00	61,234.77
101420	03/18/2021	36844	LA COUNTY DEPT OF PUBLIC WORKS	1,229.08	0.00	1,229.08
101421	03/18/2021	5235	LTAS TECHNOLOGIES INC.	2,800.00	0.00	2,800.00
101422	03/18/2021	3856	MAILFINANCE INC.	854.84	0.00	854.84
101423	03/18/2021	4482	MALTY INTERNATIONAL GROUP INC	167.16	0.00	167.16
101424	03/18/2021	23130	MC MASTER-CARR SUPPLY CO	133.90	0.00	133.90
101425	03/18/2021	4443	O'REILLY AUTOMOTIVE STORES INC	828.15	0.00	828.15
101426	03/18/2021	47554	OFFICE DEPOT BUSINESS SVCS	290.74	0.00	290.74
101427	03/18/2021	65659	PHASE II SYSTEMS INC	2,903.05	0.00	2,903.05

CITY OF LAKEWOOD

SUMMARY CHECK REGISTER

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
101428	03/18/2021	50512	PATHWAYS VOLUNTEER HOSPICE	750.00	0.00	750.00
101429	03/18/2021	5516	RAFTELIS FINANCIAL CONSULTANTS, LLC	16,660.00	0.00	16,660.00
101430	03/18/2021	4956	ROSS AVIATION INVESTMENT, LLC	3,819.46	0.00	3,819.46
101431	03/18/2021	45437	S & J SUPPLY CO	1,181.28	0.00	1,181.28
101432	03/18/2021	65297	S.T.E.A.M.	16,279.90	0.00	16,279.90
101433	03/18/2021	41691	SAFETY-KLEEN CORP	20.00	0.00	20.00
101434	03/18/2021	3153	SECTRAN SECURITY INC	156.82	0.00	156.82
101435	03/18/2021	5197	SIGNAL HILL AUTO ENTERPRISES INC.	309.09	0.00	309.09
101436	03/18/2021	52279	SMART & FINAL INC	36.63	0.00	36.63
101437	03/18/2021	26900	SO CALIF SECURITY CENTERS INC	100.63	0.00	100.63
101438	03/18/2021	29400	SOUTHERN CALIFORNIA EDISON CO	58,383.34	0.00	58,383.34
101439	03/18/2021	63988	T2 SYSTEMS INC	810.91	0.00	810.91
101440	03/18/2021	5278	THE TECHNOLOGY DEPOT	917.38	0.00	917.38
101441	03/18/2021	3110	TORRES LOPEZ JAVIER	124.00	0.00	124.00
101442	03/18/2021	60685	TURF STAR	1,819.31	0.00	1,819.31
101443	03/18/2021	5284	UNIFIRST CORPORATION	256.15	0.00	256.15
101444	03/18/2021	33200	WALTERS WHOLESALE ELECTRIC CO	315.42	0.00	315.42
101445	03/18/2021	5155	WATER SYSTEM SERVICES LLC	175.00	0.00	175.00
101446	03/18/2021	3943	WATERLINE TECHNOLOGIES INC	2,778.27	0.00	2,778.27
101447	03/18/2021	17640	WAXIE ENTERPRISES INC	410.10	0.00	410.10
101448	03/18/2021	40925	WEST COAST ARBORISTS INC	51,830.09	0.00	51,830.09
101449	03/18/2021	37745	WESTERN EXTERMINATOR CO	264.00	0.00	264.00
101450	03/18/2021	35146	WILLDAN ASSOCIATES	121,919.08	0.00	121,919.08
101451	03/18/2021	3837	WORTHINGTON FORD	55.91	0.00	55.91
101452	03/18/2021	4837	XEROX CORPORATION	1,853.35	0.00	1,853.35
101453	03/18/2021	3699	ALL CITY HEATING AIR & PLUMBING	14,823.60	0.00	14,823.60
101454	03/18/2021	3699	B & B FINANCIAL	150.09	0.00	150.09
101455	03/18/2021	3699	DENBOER, JOY	1.57	0.00	1.57
101456	03/18/2021	3699	DENT, RYAN	185.00	0.00	185.00
101457	03/18/2021	3699	JARAMILLO, RICHARD	162.50	0.00	162.50
101458	03/18/2021	3699	YAMSUK, SUPAKORN	100.00	0.00	100.00
Totals:				<u>2,160,156.71</u>	<u>0.00</u>	<u>2,160,156.71</u>

DIVIDER SHEET

COUNCIL AGENDA

March 23, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Report of City Council Committees' Activities

INTRODUCTION

A brief update is provided for City Council review on the activities of the following standing committee: Environmental Management Committee.

STATEMENT OF FACT

On February 28, 2021, the Environmental Management Committee met and discussed:

Residential trash rates for FY 2021-2022: Components of the rate increase for the next fiscal year are the CPI increase and tipping fee increases. The proposed rate increase will raise the residential monthly bill by \$0.49, from \$22.70 to \$23.19 and would be effective July 1, 2021. In addition to the annual rate increase, another increase will need to go into effect on January 1, 2022, to address the costs associated with state-mandated SB 1383 organics collection. SB 1383 was signed into law in 2016 and becomes operational in January 2022. It requires a significant operational effort and monetary investment in order to become fully compliant. EDCO has provided the city with a comprehensive implementation plan that meets the state's requirements, which includes managing the organics tonnage, compliance & enforcement efforts, public education programs, and development of a database for proper reporting. The second increase will raise the residential bill another \$1.08, to \$24.27. Prop 218 notices be provided through a combination of direct notices and utility bills, with the public hearing scheduled for the second council meeting in June.

The rate increase for commercial customers is calculated by CPI, and will result in an increase of 0.87%.

RECOMMENDATION

It is recommended that the City Council receive and file this report.



Thaddeus McCormack
City Manager

D I V I D E R S H E E T

COUNCIL AGENDA

March 23, 2021

TO: The Honorable Mayor and City Council**SUBJECT:** Monthly Report of Investment Transactions – February 2021**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>
02/01/2021	698.60	BOND	Interest 1.996%
02/01/2021	1,576.80	BOND	Interest 1.971%
02/01/2021	1.98	MMF	Interest
02/01/2021	252.19	BOND	Interest 0.773%
02/01/2021	1,364.18	BOND	Interest 2.021%
02/01/2021	386.47	BOND	Interest 0.510%
02/01/2021	358.05	BOND	Interest 2.046%
02/01/2021	1,200.60	BOND	Interest 2.001%
02/04/2021	1,500,000.00	LAIF	Deposit
02/06/2021	2,587.50	CORP	Interest 2.875%
02/13/2021	6,750.00	AGENCY	Interest 2.500%
02/13/2021	1,710.00	CORP	Interest 1.800%
02/14/2021	4,875.00	CORP	Interest 3.250%
02/14/2021	1,618.75	CORP	Interest 1.750%
02/15/2021	37.63	ABS	Interest 0.430%
02/15/2021	6,093.75	TREAS	Interest 1.625%
02/15/2021	1,840.63	CORP	Interest 3.875%
02/15/2021	34.38	ABS	Interest 0.550%
02/15/2021	10.20	ABS	Interest 0.340%
02/15/2021	433.13	ABS	Interest 1.890%
02/15/2021	1,667.50	CORP	Interest 2.300%
02/15/2021	1,968.75	CORP	Interest 1.875%
02/15/2021	1,053.50	ABS	Interest 1.720%
02/15/2021	51.33	ABS	Interest 0.440%
02/15/2021	36.67	ABS	Interest 0.400%
02/15/2021	39.58	ABS	Interest 0.500%

Monthly Investment Transactions

March 23, 2021

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02/15/2021	967.50	CORP	Interest 2.150%
02/16/2021	3,503.50	CD	Interest 1.800%
02/17/2021	90,222.19	CORP	Purchase 0.855%
02/18/2021	50.88	ABS	Interest 0.370%
02/18/2021	1,200,000.00	LAIF	Maturity
02/20/2021	35.63	ABS	Interest 0.450%
02/20/2021	78.33	ABS	Interest 0.470%
02/23/2021	56,591.56	CORP	Sell 3.875%
02/25/2021	65.73	AGENCY	Interest 3.203%
02/25/2021	109.95	AGENCY	Interest 3.560%
02/25/2021	33.43	AGENCY	Paydown 3.203%
02/25/2021	1,336.77	AGENCY	Paydown 3.560%
02/25/2021	32.00	ABS	Interest 0.480%
02/26/2021	3,612.53	CD	Interest 1.860%
02/26/2021	3,593.11	CD	Interest 1.850%
02/28/2021	6,531.25	TREAS	Interest 2.375%
02/28/2021	3,062.50	CORP	Interest 1.750%
02/28/2021	2,812.50	TREAS	Interest 1.125%
02/28/2021	12,375.00	TREAS	Interest 1.375%

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 February 2021.



Jose Gomez
Director of Finance & Administrative Services



Thaddeus McCormack
City Manager

D I V I D E R S H E E T

RESOLUTION NO. 2021-6

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. On January 26, 2021, the City Council adopted Resolution No. 2021-3, 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 23RD DAY OF MARCH, 2021.

Mayor

·ATTEST:

City Clerk

D I V I D E R S H E E T

COUNCIL AGENDA

March 23, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Community Safety Commission Recommendation – Removal of Disabled Person Parking Spaces

INTRODUCTION

The Community Safety Commission met on March 1, 2021, to review various community safety matters that included requests to remove the disabled parking spaces at 4203 Pixie Avenue, 5124 Barlin Avenue, 4545 Briercrest Avenue, 4930 Bellflower Boulevard, 5858 Whitewood Avenue, and 11703 Walcroft Street.


STATEMENT OF FACT

The Public Works Department recently received requests for removal of the disabled person parking spaces at 4203 Pixie Avenue, 5124 Barlin Avenue, 4545 Briercrest Avenue, 4930 Bellflower Boulevard, 5858 Whitewood Avenue, and 11703 Walcroft Street. Staff verified that the disabled person who obtained the disabled person parking space no longer resides at the address. Therefore, the parking restriction should be removed.

RECOMMENDATION

The Community Safety Commission recommends that the City Council adopt the attached resolution authorizing the removal of disabled person designated parking at 4203 Pixie Avenue, 5124 Barlin Avenue, 4545 Briercrest Avenue, 4930 Bellflower Boulevard, 5858 Whitewood Avenue, and 11703 Walcroft Street.


Lisa Ann Rapp *for*
Director of Public Works


Thaddeus McCormack
City Manager

RESOLUTION NO. 2021-7

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD RESCINDING RESOLUTIONS ESTABLISHING PHYSICALLY HANDICAPPED PERSONS DESIGNATED PARKING SPACES WITHIN THE CITY OF LAKEWOOD

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

SECTION 1. Resolution No. 2008-67 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD ESTABLISHING A PHYSICALLY HANDICAPPED PERSONS DESIGNATED PARKING SPACE ON THE NORTH SIDE OF GREENMEADOW AVENUE WITHIN THE CITY OF LAKEWOOD

is hereby rescinded.

SECTION 2. Resolution No. 2016-61 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD ESTABLISHING DISABLED PERSON DESIGNATED PARKING ON THE EAST SIDE OF BARLIN AVENUE WITHIN THE CITY OF LAKEWOOD

is hereby rescinded.

SECTION 3. Resolution No. 2015-66 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD ESTABLISHING DISABLED PERSON DESIGNATED PARKING ON THE WEST SIDE OF BRIERCREST AVENUE WITHIN THE CITY OF LAKEWOOD

is hereby rescinded.

SECTION 4. Resolution No. 2016-70 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD ESTABLISHING DISABLED PERSON DESIGNATED PARKING ON THE EAST SIDE OF BELLFLOWER BOULEVARD WITHIN THE CITY OF LAKEWOOD

is hereby rescinded.

SECTION 5. Resolution No. 2015-21 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAKEWOOD ESTABLISHING DISABLED PERSON
DESIGNATED PARKING ON THE EAST SIDE OF
WHITEWOOD AVENUE WITHIN THE CITY OF LAKEWOOD

is hereby rescinded.

SECTION 6. Resolution No. 2018-51 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAKEWOOD ESTABLISHING DISABLED PERSON
DESIGNATED PARKING ON THE EAST SIDE OF ALBURTIS
AVENUE WITHIN THE CITY OF LAKEWOOD

is hereby rescinded.

SECTION 7. This resolution has been adopted pursuant to a Community Safety Commission recommendation.

ADOPTED AND APPROVED this 23rd day of March, 2021.

Mayor

ATTEST:

City Clerk

DIVIDER SHEET

COUNCIL AGENDA

March 23, 2021

TO: Honorable Mayor and Members of the Council

SUBJECT: Agreement with Economic & Planning Systems, Inc. for Preparation of a Fiscal Impact Model

INTRODUCTION

The City of Lakewood (“City”) increasingly is being asked to consider development proposals that call for the inclusion of residential uses in non-residential zones. While allowing increased residential development helps the City attain its long-term housing goals, it can also result in the loss of valuable job and revenue creating land uses. As such, City staff is seeking a multipurpose fiscal impact model which will allow the City to determine the new revenue and cost effects of development for different land uses and programs. A fiscal impact model will help staff calculate the cost and benefits of specific development proposals to make better land use decisions. Staff recommends approval of the proposed professional services agreement between the City of Lakewood and Economic & Planning Systems, Inc. (“EPS”) for preparation of a fiscal impact model.

STATEMENT OF FACT

City staff recently began the process of updating the City’s Housing Element to plan for the development of 3,914 new housing units over the next eight years. In order to meet this significant housing demand, staff is exploring various alternatives, including the conversion of non-residential sites and incorporating mixed-use zones throughout the City. In order to recommend sound decisions about potential changes to existing land uses, staff desires to establish an analytical framework to judge the financial merits of development proposals.

The fiscal impact model will quantify and compare the effects of existing and proposed redevelopment to determine the net fiscal impact of a particular land use program. It will also be flexible, which will allow the analysis of development proposals on large and complex land uses (i.e. Lakewood Center Mall), and small corner shopping centers.

The desired fiscal impact model will rely on a variety of market inputs to analyze a given development proposal. Among the market inputs to be included are:

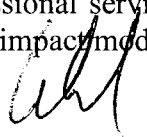
- Average density and tenure of proposed residential land uses, including affordability
- Average employment density of non-residential land uses
- Existing and future assessed value by land use
- Existing retail sales by type of retail (anchor, inline, pad, etc.)
- Expected turn-over (re-sale) rates and sale prices by land uses

After consideration of the desired outcome, flexibility and effectiveness of the fiscal model, and the consultant's experience, staff recommends contracting with EPS. Since 1983, EPS has provided targeted real estate advisory services to both public-sector and private-sector clients to address critical land use issues and related policy solutions. EPS is highly qualified to conduct this work, given their broad practice in fiscal impact analysis and in assisting municipalities with repositioning shopping malls and commercial centers throughout California.

The cost for the fiscal impact model is \$32,070, and the funds are included in the FY 2020-2021 budget. Subsequently, the City was awarded a Local Early Action Planning Grant (LEAP) from the California Department of Housing and Community Development to help offset the cost of specific planning related projects. The consultant cost for this project is eligible for reimbursement by the LEAP grant funds.

STAFF RECOMMENDATION

Staff recommends that Council adopt the proposed resolution approving the proposed professional services agreement with Economic & Planning Systems, Inc. for the creation of a fiscal impact model.



Abel Avalos
Director of Community Development



Thaddeus McCormack
City Manager

**CITY OF LAKEWOOD
PROFESSIONAL SERVICES AGREEMENT
WITH
ECONOMIC & PLANNING SYSTEMS, INC.**

This Professional Services Agreement ("Agreement") is made and effective as of _____ (the "Effective Date"), by and between the City of Lakewood, a California municipal corporation, (the "City") and Economic & Planning Systems, Incorporated ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until the Services are completed, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

Consultant shall perform the services described and set forth in Consultant's Proposal attached hereto as Exhibit A ("Services"), incorporated herein as though set forth in full.

3. PERFORMANCE

Consultant shall at all times faithfully, competently and to the best of Consultant's ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant under this Agreement.

4. CITY MANAGEMENT

The City Manager or designee shall represent the City in all matters pertaining to the administration of this Agreement.

5. PAYMENT

- A. The City agrees to pay Consultant for Services satisfactorily performed in accordance with the fees set forth in Exhibit A, in an amount not to exceed \$32,070.
- B. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager or designee. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to in writing by the City and

Consultant at the time the City's written authorization is given to Consultant for the performance of said services.

- C. Consultant will submit invoices monthly for actual Services performed. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's Services or fees, it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within forty-five (45) days of receipt of an invoice therefor.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

- A. The City may at any time, for any reason, without cause, suspend or terminate this Agreement, or any portion hereof, by serving written notice upon Consultant. Upon receipt of said notice, Consultant shall immediately cease all Services under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement, such suspension or termination shall not make void or invalidate the remainder of this Agreement.
- B. In the event this Agreement is terminated pursuant to this section, the City shall pay to Consultant the actual value of the Services performed up to the time of termination, unless the City disputes any of the Services performed or fees. Upon termination of the Agreement pursuant to this section, Consultant will submit an invoice to the City pursuant to Section 5.

7. DEFAULT OF CONSULTANT

If the City determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, the City shall serve Consultant a written notice of the default. Consultant shall have seven (7) days after service of said notice to cure the default. In the event that Consultant fails to cure the default within such period of time or fails to present the City with a written plan for the diligent cure of default if such default cannot be cured within seven days, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement. The City shall also have the right to offset against the amount of any fees due to Consultant any costs incurred by the City as a result of Consultant's default.

8. OWNERSHIP OF DOCUMENTS

- A. Consultant shall maintain complete and accurate records with respect to tasks, costs, expenses, receipts, and other such information required by the City that relate to the performance of Services under this Agreement. Consultant shall maintain adequate records of Services provided in sufficient detail to permit an evaluation of Services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily

accessible. Consultant shall provide free access to the representatives of the City or its designees at reasonable times to such books and records; shall give the City the right to examine and audit said books and records; shall permit the City to make transcripts or copies therefrom as necessary; and shall allow inspection of all Services, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

- B. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the Services shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Consultant hereby grants to the City all right, title, and interest, including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Consultant in the course of providing the Services under this Agreement.

9. INDEMNIFICATION AND DEFENSE

- A. Indemnity.

To the fullest extent permitted by law, Consultant shall indemnify and hold harmless the City and any and all of its officials, officers, employees, agents, and/or volunteers ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs, caused in whole or in part by the acts, errors, or omissions of Consultant, its officers, agents, employees, subcontractors, or subconsultants (or any agency or individual that Consultant shall bear the legal liability thereof) in the performance of Services under this Agreement.

- B. Duty to Defend.

In the event the City, its officials, officers, employees, agents, and/or volunteers are made a party to any claim, action, lawsuit, or other adversarial proceeding ("Action") arising from the performance of the Services under this Agreement, whether or not Consultant is named in such Action, and upon demand by the City, Consultant shall defend the City at Consultant's sole cost, or at the City's option, to reimburse the City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense.

- C. Payment by the City for Services is not a condition precedent to enforcement of this section. Consultant's duty to defend, indemnify, and hold harmless the City

shall not extend to the City's sole or active negligence. In the event of any dispute between Consultant and the City as to whether liability arises from the sole or active negligence of the City or its officials, officers, employees, agents, and/or volunteers, Consultant will be obligated to pay for the City's defense until such time as a final judgment has been entered adjudicating the City as solely or actively negligent. Consultant will not be entitled in the absence of such a determination to any reimbursement of defense costs including, but not limited to, attorney's fees, expert fees and costs of litigation.

10. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit B attached hereto and made a part of this Agreement.

11. INDEPENDENT CONSULTANT

- A. Consultant is and shall at all times remain as to the City a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither the City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, agents, subcontractors, or subconsultants, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, agents, subcontractors, or subconsultants are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.
- B. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, the City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for the City. The City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold the City harmless from any and all taxes, assessments, penalties, and interest asserted against the City by reason of the independent Consultant relationship created by this Agreement. Consultant further agrees to indemnify and hold the City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. The City shall have the right to offset against the amount of any fees due to Consultant under this Agreement as

a result of Consultant's failure to promptly pay to the City any reimbursement or indemnification arising under this paragraph.

- C. In the event that Consultant or any employee, agent, subcontractor, or subconsultant of Consultant providing Services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, subcontractors, or subconsultants, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the City.
- D. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, subcontractors, and subconsultants providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the City, including but not limited to eligibility to enroll in PERS as an employee of the City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

12. LEGAL RESPONSIBILITIES

Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of Services pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws and regulations. The City and its officials, officers, employees, and agents, shall not be liable at law or in equity occasioned by failure of Consultant to comply with this Section.

13. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with this Agreement or any Services to be conducted as a result of this Agreement. Violation of this section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of the City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Services during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any

Agreement or sub-agreement, or the proceeds thereof, for Services to be performed under this Agreement.

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

- A. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without the City's prior written authorization, unless the information is clearly public. Consultant, its officers, employees, agents, subcontractors, or subconsultants, shall not without written authorization from the City Manager or designee, or unless requested by the City's attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives the City notice of such court order or subpoena.
- B. Consultant shall promptly notify the City should Consultant, its officers, employees, agents, subcontractors, and/or subconsultants be served with any summons, complaint, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the Services performed hereunder or the City, unless the City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Consultant is prohibited by law from informing the City of such Discovery. The City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless the City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, the City's right to review any such response does not imply or mean the right by the City to control, direct, or rewrite said response, or that the City has an obligation to review any such response or verifies any response it has reviewed.

16. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mail by the United States Postal Service, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To the City: City of Lakewood
5050 Clark Avenue
Lakewood, CA 90712
Attention: City Manager

To Consultant: Economic & Planning Systems, Inc.
949 South Hope Street, Suite 103
Los Angeles, CA 90015-1454
Attention: Jason Moody

17. ASSIGNMENT

Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Before retaining or contracting with any subcontractor or subconsultant for any services under this Agreement, Consultant shall provide the City with the identity of the proposed subcontractor or subconsultant, a copy of the proposed written contract between Consultant and such subcontractor or subconsultant which shall include and indemnity provision similar to the one provided herein and identifying the City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subcontractor or subconsultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from the City for such insurance.

18. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect all licenses required of it by law for the performance of the Services described in this Agreement.

19. GOVERNING LAW

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City.

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. AMENDMENTS

Any amendments to this Agreement must be in writing and executed by the parties hereto, or their respective successors and assigns, in order to be valid.

22. ATTORNEYS' FEES

In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

23. CONSTRUCTION

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

24. WAIVER

The delay or failure of any party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

25. SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

26. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

27. AUTHORITY TO EXECUTE THIS AGREEMENT

The persons executing this Agreement on behalf of the parties warrant and represent that they have the authority to execute this Agreement on behalf of said parties and have the authority to bind the parties to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

[If Consultant is a corporation, two signatures are required: Signature 1 – the Chairperson of the Board, the President, or any Vice President; Signature 2 – the Secretary, any Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer (Corp. Code § 313).]

CITY OF LAKEWOOD

CONSULTANT

City Manager

ATTEST:

CONSULTANT

City Clerk

APPROVED AS TO FORM:

City Attorney

Attachments:	Exhibit A	Consultant's Proposal
	Exhibit B	Insurance Requirements

EXHIBIT A
CONSULTANT'S PROPOSAL

EXHIBIT B

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of the City, and prior to commencement of Services, Consultant shall obtain, provide, and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to the City. If the Consultant maintains higher limits than the minimum limits shown below, the City requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

Consultant shall submit to the City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its officers, agents, employees, and volunteers.

Umbrella or excess liability insurance. Consultant shall obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrence of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

Other provisions or requirements

Proof of insurance. Consultant shall provide certificates of insurance to the City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, or Consultant's agents, representatives, employees, subcontractors, or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by the City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

The City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, the City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the City will be promptly reimbursed by Consultant or the City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, the City may immediately terminate this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against the City, and shall require similar written express waivers and insurance clauses from each of its subcontractors or subconsultants.

Enforcement of Agreement provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Agreement are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to the City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that the City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to the City and approved of in writing.

Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass through clause. Consultant agrees to ensure that its subcontractors or subconsultants, and any other party involved with the Services who is brought onto or involved in the Services by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with Consultants, subcontractors, subconsultants, and others engaged in the Services will be submitted to the City review.

The City's right to revise specifications. The City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Consultant, the City and Consultant may

renegotiate Consultant's compensation or come to some other agreement to address the additional cost.

Self-insured retentions. Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

Timely notice of claims. Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Services.

March 10, 2021

Abel Avalos, Community Development Director
City of Lakewood
5050 Clark Avenue
Lakewood, CA 90712

Subject: Lakewood Center Mall Fiscal Impact Analysis; EPS #214016

Dear Mr. Avalos:

It was a pleasure speaking with you and Allan Kotin about your needs for fiscal model to assist in evaluating the redevelopment of the Lakewood Center Mall and potentially other projects in the City. We understand that the City is seeking to follow a similar analytical structure as fiscal model developed to analyze a proposed mixed-use redevelopment project by Macerich at the Cerritos Mall. The attached Work Program (**Attachment A**) provides a Scope of Work, schedule and budget based on our best understanding of your needs at this time.

EPS is highly qualified to conduct this work, given our broad practice in fiscal impact analysis and in assisting municipalities with the repositioning of shopping malls in throughout California. Since 1983, EPS has provided targeted real estate advisory services to both public- and private-sector clients to address critical land use issues and related policy solutions.

EPS is very excited about the collaboration with the City to help meet its fiscal and policy objectives. As the leader of the EPS team, I am personally committed to the success of this engagement. I will participate in a hands-on manner and be available meetings with City staff. We would be pleased to discuss modifications to this proposal, if appropriate, to better suit your needs. I can be reached at (510) 841-9190 or by e-mail at jmoody@epsys.com.

Sincerely,

Economic & Planning Systems, Inc. (EPS)



Jason Moody
Managing Principal

The Economics of Land Use



Economic & Planning Systems, Inc.
949 South Hope Street, Suite 103
Los Angeles, CA 90015-1454
213 489 3838 tel

Oakland
Sacramento
Denver
Los Angeles

www.epsys.com

Attachment A

EPS Work Program to Prepare a Fiscal Impact Model for City of Lakewood

The following Work Program describes the Scope of Work, deliverables, schedule and budget proposed by Economic & Planning Systems (EPS) to develop a fiscal impact model for the City of Lakewood. We understand that the City is seeking multipurpose fiscal impact model which will allow the City to easily determine the new revenue and cost effects of development for different land uses and programs. We also understand that, similar to the model developed for redevelopment project by at the Cerritos Mall in the City of Cerritos, this model will be used to estimate the fiscal impacts associated with various redevelopment scenarios being contemplated at the Lakewood Center Mall.

Scope of Work

Task 1: Project Initiation and Project Description

The goal of this task will be to establish the analytical framework and key assumptions for the analysis, understanding the elements may change and the study proceeds. The project will start with a virtual kick-off meeting during which we will determine the scope and level of granularity for the Lakewood model. The budget associated with this proposal assumes that the City of Lakewood wishes the model to include the same land use categories as those in the model developed for Cerritos Mall. If the City wishes to introduce further land use specifications to the model, the budget may need to be amended. Additional market inputs that the City may wish to be update include, but are not necessarily be limited to:

- Average density and tenure for residential land use categories
- Average employment density for non-residential land uses
- Existing and future assessed value per unit by land use category (new versus existing).
- Existing retail sales per square foot by type of retail (anchor, inline, pad, etc.)
- Expected turn-over (re-sale) rates and sale prices by land use category
- Expected affordable housing requirements.

The detailed scope will then be circulated among City staff to review along with the updated budget, if appropriate.

Task 2: Fiscal Impact Model Development

The fiscal impact model will quantify and compare the effects of existing and proposed redevelopment on Lakewood's General Fund budget to determine the net new fiscal impact of a particular land use program. To the extent possible, the model will follow the same structure being used by the City of Cerritos for the fiscal analysis of Cerritos Mall. However, it is unclear at this time whether the same categories of information are available for Lakewood as were

available for Cerritos. This task will be separated into two subtasks with results expressed on a per unit basis for each land use category.

Task 2.1: General Fund Revenues

EPS will estimate the annual revenues accruing to the General Fund based on the existing land use and as a result of redevelopment. Property tax revenues will be determined using current assessed values and the estimated sales price of new development (or development costs when no transaction). Sales tax revenues will be based on existing and proposed estimates of onsite taxable retail expenditures and some portion, the "capture," of expenditures by new residents in Lakewood. Hotel and property transfer tax will be based on existing City tax rates for each. Other revenues affected by redevelopment will be estimated on a "per service population" basis or per capita basis, as appropriate. Service population generally incorporates non-resident employees that require City services, though at rates less than that of City residents.

Task 2.2: General Fund Expenditures

For the existing and proposed land uses, EPS will employ an average cost methodology in calculating current and forecasting increased service demand and associated expenditures by land use category. EPS will apply per capita or per daytime population methodologies for all or a portion of the cost of many services, such as planning, police, fire, and public works. Each department will be marked up to reflect General Government expenditures. Expenditures attributable to new growth will be based on the City's most recently approved operating budget. This analysis will result in an order-of-magnitude estimate of the existing annual cost of public service provision. If appropriate, a more detailed evaluation of public service needs and costs could be conducted as part of a separate task (not included in baseline budget).

Task 2.3: Net Fiscal Impact

EPS will compare the estimates of the net fiscal impact of existing uses and proposed redevelopment on the City's General Fund to derive the net fiscal impact. The analysis will be expressed on a per unit basis for each land use being considered.

Task 3: Deliverables

EPS will prepare a Draft Technical Memorandum outlining the assumptions, methodology, and results of the analysis. Subsequent to receipt of one set of integrated comments from The City, EPS will prepare a Final Technical Memorandum. The budget assumes EPS participation in a series of conference calls with designated City staff (and other consultants, as identified). If requested, EPS could attend public hearings or other meetings on a time and materials basis.

In addition to a memorandum, EPS will deliver a manual to assist in the City's future use of the model, which will include example input and output forms. EPS will walk through the manual with the City during the training provided as part of the following task.

Task 4: Model Adaptation to Lakewood Center Mall

After completion of the deliverables described above, EPS will assist City staff in learning how to run the model as applied to the redevelopment of Lakewood Center Mall. EPS expects the training, which will include three (3) runs of the model, to be complete within two (2) months of the completion of Task 3. Should the training period extend beyond this timeframe, EPS may request a budget amendment. Similar to kick-off of Task 1, EPS will need data from the City and applicant related to the key budget factors driving the model results. Given that the City may

seek to use the fiscal model for on-going City land use and policy initiatives, EPS will guide the City through three runs of the model, which will serve as a means of familiarizing City Staff with use of the models features. Upon completion of the three model runs, the model will be given to the City for its future use. The version of the model EPS gives to the City will be 'frozen' with the exception of the input cells. That is to say, the only aspect of the model the City will be able to change will be key inputs. The manual provided by EPS as part of Task 3 will include instructions on how to find publicly available data that inform these inputs. Any further training or assistance required after the first iteration of the Lakewood Center Mall model run will be on a time and materials basis.

While the City is free to use the model for whatever purpose it chooses upon the completion of Task 4, EPS is not responsible for the results produced by the model after this time. EPS cannot be held accountable for any errors contained in or produced by the model upon the completion of this assignment. In the event that City staff use the model independent of EPS's involvement, they do so at their own risk.

Schedule and Budget

Schedule

EPS can complete the first three tasks of proposed Work Program within six **(6) weeks** of a notice-to-proceed from the City. The budget estimate provided below assumes that Task 4 will be completed within two **(2) months** upon the completion of Task 3.

Budget

EPS can complete Task 1 through Task 4 of the above Work Program for a not-to-exceed budget of **\$32,070**. **Table 1** shows the hourly rates and expected time spent for each task.

Table 1 **Proposed EPS Budget**

Task	Moody Principal- In-Charge	Cranor Project Manager	Research Analyst	Prod. Staff	Total Costs
<i>Billing Rates</i>	\$300	\$205	\$150	\$100	
Task 1: Project Initiation and Project Description	4	4	2	0	2,320
Task 2: Fiscal Impact Analysis	20	30	20	0	15,150
Task 3: Deliverables	10	15	10	2	7,775
Task 4: Model Adaptation to Lakewood Center	10	15	5	0	6,825
TOTAL PROJECT COSTS					\$32,070

RESOLUTION NO. 2021-8

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD APPROVING THAT CERTAIN AGREEMENT BETWEEN THE CITY OF LAKEWOOD AND ECONOMIC & PLANNING SYSTEMS, INC. FOR PROFESSIONAL SERVICES RELATED TO THE DEVELOPMENT OF A FISCAL IMPACT MODEL.

THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES HEREBY FIND, RESOLVE AND DETERMINE AS FOLLOWS:

WHEREAS, the State of California Department of Housing and Community Development (HCD) awarded the City of Lakewood with a Local Early Action Planning (LEAP) grant; and

WHEREAS, HCD has approved the development of a housing study to analyze the economic impact of residential land uses on non-residential sites; and

WHEREAS, the complexity of preparing a fiscal impact model for analyzing the economic impacts of housing developments necessitates professional consulting services.

NOW, THEREFORE, the City Council of the City of Lakewood does hereby resolve as follows:

SECTION 1. The City Council finds that the proposal submitted by Economic & Planning Systems, Inc. for development of a fiscal impact model meets the needs of the City.

SECTION 2. The City Manager is hereby authorized to enter into an agreement with Economic & Planning Systems, Inc. for development of a fiscal impact model.

SECTION 3. The City Manager is hereby authorized to make minor modifications to the agreement relating to the scope of work and provided that the agreement does not exceed \$32,070.

ADOPTED AND APPROVED this 23rd day of March, 2021, by the City Council of the City of Lakewood voting as follows:

	AYES	NAYS	ABSENT
Council Member Croft	_____	_____	_____
Council Member Pe	_____	_____	_____
Council Member Stuckey	_____	_____	_____
Council Member Wood	_____	_____	_____
Mayor Rogers	_____	_____	_____

Mayor

ATTEST:

City Clerk

D I V I D E R S H E E T

COUNCIL AGENDA

March 23, 2021

TO: Honorable Mayor and City Council

SUBJECT: Professional Services Agreement (PSA) to Specific Energy for Pump Control Products and Services

INTRODUCTION

The Department of Water Resources (DWR) strives to run their well pumps and booster sites to maximum efficiency in order to reduce power usage and prolong their useful lives. Prolonged life and reduced power usage result in both long and short-term savings in general.

STATEMENT OF FACT

DWR will utilize Specific Energy to provide pump control hardware and software products to both monitor and manage power consumption at several of our well sites and plant booster sites. Used in conjunction with the existing SCADA system and appurtenances, Specific Energy's products will result on power usage reduction, pump protection, and asset management.

DWR has been participating in the SoCal Edison Demand Response (DR) Program which offers incentives throughout the year by changing the operations for a few hours on the event day when electricity demand is high and energy reduction is needed. This program also provided a one-time incentive of \$80,000.00 that the DWR qualified for. This one-time incentive will be used to fund the Specific Energy hardware products and services as well as three years of annual licensing fees.

On February 16, 2021, DWR solicited bids for these services and Specific Energy was the only bid received. After several discussions, we revised the scope of work and were able to reduce the cost with a 40% discount. DWR recommends awarding a Professional Services Agreement to Specific Energy for their Pump Control Hardware and Software Services.

SUMMARY

With their qualifications, experience, scope of work and favorably discounted fee schedule, City staff selects Specific Energy as their Pump Control Hardware and Software Services contractor.

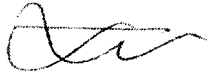
FISCAL IMPACT

Water Reserve Fund has sufficient funds to cover this agreement. A direct reimbursement in the amount of \$80,000.00 will come from the SCE Demand Response one-time incentive to help cover costs.

RECOMMENDATION

Staff recommends that the City Council:

1. Appropriate \$90,500.00 in Water Reserve Fund for Pump Control Products and Services
2. Award a Professional Services Agreement (PSA) in an amount not to exceed \$90,500.00 to Specific Energy for Pump Control Products and Services
3. Authorize the Mayor to sign the contract in a form approved by the City Attorney.



Jason J. Wen, Ph.D., P.E.
Water Resources Director



Thaddeus McCormack
City Manager

**CITY OF LAKEWOOD
PROFESSIONAL SERVICES AGREEMENT
WITH
SPECIFIC ENERGY INC.**

This Professional Services Agreement ("Agreement") is made and effective as of March 23, 2021 (the "Effective Date"), by and between the City of Lakewood, a California municipal corporation, (the "City") and Specific Energy Inc., a Texas corporation ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until the Services are completed, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

Consultant shall perform the services described and set forth in Consultant's Proposal attached hereto as Exhibit A ("Services"), incorporated herein as though set forth in full.

3. PERFORMANCE

Consultant shall at all times faithfully, competently and to the best of Consultant's ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant under this Agreement.

4. CITY MANAGEMENT

The City Manager or designee shall represent the City in all matters pertaining to the administration of this Agreement.

5. PAYMENT

- A. The City agrees to pay Consultant for Services satisfactorily performed in accordance with the fees set forth in Exhibit A, in an amount not to exceed \$90,500.00.
- B. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager or designee. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to in writing by the City and

Consultant at the time the City's written authorization is given to Consultant for the performance of said services.

- C. Consultant will submit invoices monthly for actual Services performed. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's Services or fees, it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within forty-five (45) days of receipt of an invoice therefor.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

- A. The City may at any time, for any reason, without cause, suspend or terminate this Agreement, or any portion hereof, by serving written notice upon Consultant. Upon receipt of said notice, Consultant shall immediately cease all Services under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement, such suspension or termination shall not make void or invalidate the remainder of this Agreement.
- B. In the event this Agreement is terminated pursuant to this section, the City shall pay to Consultant the actual value of the Services performed up to the time of termination, unless the City disputes any of the Services performed or fees. Upon termination of the Agreement pursuant to this section, Consultant will submit an invoice to the City pursuant to Section 5.

7. DEFAULT OF CONSULTANT

If the City determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, the City shall serve Consultant a written notice of the default. Consultant shall have seven (7) days after service of said notice to cure the default. In the event that Consultant fails to cure the default within such period of time or fails to present the City with a written plan for the diligent cure of default if such default cannot be cured within seven days, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement. The City shall also have the right to offset against the amount of any fees due to Consultant any costs incurred by the City as a result of Consultant's default.

8. OWNERSHIP OF DOCUMENTS

- A. Consultant shall maintain complete and accurate records with respect to tasks, costs, expenses, receipts, and other such information required by the City that relate to the performance of Services under this Agreement. Consultant shall maintain adequate records of Services provided in sufficient detail to permit an evaluation of Services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily

accessible. Consultant shall provide free access to the representatives of the City or its designees at reasonable times to such books and records; shall give the City the right to examine and audit said books and records; shall permit the City to make transcripts or copies therefrom as necessary; and shall allow inspection of all Services, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

- B. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the Services shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Consultant hereby grants to the City all right, title, and interest, including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Consultant in the course of providing the Services under this Agreement.

9. INDEMNIFICATION AND DEFENSE

- A. Indemnity.

To the fullest extent permitted by law, Consultant shall indemnify and hold harmless the City and any and all of its officials, officers, employees, agents, and/or volunteers ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs, caused in whole or in part by the acts, errors, or omissions of Consultant, its officers, agents, employees, subcontractors, or subconsultants (or any agency or individual that Consultant shall bear the legal liability thereof) in the performance of Services under this Agreement.

- B. Duty to Defend.

In the event the City, its officials, officers, employees, agents, and/or volunteers are made a party to any claim, action, lawsuit, or other adversarial proceeding ("Action") arising from the performance of the Services under this Agreement, whether or not Consultant is named in such Action, and upon demand by the City, Consultant shall defend the City at Consultant's sole cost, or at the City's option, to reimburse the City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense.

- C. Payment by the City for Services is not a condition precedent to enforcement of this section. Consultant's duty to defend, indemnify, and hold harmless the City

shall not extend to the City's sole or active negligence. In the event of any dispute between Consultant and the City as to whether liability arises from the sole or active negligence of the City or its officials, officers, employees, agents, and/or volunteers, Consultant will be obligated to pay for the City's defense until such time as a final judgment has been entered adjudicating the City as solely or actively negligent. Consultant will not be entitled in the absence of such a determination to any reimbursement of defense costs including, but not limited to, attorney's fees, expert fees and costs of litigation.

10. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit B attached hereto and made a part of this Agreement.

11. INDEPENDENT CONSULTANT

- A. Consultant is and shall at all times remain as to the City a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither the City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, agents, subcontractors, or subconsultants, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, agents, subcontractors, or subconsultants are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.
- B. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, the City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for the City. The City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold the City harmless from any and all taxes, assessments, penalties, and interest asserted against the City by reason of the independent Consultant relationship created by this Agreement. Consultant further agrees to indemnify and hold the City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. The City shall have the right to offset against the amount of any fees due to Consultant under this Agreement as

a result of Consultant's failure to promptly pay to the City any reimbursement or indemnification arising under this paragraph.

- C. In the event that Consultant or any employee, agent, subcontractor, or subconsultant of Consultant providing Services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, subcontractors, or subconsultants, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the City.
- D. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, subcontractors, and subconsultants providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the City, including but not limited to eligibility to enroll in PERS as an employee of the City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

12. LEGAL RESPONSIBILITIES

Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of Services pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws and regulations. The City and its officials, officers, employees, and agents, shall not be liable at law or in equity occasioned by failure of Consultant to comply with this Section.

13. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with this Agreement or any Services to be conducted as a result of this Agreement. Violation of this section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of the City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Services during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any

Agreement or sub-agreement, or the proceeds thereof, for Services to be performed under this Agreement.

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

- A. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without the City's prior written authorization, unless the information is clearly public. Consultant, its officers, employees, agents, subcontractors, or subconsultants, shall not without written authorization from the City Manager or designee, or unless requested by the City's attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives the City notice of such court order or subpoena.
- B. Consultant shall promptly notify the City should Consultant, its officers, employees, agents, subcontractors, and/or subconsultants be served with any summons, complaint, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the Services performed hereunder or the City, unless the City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Consultant is prohibited by law from informing the City of such Discovery. The City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless the City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, the City's right to review any such response does not imply or mean the right by the City to control, direct, or rewrite said response, or that the City has an obligation to review any such response or verifies any response it has reviewed.

16. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mail by the United States Postal Service, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To the City: City of Lakewood
5050 Clark Avenue
Lakewood, CA 90712
Attention: City Manager

To Consultant: Specific Energy Inc.
1978 S. Austin Ave
Georgetown, TX 78626
Attention: Mike Bernard, PE

17. ASSIGNMENT

Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Before retaining or contracting with any subcontractor or subconsultant for any services under this Agreement, Consultant shall provide the City with the identity of the proposed subcontractor or subconsultant, a copy of the proposed written contract between Consultant and such subcontractor or subconsultant which shall include and indemnity provision similar to the one provided herein and identifying the City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subcontractor or subconsultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from the City for such insurance.

18. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect all licenses required of it by law for the performance of the Services described in this Agreement.

19. GOVERNING LAW

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City.

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. AMENDMENTS

Any amendments to this Agreement must be in writing and executed by the parties hereto, or their respective successors and assigns, in order to be valid.

22. ATTORNEYS' FEES

In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

23. CONSTRUCTION

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

24. WAIVER

The delay or failure of any party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

25. SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

26. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

27. AUTHORITY TO EXECUTE THIS AGREEMENT

The persons executing this Agreement on behalf of the parties warrant and represent that they have the authority to execute this Agreement on behalf of said parties and have the authority to bind the parties to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

[If Consultant is a corporation, two signatures are required: Signature 1 – the Chairperson of the Board, the President, or any Vice President; Signature 2 – the Secretary, any Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer (Corp. Code § 313).]

CITY OF LAKEWOOD

CONSULTANT

Mayor

ATTEST:

CONSULTANT

City Clerk

APPROVED AS TO FORM:

City Attorney

Attachments: Exhibit A Consultant's Proposal
 Exhibit B Insurance Requirements

EXHIBIT A

CONSULTANT'S PROPOSAL

Specific Energy

1978 S. Austin Avenue
Georgetown, TX 78626
512-930-9415
www.specificenergy.com



Quote

ADDRESS

Derwin Dy
City of Lakewood
5812 Arbor Road
Lakewood, CA 90713

QUOTE # LKW001

DATE 03/18/2021

EXPIRATION DATE 04/18/2021

SALES REP

Mike Bernard

DESCRIPTION	QTY	RATE	AMOUNT
CISF- DPO Hardware	7	1,200.00	8,400.00T
Well 2A CISF- DPO Configuration and Engineering Services	1	3,315.00	3,315.00
Well 4 CISF- DPO Configuration and Engineering Services	1	3,352.50	3,352.50
Well 17 CISF- DPO Configuration and Engineering Services	1	3,390.00	3,390.00
Well 18 CISF- DPO Configuration and Engineering Services	1	3,390.00	3,390.00
Well 28 CISF- DPO Configuration and Engineering Services	1	3,540.00	3,540.00
Plant 4 CISF- DPO Configuration and Engineering Services	1	9,120.00	9,120.00
Plant 13 CISF- DPO Configuration and Engineering Services	1	6,120.00	6,120.00
Well 2A ASF- Annual License Fee (3 years)	3	2,060.40	6,181.20
Well 4 ASF- Annual License Fee (3 years)	3	2,106.60	6,319.80
Well 17 ASF- Annual License Fee (3 years)	3	2,152.80	6,458.40
Well 18 ASF- Annual License Fee (3 years)	3	2,152.80	6,458.40
Well 28 ASF- Annual License Fee (3 years)	3	2,337.60	7,012.80
Plant 4 ASF- Annual License Fee (3 years)	3	3,002.88	9,008.64
Plant 13 ASF- Annual License Fee (3 years)	3	2,411.52	7,234.56

If you have any questions please contact:
Mike Bernard, P.E.
(615)210-5349
mike.bernard@specificenergy.com

SUBTOTAL 89,301.30
TAX (0.1025) 861.00
TOTAL

USD 90,162.30

Accepted By

Accepted Date

EXHIBIT B

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of the City, and prior to commencement of Services, Consultant shall obtain, provide, and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to the City. If the Consultant maintains higher limits than the minimum limits shown below, the City requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

Consultant shall submit to the City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its officers, agents, employees, and volunteers.

Umbrella or excess liability insurance. Consultant shall obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrence of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

Other provisions or requirements

Proof of insurance. Consultant shall provide certificates of insurance to the City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, or Consultant's agents, representatives, employees, subcontractors, or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by the City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

The City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, the City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the City will be promptly reimbursed by Consultant or the City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, the City may immediately terminate this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of

recovery against the City, and shall require similar written express waivers and insurance clauses from each of its subcontractors or subconsultants.

Enforcement of Agreement provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Agreement are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to the City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that the City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to the City and approved of in writing.

Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass through clause. Consultant agrees to ensure that its subcontractors or subconsultants, and any other party involved with the Services who is brought onto or involved in the Services by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with Consultants, subcontractors, subconsultants, and others engaged in the Services will be submitted to the City review.

The City's right to revise specifications. The City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by

giving Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Consultant, the City and Consultant may renegotiate Consultant's compensation or come to some other agreement to address the additional cost.

Self-insured retentions. Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

Timely notice of claims. Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Services.

D I V I D E R S H E E T

Reports

COUNCIL AGENDA

March 23, 2021

TO: The Honorable Mayor and City Council

SUBJECT: 2021 Legislative Platform

INTRODUCTION

The City Council's Intergovernmental Relations Committee has completed its discussions, and thereby recommends the city's Legislative Platform for 2021. The Legislative Platform establishes the work program of the City Council's Intergovernmental Relations Committee and City staff for this year.

STATEMENT OF FACTS

The City Council recognizes the need for an active state and federal legislative program to protect the city's interests in Sacramento and Washington, D.C. The 2021 Legislative Platform provides a framework for the City of Lakewood's legislative program. Adopted annually, the Legislative Platform is the foundation of a focused advocacy strategy and serves as a reference guide for legislative positions and objectives that provide direction for the City Council and staff throughout the year.


The primary objective of the Legislative Platform is for the City Council to adopt official city positions on clearly stated legislative issues. By doing this, the legislative approval process is streamlined by eliminating the need for repetitive concurrence and direction from the City Council on previously approved issues. The Legislative Platform is developed and maintained using the goals and objectives of the City Council, a review of legislative priorities from the League of California Cities, League's Los Angeles Division, California Contract Cities Association and other partner agencies, input from City Council and staff, research of current law and pending legislation, as well as discussions with local legislative staff and the City's legislative advocates.

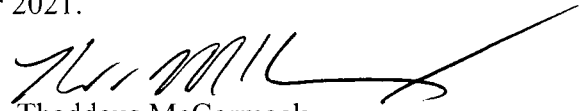
Federal and state legislative proposals and policies consistent with the Legislative Platform may be supported by the City. Policies and proposals inconsistent with this Legislative Platform may be opposed by the City. For proposed legislation, either consistent with the City's Legislative Platform or consistent with legislative positions the City has taken in the past, City staff shall be authorized to prepare position letters with the Mayor's authorization. Items not addressed in the City's Legislative Platform may require further direction from the Intergovernmental Relations Committee and/or the City Council.

Legislative priorities may only address issues directly relevant to or impacting the provision of municipal services. Generally, the City will not address matters that are not pertinent to the City's local government services.

RECOMMENDATION

That the City Council adopt the Legislative Platform for 2021.

Paolo Beltran 
Deputy City Manager


Thaddeus McCormack
City Manager

Encl:
2021 Legislative Platform



**2021
Legislative Platform
Approved by IR Committee**

Purpose Statement

The Lakewood City Council recognizes the need for an active state and federal legislative program to protect the city's interests in Sacramento and Washington, D.C. The 2021 Legislative Platform provides a framework for the City of Lakewood's legislative program. Adopted annually, the Legislative Platform is the foundation of a focused advocacy strategy and serves as a reference guide for legislative positions and objectives that provide direction for the City Council and staff throughout the year.

Legislative Program

The primary objective of the Legislative Platform is for the City Council to adopt official city positions on clearly stated legislative issues. By doing this, the legislative approval process is streamlined by eliminating the need for repetitive concurrence and direction from the City Council on previously approved issues. The Legislative Platform is developed and maintained using the goals and objectives of the City Council, a review of legislative priorities from the League of California Cities, League's Los Angeles Division, California Contract Cities Association and other partner agencies (see below), input from City Council and staff, research of current law and pending legislation, as well as discussions with local legislative staff and the City's legislative advocates.

Federal and state legislative proposals and policies consistent with the Legislative Platform may be supported by the City. Policies and proposals inconsistent with this Legislative Platform may be opposed by the City. For proposed legislation, either consistent with the City's Legislative Platform or consistent with legislative positions the City has taken in the past, City staff shall be authorized to prepare position letters with the Mayor's authorization. Items not addressed in the City's Legislative Platform may require further direction from the Intergovernmental Relations Committee and/or the City Council.

Legislative priorities may only address issues directly relevant to or impacting the provision of municipal services. Generally, the City will not address matters that are not pertinent to the City's local government services.

Organizations whose legislative programs the City follows:

Federal

- American Planning Association
- American Public Works Association
- American Water Works Association
- International Council of Shopping Centers

- National Recreation and Parks Association
- National League of Cities
- National Association of Telecommunications Officers and Advisors (NATOA)
- U.S. Conference of Mayors

State

- Association of California Water Agencies
- California Association of Local Economic Development
- California Building Officials
- California Contract Cities Association
- California Municipal Revenue and Tax Association
- California Municipal Utilities Association
- California Park & Recreation Society
- League of California Cities

Regional

- Central Basin Water Association
- Coalition for Practical Regulation
- Gateway Cities Council of Governments
- Gateway Water Management Authority
- Los Angeles County Sheriff's Department
- Metropolitan Transportation Authority
- Southern California Chapter of NATOA
- Southeast Los Angeles Workforce Development Board
- Southeast Water Coalition
- Southern California Association of Governments
- California Joint Powers Insurance Authority
- Greater Los Angeles County Vector Control District

Program Goals and Strategies

Program Goals:

- I. Advocate the City's legislative interests at the Federal, State and County levels.
- II. Inform and share information with our Legislators, City Council and staff on the legislative process and key issues and legislation that could have a potential impact on the City.
- III. Serve as an active participant with other local governments, the League of California Cities, regional agencies such as CCCA, Gateway COG and other local professional organizations on legislative/regulatory issues that are important to the City and our region.
- IV. Seek grant and funding assistance for City projects, services and programs to enhance services for the community.

Strategies:

- I. Communicate legislative positions on proposed Federal, State and County legislation, measures, initiatives and governmental regulations.
 - a. Work with City departments and our legislative advocates to develop positions on proposed legislative measures.
 - b. City staff will review the positions and analysis done by the League of California Cities, our legislative advocates' feedback, and other local government/professional associations in formulating the City's positions.
 - c. The City will take positions only on proposals that clearly impact the City or pose a threat to local control.
 - d. Actively track key bills through the legislative process, utilizing the City's advocacy services, various legislative websites and other government and professional associations.
 - e. Work cooperatively with other cities, associations and the League of California Cities on advocating our legislative positions.
 - f. As necessary, participate in the drafting and amending of proposed federal and state measures that have the potential to significantly impact the City.
 - g. Meet with legislators and their representatives, as well as other federal, state and county government officials on a regular basis, to discuss local government issues, proposed legislation, requests for funding assistance and City programs and services.
- II. Seek federal, state and county funding through earmarks, grants and other discretionary funding for City projects, services and programs.
 - a. Identify City projects for potential submittal for federal earmark consideration. Develop a submittal packet for legislators that provides funding need and project information.
 - b. Provide information to City departments on potential grant funding opportunities and recognition programs.
 - c. Advocate and request letters of support for City projects and grant applications that are being considered for federal, state and county funding.
- III. Share information with the City Council, staff and the community on legislative issues.
 - a. Work closely with department heads and staff to determine their legislative priorities and funding needs for the upcoming legislative session.

- b. Provide updates on legislative issues to the Council and departments throughout the year.
- c. Educate the community in the City's advocacy efforts on legislative issues and funding requests.

2021 LEGISLATIVE PLATFORM

I. Local Control

1. Support the provision of municipal services through contracting.
2. Support legislation that preserves and enhances local control.
3. Oppose preemption of local authority whether by county, state or federal legislation or ballot measures.

II. Municipal Finance

4. Support legislation that further protects local government revenue from being taken, confiscated, shifted, diverted or otherwise used to fund state government operations and responsibilities.
5. Support legislation that allows cities to collect their “fair share” of sales tax allocation on internet or other remote transactions.
6. Support legislation that reforms the local government financing structure to create long term stability for public services, facilities and future city growth.
7. Support continued funding for the items below:
 - a. Community Development Block Grant (CDBG) program
 - b. Community Oriented Policing Services (COPS) program
 - c. Justice Assistance Grant (JAG) program
 - d. Public, Educational, and Government (PEG) community access television
8. Oppose legislation that would impose State mandated costs for which there is no guarantee or realistic expectation of local reimbursement or offsetting benefits.
9. Oppose legislation that would preempt or reduce local discretion over locally-imposed taxes.
10. Oppose legislation that changes the sales or property tax collection method or formula that would result in less overall tax revenue to local governments.
11. Oppose legislation that threatens a local government's right to receive compensation for use of its public right of way.
12. Oppose any effort to eliminate, or cap, the tax-exempt status of municipal bonds, one of the few tools left for local governments to finance large capital projects.

III. Public Safety

13. Support legislation and funding that promote enhanced law enforcement services in the community.
14. Support legislation that provides for greater protection to victims of crime and accountability in criminal prosecution and sentencing.
15. Support legislative efforts to address the negative impacts of AB 109, Proposition 47 and Proposition 57 on local governments and provide local law enforcement with the appropriate tools to reduce criminal activity.
16. Support legislation that maintains public safety and provides additional tools and resources to address challenges such as homelessness, mental health, and drug rehabilitation.
17. Support legislation that encourages legislators to coordinate and consult closely with law enforcement agencies prior to introducing legislation that affects public safety.
18. Support legislation that enhances community control of public education.
19. Support reasonable criminal justice reform measures that are inclusive of concerns from prosecutors, victims' rights groups, and law enforcement agencies and do not hinder law enforcement's ability to protect the community.
20. Support programs that help ensure public safety through the assistance and rehabilitation of individuals challenged with mental and/or substance abuse illnesses and increase awareness and training opportunities.
21. Support legislation that provides funding to local agencies for emergency planning, disaster training, preparedness, prevention, protection, mitigation, response, recovery and resiliency to disasters, biological and environmental threats.

IV. Economic Development and Land Use

22. Support legislation that encourages sustainable economic development for cities to create jobs and improve the economy.
23. Support legislation that strengthens local control for land use and zoning regulations.
24. Support legislation that returns local governments' ability to enact property tax increment financing or other redevelopment tools.
25. Support training and development initiatives and funding that support the collaboration between community partners, including, but not limited to non-profits, school and community college districts and the workforce development board.

26. Support measures that support the City's continued efforts to retain and promote local businesses and for removal of regulations that impose excessive requirements or restrictions that hinder the success of these enterprises.
27. Support legislation that will restore funding mechanisms to promote continued economic development, including initiatives to provide financing for business assistance loans and infrastructure improvements.
28. Support legislation preserving the city's interest in telecommunication, broadband and infrastructure operations.
29. Oppose efforts to require additional CEQA review and process requirements that delay projects and increase costs.

V. Housing and Homelessness

31. Support legislation that seeks to address the inequitable allocation of property taxes to "No and Low" property tax cities. This is critically important as the State attempts to address the housing crisis.
32. Support legislation that provides flexibility, support and resources to cities to assist with the development of affordable housing options and programs for all income levels in the community.
33. Support incentives for cities to create regional and collaborative solutions to address homelessness.
34. Support the expansion of conservatorship laws allowing for increased guardianship control and health supervision of those suffering from mental illness; and recognizes mental illness and addiction as a contributor to chronic homelessness.
35. Support legislation and funding from the county, state and federal government for expanded outreach teams in collaboration with law enforcement, first responders, and the county's health and mental health departments for those affected by homelessness and mental health issues.
36. Support direct Measure H funding on an annual basis for cities like Lakewood that are required to contribute additional sales tax.
37. Oppose legislation that seeks to convert the Regional Housing Needs Assessment process from a planning process to a production standard.
38. Oppose efforts and legislation that propose to limit public engagement, design and environmental review related to housing projects.
39. Oppose legislation that would remove local control, allow for irresponsible housing development and interfere with protection of established residential neighborhoods.
40. Support and pursue the repeal of state laws that affect local control on housing and land use.

V. Infrastructure

41. Support legislation that provides adequate and consistent funding to support acquisition, development, operation and maintenance of recreation services and facilities.
42. Support legislation that provides ongoing and sustainable transportation infrastructure funding.
43. Support legislation that appropriates state funds to local and regional projects for transportation projects, including funds for the preservation and maintenance of streets and roads.
44. Support legislation that provides funding for water, wastewater, and stormwater infrastructure; flood prevention, water resources planning and development; and water quality improvement.
45. Support development of reasonable policies, strategies and programs to protect the environment, reduce greenhouse gas emissions, increase energy efficiency and increase the use of alternative/renewable energy sources.
46. Support legislation that allocates cap and trade auction revenue to local governments.
47. Support legislation that bridges the digital divide as equitable access to information and communication technologies are becoming increasingly essential for everyday life.
48. Support legislation and park bond measures that provide per capita grants to local governments to fund parks and capital improvements, as well as recreation programs that enhance the quality of life for Lakewood residents.
49. Support legislation that provides funding for the rehabilitation, development, and capital improvements of local parks and community facilities.
50. Oppose unnecessary modifications to the Los Angeles County Flood Control conveyance system, including the Los Angeles and San Gabriel Rivers that could require properties to purchase federal flood insurance.
51. Oppose Federal Emergency Management Agency (FEMA) flood insurance reforms to require properties in residual risk areas, those protected by dams or levees, to purchase flood insurance even when the man-made structures are certified to provide at least 100-year protection.
52. Oppose legislation to establish a public goods charge or other permanent statewide tax on water to fund statewide water solutions.
53. Oppose legislation that directs local transportation funds away from cities.

VI. General Government

- 54. Support legislation that preserves public, educational and government (PEG) television channel funding and programming support by video service providers, such as: payments to local government of franchise fees and PEG fees.
- 55. Support reasonable reform of local government pension systems that is respectful of local control and local collective bargaining processes.
- 56. Support legislation that reforms the workers compensation system to lower employer costs while continuing to protect employees.
- 57. Support legislation that provides resources to cities to improve disaster preparedness, recovery and resiliency.
- 58. Oppose legislation that usurps local government's authority to restrict or regulate the sale, manufacture and use of alcohol, medical marijuana dispensaries, collectives and cooperatives, and recreational marijuana dispensaries or other distribution points.
- 59. Support legislation for cities to maintain local services and provide relief to local residents and businesses, including shoring up funding for the decline in sales tax revenue and providing flexibility on funding for cities to continue to provide services.
- 59. Support legislation that provides funding to local agencies for emergency planning, disaster training, preparedness, prevention, protection, mitigation, response, recovery and resiliency to disasters, biological and environmental threats.

VII. Social Justice and Equity

- 60. Support legislation and funding that provides residents with equitable access to City programs and services.
- 61. Support legislation and funding for the City and its community partners to proactively engage with residents on issues of prejudice, discrimination and social justice to promote education, understanding, expanded opportunity and acceptance between diverse groups in the community, making Lakewood a welcome place for everyone.

DIVIDER SHEET

COUNCIL AGENDA

March 23, 2021

TO: The Honorable Mayor and City Council

SUBJECT: 2020 General Plan Annual Progress Report

INTRODUCTION

The 2020 General Plan Annual Progress Report (“Progress Report”) is submitted to the City Council for its review, after which it will be submitted to the Department of Housing and Community Development (“HCD”) and to the Governor’s Office of Planning and Research (“OPR”) as required by state law. The City of Lakewood’s (“City”) General Plan is a state-mandated document, which plans the framework for the City’s physical, social, and economic development for up to 20 years into the future. The City’s Comprehensive General Plan was adopted on November 12, 1996, and includes the Policy Document, the Technical Background Report, and the Master Environmental Impact Report (“MEIR”). A Master Environmental Assessment (“MEA”) was prepared in 2007. The Progress Report is required to discuss the progress made towards allowing for the development of housing as specified by the Regional Housing Needs Assessment (“RHNA”) as well as the overall implementation of the General Plan.

Government Code Section 65400 requires local planning agencies to submit an annual progress report on the status of the General Plan and progress in its implementation to the local legislative body, OPR, and HCD. The Progress Report will be submitted to OPR and HCD after it is reviewed by the City Council and must be submitted to the HCD by April 1 of each year as required by HCD. Government Code Section 65400.(a).(2).(B) requires that the Progress Report be considered at an annual meeting before the legislative body where members of the public are afforded the opportunity to provide oral testimony and written comments. This City Council meeting provides that opportunity and satisfies the requirements of HCD.

STATEMENT OF FACTS

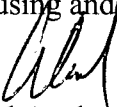
Lakewood has been preparing its Progress Reports for review and approval by the City Council each year prior to forwarding those reports to OPR and HCD. The Progress Report was presented to the Planning and Environment Commission on March 4, 2021 for their review and recommendation. Government Code Section 65400(b) requires annual progress reports to span calendar years as opposed to the fiscal year reporting period.

The MEIR for the General Plan provides the basis for the preparation of subsequent environmental documents for projects that are consistent with the General Plan. The MEIR reduces the costs and time involved in the environmental review of projects that are consistent with the General Plan, and it establishes thresholds, or criteria for significance, to evaluate further projects. Implementation of

the General Plan has been successful to date, and it will continue to be the distinct planning tool for the future. As some technical data became dated, reconfirmation of the MEIR became necessary. The Master Environmental Assessment (MEA) found the MEIR base conditions did not warrant any revisions. The MEA was approved on August 28, 2007 when the City Council adopted Resolution No. 2007-54. A significant change this year is that Lakewood has begun the process of updating the General Plan's Housing Element as required by state law. This year's Progress Report includes a discussion on the Housing Element update. New state laws pertaining to housing elements, combined with a large RHNA target, must be reflected in the Housing Element update.


RECOMMENDATION

The Planning and Environment Commission recommends that the City Council receive and file the 2020 General Plan Annual Progress Report and direct staff to submit the same to the Department of Housing and Community Development and to the Governor's Office of Planning and Research.



Abel Avalos

Director of Community Development



Thaddeus McCormack
City Manager

**The City of Lakewood
2020 General Plan Annual Progress Report**

INTRODUCTION

Government Code Section 65400(b) requires local planning agencies to provide an annual progress report to the legislative body on the status of the General Plan and the progress of its implementation. The purpose of the annual progress report is to:

- Provide enough information to allow local legislative bodies to assess how the General Plan is being implemented in accordance with adopted goals, policies, and implementation measures;
- Provide enough information to identify necessary course adjustments or modifications to the General Plan as a means to improve local implementation;
- Provide a clear correlation between land use decisions, which have been made during the 12-month reporting period and the goals, policies, and implementation measures contained in the General Plan; and
- Provide information regarding local agency progress in meeting its share of regional housing needs and local efforts to remove governmental constraints to the development of housing (as defined in §65584 and §65583(c)(3)).

In November 1996, the Lakewood City Council adopted the update to the City of Lakewood (“City”) Comprehensive General Plan. A general plan is a state-mandated document, which a city uses to plan the framework for its physical, social and economic development for about 20 years into the future. A General Plan contains “elements,” which are similar to chapters one might find in a book. Each element addresses a specific topic area. Lakewood’s General Plan elements are as follows:

State-Mandated Elements	Optional Elements
Land Use	Air Quality
Circulation	Economic Development
Housing (1)	Recreation and Community Services
Conservation	
Open Space	
Noise	
Safety	
Environmental Justice (2)	

- (1) The Lakewood City Council adopted the current Housing Element on August 13, 2013 and the Department of Housing and Community Development certified the Housing Element on October 9, 2013.
- (2) The current General Plan does not include the recently mandated Environmental Justice element.

Section 65400, et seq. of state law requires that an annual report be presented to the local legislative body, the Governor’s Office of Planning and Research, and the Department of Housing and Community Development. Furthermore, Government Code Section 65400 requires that the annual progress report

“be considered at an annual public meeting before the legislative body where members of the public shall be allowed to provide oral testimony and written comments.” This report is for the review period of January 1, 2020 through December 31, 2020.

IMPLEMENTATION STATUS OF THE ELEMENTS

Land Use Element

The focus of the Land Use Element is to preserve and enhance Lakewood’s desirable residential character while providing a commercial component for the convenience and enjoyment of residents. Lakewood is primarily a “bedroom community” with most of its land devoted to residential uses and only a very small percentage of land area zoned for commercial, industrial, and other land uses. Lakewood is approximately 99% built-out. Housing stock and quality of life are important factors that homebuyers take into consideration when purchasing in Lakewood as demonstrated by the City’s consistently low vacancy rates. Being located in the middle of a large metropolitan area, Lakewood’s home prices are partially influenced by the cost of housing in the region. Following the recession of the 1990’s, median home prices continued to rise along with home prices throughout the region, county, and state. In 1996, the year the General Plan was adopted, the median home price in Lakewood was approximately \$159,000. The median home price continued to rise until it peaked in July 2006 at \$550,000. In 2011, Lakewood’s median home price had dropped to \$352,500. Since 2011, median home prices have continued to increase. By the end of the first quarter of 2020, the median home price in Lakewood was \$615,000 (see Table 1 below).

Home prices are partly influenced by vacancy rates. Lakewood’s current vacancy rate is about 4.4%. The vacancy rate data is from the State of California, Department of Finance (DOF), “Table E-5 Population and Housing Estimates for Cities, Counties, and the State, January 2011- 2020.” The DOF bases their vacancy rates on 2010 Census benchmark data and adjusts the data on an annual basis going back to 2010 by incorporating directional changes described by the latest available American Community Survey data. The vacancy rates in Table 4 in this annual report may differ from the vacancy rates in previous annual reports. The DOF does not use foreclosure data or other housing market indicators to adjust their vacancy rates. Table 2 illustrates Lakewood’s vacancy rate by year.

Table 1: Median Home Prices in Lakewood

Year	Median Home Price (1)
January 1997	164,000
January 1998	178,500
January 1999	197,900
January 2000	210,000
January 2001	236,500
January 2002	268,957 (2)
February 2003	288,500
May 2004	420,000
July 2005	517,000
February 2006	550,000
February 2007	515,000
January 2008	414,500
January 2009	367,500

January 2010	390,000
January 2011	352,500
January 2012	356,250
2013 Q1	380,000
2014 Q1	435,000
2015 Q1	460,000
2016 Q1	496,000
2017 Q1	540,000
2018 Q1	568,000
2019 Q1	565,000
2020 Q1	615,000

Sources:

- (1) California Association of Realtors, 1997-2001 & 2003-2012.
HdL – Los Angeles County Sales History – Q1 of 2013-2020.
(2) Average provided by GRC Associates study, October 21, 2002.

Table 2: Vacancy Rates in Lakewood

Year	Vacancy Rate
January 1997	2.58
January 1998	2.58
January 1999	2.58
January 2000	2.59
January 2001	1.67
January 2002	1.67
February 2003	1.67
May 2004	1.67
July 2005	1.67
February 2006	1.67
February 2007	1.67
January 2008	1.67
January 2009	1.67
April 2010	3.4
January 2011	3.4
January 2012	3.5
January 2013	3.9
January 2014	4.0
January 2015	4.0
January 2016	4.0
January 2017	4.1
January 2018	4.3
January 2019	4.4
January 2020	4.4

Source: State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties, and the State, January 2011- 2019, with 2010 Benchmark*. <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-5/>
Sacramento, California. (Note: Each year the DOF revises previous vacancy rate estimates going back to 2010).

Commercial and Industrial Development

While a goal of the Land Use Element is to preserve Lakewood’s residential character, an important

component necessary to maintain this character is to provide a commercial component for the convenience and enjoyment of residents. Commercial activity supplies the economic resources needed to provide important services. Thus, commercial development and commercial land investment activities continue to be high priorities in Lakewood. These activities are in support of the economic goals contained within the Land Use Element by encouraging the expansion and reuse of commercial and manufacturing buildings in Lakewood. A notable project is Timmons Subaru located at 3700 Cherry Avenue. The site was excess property owned by another automobile dealer. Timmons Subaru is an established dealer that relocated from Cherry Avenue in Long Beach to Lakewood in order to have a larger site. The project includes a 66,700 square-foot building.

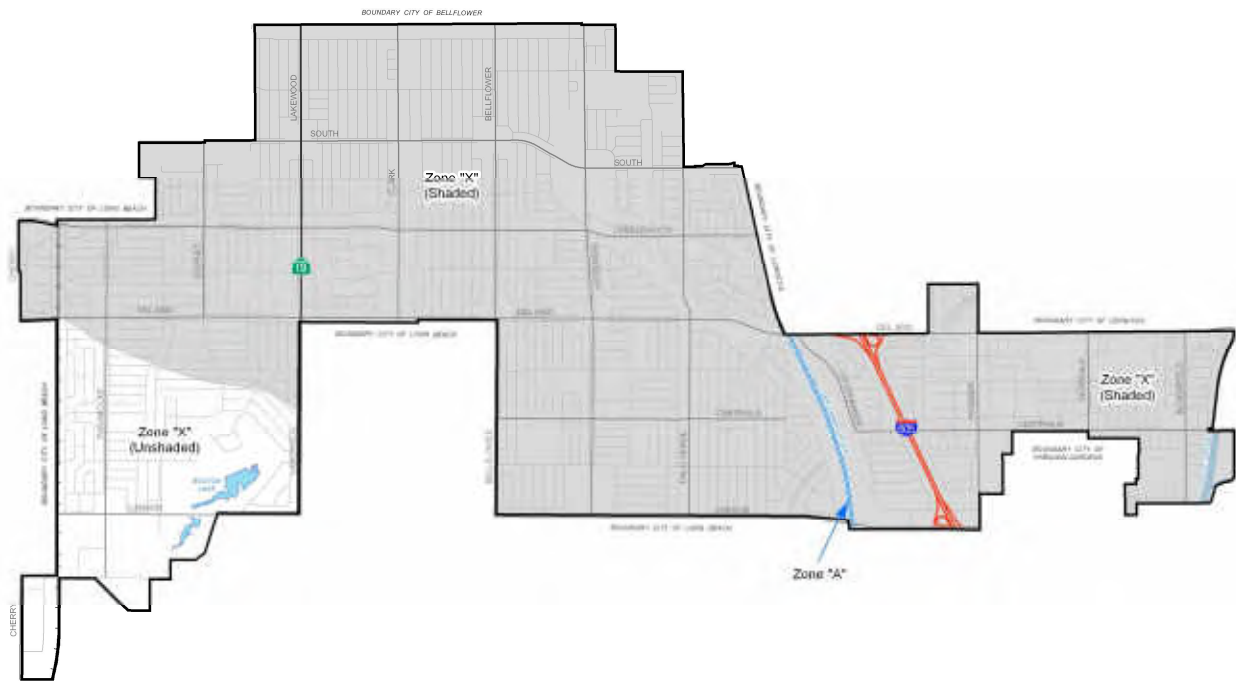
Land Use and Flood Zones

Government Code Section 65302 requires an annual review of the Land Use element for those areas subject to flooding identified by flood plain mapping prepared by the Federal Emergency Management Agency (FEMA) or the State Department of Water resources (DWR). Lakewood refers to the Flood Insurance Rate Maps (FIRMs) from FEMA. The flood risk for Lakewood is generally low because nearly the entire City is included in FEMA Flood Zone X, which includes areas protected from the 100-year flood by levees and other flood control structures and areas where the 100-year flood depth is less than one foot. A small portion of Lakewood, located entirely within the banks of the San Gabriel River, is designated Zone A, which is an area subject to inundation in the 1% annual chance flood. The area within the banks of the San Gabriel River is within Flood Zone A. This same area is in the O-S (Open Space) zone and the City prohibits residential development within this area in any case. FEMA's flood zone classification has two subcategories for Zone X:

1. Zone X (shaded area on FIRM): Areas of 0.2% annual chance flood; areas of 1% annual flood with average depths less than one foot or with drainage areas less than one square mile; and areas protected by levees from 1% annual flood.
2. Zone X (unshaded area on FIRM): Areas determined to be outside the 0.2% annual flood.

Nearly all of Lakewood is within Flood Zone X as shown in Figure 1 below. The 1% annual chance flood, which is also known as the 100-year flood, means that there is a 1% chance each year of a flood of this severity or greater. A 1% annual chance flood has about a 26% chance of occurring in a 30-year time period. The 0.2% annual flood, which is also known as the 500-year flood, means that there is a 0.2% chance each year of a flood of this severity or greater. Statistically, a 0.2% annual chance flood has nearly a 6% chance of occurring in a 30-year time period. The Zone X (shaded area) area includes almost the entire City, except for a small area in the southwest corner of the City, which is designated as Zone X (unshaded area) and the area within the banks of the San Gabriel River (Zone A).

Figure 1: FEMA Floodplain Designations for Lakewood



Circulation Element

The focus of the Circulation Element is to promote the efficient movement of people and goods. Accordingly, Lakewood continues to make improvements to its system of streets and roadways as it carries out the goals of the Circulation Element. There are 200 miles of streets in the City. In 2020, the City repaved Woodruff Avenue, a major arterial street 2.5 miles long at a cost of nearly \$2,000,000.

The year-long construction project at the intersection of Lakewood and Del Amo Boulevards is expected to be completed by the end of March. The project includes dual left-turn lanes for all four directions, a wider roadway for Lakewood Boulevard as it crosses the Los Cerritos storm drain, and new synchronized traffic signals. The project will improve traffic flow through the intersection.

Housing Element

The focus of the Housing Element is to identify and make provisions for existing and projected housing needs. The Housing Element is an official policy statement with regards to the types and quantities of housing to be provided, it analyzes existing housing conditions in light of the constraints that are faced by the housing market, and it identifies opportunities for improving and expanding Lakewood's housing supply. Lakewood's Housing Element was adopted on August 13, 2013 and was certified by the State of California Department of Housing and Community Development (HCD) on October 9, 2013. The Southern California Association of Governments (SCAG) periodically assigns a Regional Housing Needs Assessment (RHNA) figure to each local jurisdiction to help accommodate regional population growth to help accommodate regional population growth.

AB 2345 – Density Bonuses

Section 9332.5.A of the Lakewood Municipal Code (LMC) provides the purpose and intent of the City’s Density Bonus Ordinance. LMC Section 9332.5.B provides that Density Bonuses shall be granted in accordance with State law. The City did not receive any Density Bonus requests in 2020.

Regional Housing Needs Assessment (RHNA).

The planning cycle for housing elements throughout California changed after the implementation of SB 375. The current (5th) RHNA planning cycle for this region covers an eight-year period from October 1, 2013 to October 2021. Lakewood’s Housing Element demonstrated that no general plan amendments or zone changes were necessary during this RHNA planning cycle with respect to density or residential land uses in order to accommodate the 403 dwelling units as assigned by the RHNA process. The Land Use Element section of this report contains information relating to the number of dwelling units that were planned, under construction, or completed during this reporting period. Tables 3, 4, and 5 below show the distribution of the units based on income category for Lakewood’s RHNA allocation.

To identify how much of a household’s income may be used towards rent or mortgage, households are categorized based on their percentage of median household income. According to the 2010 U.S. Census, Lakewood’s median household size is 2.58 (rounded up to three persons). HCD State Income Limits for 2020 specifies that the median income for a four-person household in Los Angeles County is \$77,300 which is based on federal income limits published by the U.S. Department of Housing and Urban Development (HUD) (<https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/income-limits-2020.pdf>).

Next, the income threshold of each income category is defined as a percentage of the Category Median (30, 50, 60, 70, and 120%) and adjusted by HCD to reflect the annual income of that income category. The adjusted income is then multiplied by .3 (30%) to determine the amount of annual income available for rent or mortgage, and then divided by 12 months to determine the maximum amount available for monthly rent or mortgage. This information is then used to classify new residential projects described in HCD Tables A through H below into the different income categories.

Table 3: Lakewood’s RHNA 5th Cycle Allocation Plan: 2013-2021

Category	Number of Households	Percentage
Extremely Low Income	48	11.9%
Very Low Income	59	14.6%
Low Income	63	15.6%
Moderate Income	67	16.6%
Above Moderate Income	166	41.2%
Total	403	100%

Source: Lakewood 2013-2021 Housing Element

Table 4: Affordable Housing Costs - Rental

Income category (figured for a four- person household)	% of median income for each category	Adjusted annual income	30% of income used for rent (annual)	30% of income used for rent (monthly)
Extremely Low	30%	\$33,800.00	\$10,140.00	\$845.00
Very Low Income	50%	\$56,300.00	\$16,890.00	\$1,407.50
Low Income (1)	60%	\$90,100.00	\$27,030.00	\$2,252.50
Moderate Income	120%	\$92,750.00	\$27,825.00	\$2,318.75
Category Median (unadjusted)		\$77,300.00		

Table 5: Affordable Housing Costs - Ownership

Income category (figured for a four- person household)	% of median income for each category	Adjusted annual income	30% of income used for mortgage (annual)	30% of income used for mortgage (monthly)
Extremely Low	30%	\$33,800.00	\$10,140.00	\$845.00
Very Low Income	50%	\$56,300.00	\$16,890.00	\$1,407.50
Low Income (1)	70%	\$90,100.00	\$27,030.00	\$2,252.50
Moderate Income (2)	120%	\$92,750.00	\$32,462.50	\$2,705.21
Category Median (unadjusted)		\$77,300.00		

Table 5 Notes

- (1) The Low Income category exceeding the unadjusted category median income is an anomaly just for Los Angeles County due to HUD historical high-cost adjustments to median incomes. Household lower income figures are derived based on very-low-income figures not adjusted by HUD to account for any exceptions.
- (2) For the moderate-income category, 35% of annual income is used towards mortgage instead of 30%.

During 2020, building permits were issued for 27 apartment units and 24 ADUs, for a total of 51 new dwelling units. Table 6 below shows the affordability level for Multi-Family units, ADUs, and the affordability of all units for which permits were issued in 2020.

Table 6: Affordability by Unit Type, 2020

	Very Low	Low Income	Moderate	Above Mod	Total
Multi-Family:	0	2	0	25	27
%	0%	7%	0%	93%	100%
ADUs:	20	4	0	0	24
%	83%	17%	0%	0%	100%
Total:	20	6	0	25	51
%	39%	12%	0%	49%	100%

Dwelling units for which building permits were issued during 2020 are counted as credit towards meeting the RHNA obligations for the 5th cycle. Table 7 below provides a detailed list of those housing units added in 2020.

Table 7: Housing Units Added for this Review Period

Site Address	Number of Units	Unit Type	Rent/ Mortgage	Level of Affordability
11703-09 Walcroft Street	3	Apartment	2,200 (average)	Above Moderate
20727-37 Elaine Avenue	24	Apartment	2,644 (average)	Above Moderate
11856 209 th Street	1	ADU	1,350	Very Low
3945 Country Club Drive	1	ADU	0	Very Low
6104 Premiere Avenue	1	ADU	1,000	Very Low
5560 Harvey Way	1	ADU	0	Very Low
2915 Allred Street	1	ADU	0	Very Low
5862 Premiere Avenue	1	ADU	2,000	Low Income
5910 Camerino Street	1	ADU	1,500	Low Income
4041 Elsa Street	1	ADU	1,000	Very Low
5604 Rocket Street	1	ADU	Not given	Above Moderate
4227 Chatwin Avenue	1	ADU	1,100	Very Low
4709 Conquista Avenue	1	ADU	0	Very Low
5865 Yearling Street, #1	1	ADU	0	Very Low
5907 Palo Verde Avenue	1	ADU	2,000	Low Income
4364 Obispo Avenue	1	ADU	1,100	Very Low
5815 Fidler Avenue	1	ADU	1,250	Very Low
21320 Haston Place	1	ADU	1,900	Low Income
6221 Del Amo Boulevard	1	ADU	0	Very Low
6057 Bellflower Boulevard	1	ADU	1,375	Very Low
6728 Denmead Avenue	1	ADU	0	Very Low
3915 Ashworth Street	1	ADU	0	Very Low
11614 ½ 206 th Street	1	ADU	1,200	Very Low
6317 Dashwood Street	1	ADU	900	Very Low
3914 Ann Arbor Road	1	ADU	0	Very Low
5736 Lorelei Avenue, #1	1	ADU	1,000	Very Low
Subtotal (apartments):	27			
Subtotal (ADUs):	24			
Total units:	51			

HCD reporting regulations require information on unit production be prepared and submitted in a specific format as prescribed by HCD (see HCD Tables A through H described below).

Table A – Housing Development Applications Submitted.

This table only includes data on housing units and developments for which an application was submitted (and deemed complete) between January 1st and December 31st of the reporting year. An “application” is a project submitted and accepted for approval submitted to building plan check. This application is either an application for a discretionary entitlement, or where only a ministerial process is required (e.g., zoned by right), the application for a building permit. This table is shown below.

Table A2, Tabs 1-4 - Annual Building Activity Report Summary - New Construction, Entitled, Permits and Completed Units.

This table requires information for very low, low, moderate and above moderate income housing affordability categories and for mixed-income projects. This table includes data on net new housing units and developments that have received any one of the following during the reporting year: an entitlement (plan check approval), a building permit or a certificate of occupancy or other form of readiness that was issued (final approval on a building permit). This table is shown below.

Table B - Regional Housing Needs Allocation Progress – Permitted Units Issued By Affordability.

Table B is a summary of prior permitting activity in the current planning cycle, including permitting activity for the calendar year being reported. Table B also includes data reported to HCD from prior Annual Progress Reports. This table is shown below.

Table C - Sites Identified or Rezoned to Accommodate Shortfall Housing Need.

This table does not apply to Lakewood rather it applies to other cities or counties that HCD identified as having unaccommodated need of sites from the previous Housing Element cycle. Accordingly, this table is not included in this report.

Table D - Program Implementation Status pursuant to Government Code Section 65583.

This table describes the implementation status of those programs included in Lakewood's Housing Element. This table is shown below.

Table E - Commercial Development Bonus Approved pursuant to GC Section 65915.7.

This table does not apply to Lakewood. It applies to cities where an applicant was granted approval of a commercial development and had entered into an agreement with that city for partnered housing to contribute affordable housing through a joint project or two separate projects encompassing affordable housing in exchange for a commercial development bonus. This table is not included in this report.

Table F - Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code Section 65583.1(c)(2).

This table does not apply to Lakewood. This table is used to report dwelling units that have been substantially rehabilitated, converted from non-affordable to affordable by acquisition, and preserved consistent with the standards set forth in Government Code. This table is not included in this report.

Table G – Locally Owned Land in Housing Sites Inventory that have been sold, leased, etc.

This table does not apply to Lakewood. The table is for listing city-owned sites that were included in the housing element sites inventory and were sold, leased, or otherwise disposed of during the reporting year. There were no such sites disposed of in 2020. This table is not included in this report.

Table H - Surplus Government Property

This table is new to the Annual Report. AB 1255 amended Government Code Section 54230 to require cities and counties to create an inventory of surplus lands defined in subdivision (b) of Section 54221, and all lands in excess of its foreseeable needs. No surplus properties owned by the city were identified in 2020. This table is not included in this report.

TABLE A

ID	Prior	Current	Street	Project	Locat Juris	Unit	Tenure	Date Into	Very Low	Unit	Affordability		Total	Total	Total	Subject to
Number	AIN	AIN	Address	Name	Tracking #	Category	O/R	Plan Check	Income	Low	Mod	Above Mod	Proposed	Approved	Disapproved	SB 35
1	7178022019	7178022019	5560 Harvey Way	n/a	SDR 27	ADU	R	6/15/2020	1				1	1	0	no
2	7167013001	7167013001	5862 Premiere Ave	n/a	SDR 1	ADU	R	1/29/2020		1			1	1	0	no
3	7165014002	7165014002	5604 Rocket St	n/a	9027	ADU	R	2/13/2020				1	1	1	0	no
4	7178024020	7178024020	4227 Chatwin Ave	n/a	9038	ADU	R	2/3/2020		1			1	1	0	no
5	7066028003	7066028003	12314 Centralia St	n/a	SDR 2	ADU	R	3/12/2020				1	1		0	no
6	7176015002	7176015002	4709 Conquista Ave	n/a	SDR 25	ADU	R	8/26/2020	1				1	1	0	no
7	7173011013	7173011013	5865 Yearling St, #1	n/a	SDR 9	ADU	R	6/15/2020				1	1	1	0	no
8	7066007016	7066007016	12405 Gradwell St	n/a	SDR 6	ADU	R	9/22/2020				1	1		0	no
9	7166015024	7166015024	5907 Palo Verde Ave	n/a	SDR 10	ADU	R	6/17/2020		1			1	1	0	no
10	7151017015	7151017015	4364 Obispo Ave	n/a	SDR 19	ADU	R	6/22/2020	1				1	1	0	no
11	7167005016	7167005016	5815 Fidler Ave	n/a	SDR 30	ADU	R	8/5/2020		1			1	1	0	no
12	7065021004	7065021004	21320 Haston Place	n/a	SDR 17	ADU	R	7/8/2020	1				1	1	0	no
13	7176011027	7176011027	6221 Del Amo Blvd	n/a	SDR 13	ADU	R	6/4/2020	1				1	1	0	no
14	7167031021	7167031021	6057 Bellflower Blvd	n/a	SDR 15	ADU	R	6/24/2020	1				1	1	0	no
15	7172008033	7172008033	5130 Premiere Ave	n/a	SDR 35	ADU	R	9/8/2020				1	1		0	no
16	7171019012	7171019012	5736 Lorelei Ave, #1	n/a	SDR 23	ADU	R	9/8/2020	1				1	1	0	no
17	7048016019	7048016019	6728 Denmead	n/a	SDR 16	ADU	R	6/29/2020	1				1	1	0	no
18	7165017013	7165017013	6178 Ibbetson Ave, #1	n/a	SDR 28	ADU	R	1/11/2020				1	1		0	no
19	7175029017	7175029017	4519 Eastbrook Ave	n/a	SDR 21	ADU	R	1/10/2020				1	1		0	no
20	7160003060	7160003060	3915 Ashworth St	n/a	SDR 18	ADU	R	6/2/2020	1				1	1	0	no
21	7160014069	7160014069	6028 Castana Ave	n/a	SDR 43	ADU	R	11/1/2020				1	1		0	no
22	7059015019	7059015019	11614 1/2 206th St	n/a	SDR 38	ADU	R	10/13/2020	1				1	1	0	no
23	7173003021	7173003021	5111 Adenmoor Ave	n/a	SDR 39	ADU	R	12/3/2020				1	1		0	no
24	7174035007	7174035007	6317 Dashwood St	n/a	SDR 36	ADU	R	9/21/2020	1				1	1	0	no
25	7150028016	7150028016	3914 Ann Arbor Rd	n/a	SDR 22	ADU	R	8/26/2020	1				1	1	0	no
26	7174023005	7174023005	5967 Camerino St	n/a	SDR 7	ADU	R	1/13/2020				1	1		0	no
27	7172004007	7172004007	4937 Fidler Ave	n/a	SDR 41	ADU	R	1/13/2020				1	1		0	no
28	7171009003	7171009003	5638 Briercreech Ave	n/a	SDR 57	ADU	R	12/4/2020				1	1		0	no
29	7166014054	7166014054	6303 South St	n/a	SDR 4	ADU	R	9/8/2020				1	1		0	no
30	7160016037	7160016037	5922 Pimenta Ave	n/a	SDR 52	ADU	R	1/11/2020				1	1		0	no
31	7059022020	7059022020	11703 Walcroft Ave	n/a	8991	2-4 units	R	1/23/2019				1	1	1	0	no
32	7059022020	7059022020	11709 Walcroft Ave #1	n/a	8991	2-4 units	R	1/23/2019		1			1	1	0	no
33	7059022020	7059022020	11709 Walcroft Ave #2	n/a	8991	2-4 units	R	1/23/2019		1			1	1	0	no

TABLE A2, TAB 1

Project Identifier					Unit Types		Affordability by Household Incomes - Completed Entitlement								# of Units Issued Entitlements
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SFA, SFD, 2 to 4, 5+ ADU, MH)	Tenure R=Rentor O=Owner	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Entitlement Date Approved	
SUMMARY ROW															14
7165020069	7165020069	6112 Eastbrook Ave.	n/a	8847	ADU	R									0
7167034017	7167034017	5461 Ashworth St.	n/a	8872	ADU	R									0
7061029011	7061029011	4654 Hackett Ave.	n/a	8974	ADU	R									0
7167024007	7167024007	6034 Hersholt Ave.	n/a	8839	ADU	R									0
7167010027	7167010027	6029 Del Amo Blvd.	n/a	8886	ADU	R									0
7178003017	7178003017	4372 Adenmoor Ave.	n/a	8921	ADU	R									0
7062009025	7062009025	4337 Ladoga Ave.	n/a	8980	ADU	R									0
7063018006	7063018006	4232 Los Coyotes Blvd.	n/a	8982	ADU	R									0
7059024025	7059024025	11736 1/2 209th St.	n/a	8969	ADU	R									0
7165010015	7165010015	5829 Eastbrook Ave.	n/a	8936	ADU	R									0
7167010008	7167010008	6130 Premiere Ave.	n/a	8958	ADU	R									0
7150028004	7150028004	4150 Lakewood Dr.	n/a	8967	ADU	R									0
7059014007	7059014007	11653 208th St.	n/a	8981	ADU	R									0
7178002007	7178002007	4435 Briercreech Ave.	n/a	8979	ADU	R									0
7048014032	7048014032	6659 Dashwood St.	n/a	8998	ADU	R									0
7177014002	7177014002	4415 Palo Verde Ave.	n/a	9012	ADU	R									0
7058018003	7058018003	11856 209th St.	n/a	8787	ADU	R									0
7150021006	7150021006	3945 Country Club Dr.	n/a	8814	ADU	R									0
7167010013	7167010013	6104 Premiere Ave.	n/a	8999	ADU	R									0
7178022019	7178022019	5560 Harvey Way	n/a	SDR 27	ADU	R									0
7152027030	7152027030	2913 Allred St.	n/a	9021	ADU	R									0
7167013001	7167013001	5862 Premiere Ave.	n/a	SDR 1	ADU	R									0
7174024001	7174024001	5908 Camerino St.	n/a	9044	ADU	R									0
7154029018	7154029018	4039 Elsa St.	n/a	9043	ADU	R									0
7165014002	7165014002	5604 Rocket St.	n/a	9027	ADU	R									0
7178024020	7178024020	4227 Chatwin Ave.	n/a	9038	ADU	R									0
7066028003	7066028003	12314 Centralia St.	n/a	SDR 27	ADU	R							1	3/12/2020	1
7176015002	7176015002	4707 Conquista Ave.	n/a	SDR 25	ADU	R									0
7173011013	7173011013	5865 Yearling St. #1	n/a	SDR 9	ADU	R									0
7066007016	7066007016	12405 Gradwell St.	n/a	SDR 6	ADU	R							1	9/22/2020	1
7166015024	7166015024	5907 Palo Verde Ave.	n/a	SDR 10	ADU	R									0
7151017015	7151017015	4364 Obispo Ave.	n/a	SDR 19	ADU	R									0
7167005016	7167005016	5815 Fidler Ave.	n/a	SDR 30	ADU	R									0
7065021004	7065021004	21320 Haston Pl.	n/a	SDR 17	ADU	R									0
7176011027	7176011027	6221 Del Amo Blvd	n/a	SDR 13	ADU	R									0
7167031021	7167031021	6057 Bellflower Bl	n/a	SDR 15	ADU	R									0
7172008033	7172008033	5130 Premiere Ave.	n/a	SDR 21	ADU	R							1	9/8/2020	1
7171019012	7171019012	5736 Lorelei Ave #1	n/a	SDR 23	ADU	R									0
7048016019	7048016019	6728 Denmead Ave.	n/a	SDR 16	ADU	R									0
7165017013	7165017013	6178 Ibbetson Ave #1	n/a	SDR 28	ADU	R							1	1/11/2020	1
7175029017	7175029017	4519 Eastbrook Ave.	n/a	SDR 21	ADU	R							1	1/10/2020	1
7160003060	7160003060	3915 Ashworth St.	n/a	SDR 18	ADU	R									0
7160014069	7160014069	6028 Castana Ave.	n/a	SDR 43	ADU	R								11/1/2020	0
7059015019	7059015019	11614 1/2 206th St.	n/a	SDR 38	ADU	R									0
7173003021	7173003021	5111 Adenmoor Ave.	n/a	SDR 39	ADU	R							1	12/3/2020	1
7174035007	7174035007	6317 Dashwood St.	n/a	SDR 36	ADU	R									0
7167030028	7167030028	6011 Bellflower Bl	n/a	SDR 48	ADU	R							1	1/19/2021	1
7165003016	7165003016	5950 Bellflower Bl	n/a	SDR 54	ADU	R							1	1/14/2021	1
7165003016	7165003016	3914 Ann Arbor Rd.	n/a	SDR 22	ADU	R									0
7174023005	7174023005	5967 Camerino St.	n/a	SDR 7	ADU	R							1	1/13/2020	1
7172004007	7172004007	4937 Fidler Ave.	n/a	SDR 41	ADU	R							1	1/13/2020	1
7171009003	7171009003	5638 Briercreech Ave.	n/a	SDR 57	ADU	R							1	12/4/2020	1
7166014054	7166014054	6303 South St.	n/a	SDR 4	ADU	R							1	9/8/2020	1
7160016037	7160016037	5922 Pimental Ave.	n/a	SDR 52	ADU	R							1	1/11/2020	1
7059022020	7059022020	11703 Walcroft	n/a	8991	2-4 units	R							1	6/22/2020	1
7059022020	7059022020	11709 Walcroft #1	n/a	8991	2-4 units	R			1					6/22/2020	
7059022020	7059022020	11709 Walcroft #2	n/a	8991	2-4 units	R			1					6/22/2020	
7058019041	7058019041	20727-37 Elaine Ave (24)	n/a	8978	5+	R									0

TABLE A2, TAB 2

Street Address	Affordability by Household Incomes - Building Permits							Building Permits Date Issued	# of Units Issued Building Permits
	Very Low- Income Deed Restricted	Very Low- Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate- Income Deed Restricted	Moderate- Income Non Deed Restricted	Above Moderate- Income		
									20
6112 Eastbrook Ave.									0
5461 Ashworth St.									0
4654 Hackett Ave.									0
6034 Hersholt Ave.									0
6029 Del Amo Blvd.				1				7/14/2020	1
4372 Adenmoor Ave.									0
4337 Ladoga Ave.									0
4232 Los Coyotes Blvd.									0
11736 1/2 209th St.									0
5829 Eastbrook Ave.									0
6130 Premiere Ave.									0
4150 Lakewood Dr.		1						4/8/2020	1
11653 208th St.		1						9/17/2020	1
4435 Briercreech Ave.									0
6659 Dashwood St.									0
4415 Palo Verde Ave.									0
11856 209th St									0
3945 Country Club Dr.									0
6104 Premiere Ave.		1						2/3/2020	1
5560 Harvey Way									0
2913 Alfred St									0
5862 Premiere Ave.									0
5908 Camerino St									0
4039 Elsa St		1						1/29/2020	1
5604 Rocket St		1						3/19/2020	1
4227 Chatwin Ave									0
12314 Centralia St									0
4707 Conquista Ave							1	12/3/2020	1
5865 Yearling St. #1							1	9/21/2020	1
12405 Gradwell St									0
5907 Palo Verde Ave		1						9/24/2020	1
4364 Obispo Ave									0
5815 Fidler Ave		1						11/18/2020	1
21320 Haston Pl		1						10/7/2020	1
6221 Del Amo Blvd									0
6057 Bellflower Bl									0
5130 Premiere Ave									0
5736 Lorelei Ave #1		1						12/15/2020	1
6728 Denmead Ave		1						9/21/2020	1
6178 Ibbetson Ave #1									0
4519 Eastbrook Ave									0
3915 Ashworth St		1						8/19/2020	1
6028 Castana Ave									0
11614 1/2 206th St		1						12/4/2020	1
5111 Adenmoor Ave									0
6317 Dashwood St		1						10/26/2020	1
6011 Bellflower Bl									0
5950 Bellflower Bl									0
3914 Ann Arbor Rd		1						11/2/2020	1
5967 Camerino St									0
4937 Fidler Ave									0
5638 Briercreech Ave									0
6303 South St									0
5922 Pimenta Ave									0
11703 Walcroft							1	10/5/2020	1
11709 Walcroft #1				1				10/5/2020	1
11709 Walcroft #2				1				10/5/2020	1
20727-37 Elaine Ave (24)									0

TABLE A2, TAB 3

Street Address	Affordability by Household Incomes - Certificates of Occupancy								# of Units issued Certificates of Occupancy or other forms of readiness
	Very Low- Income Deed Restricted	Very Low- Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate- Income Deed Restricted	Moderate- Income Non Deed Restricted	Above Moderate- Income	Certificates of Occupancy or other forms of readiness (see instructions) <u>Date Issued</u>	
									46
6112 Eastbrook Ave.		1						2/24/2020	1
5461 Ashworth St.				1				2/3/2020	1
4654 Hackett Ave.		1						2/2/2020	1
6034 Hersholt Ave.		1						4/10/2020	1
6029 Del Amo Blvd.									0
4372 Adenmoor Ave.		1						2/10/2020	1
4337 Ladoga Ave.		1						9/16/2020	1
4232 Los Coyotes Blvd.				1				12/10/2020	1
11736 1/2 209th St.		1						3/16/2020	1
5829 Eastbrook Ave.		1						5/20/2020	1
6130 Premiere Ave.		1						3/19/2020	1
4150 Lakewood Dr.									0
11653 208th St.									0
4435 Briercreech Ave.		1						6/1/2020	1
6659 Dashwood St.		1						7/28/2020	1
4415 Palo Verde Ave.		1						7/16/2020	1
11856 209th St		1						6/23/2020	1
3945 Country Club Dr.		1						07/24/19	1
6104 Premiere Ave.									0
5560 Harvey Way		1						11/20/2020	1
2913 Alfred St.		1						3/24/2020	1
5862 Premiere Ave.				1				6/18/2020	1
5908 Camerino St.				1				5/7/2020	1
4039 Elsa St.									0
5604 Rocket St.									0
4227 Chatwin Ave.									0
12314 Centralia St.									0
4707 Conquista Ave.									0
5865 Yearling St. #1									0
12405 Gradwell St.									0
5907 Palo Verde Ave.									0
4364 Obispo Ave.		1						11/19/2020	1
5815 Fidler Ave.									0
21320 Haston Pl.									0
6221 Del Amo Blvd		1						11/20/2020	1
6057 Bellflower Bl		1						12/17/2020	1
5130 Premiere Ave.									0
5736 Lorelei Ave #1									0
6728 Denmead Ave.									0
6178 Ibbetson Ave #1									0
4519 Eastbrook Ave.									0
3915 Ashworth St.									0
6028 Castana Ave.									0
11614 1/2 206th St.									0
5111 Adenmoor Ave.									0
6317 Dashwood St.									0
6011 Bellflower Bl									0
5950 Bellflower Bl									0
3914 Ann Arbor Rd.									0
5967 Camerino St.									0
4937 Fidler Ave.									0
5638 Briercreech Ave.									0
6303 South St.									0
5922 Pimenta Ave.									0
11703 Walcroft									0
11709 Walcroft #1									0
11709 Walcroft #2									0
20727-37 Elaine Ave (24)							24	1/5/2021	24

TABLE A2, TAB 4

Street Address	How many of the units were Extremely Low Income?	Streamlining	Infill	Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions	Term of Affordability or Deed Restriction	Demolished/Destroyed Units			Notes
		Was Project APPROVED using GC 65913.4(b)? (SB 35 Streamlining) Y/N	Infill Units? Y/N*	Assistance Programs for Each Development (see instructions)	Deed Restriction Type (see instructions)	For units affordable without financial assistance or deed restrictions, explain how the locality determined the units were affordable (see instructions)	Term of Affordability or Deed Restriction (years) (if affordable in perpetuity enter 1000)*	Number of Demolished/Destroyed Units*	Demolished or Destroyed Units*	Demolished/Destroyed Units Owner or Renter*	Notes*
6112 Eastbrook Ave.		N	Y			Owner Rent Survey					
5461 Ashworth St.		N	Y			Owner Rent Survey					
4654 Hackett Ave.		N	Y			Owner Rent Survey					
6034 Hersholt Ave.		N	Y			Owner Rent Survey					
6029 Del Amo Blvd.		N	Y			Owner Rent Survey					
4372 Adenmoor Ave.		N	Y			Owner Rent Survey					
4337 Ladoga Ave.		N	Y			Owner Rent Survey					
4232 Los Coyotes Blvd.		N	Y			Owner Rent Survey					
11736 1/2 209th St.		N	Y			Owner Rent Survey					
5829 Eastbrook Ave.		N	Y			Owner Rent Survey					
6130 Premiere Ave.		N	Y			Owner Rent Survey					
4150 Lakewood Dr.		N	Y			Owner Rent Survey					
11653 208th St.		N	Y			Owner Rent Survey					
4435 Briercreech Ave.		N	Y			Owner Rent Survey					
6659 Dashwood St.		N	Y			Owner Rent Survey					
4415 Palo Verde Ave.		N	Y			Owner Rent Survey					
11856 209th St		N	Y			Owner Rent Survey					
3945 Country Club Dr.		N	Y			Owner Rent Survey					Not counted in 2019 APR
6104 Premiere Ave.		N	Y			Owner Rent Survey					
5560 Harvey Way		N	Y			Owner Rent Survey					
2913 Alfred St		N	Y			Owner Rent Survey					
5862 Premiere Ave.		N	Y			Owner Rent Survey					
5908 Camerino St		N	Y			Owner Rent Survey					
4039 Elsa St		N	Y			Owner Rent Survey					
5604 Rocket St		N	Y			Owner Rent Survey					
4227 Chatwin Ave		N	Y			Owner Rent Survey					
12314 Centralia St		N	Y								
4707 Conquista Ave		N	Y								
5865 Yearling St, #1		N	Y								
12405 Gradwell St		N	Y								
5907 Palo Verde Ave		N	Y			Owner Rent Survey					
4364 Oblapo Ave		N	Y			Owner Rent Survey					
5815 Fidler Ave		N	Y			Owner Rent Survey					
21320 Haston Pl		N	Y			Owner Rent Survey					
6221 Del Amo Blvd		N	Y			Owner Rent Survey					
6057 Bellflower Bl		N	Y			Owner Rent Survey					
5130 Premiere Ave		N	Y			Owner Rent Survey					
5736 Lorelei Ave #1		N	Y			Owner Rent Survey					
6728 Denmead Ave		N	Y			Owner Rent Survey					
6178 Ibbetson Ave #1		N	Y								
4519 Eastbrook Ave		N	Y								
3915 Ashworth St		N	Y			Owner Rent Survey					
6028 Castana Ave		N	Y								
11614 1/2 206th St		N	Y			Owner Rent Survey					
5111 Adenmoor Ave		N	Y								
6317 Dashwood St		N	Y			Owner Rent Survey					
6011 Bellflower Bl		N	Y								
5950 Bellflower Bl		N	Y								
3914 Ann Arbor Rd		N	Y			Owner Rent Survey					
5967 Camerino St		N	Y								
4937 Fidler Ave		N	Y								
5638 Briercreech Ave		N	Y								
6303 South St		N	Y								
5922 Pimenta Ave		N	Y								
11703 Walcroft		N	Y			Owner Rent Survey					
11709 Walcroft #1		N	Y			Owner Rent Survey		1	Demolished	R	
11709 Walcroft #2		N	Y			Owner Rent Survey					
20727-37 Elaine Ave (24)		N	Y			Owner Rent Survey					Not counted in 2019

TABLE B

Income Level		RHNA Allocation by Income Level	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	107										44	63
	Non-Deed Restricted						2	9	13	20			
Low	Deed Restricted	63										10	53
	Non-Deed Restricted								4	6			
Moderate	Deed Restricted	67										1	66
	Non-Deed Restricted							1					
Above Moderate		166			52	20	48			25		145	21
Total RHNA		403											
Total Units			0	0	52	20	50	10	17	51	0	200	203
Note: units serving extremely low-income households are included in the very low-income permitted units totals													
Cells in grey contain auto-calculation formulas													

TABLE D

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	Lakewood		
Reporting Year	2019	(Jan. 1 - Dec. 31)	
Table D			
Program Implementation Status pursuant to GC Section 65583			
Housing Programs Progress Report Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
Housing Preservation and Improvement	These programs address affordability, conditions, quantity, and accessibility for preserving and improving housing.	Annual	Ongoing.
Housing Production Program	Programs that encourage and promote housing production.	Annual	Ongoing.
Housing Assistance Program	Provides affordable housing through assistance programs to offset impacts from inability to construct housing.	Annual	Ongoing.
Units At-Risk Preservation Programs	Provides affordable housing through assistance programs to offset impacts from inability to construct housing.	Annual	Ongoing.
Special Housing Needs	Provides for fair housing and short term urgent housing.	Annual	Ongoing.
Housing Information	Inform and promote use of Lakewood housing programs.	Annual	Ongoing.

Conservation Element

The Conservation Element focuses on the protection and management of local resources, including water for domestic use, and solid waste reduction and recycling. The City continues to reduce its solid waste stream in compliance with Assembly Bill 939 by implementing various recycling programs and through various public education campaigns.

Open Space Element

Lakewood's numerous amenities make the city a desirable place to live. These amenities include an outstanding park system, the Lakewood Country Club, network of walking trails, an equestrian center, and The Centre with its ample free parking, concierge-style meeting services, and spectacular settings for all types of receptions, including the elegant Weingart Ballroom.

Noise Element

The Noise Element identifies and sets thresholds for various noise sources in the community. The City responds to noise complaints on a case-by-case basis. In reviewing new construction and business license applications, consideration is also given to potential noise impacts that may affect nearby uses. If there is the potential for noise impacts, then appropriate mitigation measures are imposed. In some cases, periodic monitoring is necessary to ensure compliance with required mitigation measures. The Community Development Department uses a sound meter for enforcement purposes and to determine compliance with the City's Municipal Code.

Safety Element

The Safety Element discusses the protection of the community from risks, both man-made and natural. Safety issues facing Lakewood include seismic activity, both direct (shaking and liquefaction) and indirect (fires and ruptured gas lines). Other issues include providing a sufficient law enforcement presence and fire response times. On January 11, 2002, the Federal Emergency Management Agency (FEMA) issued a Letter of Map Revision that restored the flood zone designation for Lakewood to flood zone "X" thus relieving previous flood insurance mandates. With flood control improvements along the Los Angeles River and insurance requirements lifted, Lakewood residents found relief from the threat of flooding as well as a savings in insurance premiums.

Hazard Mitigation Plan

Congress passed the Disaster Mitigation Act of 2000 (DMA 2000) on October 30, 2000 to provide assistance to local and state governments in reducing repetitive disaster damage. The Federal government sought to reduce the amount of assistance that it was paying out to the same communities for the same recurring disaster events. While these disasters typically occur in areas prone to periodic flooding, the Federal government recognizes that there are different types of natural disasters that may reoccur and negatively affect communities. Accordingly, DMA 2000 requires every local, county, and state government in the nation to prepare a Hazard Mitigation Plan to identify and mitigate caused by a natural disaster.

Due to the technical nature of Lakewood's Hazard Mitigation Plan, preparation and approval of the Plan required specialized assistance from a consultant. The City retained the firm of Goettel and Associates, Inc. to assist staff in updating Lakewood's Hazard Mitigation Plan. On August 9, 2016, the Council adopted Resolution 2016-57 approving the City of Lakewood Hazard Mitigation Plan and directed staff to submit the Hazard Mitigation Plan to the State and FEMA for review and approval. On September 17, 2017, the City was notified by FEMA that they had deemed the City's Hazard Mitigation Plan approvable pending adoption by the City Council. On April 24, 2018, the City Council adopted Resolution 2018-15 approving the update to the Lakewood Hazard Mitigation Plan. The Hazard Mitigation Plan was certified by FEMA on May 10, 2018. FEMA's approval of the HMP is valid for five years. The next update must be completed by May 10, 2023.

Government Code Section 65302 requires cities to amend the safety element of their general plan to include analysis and policies regarding flood hazard and flood management information upon the next revision of the Housing Element. The City has begun updating the Housing Element and will begin updating the Safety Element following completion of the draft Housing Element. Lakewood has already completed much of the work related to the Safety Element update by preparing the City's FEMA-approved HMP. Chapter 7 of the HMP includes a detailed analysis on various flooding scenarios in Lakewood. The HMP also includes a mission statement and mitigation actions specific to flood hazards.

The Recreation & Community Services Department (RCS) is responsible for the coordination of emergency preparedness, response, and recovery activities of the City. Disaster response operations are coordinated in accordance with the City's Multi-hazard Functional Plan, which conforms to State of California's Standardized Emergency Management System (SEMS) guidelines. RCS provides training and support to City departments by training city employees in such emergency preparedness areas as SEMS, the ongoing training of Lakewood's First Response Strike Team, the training of Lakewood residents in emergency response through the CERT Program and is an active member of the Disaster Management Board, Area E for regional disaster coordination.

Recreation and Community Services Element

The Recreation and Community Services Element addresses the recreation and human services programs that are offered by the City. In addition to administering recreational activities, the Recreation and Community Services Department oversees programs designed to address the needs of seniors, families and persons with special needs. These programs include:

Community Family Guidance Center - The Community Family Guidance Center is a state-licensed, non-profit organization that provides a comprehensive range of mental health services for children, families, and adults. Most services are also available for Spanish speaking clients.

Meals on Wheels - The Meals on Wheels program provides two meals each day to frail and vulnerable elderly residents to avoid premature or unnecessary institutionalization. The Meals on Wheels program is based at the Burns Community Service Center.

Pathways Volunteer Hospice - Pathways Volunteer Hospice provides in-home medical services to terminally ill low- and moderate-income residents.

Human Services Association - The Human Services Association provides support for senior citizen meals at two Lakewood locations and home-delivered meals to Lakewood residents. The Human Services Association operates out of the Burns Community Service Center located in Lakewood.

Economic Development Element

The Economic Development Element addresses Lakewood's future economic growth through reuse of existing, developed sites and with a limited amount of vacant commercial land. This Element also underscores the social, fiscal, and aesthetic impacts caused by blight, deterioration, and obsolete commercial uses. Sales tax revenue is an indicator of an area's economy, especially where changes over time may be analyzed. Since the bottom of the recession in 2008, the City has overall seen an increase in sales tax revenues. From FY 2004 to FY 2016, some sales tax revenues were used by the state as part of the state's "triple flip." The "triple flip" gave the State a revenue source generated by local sales taxes which the state used to float bonds and borrow money to close the State budget deficit gap. Specifically, half of the local sales tax was shifted to the State to pay bonds, the State shifts the revenue loss through school district ERAF property taxes, and school district ERAF property taxes shifted back to local government's general funds. Fiscal Year 2016 marked the end of the "triple flip." The end of the "triple flip" meant that the receipt of sales tax from the State would no longer be delayed.

There was a 6.8% decrease in sales tax revenues between FY 2018-2019 and FY 2019-2020. This decrease may partially be due to the COVID-19 pandemic, which resulted in businesses closing their doors and discouraged shoppers. Table 8 below shows Lakewood's sales tax revenues since adoption of the General Plan in 1996.

Table 8: Annual Sales Tax Revenues

Fiscal Year (1):	Sales Tax Revenues (in millions) (2):	% Change From Previous Year:
1996-1997	\$6.74	-
1997-1998	\$6.98	3.56%
1998-1999	\$7.48	7.16%
1999-2000	\$8.36	11.76%
2000-2001	\$9.34	11.72%
2001-2002	\$9.56	2.36%
2002-2003	\$10.36	8.37%
2003-2004	\$10.9	5.09%
2004-2005	\$11.5	5.50%
2005-2006	\$11.7	1.74%
2006-2007	\$11.5	-1.74%
2007-2008	\$10.7	-7.5%
2008-2009	\$11.1	3.6%
2009-2010	\$10.7	-3.6%
2010-2011	\$11.4	6.54%
2011-2012	\$11.9	4.39%

2012-2013	\$12.9	8.40%
2013-2014	\$13.3	3.10%
2014-2015	\$13.2	-0.57%
2015-2016	\$14.5	9.84%
2016-2017	\$14.1	-2.46%
2017-2018	\$14.3	1.19%
2018-2019	\$14.6	2.1%
2019-2020	\$13.6	-6.8%

Source: City of Lakewood Administrative Services Department.

(1) The fiscal year is from July 1 through June 30 of the following year.

(2) Includes “triple flip” from the State from 2004 to 2016.

Air Quality Element

A regional approach to solving air quality problems is necessary since air quality issues are not confined by the boundaries of any one jurisdiction. Lakewood’s Air Quality Element was derived from the Model Air Quality Element prepared jointly by 21 jurisdictions during 1992 and early 1993. Lakewood has been utilizing a variety of tools to address this issue. Reduction of construction related airborne pollutants continues to be enforced through mitigation measures prescribed during the initial study process. These mitigation measures are placed on projects as part of the California Environmental Quality Act (CEQA) process. Typical CEQA mitigation measures include compliance with SCAQMD regulations, including Rule 402, which specifies that there be no dust impacts off-site sufficient to cause a nuisance, and SCAQMD Rule 403, which restricts visible emissions from construction.

General Plan Amendments

There were no General Plan Amendments during 2020.

Housing Element Update

Lakewood has begun the process of updating the Housing Element. On December 8, 2020, the City entered into an agreement with Michael Baker International to assist the City in updating its 6th cycle Housing Element. The Southern California Association of Governments (SCAG) allocates a Regional Housing Needs Assessment (RHNA) figure to each local jurisdiction to help accommodate regional population growth to help accommodate regional population growth. Lakewood’s draft allocation is 3,922 dwelling units (see Table 9 below).

Table 9: Lakewood’s RHNA 6th Cycle Draft Allocation Plan: 2021-2029

Category	Number of Households	Percentage
Very Low Income	1,296	33.0%
Low Income	637	16.2%
Moderate Income	653	16.6%
Above Moderate Income	1,336	34.1%
Total	3,922	100%

Source: Southern California Association of Governments

The 6th cycle update will be challenging than past housing element updates because Lakewood received a RHNA allocation of approximately 4,000 dwelling units. This allocation is ten times greater than the 5th cycle allocation which was 403 dwelling units, and it is greater than Lakewood's first three RHNA cycle allocations combined (see Table 10 below). Other factors that will make this Housing Element update challenging include:

1. Lack of suitable land. Lakewood is approximately 99% built out. This makes it difficult to attract developers.
2. Parcel size. The remaining vacant parcels tend to be small which limits the ability to the number of dwelling units that may be built. This in turn reduces a developer's bottom line and increases financial risk.
3. Cost of development. The cost of adding additional units to an underutilized multi-family parcel can discourage development. Developers need to build a sufficient number of units to justify the cost of combining multi-family parcels.
4. New state laws that limit options available to cities to control density and discretionary review.
5. Planning for a large RHNA while preserving the City's predominant single-family character.

Table 10: Lakewood's RHNA Allocation History

Cycle (years)	1 (1984-1989)	2 (1989-1994)	3 (1998-2005)	4 (2008-2014)	5 (2013-2021)	6 (2021-2029)
RHNA:	1,145	1,173	866	673	403	3,922

Rezoning existing single-family residential is discouraged because state law already allows Accessory Dwelling Units (ADUs) by right and the lot sizes are typically too small accommodate the number of units necessary to meet our RHNA allocation. Staff has identified four potential strategies to plan for additional units while preserving the character of the City's single-family neighborhoods.

1. Increase density of sites in the M-F-R zone – Increase the maximum density as a further incentive to develop and/or combine underutilized properties that were not redeveloped under the 5th RHNA cycle.
2. Maximize ADU RHNA applicability – ADUs are already allowed by right but the State does not allow cities to count all potential R-1 zone sites towards their RHNA, rather cities must base their future ADU production on 5th cycle production.
3. Mixed-use zoning of certain commercial/manufacturing locations – identify historically underutilized sites in the "C" and "M" zones and evaluate such sites for their ability to accommodate mixed-use development.
4. Lakewood Center (Housing Development) – Introducing housing into regional shopping centers is not a new concept but in the instance of Lakewood Center, careful planning is necessary to minimize the impact to potential sales tax generation uses.

SB-2 Application

In 2019 the City applied for a grant under SB-2, which is designed to provide a permanent source of funding to increase housing production statewide. Lakewood received an approval letter in April 2020. Lakewood is eligible to receive the grant because it has a certified Housing Element, has consistently submitted a general plan Annual Progress Report, and submitted an application that demonstrated a nexus to accelerating housing production consistent with state planning priorities. Lakewood's application package consisted of three programs: A Gateway Cities Council of Government (GCCOG) Assessment, an Expedited Approval Program, and an Administrative Cost Recovery program. Each of these programs are discussed in further detail below.

- I. GCCOG Assessment - The Gateway Cities Council of Governments (GCCOG) is an active partner with the Gateway Cities on this grant opportunity. GCCOG pledged to dedicate a maximum of 1% of the grant award to be used to help fund a regional planner position with expertise in housing. The scope of work of this GCCOG position is to help cities promote and accelerate housing production through a variety of measures such as creating shared informational resources and identifying best practices from inside and outside the region. The GCCOG regional planner will develop educational materials on housing production practices and policies that are tailored to Gateway Cities, such as guides and fact sheets to fill knowledge and capacity gaps and engage in meetings and workshops to share and leverage resources. The GCCOG planner will help Gateway Cities staff better understand topics and processes regarding affordable housing production, tax credits, land acquisition policies and practices, and options for funding.
- II. Expedited Approval Program - The City will replace the existing Community Development Department/Public Works Department public counter with a new public counter area. Currently, plans for new dwellings and other projects which need to be reviewed or which are being submitted to plan check are delayed due to capacity and design ineffectiveness which can result in project delays. The new public counter area would offer greater capacity to accommodate multiple customers at a time which will increase efficiency and thereby encourage development of new housing units.
- III. Administrative Cost Recovery - Up to 5% may be used towards City administrative costs necessary to carry out SB 2 program activities.

The City must expend its own funds to carry out each program and then request reimbursement from HCD. The end of the grant term (deadline to complete expenditures) is June 30, 2022. The SB 2 program is an ongoing funding source. In the current program year, 50% of the funds collected are being made available to local governments for planning purposes. In subsequent years, SB 2 funding will be administered as the PLHA program (Permanent Local Housing Allocation) program. It is anticipated that there will be two types of assistance under PLHA:

1. Formula grants to entitlement and non-entitlement jurisdictions based on the formula prescribed under federal law for the Community Development Block Grant.
2. Competitive grants to non-entitlement jurisdictions. Funding amounts will vary based on annual revenues to the Building Homes and Jobs Trust Fund.

Staff expects this may be an ongoing funding stream to help support the Gateway Cities member jurisdictions. HCD is developing guidelines for how the future years of funding will be apportioned to local governments.

LEAP Grant

In December 2020, the City applied for the Local Early Action Planning (LEAP) grant. In February of this year Lakewood received approval of its grant application for the maximum grant amount of \$300,000. The LEAP grant provides one-time grant funding to cities and counties to update their planning documents including Housing Element updates. HCD bases the maximum grant award amounts on the California Department of Finance population estimates of January 1, 2019. Listed below are the four programs that Lakewood is undertaking using the LEAP grant.

Project 1. Housing Element Update

Every jurisdiction in California is required to adopt a housing element to address the housing needs of a community. Over the past few years, there have been extensive changes to housing element law. These changes will impact how jurisdictions are able to comply with the upcoming housing element update. Some cities, like Lakewood, are assigned higher RHNA allocations and stricter rules for identifying sites. The City is using a portion of its LEAP grant for professional consulting services to assist the City with the update of the Housing Element and the associated environmental review as required by the California Environmental Quality Act (CEQA).

Project 2. Economic Housing Study

Using LEAP funds, the City will retain a consultant to prepare a housing feasibility and development cost study. Lakewood's draft RHNA allocation exceeds Lakewood's ability to plan for such growth under current land supply (mostly sites zoned as Multiple-Family Residential) and maximum zoning densities under our current Housing Element. The housing study will result in a modeling tool that the City may use to identify and maximize the economic benefits and costs of certain forms of housing development in order to determine the overall feasibility of those developments. The study will be able to evaluate the potential for housing and mixed-use development on vacant and underutilized commercial sites. The model will help estimate the optimal number of mixed-use residential units, analyze floor area ratios, appropriate infrastructure, reduction in vehicles miles traveled (VMT), identify optimal of mixed-use densities, and development guidelines. It will also help estimate potential economic impacts and provide recommendations for off-setting potential losses in tax revenues.

Project 3. Expedited Development Review Board

The Development Review Board (DRB) reviews housing development plans to ensure that the design complies with the Lakewood Municipal Code and is consistent with the aesthetic character of the City. During COVID-19, the City transitioned from face-to-face DRB plan review to electronic plan review. This process lacked the benefits of having "live" interaction between and among the DRB members, applicants, and staff. A reliable platform for video and audio conferencing that incorporates real-time plan commenting is necessary to expedite projects by allowing remote stakeholders to interact with the DRB meetings. This will reduce plan re-submittals and allow DRB plan approval in an electronic format. A portion of the LEAP grant funds would be used to research and acquire reliable video and audio-conferencing software and hardware capable of capturing, saving, projecting, and transmitting clear visual images of the DRB and the residential plans as they are presented.

Project 4. LEAP 1% Allocation to Gateway Cities Council of Governments (GCCOG)

The City of Lakewood is located in the Gateway Cities region of Southeast Los Angeles County. The GCCOG is a collection of 27 cities and various unincorporated communities with a population of 2.1 million people, including 16 cities with a higher population density than the City of Los Angeles. Housing expertise is needed at the regional level to help reconcile state policies and priorities with local jurisdiction concerns, identify and remove barriers to housing development, and assist cities in meeting housing production goals for the 6th cycle.

In recognition of these needs, 1% of the City's maximum eligible LEAP funds (\$3,000) will be set aside for the GCCOG to help continue the regional housing planning efforts begun in 2019 by a similar allocation of SB2 Planning Grant funds. Funding will pay for a COG staff member to focus solely on helping cities accelerate housing production, by organizing region-wide housing workshops, creating shared informational resources, and identifying and promoting best practices from inside and outside the region. The funded COG staff position provides necessary housing expertise, and helps Gateway Cities staff better understand affordable housing production, tax credits, land acquisition policies and practices, options for funding, and other relevant topics related to planning and process improvements to accelerate housing production and facilitate compliance with the 6th cycle housing element.

New Legislation

Several state laws have been enacted over the past few years relating to housing elements and housing production. They are discussed here in light of the 6th cycle housing element update.

Accessory Dwelling Units (ADUs). An ADU is a second dwelling unit on a single- or multi-family lot. The City adopted an ADU ordinance that implements the state ADU law, while reflecting local development standards and resident expectations regarding maintaining the current neighborhood lifestyle. Lakewood's ADU production is discussed in more detail in the Housing Element portion of this report.

Places of Worship. AB 1851 (Assembly Member Buffy Wicks) – AB 1851 makes it easier for faith-based organizations to build affordable housing on their parking lots. Many places of worship have parking lots used only a few times a week. AB 1851 reduces or eliminates various local parking requirements that would otherwise preclude development of housing parking lots and prevents cities from forcing faith-based organizations to later make up lost parking spaces when a parking lot is developed for housing.

AB 2345 (Assembly Members Lorena Gonzalez and Chiu) - State Density Bonus Law Amendments. AB 2345 revised a number of provisions to provide additional benefits for projects that include qualifying affordable housing. The State Density Bonus Law has become an entitlement-processing staple for multifamily projects, especially where jurisdictions already require affordable units pursuant to inclusionary housing ordinances. There have been no residential developments built in Lakewood utilizing density bonuses. Section 9332.5 of the Lakewood Municipal Code allows for density bonuses by reference to state law. Below are some notable amendments under AB 2345:

Eligibility: In order to qualify for the density bonus provided by AB 1763 (allowing 80 percent or unlimited density bonus), 100 percent of the total units, including the base units and density bonus

units, must be affordable for lower income households, except that 20 percent of those units may be affordable for moderate-income households.

Density Bonuses: Increases the maximum density bonus, to up to 50 percent, based on an updated sliding scale of housing affordability.

Incentives/Concessions: Lowers the threshold required to qualify for two incentives/concessions from 20 percent to 17 percent for lower income households and the threshold to qualify for three incentives/concessions from 30 percent to 24 percent for lower income households.

Development Standard Waiver: A housing development that receives an unlimited density bonus under AB 1763 is eligible for a development standard waiver if a jurisdiction agrees to grant such waiver.

Major Transit Stop: Clarifies how to measure half-mile of a major transit stop (for purposes of qualifying to additional benefits (e.g., parking reductions)) and defines the term "natural or constructed impediments" for purposes of determining whether a development has unobstructed access to a transit stop.

Parking: Decreases the maximum ratio of vehicular parking for developments with 2 to 3 bedrooms so that no more than 1.5 spaces may be required per unit. It also authorizes a developer to request that a jurisdiction not impose vehicular parking standards if the development is a for-rent housing development for individuals who are 62 years of age or older that will have either paratransit service or unobstructed access to a fixed bus route and meets other qualifying criteria.

City Ordinances: Provides that a jurisdiction that has adopted an ordinance and/or a program that allows for density bonuses that exceed the density bonuses required by the State Density Bonus Law is not required to amend or otherwise update its ordinance or housing program to comply with the amendments made by AB 2345.

General Plan Annual Report: Requires that a jurisdiction's General Plan annual progress report include specified information regarding density bonuses. This appears as a new section in the housing element portion of this report.

Because of the number and technicality of amendments, the amendments should be reviewed and considered carefully in relation to the prior state law as well as an individual jurisdiction's Density Bonus Law ordinance and/or program. Review of density bonus law may be a program under the 6th cycle housing element update.

Planning AB 725 (Wicks). AB 725 imposes new requirements for housing element updates that are required to be prepared under the already-underway 6th cycle of the Regional Housing Needs Assessment (RHNA) process. Existing RHNA requirements mandate designation of adequate overall housing sites to accommodate RHNA housing growth, as well as designation of adequate housing sites for low income and other specified subcategories of housing. AB 725 requires that cities designate sites to meet at least 25 percent of a jurisdiction's share of the regional housing need for moderate-income housing, and at least 25 percent of a jurisdiction's share of the regional housing need for above moderate-income housing. For these sites, zoning that allows at least four units of housing, but not more than 100 units per acre of housing, is required.

AB 671 and AB 139[2]. Housing elements must now promote ADUs for affordable rent and HCD must provide financial incentives. Every general plan housing element must now include, as part of its program to make adequate provision for the housing needs of all economic segments of the community, a “plan that incentivizes and promotes the creation of [ADUs] that can be offered at affordable rent ... for very low, low, and moderate-income households.” For its part, HCD is charged with developing “a list of existing state grants and financial incentives” for ADU developers and operators by the end of 2020. In practice, cities and counties will likely need to not only discuss their ADU ordinance and report on ADU development in their housing elements, but also report on what they are doing to promote affordable rental of those ADUs. ADUs may count toward fulfilling RHNA requirements.

AB 1255 Information and Reporting Requirements. Under existing law, counties are required to establish a central inventory of all surplus government property located in the county. AB 1255 amends the Government Code to extend this obligation to cities. It requires that on or before Dec. 31 of each year, each county and city create an inventory of surplus land (land no longer necessary for the agency’s use) and excess land (land in excess of the agency’s foreseeable needs) within its jurisdiction. Upon request, the agencies are required to make the inventory available to a citizen, limited dividend corporation or nonprofit corporation free of charge. For each site identified in the inventory, the agency must provide a description of the parcel, its present uses, and report that information to HCD before April 1 of each year. HCD must then report that information to the Department of General Services for inclusion in an inventory of all state-owned parcels that are in excess of state needs.

SB 6. Similar to AB 1255, requires the Department of General Services (DGS) to develop and host a publicly available database on its website that lists the “inventory sites” that local agencies have identified as suitable and available for residential development in their respective housing elements. Under existing law — including, specifically, Housing Element Law Section 65583(a)(3) — these inventory sites are required to be included in each local agency’s housing element. SB 6 requires local agencies to prepare their respective inventory sites consistent not only with existing law, but also with standards, form, and definitions adopted by HCD. SB 6 further authorizes HCD to adopt, amend and repeal these standards, forms, and definitions to implement Housing Element Law section 65583(a).

AB 686. AB 686 created new requirements for all state and local agencies to ensure that their laws, programs, and activities affirmatively further fair housing, and that they take no action inconsistent with this obligation. AB 686 also requires housing elements to include a program that promotes and affirmatively furthers fair housing opportunities throughout the community for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (FEHA), Government

Code Section 65008, and any other state and federal fair housing and planning law. Additionally, all housing elements due on or after January 1, 2021, must contain an Assessment of Fair Housing (AFH) consistent with the core elements of the analysis required by the federal Affirmatively Furthering Fair Housing (AFFH) Final Rule of July 16, 2015. Many important terms relevant to the AFH are defined in HUD's 2015 AFFH Rule. The housing element land inventory and identification of sites must be consistent with a jurisdiction's duty to AFFH and the findings of its AFH. Under state law, affirmatively further fair housing means "taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics."

Conclusion

Lakewood will continue to face new opportunities and challenges over the next several years because of changes in the economy, the demand for housing, and addressing various other challenges. From the time of its adoption in November 1996, implementation of the Lakewood Comprehensive General Plan has continued to successfully guide improvements to Lakewood's neighborhoods, parks, and businesses.

D I V I D E R S H E E T

COUNCIL AGENDA

March 23, 2021

TO: The Honorable Mayor and City Council

SUBJECT: Measure L Citizens Oversight Committee Meeting #2 Report

INTRODUCTION

Measure L included a requirement that an advisory committee be created to review, on a semi-annual basis, the City's expenditure and revenues generated by the measure. On January 28, 2020, the City Council adopted Ordinance No. 2020-2 establishing the Citizens Oversight Committee (Committee).

STATEMENT OF FACT

The Committee is comprised of five residents appointed by the City Council that represents key stakeholder groups, and two members representing the Greater Lakewood Chamber of Commerce and a service organization. Members include Bradlee Carihfield of the Greater Lakewood Chamber of Commerce, Cassandra Chase of the Lakewood Jaycees, Crystal Jones-Duncan representing senior groups, Cindy Jarvis representing youth groups, Ron Piazza representing business groups, Mina Carrasco representing Neighborhood Watch and Jeannie Clark being an at-large member. Council Members Steve Croft and Vicki Stuckey served as the City Council liaisons as members of the City Council's Audit Committee.


The Committee held its second meeting on March 17, 2021. The Committee adopted bylaws and elected a chair (Mr. Carihfield) and vice chair (Ms. Jones-Duncan). City staff provided an overview of financial information relating to sales tax distribution and projected versus received Measure L revenues received to date, discussed the difference between a city budget and the Comprehensive Annual Financial Report (CAFR), and reviewed in detail the recently adopted capital improvement program that is made possible by funds from Measure L.

As a reminder to the public, committee documents including agendas, staff reports, meeting minutes and slideshow presentations are accessible through the committee's website at www.lakewoodcity.org/MeasureLCOC.

RECOMMENDATION

It is recommended that the City Council receive and file this report.

Paolo Beltran **PB**
Deputy City Manager


Thaddeus McCormack
City Manager

D I V I D E R S H E E T

Housing Successor

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
FUND SUMMARY 3/10/2021**

In accordance with section 2521 of the Lakewood Municipal Code there is presented herewith a summary of obligations to be paid by voucher 402 through 402. Each of the following demands has been audited by the Director of Administrative Services and approved by the City Manager.

3901	HOUSING SUCCESSOR AGENCY	3,700.00
		<hr/>
		3,700.00

Council Approval

Date

City Manager

Attest

City Clerk

Director of Administrative Services

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
SUMMARY CHECK REGISTER**

<u>CHECK #</u>	<u>CHECK DATE</u>	<u>VEND #</u>	<u>VENDOR NAME</u>	<u>GROSS</u>	<u>DISC.</u>	<u>CHECK AMOUNT</u>
402	03/11/2021	2177	SINDAHA SAMIR	3,700.00	0.00	3,700.00
Totals:				<u>3,700.00</u>	<u>0.00</u>	<u>3,700.00</u>