

AGENDA
REGULAR CITY COUNCIL MEETING
COUNCIL CHAMBERS
5000 CLARK AVENUE
LAKEWOOD, CALIFORNIA

October 24, 2023

ADJOURNED MEETING:

6:00 p.m.

NORTH CITY HALL OFFICE IMPROVEMENTS –

EXECUTIVE BOARD ROOM

Staff recommends the City Council appropriate \$850,000 from the General Fund for City Hall Office Improvements from the Measure L reserve for Capital Improvements; authorize staff to negotiate and execute a change order to Empire Design and Build, in the amount of \$522,250; authorize staff to issue purchase order to D & R Office Works for additional furniture, in the amount of \$198,000; and authorize additional project contingency of \$130,000.

LAKEWOOD EQUESTRIAN CENTER MANAGEMENT AND OPERATIONS

CALL TO ORDER

7:30 p.m.

INVOCATION: Dr. Fardad Mogharabi, Spiritual Assembly of the Baha'is of Lakewood

PLEDGE OF ALLEGIANCE: Scout Troop 4513

ROLL CALL: Mayor Ariel Pe
Vice Mayor Todd Rogers
Council Member Cassandra Chase
Council Member Steve Croft
Council Member Jeff Wood

ANNOUNCEMENTS AND PRESENTATIONS:

Presentation by Captain Dan Holguin, Lakewood Sheriff's Station, Regarding Quarterly Public Safety Report

ROUTINE ITEMS:

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

RI-1 MEETING MINUTES - Staff recommends City Council approve Minutes of the Meetings held July 25, August 22, September 12, September 26, and October 10, 2023

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

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

RI-4 CITY COUNCIL COMMITTEES' ACTIVITIES - Staff recommends City Council receive and file the report.

City Council Agenda

October 24, 2023

Page 2

ROUTINE ITEMS: - Continued

- RI-5 MONTHLY REPORT OF INVESTMENT TRANSACTIONS - SEPTEMBER 2023 - Staff recommends City Council receive and file the report.
- RI-6 QUARTERLY SCHEDULE OF INVESTMENTS AS OF SEPTEMBER 30, 2023 - Staff recommends City Council receive and file report.
- RI-7 APPROVAL OF AGREEMENT WITH KILEY AND ASSOCIATES FOR FEDERAL GOVERNMENTAL RELATIONS SERVICES – Staff recommends City Council authorize the City Manager or his designee to enter into an agreement with Kiley and Associates for FY 2023-24 in the amount of \$45,000 for Federal governmental relations services.
- RI-8 RATIFY PURCHASE OF BUCKET TRUCK - Staff recommends the City Council appropriate \$31,477 from the General Fund for purchase of bucket truck and associated costs for installation of aerial lift; and ratify the purchase of 2023 Ford F-550 bucket truck from Santa Margarita Ford, in the amount of \$198,337.47.
- RI-9 LAKEWOOD EQUESTRIAN CENTER MANAGEMENT AND OPERATIONS- Staff recommends the City Council authorize the Mayor to execute the Professional Services Agreement with D. Joy Gould dba Hacienda Sosegado LLC to serve as the Lakewood Equestrian Center Manager at a contract rate of subject to approval of City Attorney as to form. The term of the agreement is 18 months commencing November 1, 2023 and terminating on April 30, 2025, at a contract rate not to exceed \$21,673 per month and not to exceed \$390,114 for total term of agreement; appropriate \$1,075,991 from General Fund for annual expenses to manage and operate the Lakewood Equestrian Center: \$70,500 for startup expenses; \$208,384 for contractual services; \$100,767 for part-time personnel; \$152,640 for utilities, trash, manure and internet services; \$543,700 for special supplies; and instruct Administrative Services to create revenue and expense accounts for the Lakewood Equestrian Center with the requested fund and revenue estimates as recommended in report.

LEGISLATION:

- 2.1 RESOLUTIONS FOR THE 2024 GENERAL MUNICIPAL ELECTION CALLING THE ELECTION, RESOLUTION NO. 2023-66; REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO CONSOLIDATE ELECTION, RESOLUTION NO. 2023-67; AND ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE, RESOLUTION NO. 2023-68 - Staff recommends City Council adopt proposed resolutions.

REPORTS:

- 3.1 APPROVAL OF CHANGE ORDER NO. 1 TO ALL CITIES ENGINEERING INC., TO INSTALL PVC PIPE IN SANDWOOD STREET AS PART OF THE FY 2024 WATER MAIN REPLACEMENT PROJECT - Staff recommends the City Council approve Change Order No. 1 to All Cities Engineering Inc., in the amount of \$433,420 to install 1,360 feet of 8" PVC pipe in Sandwood Street between Levelside Avenue and Downey Avenue and authorize staff to issue corresponding change order.
- 3.2 QUARTERLY BUDGET REPORT OF MAJOR FUNDS AS OF SEPTEMBER 30, 2023 - Staff recommends City Council receive and file the report.
- 3.3 2023 HALLOWEEN CARNIVALS PREVIEW – Staff recommends City Council receive and file the report.

City Council Agenda

October 24, 2023

Page 3

WRITTEN COMMUNICATIONS:

CORRESPONDENCE FROM THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT REGARDING APPOINTMENT OF CITY REPRESENTATIVE - Staff recommends City Council appoint City's representative to Greater Los Angeles County Vector Control District Board of Trustees.

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

October 24, 2023

TO: The Honorable Mayor and City Council

SUBJECT: North City Hall Office Improvements

INTRODUCTION

The carpet and furniture at City Hall are aging and are past due for replacement. Council authorized the on-call architect, Dahlin Group, to generate a phased masterplan for the interior carpet and furniture renovation of the City Hall offices on February 14, 2023. Now that work is wrapping up on the Counter Improvements at Community Development and Public Works, we have an opportunity to issue a change order to the contractor in order to continue improvements on the north side of City Hall, specifically the lobby, the remaining portions of Community Development and the Administrative Services department. The contractor would keep the competitively bid pricing from the original contract.

STATEMENT OF FACT

After Measure L passed, the CIP Committee programmed four sites for major improvements, estimated at \$3,000,000 to \$4,000,000 each. The four sites were Palms Park Community Center, the Nixon Yard, Bolivar Park, and Del Valle Park. The city is in the process of completing design work on Palms Park Community Center and construction is anticipated to begin in 2024. Although originally not identified as one of the first four projects, Weingart Senior Center is also anticipated to utilize Measure L funds to supplement CDBG expiring funds and is scheduled to begin construction in 2024. Staff began investigative work for the Nixon Yard and has identified challenges that will delay improvements at that site, and it was recommended that funds identified for the Nixon Yard renovation shift to fund the remainder of City Hall improvements and Council Chambers, while staff continues to investigate solutions for the Nixon Yard remodel.

Staff has received several requests for carpet and furniture replacements in the last several years. The last time City Hall was renovated with new carpet and furniture was in 1983. In order to maintain city services to the public, it is impractical to shut down City Hall for a comprehensive remodel and therefore staff has recommended completing improvements in phases by department. To assist with the planning, Council authorized the on-call architect, Dahlin Group, to generate a phased master plan for the interior carpet and furniture renovation of City Hall on February 14, 2023.

On May 23, 2023, City Council awarded the bid for the first phase of the project Civic Center counter improvements at the Community Development and Public Works counter in the amount of \$391,000 (inclusive of contingency) to contractor Empire Design and Build. The work generally consisted of site demolition, new public counter and associated cabinetry, storage cabinetry, carpet installation, existing storefront modifications, electrical/data/telephone modifications, drywall finishing/painting and miscellaneous related improvements required by the contract documents. Five (5) change orders have been issued to date in an additional \$52,165 added to the contract amount, resulting in a revised contract amount of \$378,164.63. The change orders include a no-cost change order for asbestos removal (which extended the contract by 5 days), painting of additional offices, electrical re-routing which was required when an unknown high-powered electrical conduit was discovered under the old counter after demolition, additional accent and trim paint, and change of cove base from 4" to 6". The work has been substantially completed and only punch list items remain.

As a result of the new improvements, areas immediately adjacent to the completed work were noticeably outdated in comparison to the new counter area and the lobby specifically looked unfinished. Therefore, as the next phase, staff considered adjacent portions of City Hall that are in need of improvements, including new paint, carpet and furniture, specifically on the north side of City Hall. This would include the lobby, the Administrative Services department, and the remaining portion of the Community Development department. Staff has worked with our on-call architect, Dahlin Group, to develop a schematic design for the potential improvements in these spaces. The departments have largely outgrown the existing layouts and are overcrowded in their spaces. The new furniture layouts would be more efficient and would provide better working conditions for the staff in those departments. The work would also include some changes to interior walls, as well as to the rusting and a degraded storefront on the North side of City Hall, to create new office space in both Administrative Services and Community Development. The advantage of utilizing a change order for the work is that the Contractor would keep the competitive bid pricing and can work off the schematic drawing set instead of a full set of plans and specifications which would be required for a public bid. This saves the city both time and money, as by the time the work was designed with a bid set and put out to bid, economic escalation is expected to increase the total cost. In addition, the finishes will be consistent by utilizing the same materials for the adjacent spaces, including both the Administrative Services front counter and the CD/PW counter. This also will allow staff to utilize the logistical staging of staff and equipment established during the first phase of construction.

Staff then sought out Rough-Order of Magnitude pricing for the additional work from the contractor Empire Design and Build, as well as the furniture supplier, D and R Office Works. The estimate for the additional building improvements from Empire Design and Build is approximately \$522,250. The ROM for the furniture is approximately \$198,000. With a 25% (\$130,000) contingency, the approximate total cost for all additional improvements will be \$850,250. Staff recommends a larger contingency because of the unknowns of renovating an aged building.


Change Order	
Admin/CD Office	\$ 522,250.00
Furniture	\$ 198,000.00
25% Contingency	\$ 130,000.00
	\$ 850,250.00

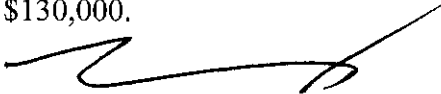
Staff is requesting authorization to negotiate final pricing and execute a change order for the additional scope on the contract with Empire Design and Build and authorization to purchase additional furniture for the two departments, as well as increasing contingency to allow for unknowns during construction. As a result, staff recommends appropriating an additional \$850,250 in Measure L funds to cover the cost of the additional work by Empire Design and Build, a construction contingency for unknowns, as well as the furniture for the Administrative Services Department and the remaining portion of Community Development.

RECOMMENDATION

Staff recommends that the City Council:

- (1) Appropriate funds for City Hall Office Improvements (\$850,000) to account 10109922.58800.70131 from the reserve for Capital Improvements from Measure L;
- (2) Authorize staff to negotiate and execute a change order to Empire Design and Build, in the amount of \$522,250;
- (3) Authorize staff to issue a purchase order to D & R Office Works for the additional furniture, in the amount of \$198,000;
- (4) Authorize an additional project contingency of \$130,000.

Kelli Pickler 
Director of Public Works


Thaddeus McCormack
City Manager

DIVIDER SHEET

COUNCIL AGENDA

October 24, 2023

TO: The Honorable Mayor and City Council

SUBJECT: Lakewood Equestrian Center Management and Operations

INTRODUCTION

Before the City Council is a report on the future management and operation of the Lakewood Equestrian Center (LEC) and a request to approve contractual agreements and funding to provide continuity in services for horse boarding, care and training; horse riding lessons; and equestrian activities, which invite the greater Lakewood community to engage in equine and outdoor education. This report also details past and current management of the LEC and the circumstances, which have contributed to the city's need be more directly involved in LEC operations.

STATEMENT OF FACT

The city is the owner and licensee of the LEC property, and will assume management of the equestrian center beginning November 1, 2023. The Caretaker Management Agreement with Sonya Jahn dba SJ Equestrian LLC (SJE) ends on October 31, 2023. Managing the LEC is a challenging task, made even more so because of county, state and federal regulations that must be followed and to which the city is legally bound to carry out as the owner and licensee of the LEC. To help meet all of those regulations and other complexities of running an equestrian center, the city has decided that it must take on a more direct role in the management of the LEC.

In support of the future management plan, the city will contract with D. Joy Gould dba Hacienda Sosegado to provide horse boarding care which includes daily feeding of horses in boarding and daily cleaning of boarding units. Hacienda Sosegado will also serve in a consulting role to city staff and provide customer service support to horse boarders, horse trainers and vendors at the LEC. Ms. Gould is an equestrian specialist, experienced in the day-to-day operations of managing horse stables and comes highly recommended as the current manager of the Whittier Narrows Equestrian Center.

LEC History

An equestrian facility has been on the property since 1946 when Glenn Spiller purchased the land and adorned it the Lakewood Stables. Spiller sold the property to Juan de Cordova in January 1976 and the city purchased the property from Juan de Cordova on December 28, 1979 using Land and Water Conservation Funds. Mr. de Cordova continued managing the LEC until the city's lease agreement began with Sandie Mercer Ranch, Inc. in May of 1987.

Request for Proposal and Request for Qualifying Information

From that time to October of 2020, Sandie Mercer Ranch, Inc. coordinated equestrian activities and boarding facilities for horses at the Lakewood Equestrian Center (LEC). Anticipating the end of the contractual agreement between the city and Sandie Mercer Ranch, Inc., in 2019, the city solicited a Request for Proposals seeking an individual, company, or organization with proven equestrian management experience, equine care and maintenance expertise, and the financial ability to fund capital improvements to maintain a full service equestrian facility for public boarding, equine training, and recreational uses. The city offered a long-term lease option in hopes of enticing a qualified lessee to invest in the facility and have the time to realize a fair market return on their investment.

The result of that process did not conclude with finding an entity that met the required qualifications the city sought after. The city did receive several proposals from individuals interested in continuing existing programs and facilities, but not having the capital needed for necessary facility improvements. The lack of interest for a private investment in exchange for a long-term lease was due to several factors. The LEC is encumbered with a Southern California Edison (Edison) right-of-way for electrical towers and power lines down the middle of the property and Edison will only provide the city with a license agreement in five-year increments and has restricted the type of uses that can be made under the utility's lines. The facility also lacked quality maintenance and an investment in capital improvements over the three decades it was operated by Sandie Mercer Ranch, Inc. The deferred maintenance of the LEC during this time resulted in extraordinary estimated expenses for capital improvements to bring the facility up to safety standards and building and safety codes and provide the type of horse boarding stalls, barns, arenas, and equestrian amenities necessary to successfully operate a full-service equestrian center.

While the city did receive interest from qualified investors, none submitted a proposal indicating concerns that their investment would not be returned due to Edison's restricted use of the site; cost of capital improvements; and the fact that the facility is on public property and subject to the California Public Contract Code and prevailing wage requirements. Additionally, the competitive market rates charged for boarding and training proved to be insufficient to cover the costs of operations and provide a return on capital investment.

Failing to receive a proposal for private investment in exchange for a long-term lease, beginning November 1, 2020, the city decided to enter into an interim caretaker management agreement with SJE. This agreement maintained existing services and programs offered at the LEC and gave the city time to make critical improvements so that the facility met safety, building, and environmental codes. All the while, the City continued its quest for a long-term lessee and private investment in the facility by publishing a Request for Qualifications and Interest (RFQI). The RFQI was marketed on a local, state and national level through equestrian industry magazines and newsletters for six months allowing potential responders sufficient time to research the facility and determine their interest. This period was congruent with the city's timed progress report with the interim caretaker and provided the city adequate time to explore other options should the RFQI fail to yield desired results.

Responses to the RFQI were due to the city in May 2021, with no success in garnering a proposal, which matched the city's interest. In fact, only one proposal was received and it was received past the advertised due date. Staff reviewed the proposal despite its late submission and determined that the proposal did not demonstrate the ability to invest in the capital improvements needed at the facility and the proposer's terms were not congruent with the best interest of the city.

SJ Equestrian LLC.

Extending the terms and conditions of the Interim Caretaker Management Contract for Lakewood Equestrian Center, SJE continued to manage the equestrian activities and boarding facilities for horses at the Lakewood Equestrian Center. The 19-acre facility operates seven days a week from dawn to dusk to serve the local equine community along with neighborhood youth groups. The equestrian center's primary functions are horse boarding, horse training and providing riding lessons. There are approximately 150 horses currently boarded at the facility. Through sub-contracted services, the equestrian center also offers a petting zoo, pony rides, camps, birthday parties and youth education in equine care.

Given the known challenges of managing a private entity on public property, the complexities of adhering to the contractual requirements of the Edison License Agreement and the difficulties of securing a long-term lessee, the city will assume managerial and administrative oversight of the LEC at the conclusion of the current agreement with SJE.

LEC Management and Operation

The city will invite all current LEC personnel, equestrian trainers and vendors to continue serving the LEC community. Most of all the current boarding rates and the cost for feed will remain in place for the first six months of the city's management. Staff will assess and propose rate adjustments following a six-month analysis of all revenue and expenses.

City staff are actively preparing to take on the management and operations of the LEC. Newly drafted agreements for horse boarding, horse training and vendors are being developed. Part-time city employees are being recruited and trained to assist with administrative and maintenance task. The need for equipment and supplies are being identified and purchased. Vendor accounts are being set up with equine suppliers, utility companies and contractors to perform specialized work.

Staff will continue to keep the LEC community informed by hosting quarterly user meetings including an initial information meeting on Wednesday, October 25. The upcoming meeting will update all current users at the LEC of the roles and responsibilities of the city, Hacienda Sosegado and current users beginning November 1, 2023.

Financial Impact

Using the average boarding occupancy numbers and rates, trailer parking fees collected and revenue share from the petting zoo and pony ride operation, the city estimates revenue totals for the remaining eight months of the current fiscal year to be approximately \$1,024,760.

As the city assumes its leadership, startup expenses are estimated at \$70,500. Items to be purchased include maintenance supplies, office furniture, facility signage, a utility vehicle, a storage bin, security cameras, and other miscellaneous supplies such as employee uniforms.

Estimated expenses also include contracted services to be provided by Hacienda Sosegado. Hacienda Sosegado will bill the city semi-monthly for their professional services depending on the number of horses in boarding. The city will enter into an agreement with Hacienda Sosegado beginning November 1, 2023, for an eighteen-month period ending April 30, 2025, at a contracted rate not to exceed \$390,114 for the total eighteen-month term of the agreement. The expense for services from Hacienda Sosegado for the remaining eight months of the current fiscal year is \$173,384.

Additional expenses for the remaining eight months of the current fiscal year are tabled below.

Contracted Skilled Trade Work	\$35,000
City Part-time Personnel	\$100,767
Utilities and Contract Services for trash and manure removal	\$ 152,640
*Edison License Agreement	\$42,788.73
Special Supplies including feed, shavings, fuel and rental of portable restroom	\$543,700

*The city's expense for the Southern California Edison License Agreement is approved in the current fiscal year's budget and due to Edison on January 1, 2024. Staff will reassign these funds to the expense account created for the city's management of the Lakewood Equestrian Center. No additional funds need approval to fulfill this obligation.

The estimated expenditures for the city's management of the LEC do not account for any planned capital improvement projects including, but not limited to: tack shed and locker replacement; horse boarding stall replacement; new fencing for horse riding arenas; new paved driveways; and annual maintenance of the footing in each of the nine arenas. The financial investment needed to fund capital improvement projects at the LEC requires a facilities condition assessment conducted by a qualified business entity who has an expertise in equestrian facility design, construction and maintenance.

Absent the city's startup expenses, the total estimated operating expenses for the city to manage and operate the LEC is approximately \$1,048,279.73 for the remaining eight months of the current fiscal year. Although, the estimated expenditures depict a shortfall of \$23,519.73, continuity of service at the LEC is a goal.

SUMMARY


SJ Equestrian, LLC was as a good partner with the city, serving as the caretaker of the Lakewood Equestrian Center since November 1, 2020. Given the known challenges of managing a private entity on public property, the complexities of adhering to the contractual requirements of the Southern California Edison License Agreement and the difficulties of securing a long-term lessee, the city will assume managerial and administrative oversight of the LEC beginning November 1. City staff intend to work cooperatively with the LEC community to provide horse boarding, equestrian training and opportunities for the public to participate in equestrian activities.

RECOMMENDATION

Staff recommends that the City Council:

1. Authorize the Mayor and the City Clerk to execute the Professional Services Agreement with D. Joy Gould dba Hacienda Sosegado LLC to serve as the Lakewood Equestrian Center Manager at a contract rate of subject to approval of the City Attorney as to the form. The term of the agreement is 18 months commencing November 1, 2023 and terminating on April 30, 2025 at a contract rate not to exceed \$21,673 per month and not to exceed \$390,114 for the total term of the agreement.
2. Appropriate \$1,075,991 from the General Fund for annual expenses to manage and operate the Lakewood Equestrian Center: \$70,500 for startup expenses; \$208,384 for contractual services; \$100,767 for part-time personnel; \$152,640 for utilities, trash, manure and internet services; \$543,700 for special supplies.
3. Instruct Administrative Services to create revenue and expense accounts for the Lakewood Equestrian Center with the requested fund and revenue estimates as recommended in the report.

Valarie Frost, Director 
Recreation & Community Services


Thaddeus McCormack
City Manager

**PROFESSIONAL SERVICE AGREEMENT
WITH D. JOY GOULD DBA HACIENDA SOSEGADO, LLC
FOR LAKEWOOD EQUESTRIAN CENTER**

This professional service agreement ("Agreement") is made and effective as of October 24, 2023, between City of Lakewood ("City"), a municipal corporation, and D. Joy Gould, DBA Hacienda Sosegado, LLC ("Contractor"), with reference to the following facts:

- A. City is the owner and licensee of the certain real property located at 11369 East Carson Street, Lakewood, California 90715 and commonly referred to as the Lakewood Equestrian Center.
- B. The Lakewood City Council has authorized and approved use of the property for equestrian recreation uses including horse boarding and equine activities.
- C. This Agreement is not a lease of Premises, and has no real property interest or possessory interest value. The purpose of this Agreement is to provide management services of the approved uses at the Lakewood Equestrian Center under the direction of City.

NOW, THEREFORE, City, for and in consideration of the performance of the covenants and agreements hereinafter contained, to be kept and performed by Contractor, and upon the following terms and conditions, hereby contracts with Contractor to manage facility operations, subject to the following terms and conditions:

1. **TERM.** This Agreement shall commence on November 1, 2023, and shall remain and continue in effect until tasks described herein are completed, but in no event later than April 30, 2025 unless sooner terminated pursuant to the provisions of this Agreement.
2. **SERVICES.** In response to City's request for an equestrian center manager, Contractor shall perform the tasks described and set forth in City's Equestrian Center Manager Scope of Work ("Scope of Work"), attached hereto as [Exhibit A] and incorporated herein as though set forth in full.
3. **PERFORMANCE.** Contractor shall furnish and use, at Contractor's own expense, all labor, equipment and materials necessary for the satisfactory performance of the work set forth in this Agreement. Contractor shall at all times faithfully, competently, and to the best of Contractor's ability, experience, and talent, perform all tasks described herein. Contractor shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Contractor hereunder in meeting Contractor's obligations under this Agreement.
4. **CITY REPRESENTATIVE.** City's Recreation and Community Services Department Director shall represent City in all matters pertaining to the administration of this Agreement, review and approve all products submitted by Contractor, but not including the authority to enlarge Scope of Work or change the compensation due to Contractor. City's Recreation and Community Services Department Director shall be authorized to act

on City's behalf and to execute all necessary documents which enlarge Scope of Work or change Contractor's compensation, subject to Section 5 hereof.

5. PAYMENT.

A. City agrees to pay Contractor on a semi-monthly pay schedule providing two payments per month. Distribution of payments is based upon completion of Scope of Work, in accordance with Contractor's Fee for Required Services, at a monthly rate as described below:

- Less than 100 horses in boarding care = \$14,825 per month
- 101 to 119 horses in boarding care = \$17,108 per month
- 120 to 139 horses in boarding care = \$19,391 per month
- Above 140 horses in boarding care = \$21,673 per month

This amount shall not exceed \$390,114 for the total term of the Agreement unless additional payment is approved as provided in this Agreement.

B. Contractor shall not be compensated for any services rendered in connection with Contractor's 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 City. Contractor shall be compensated for any additional services in the amounts and in the manner as agreed to by City and Contractor at the time City's written authorization is given to Contractor for the performance of said services.

C. Contractor shall submit an invoice for actual services performed. Invoice shall be submitted as soon thereafter as practical, for services provided. Payment shall be made within seven (7) days of receipt of invoice as to all non-disputed fees. If City disputes any of Contractor's fees, it shall give written notice to Contractor within seven (7) 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 therefore.

6. TERMINATION OF AGREEMENT.

A. Except as otherwise provided herein below, either party may terminate this Agreement, or any portion hereof, by serving written notice of termination upon the other party at least ten (10) days prior to the date of termination. Upon receipt of said notice, Contractor shall immediately cease all work under this Agreement, unless the notice provides otherwise. If City terminates a portion of this Agreement, such termination shall not make void or invalidate the remainder of this Agreement.

B. In the event this Agreement is terminated pursuant to this section, City shall pay to Contractor the actual value of the work performed up to the time of termination, less any disputed amounts. Upon termination of the Agreement pursuant to this section, Contractor will submit an invoice to City as provided herein above.

7. DEFAULT.

A. Either party's failure to comply with the provisions of this Agreement shall constitute a default. In the event that either party is in default for cause under the terms of this Agreement, the affected party shall promptly notify the deficient party of such default and following such notice shall have no obligation or duty to continue compensating or providing any work after the date of default and can

terminate this Agreement immediately by written notice to the other party. If such failure hereunder arises out of causes beyond either party's control, and without fault or negligence, it shall not be considered a default.

- B. If City determines Contractor is in default in the performance of any of the terms or conditions of this Agreement, City shall cause to be served upon Contractor a written notice of the default. Contractor shall have ten (10) days after service of default notice to cure the default as directed by City in the notice of default. In the event Contractor fails to cure Contractor's default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. OWNERSHIP OF DOCUMENTS.

- A. Contractor shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Contractor 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. Contractor shall provide free access to City at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, 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. In the event of termination of this Agreement, copies of all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of City and may be used, reused, or otherwise disposed of by City without the permission of Contractor. With respect to computer files, Contractor shall make available to City, at Contractor's office and upon reasonable written request by City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Contractor hereby grants to 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 Contractor in the course of providing the services under this Agreement.

9. INDEMNIFICATION AND DEFENSE.

- A. **Indemnification.** To the fullest extent permitted by law, Contractor shall indemnify and hold harmless City and any and all of its officials, 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 negligent or wrongful act, error or omission of Contractor, Contractor's officers, agents, employees or subcontractors (or any City or individual that Contractor shall bear the legal liability thereof) in the

performance of services under this Agreement. Contractor's duty to indemnify and hold harmless City shall not extend to City's sole or active negligence or willful misconduct.

- B. **Duty to defend.** In the event the Indemnified Parties, individually or collectively, are made a party to any action, lawsuit, or other adversarial proceeding arising from the performance of the services encompassed by this Agreement, and upon demand by City, Contractor shall defend the Indemnified Parties at Contractor's cost or at City's option, to reimburse City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters to the extent the matters arise from, relate to or are caused by Contractor's negligent acts, errors or omissions. Payment by City is not a condition precedent to enforcement of this provision. In the event of any dispute between Contractor and City, as to whether liability arises from the sole or active negligence or willful misconduct of City or its officers, employees, or agents, Contractor will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the Indemnified Parties as solely or actively negligent or to have acted with willful misconduct. Contractor 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.** Contractor shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in [Exhibit B] attached herewith and incorporated herein by this reference as though set forth in full.

11. **INDEPENDENT CONTRACTOR.**

- A. Contractor is and shall at all times remain as to City, a wholly independent contractor. The personnel performing the services under this Agreement on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Contractor or any of Contractor's officers, employees, or agents, except as set forth in this Agreement. Contractor shall not at any time or in any manner represent that it or any of Contractor's officers, employees, or agents are in any manner officers, employees, or agents of City. Contractor shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.
- B. No employee benefits shall be available to Contractor in connection with the performance of this Agreement. Except for the fees paid to Contractor as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Contractor and/or Contractor's employees for performing services hereunder for City. City shall not be liable for compensation or indemnification to Contractor for injury or sickness to Contractor's employee(s) arising out of performing services hereunder.

12. **LEGAL RESPONSIBILITIES.** Contractor shall keep informed of local, state, and federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of Contractor's service pursuant to this Agreement. Contractor

shall at all times observe and comply with all such laws and regulations. City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of Contractor to comply with this section.

13. **UNDUE INFLUENCE.** Contractor declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of 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 City has or will receive compensation, directly or indirectly, from Contractor, or from any officer, employee, or agent of Contractor, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this section shall be a material breach of this Agreement entitling City to any and all remedies at law or in equity.
14. **NO BENEFIT TO ARISE TO CITY EMPLOYEES.** During Contractor's tenure and for one year thereafter, no member, officer, or employee of City, or Contractor's designees or agents, and no public official who exercises authority over or responsibilities with respect to the services under this Agreement shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the services performed under this Agreement.
15. **RELEASE OF INFORMATION/CONFLICTS OF INTEREST.**
 - A. All information gained by Contractor in performance of this Agreement shall be considered confidential and shall not be released by Contractor without City's prior written authorization. Contractor, Contractor's officers, employees, agents, or subcontractors, shall not without written authorization from City or unless requested by City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within City. Response to a subpoena or court order shall not be considered "voluntary" provided Contractor gives City notice of such court order or subpoena.
 - B. Contractor shall promptly notify City should Contractor, Contractor's officers, employees, agents, or subcontractors be served with any summons, complaint, subpoena, 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 work performed thereunder or with respect to any project or property located within City, unless City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Contractor is prohibited by law from informing City of such Discovery. City retains the right, but has no obligation, to represent Contractor and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Contractor in such proceeding, Contractor agrees to cooperate fully with City and to provide the opportunity to review any response to Discovery requests provided by Contractor. However, City's right to review any

such response does not imply or mean the right by City to control, direct, or rewrite said response.

16. ASSIGNMENT.

- A. Contractor shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of City. Due to the personal nature of the services to be rendered pursuant to this Agreement, only Contractor shall perform the services described in this Agreement.
- B. Before retaining or contracting with any subcontractor for any services under this Agreement, Contractor shall provide City with the identity of the proposed subcontractor, a copy of the proposed written contract between Contractor and such subcontractor which shall include an indemnity provision identical to the one provided herein identifying City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subcontractor carries insurance at least equal to that required by this Agreement or obtain a written waiver from City for such insurance.

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

Contractor agrees to provide City with current copies of said licenses and permits and with copies as they are renewed.

18. GOVERNING LAW. City and Contractor 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 City.

19. 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, are merged into this Agreement and 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.

20. SEVERABILITY. Any part, provision, or representation of this Agreement or any of its exhibits, including, but not limited to [Exhibit B], which is held to be invalid, void or unenforceable by a court of competent jurisdiction, shall be limited to that part, provision or representation and all other parts, provisions, or representations herein shall remain in full force and effect.

21. **AUTHORITY TO EXECUTE THIS AGREEMENT.** The person or persons executing this Agreement on behalf of Contractor warrants and represents that they have the authority to execute this Agreement on behalf of Contractor and have the authority to bind Contractor to the performance of Contractor's obligations hereunder.

DRAFT

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

To CITY: City of Lakewood
Attention Director of Recreation and Community Services
5050 Clark Avenue, Lakewood, CA 90712

To CONTRATOR: D. Joy Gould DBA Hacienda Sosegado, LLC
23746 California Avenue
Hemet, CA 92545

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

CITY OF LAKEWOOD

MAYOR

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

D. Joy Gould DBA, Hacienda Sosegado, LLC

By _____

Title

Attachments:

Exhibit A – Equestrian Center Manager Scope of Work
Exhibit B - Insurance Requirements

**PROFESSIONAL SERVICE AGREEMENT
WITH D. JOY GOULD DBA HACIENDA SOSEGADO, LLC
EQUESTRIAN CENTER MANAGER**

**EXHIBIT A
EQUESTRIAN CENTER MANAGER SCOPE OF WORK**

POSITION: Equestrian Center Manager - Contractor

DEPARTMENT: Recreation and Community Services

REPORTS TO: Director of Recreation and Community Services

SUMMARY: The Lakewood Equestrian Center is a 19-acre facility where equestrian enthusiasts participate in a variety of activities, including riding lessons, horse training and a petting zoo. The Lakewood Equestrian Center is open 7 days a week from dawn to dusk and serves the local equine community along with neighborhood youth groups. The facility offers a variety of unique services for both rider and horse. The equestrian center's primary functions are boarding and training horses and providing riding lessons.

DUTIES and RESPONSIBILITIES:

- ✓ Meet with the Director of Recreation and Community Services weekly to discuss facility operations
- ✓ Assist with the development of horse boarding, trailer parking, equine training and vendor contracts and rates
- ✓ Assist with the development of procedures for billing and accounts receivables for horse boarding, trailer parking, equine training and vendor contracts
- ✓ Assist city staff with measuring and relabeling each boarding unit
- ✓ Assist with the development of rules for all areas within the facility to ensure the safety of users and visitors
- ✓ Assist with the development for procedures for businesses coming onto the facility to provide specialized services, including but not limited to veterinarian and farrier services
- ✓ Assist with a schedule for use of riding rings, arenas and turnouts by horse boarders and equine trainers
- ✓ Assist with the development of new facility signage, including new signage for all horse boarding units
- ✓ Assist with the implementation of purchasing agreements with suppliers for quality hay and feed, bedding and necessary equine supplies deemed necessary for facility operations
- ✓ Assist with the development of facility rules for boarders, vendors, businesses and the public
- ✓ Assist with the development of a security plan for the facility
- ✓ Assist with the managerial oversight of boarding, trailer parking, equine training and vendor contracts
- ✓ Assist with verification of billing for all services provided at the facility and accounts receivable
- ✓ Assist with the management of the City's approved budget for supplies, equipment and facility repair
- ✓ Provide the personnel and equipment necessary to ensure the day-to-day cleaning and maintenance of all horse boarding units, including waterers and feeding buckets

- ✓ Recruit, hire, train, schedule, supervise and evaluate contracted staff performing day-to-day cleaning and maintenance of all boarding units
- ✓ Follow federal, state, and local laws when it comes to managing employees and maintaining a safe work environment.
- ✓ Ensure for the health and welfare of all animals through an effective health process for boarders and those coming into the facility for day use
- ✓ Develop standards for vaccination of animals boarded at the facility as well as quarantine protocols for any sick animals
- ✓ Provide written and verbal reports to Director of Recreation and Community Services issues and concerns related to the health and safety of the horses in boarding at the facility
- ✓ Ensure efficient disposal of all waste in compliance with governmental regulations
- ✓ Serve as the initial point of contact for users associated with horse boarding, trailer parking, equine training and/or vendors at the facility
- ✓ Provide customer service to the general public, responding to inquiries and answering questions related to facility operations
- ✓ Respond to problems or emergency situations as they arise
- ✓ Work collaboratively with the city's office and maintenance staff
- ✓ Identify pest issues at the facility and report to maintenance staff
- ✓ Identify and report to the Director of Recreation and Community Services any safety concerns, equipment which needs repair or replacement as well as facility infrastructure in need of repair
- ✓ Maintain horse boarding records of all horses on site for which Contractor provides services
- ✓ Maintain a record of feeding, supplements, nutritional needs and/or medications necessary for all boarded horses on site for which Contractor provides services
- ✓ Obtain trailer parking records for all trailers parked on site from city staff
- ✓ Maintain a valid California driver's license for self and ensure the same of all contractor's employees who drive in the performance of their work on the facility
- ✓ Provide a monthly spreadsheet detailing the expenses due from facility users for horse boarding, trailer parking, and revenue share from approved businesses at the facility
- ✓ Provide a weekly list of supplies, to be ordered by City
- ✓ Schedule, advertise, prepare agenda and led quarterly meetings for horse boarders, trailer parking renters, equine trainers and vendors
- ✓ Confirm programs and activities occurring on the facility are approved, permitted and/or contracted by the City
- ✓ Provide recommendations for programs, activities and events to the Director of Recreation and Community Services for city approval

**PROFESSIONAL SERVICE AGREEMENT
WITH D. JOY GOULD DBA HACIENDA SOSEGADO, LLC
EQUESTRIAN CENTER MANAGER**

**EXHIBIT B
INSURANCE REQUIREMENTS**

Without limiting Contractor's indemnification of City, and prior to commencement of work and/or services under this Agreement, Contractor shall obtain, provide, and maintain at Contractor's own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City.

Commercial General Liability Insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another (e.g. the "Insured v. Insured" exclusion). Limits shall be no less than \$1,000,000 per occurrence for all covered losses and no less than \$2,000,000 general aggregate.

Commercial Equine General Liability Insurance, to the extent the Commercial General Liability policy obtained pursuant to Section 17.A. above, does not include the management of equine operations. Contractor shall procure and maintain, at Contractor's sole costs and expense, comprehensive Commercial Equine General Liability Insurance in the single limit minimum amount of \$1,000,000 per occurrence and an aggregate in the amount of \$2,000,000.

Workers' compensation insurance. Contractor shall maintain Workers' Compensation Insurance (statutory limits) and Employer's Liability insurance (with limits of at least \$1,000,000). Contractor shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its officers, agents, employees, and volunteers.

Automobile liability insurance. Contractor 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 Contractor 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.

If Contractor owns no vehicles that will be utilized in the performance of Contractor's obligations pursuant to this Agreement, the insurance requirement may be satisfied by a non-owned auto endorsement to the commercial general liability policy described above.

Professional liability (errors & omissions) insurance. Contractor shall maintain professional liability insurance that covers the services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Contractor agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this Agreement.

Other provisions and/or requirements

- 1. Proof of insurance.** Contractor shall provide certificates of insurance and required endorsements to City as evidence of the insurance coverage required herein. Insurance certificates and endorsements must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City for the contract period and any additional length of time required thereafter. City reserves the right to require complete, certified copies of all required insurance policies, at any time.
- 2. Duration of coverage.** Contractor shall procure and maintain for the contract period, and any additional length of time required thereafter, insurance against claims for injuries to persons or damages to property, or financial loss which may arise from or in connection with the performance of the Work hereunder by Contractor, Contractor's agents, representatives, employees, or subcontractors.
- 3. Primary/noncontributing.** Coverage provided by Contractor shall be primary and any insurance or self-insurance procured or maintained by 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 City before City's own insurance or self- insurance shall be called upon to protect it as a named insured.
- 4. 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, City has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by City will be promptly reimbursed by Contractor or City will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, City may cancel this Agreement.
- 5. 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 City.
- 6. Waiver of subrogation.** All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees, and volunteers or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives Contractor's own right of recovery against City and shall require similar written express waivers and insurance clauses from each of Contractor's subcontractors.

7. **Enforcement of contract provisions (non estoppel).** Contractor acknowledges and agrees that any actual or alleged failure on the part of City to inform Contractor of non-compliance with any requirement imposes no additional obligations on City nor does it waive any rights hereunder.
8. **Requirements not limiting.** Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. 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. If Contractor maintains higher limits than the minimums shown above, City requires and shall be entitled to coverage for the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.
9. **Notice of cancellation.** Contractor agrees to oblige Contractor's insurance agent or broker and insurers to provide 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. If any of Contractor's insurers are unwilling to provide such notice, then Contractor shall have the responsibility of notifying City immediately in the event of Contractor's failure to renew any of the required insurance coverages, or insurer's cancellation or non-renewal.
10. **Additional insured status.** General liability, automobile liability, and umbrella/excess liability insurance policies shall provide or be endorsed to provide that City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies.
11. **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 City and approved of in writing.
12. **Separation of insureds.** A severability of interests provision must apply for all additional insureds ensuring that Contractor'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.
13. **Pass through clause.** Contractor agrees to ensure that Contractor's subcontractors and any other party who is brought onto or involved in the project/service by Contractor, provide the same minimum insurance coverage and endorsements required of Contractor under this Agreement. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. However, in the event Contractor's subcontractor cannot comply with this requirement, which proof must be submitted to City, Contractor may still be able to utilize the subcontractor provided Contractor shall be required to ensure that Contractor's subcontractor provide and maintain insurance coverage and endorsements

sufficient to the specific risk of exposure involved with subcontractor's scope of work and services, with limits less than that required of Contractor, but in all other terms consistent with Contractor's requirements under this Agreement. This provision does not relieve Contractor of Contractor's contractual obligations under the Agreement and/or limit Contractor's liability to the amount of insurance coverage provided by Contractor's subcontractors. This provision is intended solely to provide Contractor with the ability to utilize a subcontractor who may be otherwise qualified to perform the work or services but may not carry the same insurance limits as required of Contractor under this Agreement given the limited scope of work or services provided by the subcontractor. Contractor agrees that upon request, all agreements with subcontractors, and others engaged in the project and/or services, will be submitted to City for review.

- 14. City's right to revise specifications.** City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving Contractor sixty (60) days advance written notice of such change. If such change results in substantial additional cost to Contractor, City and Contractor may renegotiate Contractor's compensation.
- 15. Self-insured retentions.** Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible, or require proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention through confirmation from the underwriter.
- 16. Timely notice of claims.** Contractor shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.
- 17. Additional insurance.** Contractor shall also procure and maintain, at Contractor's own cost and expense, any additional kinds of insurance, which in Contractor's own judgment may be necessary for Contractor's proper protection and prosecution of the work.

DIVIDER SHEET

Routine Items



Minutes

Lakewood City Council

Regular Meeting held
July 25, 2023

At 7:30 p.m. on July 25, 2023, in the City Council Chambers at the Civic Center, 5000 Clark Avenue, Lakewood, California, the City Clerk was present.

It was the time and place for a Regular Meeting of the City Council of the City of Lakewood.

The City Clerk immediately declared the Meeting adjourned due to lack of a quorum to Tuesday, August 8, 2023, at 5:30 p.m. in the Executive Board Room.

Respectfully submitted,

Jo Mayberry, CMC
City Clerk



Minutes

Lakewood City Council

Regular Meeting held
August 22, 2023

At 7:30 p.m. on August 22, 2023, in the City Council Chambers at the Civic Center, 5000 Clark Avenue, Lakewood, California, the Assistant City Clerk was present.

It was the time and place for a Regular Meeting of the City Council of the City of Lakewood.

The Assistant City Clerk immediately declared the Meeting adjourned due to lack of a quorum to Tuesday, September 12, 2023, at 6:30 p.m. in the Executive Board Room.

Respectfully submitted,

Isabelle D. Schultz
Assistant City Clerk



Minutes

Lakewood City Council

Adjourned Regular Meeting held September 12, 2023

At 6:30 p.m. on September 12, 2023, in the Executive Board Room at the Civic Center, 5000 Clark Avenue, Lakewood, California, the Executive Secretary was present.

It was the time and place for an Adjourned Regular Meeting of the City Council of the City of Lakewood.

The Executive Secretary immediately declared the Meeting adjourned due to lack of a quorum.

Respectfully submitted,

Isabelle Schultz
Assistant City Clerk

Recorded by:
Barbara Di Iorio
Executive Secretar



Minutes

Lakewood City Council

Adjourned Regular Meeting held September 26, 2023

At 6:00 p.m. on September 26, 2023, in the Executive Board Room at the Civic Center, 5000 Clark Avenue, Lakewood, California, the Assistant City Clerk was present.

It was the time and place for an Adjourned Regular Meeting of the City Council of the City of Lakewood.

The Assistant City Clerk immediately declared the Meeting adjourned due to lack of a quorum.

Respectfully submitted,

Isabelle Schultz
Assistant City Clerk



Minutes

Lakewood City Council

Adjourned Regular Meeting held October 10, 2023

MEETING WAS CALLED TO ORDER at 6:05 p.m. by Mayor Pe in the Executive Board Room, 5000 Clark Avenue, Lakewood, California.

ROLL CALL: PRESENT: Mayor Ariel Pe
Vice Mayor Todd Rogers
Council Member Cassandra Chase
Council Member Steve Croft
Council Member Jeff Wood

CLOSED SESSION:

PUBLIC EMPLOYEE PERFORMANCE EVALUATION, Pursuant to Government Code §54957

The City Council recessed to a closed session pursuant to Government Code §54957 to evaluate the performance of the City Manager.

At 7:09 p.m., the City Council reconvened with all members present. No action was taken.

ADJOURNMENT

There being no further business to be brought before the City Council, Mayor Pe adjourned the meeting at 7:09 p.m.

Respectfully submitted,

Jo Mayberry, CMC
City Clerk


DIVIDER SHEET

COUNCIL AGENDA

October 24, 2023

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			
Hugo Aguirre	Park Maintenance Worker	10A	10/15/2023
Melody Fernandez	Customer Service Liaison	8A	10/15/2023
B. Changes			
None			
C. Separations			
Nancy Lopez	Park Maintenance Worker	10A	10/12/2023
2. PART-TIME EMPLOYEES			
A. Appointments			
Alexander Aviles	Maintenance Trainee I	B	10/09/2023
Kylie Cervantes	Paratransit Vehicle Operator IV	B	10/16/2023
Matthew Childs	Maintenance Trainee I	B	10/15/2023
Stephen Echavarria	Maintenance Services Aide III	B	10/17/2023
Kirsten Hernandez	Support Services Clerk	B	10/16/2023
Guadalupe Sanchez	Intern I	B	10/16/2023
Jayson Sanchez Reyes	Community Services Leader IV	B	10/01/2023
B. Changes			
Michael Mitchell	Maintenance Services Aide III	B to	10/01/2023
	Maintenance Services Aide IV	B	
Kasandra Patron	Community Services Leader III	B to	10/01/2023
	Community Services Leader IV	B	
C. Separations			
None			



Thaddeus McCormack
City Manager

RI-2

DIVIDER SHEET

**CITY OF LAKEWOOD
FUND SUMMARY 10/12/2023**

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

1010	GENERAL FUND	582,071.99
1020	CABLE TV	275.00
1030	CDBG CURRENT YEAR	30.75
1050	COMMUNITY FACILITY	585.73
1500	MISC-SPECIAL REVENUE FUND	9,129.13
1623	LA CNTY MEASURE W	485.14
5020	CENTRAL STORES	1,230.55
5030	FLEET MAINTENANCE	18,242.67
7500	WATER UTILITY FUND	38,760.82
8030	TRUST DEPOSIT	1,302.00
		<hr/>
		652,113.78

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

CITY OF LAKEWOOD

SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
10/11/2023	A T & T CORP	347.58
10/11/2023	ADVANTAGE MAILING LLC	4,090.88
10/11/2023	AIRGAS INC	277.55
10/11/2023	ALL CITY MANAGEMENT SERVICES INC	10,858.50
10/11/2023	MNRO HOLDINGS LLC	741.12
10/11/2023	ALLIANT INSURANCE SERVICES	1,105.06
10/11/2023	AMAZON CAPITAL SERVICES INC	15.07
10/11/2023	AMERICAN TRUCK & TOOL RENTAL INC	318.30
10/11/2023	AVENU STR IP LLC	3,446.65
10/11/2023	BACKSTREET SURVEILLANCE INC	8,097.00
10/11/2023	BEAR COMMUNICATIONS INC	744.19
10/11/2023	BIG STUDIO INC	1,901.82
10/11/2023	BISHOP COMPANY	95.78
10/11/2023	BROEKER. CANDACE	39.00
10/11/2023	BURGUAN. RENE	1,600.00
10/11/2023	CAL STATE AUTO PARTS INC	161.75
10/11/2023	CALIFORNIA STATE DEPT OF JUSTICE	320.00
10/11/2023	CAMERON WELDING SUPPLY	249.93
10/11/2023	ALEGRIA MARLON	900.00
10/11/2023	LONG BEACH LINCOLN MERCURY INC	283.82
10/11/2023	CINTAS CORPORATION	150.48
10/11/2023	CINTAS CORPORATION	355.48
10/11/2023	CAMERON WELDING SUPPLY	269.77
10/11/2023	COLOR CARD ADMINISTRATOR CORP	75.08
10/11/2023	DG INVESTMENT INTERMEDIATE HOLDINGS 2 INC	1,350.00
10/11/2023	CORELOGIC INC	92.25
10/11/2023	COUCH. RON JR	240.00
10/11/2023	DIRECTV INC	46.25
10/11/2023	DUNRITE PEST CONTROL INC	260.00
10/11/2023	FLUE STEAM INC	103.78
10/11/2023	FRONTIER CALIFORNIA INC	2,357.63
10/11/2023	FUSION ZAFFA INC	1,200.00
10/11/2023	GANAHL LUMBER COMPANY	26.36
10/11/2023	GRAINGER W W INC	230.63
10/11/2023	HARA M LAWNMOWER CENTER	517.41
10/11/2023	HINDERLITER DE LLAMAS & ASSOC	858.24
10/11/2023	HOME DEPOT	902.10
10/11/2023	J KIM ELECTRIC INC	198,485.62
10/11/2023	JHM SUPPLY INC	1,095.94
10/11/2023	KENNY'S AUTO SERVICE	482.00
10/11/2023	LAKEWOOD. CITY OF	200.00
10/11/2023	LANDCARE HOLDINGS INC	8,315.00
10/11/2023	LEE HECHT HARRISON LLC	3,066.00
10/11/2023	LONG BEACH. CITY OF	1,292.83

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
10/11/2023	LOPEZ, ADRIANA	9,000.00
10/11/2023	MAC'S LIFT GATE INC	5,639.33
10/11/2023	MAGIC JUMP RENTALS INC	1,230.40
10/11/2023	MAYFLOWER DISTRIBUTING COMPANY	231.10
10/11/2023	MILLER DON & SONS	21.31
10/11/2023	MUNOZ YENITZA	275.00
10/11/2023	NADA BUS INC	2,267.50
10/11/2023	O'REILLY AUTOMOTIVE STORES INC	834.31
10/11/2023	ODP BUSINESS SOLUTIONS LLC	104.77
10/11/2023	OPUS INSPECTION INC	1,405.69
10/11/2023	NICK BARBIERI TRUCKING LLC	2,234.67
10/11/2023	OSCAR'S ELECTRIC INC	3,974.00
10/11/2023	DY-JO CORPORATION	790.00
10/11/2023	JOYCE LOU INC	235.25
10/11/2023	PERMECO INC	1,102.00
10/11/2023	PUN GROUP, THE LLP	15,000.00
10/11/2023	OUADIENT LEASING USA INC	465.03
10/11/2023	REDMAN ROBERT H	695.00
10/11/2023	RENT A FENCE COM INC	4,030.50
10/11/2023	S & J SUPPLY CO	274.21
10/11/2023	S.T.E.A.M.	14,724.72
10/11/2023	SANCHEZ, EUGENE	315.00
10/11/2023	SECURITAS TECHNOLOGY CORPORATION	1,300.64
10/11/2023	SITEONE LANDSCAPE SUPPLY LLC	3,841.13
10/11/2023	MWB COPY PRODUCTS INC	115.76
10/11/2023	SOUTH COAST AOMD	2,899.45
10/11/2023	SOUTHERN CALIFORNIA EDISON CO	42,288.00
10/11/2023	SOUTHERN CALIFORNIA GAS CO	1,504.67
10/11/2023	SPASEFF TED C	240.00
10/11/2023	ARIZONA MACHINERY LLC	1,006.02
10/11/2023	STOVER SEED COMPANY	1,240.31
10/11/2023	T2 SYSTEMS INC	24,085.43
10/11/2023	TOP HAT BALLOON WERKS LLC	1,833.47
10/11/2023	TURF STAR	108.95
10/11/2023	TYLER TECHNOLOGIES MUNIS DIVISION	176,543.59
10/11/2023	U S POSTAL SERVICE	13,530.00
10/11/2023	U S POSTMASTER	354.00
10/11/2023	UNDERGROUND SERVICE ALERT	1,289.00
10/11/2023	UNITED WATER WORKS INC	978.99
10/11/2023	URBAN CONSTRUCTION AND DESIGN SOLUTIONS	5,642.08
10/11/2023	FUSION METALWORKS INC	11,580.68
10/11/2023	USPS-POC	25,000.00
10/11/2023	VARSITY BRANDS HOLDING CO INC	250.05
10/11/2023	CELLCO PARTNERSHIP	5,389.58

**CITY OF LAKEWOOD
SUMMARY CHECK REGISTER**

CHECK DATE	VENDOR NAME	CHECK AMOUNT
10/11/2023	VOORHEES, RONDA	65.00
10/11/2023	WALTERS WHOLESALE ELECTRIC CO	53.44
10/11/2023	WATERLINE TECHNOLOGIES INC	3,351.60
10/11/2023	WAXIE ENTERPRISES INC	875.73
10/11/2023	WESTERN EXTERMINATOR CO	489.30
10/11/2023	WESTERN WATER WORKS SUPPLY CO	1,620.36
10/11/2023	WYNN, LAKYN	26.00
10/11/2023	ESTRADA, MARCOS	1,000.00
10/11/2023	PIERCE, ARIEL	250.00
10/11/2023	SOLARE POWER LLC	199.28
10/11/2023	SPIRIT HALLOWEEN SUPERSTORES LLC	26.25
10/11/2023	THOMAS, MILDRED	104.00
10/11/2023	TORRES, RICHARD	114.38
10/11/2023	WESTBROOK, SHANNON	250.00
10/11/2023	WOOD, JEFFEREY	250.00
	Total:	652,113.78

**CITY OF LAKEWOOD
FUND SUMMARY 10/19/2023**

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

1010	GENERAL FUND	1,971,117.12
1020	CABLE TV	150.00
1025	AMERICAN RESCUE PLAN	6,840.00
1030	CDBG CURRENT YEAR	1,959.99
1050	COMMUNITY FACILITY	537.43
1070	RETIREE BENEFITS	5,358.05
1336	STATE COPS GRANT	16,666.66
1500	MISC-SPECIAL REVENUE FUND	5,474.09
1621	LA CNTY MEASURE R	29,883.25
1623	LA CNTY MEASURE W	9,176.00
3070	PROPOSITION "C"	234.73
5010	GRAPHICS AND COPY CENTER	28.26
5020	CENTRAL STORES	7,611.33
5030	FLEET MAINTENANCE	4,839.95
7500	WATER UTILITY FUND	46,715.43
8020	LOCAL REHAB LOAN	33,886.50
8030	TRUST DEPOSIT	38,000.89
		<hr/>
		2,178,479.68

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

CITY OF LAKEWOOD

SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
10/19/2023	AGRI-TURF DISTRIBUTING	906.99
10/19/2023	ALL CITY MANAGEMENT SERVICES INC	11,922.04
10/19/2023	MNRO HOLDINGS LLC	1,537.04
10/19/2023	AMAZON CAPITAL SERVICES INC	1,968.15
10/19/2023	AREA E CIVIL DEFENSE &	7,847.00
10/19/2023	ROSS AVIATION INVESTMENT LLC	7,495.45
10/19/2023	BAY AREA DRIVING SCHOOL INC	133.25
10/19/2023	BUCKNAM PETER JOSEPH	21,877.25
10/19/2023	CALIF. STATE DISBURSEMENT UNIT	849.68
10/19/2023	CALIF STATE FRANCHISE TAX BOARD	160.10
10/19/2023	CALIFORNIA CONTRACT CITIES ASN	675.00
10/19/2023	CINTAS CORPORATION	4.55
10/19/2023	CLEANCOR HOLDINGS LLC DBA CLEANCOR LNG L	465.00
10/19/2023	COMMUNITY FAMILY GUIDANCE CTR	548.33
10/19/2023	CREATE A PARTY INC	11,844.83
10/19/2023	CN SCHOOL AND OFFICE SOLUTIONS INC	1,287.63
10/19/2023	DATA TICKET INC	200.00
10/19/2023	DIAMOND ENVIRONMENTAL SERVICES LP	496.05
10/19/2023	DICKSON R F CO INC	97,381.78
10/19/2023	DOTY BROS EQUIPMENT CO	41,576.58
10/19/2023	EDCO WASTE SERVICES LLC	525,672.29
10/19/2023	GEMINI GROUP LLC	3,180.00
10/19/2023	GLASBY MAINTENANCE SUPPLY CO	381.22
10/19/2023	GOLDEN METERS SERVICES	575.00
10/19/2023	GOLDEN STATE WATER COMPANY	9,818.23
10/19/2023	GONSALVES JOE A & SON	4,526.00
10/19/2023	GRAINGER W W INC	302.89
10/19/2023	HARA M LAWNMOWER CENTER	1,293.38
10/19/2023	HOME DEPOT	2,079.51
10/19/2023	HUMAN SERVICES ASSOCIATION	598.33
10/19/2023	JHM SUPPLY INC	164.69
10/19/2023	JONES RICHARD D. A PROF LAW CORP	17,252.50
10/19/2023	KICK IT UP KIDZ LLC	5,047.25
10/19/2023	LAKEWOOD CHAMBER OF COMMERCE	1,833.33
10/19/2023	LAKEWOOD CHAMBER OF COMMERCE	1,833.33
10/19/2023	LIFTECH ELEVATOR SERVICES INC	447.00
10/19/2023	LOPEZ, ADRIANA	5,474.09
10/19/2023	LOS ANGELES CO SHERIFFS DEPT	1,174,886.09
10/19/2023	MACAULAY CHRISTINA	150.00
10/19/2023	MUSCO CORPORATION	15,056.14
10/19/2023	O'REILLY AUTOMOTIVE STORES INC	45.05
10/19/2023	OC VACUUM INC	9,176.00
10/19/2023	ODP BUSINESS SOLUTIONS LLC	840.48
10/19/2023	OSBORN, KAITLIN	344.43

CITY OF LAKEWOOD

SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
10/19/2023	PHASE II SYSTEMS INC	2,958.05
10/19/2023	PATHWAYS VOLUNTEER HOSPICE	548.33
10/19/2023	SAN JUAN, CLYDE J	123.50
10/19/2023	SERVICEWEAR APPAREL INC	2,895.71
10/19/2023	SHUSTER ADVISORY GROUP LLC	2,400.00
10/19/2023	SITEONE LANDSCAPE SUPPLY LLC	243.38
10/19/2023	SMART & FINAL INC	258.00
10/19/2023	SO CALIF SECURITY CENTERS INC	4.41
10/19/2023	SOUTHERN CALIFORNIA GAS CO	2,551.25
10/19/2023	SOUTHWEST PATROL INC	16,072.00
10/19/2023	STANDARD INSURANCE CO UNIT 22	2,036.40
10/19/2023	ARIZONA MACHINERY LLC	2,721.74
10/19/2023	SU CASA ENDING DOMESTIC VIOLENCE	265.00
10/19/2023	TGIS CATERING SVCS INC	4,975.00
10/19/2023	THE SALVATION ARMY	6,840.00
10/19/2023	THURSTON ELEVATOR CONCEPTS INC	149.00
10/19/2023	TOT LOT PROS INC	44,824.26
10/19/2023	ULINE	337.31
10/19/2023	VARSITY BRANDS HOLDING CO INC	402.41
10/19/2023	VERITIV OPERATING COMPANY	471.24
10/19/2023	WATERLINE TECHNOLOGIES INC	3,039.10
10/19/2023	WAXIE ENTERPRISES INC	2,002.47
10/19/2023	WEST COAST ARBORISTS INC	47,514.45
10/19/2023	WILLDAN ASSOCIATES	8,006.00
10/19/2023	WOPSCHALL, JEREMIAH	264.58
10/19/2023	MARTINEZ, VERONICA	100.00
10/19/2023	MECHANIC REFRIGERATION COMPANY INC	16,000.00
10/19/2023	MEHTA, KISHA	250.00
10/19/2023	MIKE KILLEEN OUALITY ROOFING CO	17,886.50
10/19/2023	REYES, KARLA	250.00
10/19/2023	SUNRUN INSTALLATION SERVICES	233.28
10/19/2023	SUNRUN INSTALLATION SERVICES	199.28
10/19/2023	SUNRUN INSTALLATION SERVICES	199.28
10/19/2023	SUNRUN INSTALLATION SERVICES	199.28
10/19/2023	SUNRUN INSTALLATION SERVICES	199.28
10/19/2023	TILDEN-COIL CONSTRUCTORS	905.26
Total:		2,178,479.68

DIVIDER SHEET

COUNCIL AGENDA

October 24, 2023

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: Measure L Citizens Oversight Committee.

STATEMENT OF FACT

On September 27, 2023, the Measure L Citizens Oversight Committee met and discussed:

Overview of FY 23-24 Mid-Cycle Budget

An overview of the FY 23-24 mid-cycle budget was presented. The difference between the City Budget and the Annual Comprehensive Financial Report (ACFR) was explained. The overview included review of the General Fund budget, the city's financial outlook, FY 23-24 General Fund revenues, Measure L sales tax revenue, a history of Lakewood's sales tax revenue, and the city's departmental expenditures for FY 23-24. It was reported that the city continues to be well-positioned financially, is able to maintain programs and services, set aside funds for needed infrastructure improvements, and includes budget surpluses anticipated as part of a long-term stabilization strategy.

Status of Capital Improvement Projects Funded by Measure L

Staff from the Public Works department provided updates on the various Capital Improvement Projects (CIP), including updates on completed and active projects with critical milestones, as well as active projects that are near completion, starting construction soon, or in design phase. Staff also provided information regarding future projects.

Vision, Mission and Values

Deputy City Manager Beltran reported on the Vision, Mission and Values initiative, noting that at the annual goal setting session of the City Council in October 2022, the City Council prioritized the development of vision, mission and values statements. The intent of these statements is to serve as important guideposts and provide direction for the city organization, now and into the future. Each statement was stated and explained, as were the strategic initiatives to be used to translate the city's vision into practice. It was reported that city employees are already being trained on the statements and the purpose behind them, and that the statements will also be shared with residents and stakeholders of the community in the coming months.

RECOMMENDATION

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


Thaddeus McCormack
City Manager

DIVIDER SHEET

COUNCIL AGENDA

October 24, 2023

TO: The Honorable Mayor and City Council**SUBJECT:** Monthly Report of Investment Transactions – September 2023**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

Date	Amount at Cost	Investment	Transaction	Rate*
01-Sep-23	\$1,500,000	CAMP POOL	Purchase	5.550%
01-Sep-23	165,088.25	CAMP POOL	Interest	5.550%
01-Sep-23	2,070.00	CORP	Interest	4.600%
03-Sep-23	7,000.00	CORP	Interest	4.000%
08-Sep-23	3,700,000.00	CAMP POOL	Sell	5.550%
09-Sep-23	2,193.75	CORP	Interest	4.875%
09-Sep-23	3,653.75	CORP	Interest	3.950%
11-Sep-23	181,776.32	CORP	Sell	3.350%
12-Sep-23	385,326.09	TREAS	Sell	1.500%
12-Sep-23	337,453.67	CORP	Sell	1.750%
14-Sep-23	375,016.74	FNMA	Purchase	4.650%
14-Sep-23	546.25	CORP	Interest	1.150%
15-Sep-23	304,915.45	ABS	Purchase	5.160%
15-Sep-23	359.67	ABS	Interest	3.320%
15-Sep-23	106.33	ABS	Interest	0.580%
15-Sep-23	84.30	ABS	Interest	0.550%
15-Sep-23	895.55	ABS	Interest	5.530%
15-Sep-23	247.00	ABS	Interest	1.040%
15-Sep-23	1,583.33	ABS	Interest	5.000%
15-Sep-23	12.30	ABS	Interest	0.380%
15-Sep-23	902.42	ABS	Interest	4.420%
15-Sep-23	637.00	ABS	Interest	5.460%
15-Sep-23	2.60	ABS	Interest	0.440%
15-Sep-23	518.92	ABS	Interest	4.790%

Monthly Investment Transactions

October 24, 2023

Page 2

Date	Amount at Cost	Investment	Transaction	Rate*
15-Sep-23	\$876.71	ABS	Interest	3.970%
15-Sep-23	366.00	ABS	Interest	3.660%
15-Sep-23	833.38	ABS	Interest	3.339%
15-Sep-23	862.00	ABS	Interest	4.310%
15-Sep-23	375.83	ABS	Interest	4.510%
15-Sep-23	365.33	ABS	Interest	5.480%
15-Sep-23	387.50	ABS	Interest	4.650%
15-Sep-23	501.21	ABS	Interest	5.230%
15-Sep-23	1,646.88	CORP	Interest	3.875%
15-Sep-23	7.08	ABS	Interest	0.340%
15-Sep-23	446.42	ABS	Interest	4.870%
15-Sep-23	30.92	ABS	Interest	0.520%
15-Sep-23	12.85	ABS	Interest	0.500%
15-Sep-23	4,088.99	ABS	Paydown	0.380%
15-Sep-23	2,454.28	ABS	Paydown	0.340%
15-Sep-23	5,856.96	ABS	Paydown	0.520%
15-Sep-23	11,523.47	ABS	Paydown	0.550%
15-Sep-23	4,681.83	ABS	Paydown	0.440%
15-Sep-23	4,055.52	ABS	Paydown	0.500%
16-Sep-23	363.33	ABS	Interest	5.450%
18-Sep-23	150.00	CORP	Interest	0.750%
18-Sep-23	7.89	ABS	Interest	0.370%
18-Sep-23	186.50	ABS	Interest	3.730%
18-Sep-23	957.27	ABS	Interest	5.410%
18-Sep-23	5,997.20	ABS	Paydown	0.370%
19-Sep-23	314,985.92	ABS	Purchase	5.230%
19-Sep-23	2,081.25	CORP	Interest	2.250%
20-Sep-23	285,000.00	CD	Purchase	5.610%
20-Sep-23	18.75	ABS	Interest	0.500%
20-Sep-23	3.42	ABS	Interest	0.470%
20-Sep-23	7,386.65	ABS	Paydown	0.470%
20-Sep-23	202,024.81	FNMA	Sell	0.375%
20-Sep-23	303,485.88	BOND	Sell	1.958%
21-Sep-23	609,427.87	FNMA	Sell	0.500%
21-Sep-23	354,152.61	FNMA	Sell	0.500%
22-Sep-23	800,000.00	CAMP POOL	Sell	5.550%
23-Sep-23	962.50	SUPRA	Interest	0.500%
23-Sep-23	684.38	FNMA	Interest	0.375%

Monthly Investment Transactions

October 24, 2023

Page 3

Date	Amount at Cost	Investment	Transaction	Rate*
25-Sep-23	\$1,074.67	FNMA	Interest	3.224%
25-Sep-23	1,309.38	FNMA	Interest	4.190%
25-Sep-23	606.65	FNMA	Interest	3.750%
25-Sep-23	1,505.94	FNMA	Interest	4.819%
25-Sep-23	1,094.51	FNMA	Interest	3.243%
25-Sep-23	1,171.92	FNMA	Interest	3.243%
25-Sep-23	862.23	FNMA	Interest	2.653%
25-Sep-23	767.02	FNMA	Interest	3.347%
25-Sep-23	1,213.57	FNMA	Interest	4.777%
25-Sep-23	514.69	FNMA	Interest	2.745%
25-Sep-23	296.29	ABS	Interest	5.470%
25-Sep-23	96.13	FNMA	Paydown	3.750%
25-Sep-23	147.83	FNMA	Paydown	4.777%
26-Sep-23	1,567.50	CORP	Interest	3.300%
27-Sep-23	354,919.73	ABS	Purchase	5.690%
27-Sep-23	229,996.48	ABS	Purchase	5.900%
27-Sep-23	1,306.25	CORP	Interest	2.750%
28-Sep-23	1,000,000.00	CAMP POOL	Purchase	5.550%
28-Sep-23	376,825.86	FNMA	Purchase	4.800%
29-Sep-23	370,000.00	CORP	Purchase	5.803%
30-Sep-23	9,281.25	TREAS	Interest	4.125%
30-Sep-23	3,975.00	TREAS	Interest	1.500%
30-Sep-23	2,406.25	TREAS	Interest	0.875%
30-Sep-23	2,683.43	CORP	Paydown	2.901%

* Rates shown for MMF, LAIF, and CAMP are distribution yields. All others are coupon rates.

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) Pool and Term

A Joint Powers Authority established in 1989 by the treasurers and finance directors of several California public agencies to provide an investment tool at a reasonable cost. Participation is limited to California public agencies. The Pool option offers daily liquidity with a variable rate of return. In recent years the Term option was added offering an investment tool for a fixed period (up to one year) and a fixed rate of return.

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)

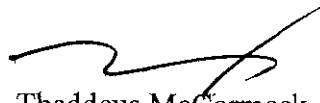
A Treasury obligation of the U.S. Government to provide for the cash flow needs of the Federal Government.

RECOMMENDATION

It is recommended that the City Council receive and file the Monthly Report of Investment Transactions rendered for the month of September 2023.



Jose Gomez
Director of Finance & Administrative Services



Thaddeus McCormack
City Manager

DIVIDER SHEET

COUNCIL AGENDA

October 24, 2023

TO: The Honorable Mayor and City Council

SUBJECT: Quarterly Schedule of Investments – as of September 30, 2023

INTRODUCTION

The City invests idle funds in compliance with the California Government Code (CGC) and the City's investment policy, which the City Council last reviewed and approved in January 2023. The portfolio is highly-rated and well-diversified. While the portfolio is subject to the ebb and flow of market yield fluctuations, it is largely protected from the stock market volatility as the CGC and the City's investment policy narrowly define the authorized types of investments available. Additionally, City staff works closely with PFM Asset Management, LLC (PFM), the City's investment advisor, to seek out quality investments in proven sectors and keep investment allocations to any one issuer low as a percentage.

The City's investments summarized in this report are allocated to a variety of funds such as the General Fund, Water Utility Fund, Redevelopment Successor Agency Funds, Restricted Special Revenue Funds, and Fiduciary Funds.

The City's investment objectives, in order of priority, are safety, liquidity and yield. To meet these objectives, the City utilizes the following types of investments:

U.S. Treasury Notes

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

Federal Agency Bonds or Notes:

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. This includes Collateralized Mortgage Obligations (CMOs).

- **FHLB (Federal Home Loan Bank Bonds)**
Bonds and discount notes issued by the Federal Home Loan Bank to provide funding to member institutions and make available money to the residential mortgage market.
- **FHLMC (Federal Home Loan Mortgage Corp)**
A publicly chartered agency that buys qualifying residential mortgages from lenders, packages them into new securities backed by those pooled mortgages, provides certain guarantees and then re-sells the securities on the open market.
- **FNMA (Federal National Mortgage Association)**
A government-sponsored, privately owned corporation established to create a secondary market for Federal Housing Administration mortgages.

- **FFCB (Federal Farm Credit Bank)**

The Federal Farm Credit Bank is an independent agency of the U.S. Government that issues bonds and discount notes to provide short- and long-term credit and credit-related services to farmers, ranchers, rural homeowners, producers and harvesters.

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.

Negotiable Certificates of Deposit (CDs)

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.

Municipal Bonds or Notes:

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.

Corporate Notes:

Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States, or any state and operating within the United States. Medium-term corporate notes shall be rated in a rating category of "A" or its equivalent or better.

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.

Agency CMBS

Agency CMBS are commercial mortgage-backed securities collateralized by pools of real estate loans secured by multi-family or health care properties. They are issued by a U.S. government agency or federally chartered corporation, such as Fannie Mae or Freddie Mac.

Pooled Funds:

- **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.

- **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 professional investment services at a reasonable cost. Participation is limited to California public agencies. The Pool option offers daily liquidity with a variable rate of return. In recent years the Term option was added offering an investment tool for a fixed period (up to one year) and a fixed rate of return.

- Los Angeles County Pool

This pool is very similar to LAIF. It is well-diversified, very liquid, and offers competitive yields.

Summary – Schedule of Investments as of September 30, 2023

MANAGED PORTFOLIO

Security Type	Market Value	% of Portfolio	% Change vs. 3/31/23	Permitted by Policy	In Compliance
U.S. Treasury Notes	\$ 14,339,110	37.8%	-7.7%	100%	✓
Federal Agency	1,567,490	4.1%	-3.1%	100%	✓
Agency CMBS	3,947,51	10.4%	6.1%	100%	✓
Municipal Bonds	1,229,644	3.2%	-0.6%	100%	✓
Supranationals	366,470	1.0%	-1.4%	30%	✓
Negotiable CDs	1,227,260	3.2%	2.2%	30%	✓
Corporate Notes	10,097,042	26.6%	-0.5%	30%	✓
Asset-Backed Security	5,180,268	13.7%	5.0%	20%	✓
Securities Sub-Total	\$37,954,800	100%			
Cash	88,061				
Total Managed Portfolio	\$38,042,861				

POOLED INVESTMENT ACCOUNTS

Market Value

LAIF	State of CA	\$ 5,464,632.91
CAMP	US Bank	75,847,307.79
		\$81,311,940.70

BANK ACCOUNTS

Balance

City – Checking*	F&M	\$4,064,483.17
City Payroll	F&M	\$45,888.53
Successor Housing - Checking	F&M	2,063,907.74
		\$6,174,279.44

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

Successor Agency – Checking F&M	\$1,083,802.16
---------------------------------	----------------

Total Portfolio	\$126,612,883.30
------------------------	-------------------------

* The balance includes a significant amount in uncashed (recently-issued) checks.

Attached is a more detailed report of the managed portfolio provided by PFM

STAFF RECOMMENDATION

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



Jose Gomez

Director of Finance & Administrative Services



Thaddeus McCormack

City Manager

DIVIDER SHEET

COUNCIL AGENDA

October 24, 2023

TO: The Honorable Mayor and City Council

SUBJECT: Agreement with Kiley and Associates for Federal Governmental Relations Services

INTRODUCTION


In March 2023 staff entered into an agreement with Kiley and Associates (Kiley) to provide federal governmental relations services on a four-month trial basis for the remainder of the fiscal year. During this time, Kiley was instrumental in securing \$1.85 million from the city's congressional representatives that will be used towards the Palms Park Community Center and Weingart Senior Center.

STATEMENT OF FACT

In preparation for the current year budget, staff included an appropriation to continue contracting with Kiley during Fiscal Year 2023-24. This was presented to the City Council as part of the overall budget discussion, however a professional services agreement formally extending Kiley's services was not included in the agenda for approval. Kiley's proposed fee of \$3,750 per month (\$45,000 annualized) has remained unchanged since last year. It would be appropriate for the City Council to take formal action at this time

STAFF RECOMMENDATION

It is recommended that the City Council authorize the City Manager or his designee to enter into an agreement with Kiley and Associates for FY 2023-24 in the amount of \$45,000 for federal governmental relations services.


Thaddeus McCormack
City Manager

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

COUNCIL AGENDA

October 24, 2023

TO: The Honorable Mayor and City Council

SUBJECT: Ratify Purchase of Bucket Truck

INTRODUCTION

On April 12, 2022, the City Council authorized staff to purchase a replacement Ford F-550 bucket truck for the tree department, which is often out of service impeding the tree department's ability to quickly respond to service requests. Originally staff issued a purchase order to Terex, who stated they could provide the truck within a one-year lead time, as opposed to the four-year lead time other manufacturers quoted. Current market conditions and supply chain issues have created serious impacts related to the purchase and acquisition of materials and equipment. As of October of 2023, the City was notified that Terex could no longer provide the quoted truck and told the City to cancel the purchase order. Further, they notified the City that a Ford strike has impacted their ability to provide pricing or availability on similar vehicles. However, staff was able to locate a similar bucket truck at Santa Margarita Ford which is on the lot, available for purchase immediately, and needs about four months of modifications to meet the specifications of the City. In order to hold the truck for the City, the City had to provide a 50% down payment to Santa Margarita Ford no later than Friday October 20, 2023. Due to the long lead times in the industry, staff took the opportunity to replace an aging vehicle in the Public Works Tree Department. Staff is requesting to ratify the purchase of the bucket truck.

STATEMENT OF FACT

In September 2022 the City Council authorized the expedited purchase of vehicles and equipment included in the City's two-year budget by modifying the City's purchasing procedures. The action was the result of ongoing supply chain issues that limited available stock. The scarcity of resources often led to increased pricing which sometimes resulted in cancellations by other agencies. As a result, Lakewood's purchasing staff were often able to capitalize on the market volatility but the acquisition required prompt purchasing decisions that are difficult when formal Council action is required. Specifically, the Council action taken last year authorized the City Manager to approve budgeted purchases after procurement protocols were completed. The action resulted in a streamlined approach that increased the City's ability to purchase and receive vehicles in a timely manner.

In early 2022 staff was looking to replace a bucket truck for the tree department. The purchasing officer contacted multiple dealers and after Council approval at the April 12, 2022 meeting, issued a purchase order in the amount of \$166,861 to Terex for the bucket truck, who stated they could meet the required one-year lead time. Staff was then notified by Terex in October 2023, that they no longer could provide the vehicle and that the purchase order should be canceled. Staff asked if they had a similar, albeit larger, F-750 bucket truck that could meet the City's needs. Terex investigated and determined that due to a Ford strike in Michigan, they could not provide us with pricing and availability of the larger bucket truck.

The City's Fleet Maintenance Supervisor searched at least a dozen dealers in order to find another option for the replacement bucket truck. Southern California's Santa Margarita Ford has a vehicle already built on the lot that meets the City's specifications. The vehicle is a cab and chassis only and will need to be outfitted with an aerial lift with a 45-foot reach to meet the specifications of the Tree Department. Precision Lift would perform the installation to add the aerial lift to the vehicle and this scope of work is included in the cost provided by Santa Margarita Ford. The approximate lead time to make the modifications and add the aerial lift is four months. Staff determined that due to the short lead time, the scarcity of this necessary vehicle, and the fact that the vehicle is available on the lot, it is best for the City to purchase the available vehicle.

In order to keep the opportunity to purchase the vehicle, staff met with the Finance Director and City Manager to review the opportunity to purchase the available F-550 bucket truck and issue a check for the 50% deposit by the stated deadline, which was Friday October 20, 2023.

The City's purchasing policy allows the Council to waive or alter purchasing procedures when "unforeseen circumstances arise that justify an exception to following the provisions of this policy and is in the best interest of the City." Staff needs authorization to ratify the purchase of the F-550 from Santa Margarita Ford, a Ford Motor Company, in the amount of \$198,337.47. In addition, staff needs authorization to appropriate funds to cover the additional cost of the purchase of the vehicle and the approximate cost of the installation of the aerial lift on the cab and chassis of the vehicle for a total increased cost of approximately \$31,477, or a 19% increase from the 2022 pricing.

RECOMMENDATION

It is recommended that the City Council:

1. Appropriate \$31,477 in account 10106700-58200 for the purchase of the bucket truck and associated costs for the installation of the aerial lift;
2. Ratify the purchase of the F-550 bucket truck from Santa Margarita Ford, in the amount of \$198,337.47.



FOL Kelli Pickler
Director of Public Works



Thaddeus McCormack
City Manager

SANTA MARGARITA FORD

INVOICE

30031 SANTA MARGARITA PARKWAY
RANCHO SANTA MARGARITA, CA 92688
Phone 949.459.6800 Fax 949.459.6948

DATE: 10/16/2023
INVOICE # 231945
FOR: 2023 F550

Bill To:

City of Lakewood
5050 Clark Avenue
Lakewood, CA 90712-2603

DESCRIPTION	AMOUNT
(1) New 2023 Ford F550 Regular Cab Chassis with Custom Aerial Boom and body installed by Precicion Aerial Services VIN # 1FDUF5GN2PDA15032	\$179,783
Doc Prep Fee	\$85
CA Sales Tax @ 10.25%	\$18,436.47
DMV fee for processing Exempt plates	\$33.00
TOTAL	\$ 198,337.47

Make all checks payable to SANTA MARGARITA FORD

If you have any questions concerning this invoice, contact Dan Hernandez 949-456-5855

THANK YOU FOR YOUR BUSINESS!

DIVIDER SHEET

COUNCIL AGENDA

October 24, 2023

TO: The Honorable Mayor and City Council

SUBJECT: Lakewood Equestrian Center Management and Operations

INTRODUCTION

Before the City Council is a report on the future management and operation of the Lakewood Equestrian Center (LEC) and a request to approve contractual agreements and funding to provide continuity in services for horse boarding, care and training; horse riding lessons; and equestrian activities, which invite the greater Lakewood community to engage in equine and outdoor education. This report also details past and current management of the LEC and the circumstances, which have contributed to the city's need be more directly involved in LEC operations.

STATEMENT OF FACT

The city is the owner and licensee of the LEC property, and will assume management of the equestrian center beginning November 1, 2023. The Caretaker Management Agreement with Sonya Jahn dba SJ Equestrian LLC (SJE) ends on October 31, 2023. Managing the LEC is a challenging task, made even more so because of county, state and federal regulations that must be followed and to which the city is legally bound to carry out as the owner and licensee of the LEC. To help meet all of those regulations and other complexities of running an equestrian center, the city has decided that it must take on a more direct role in the management of the LEC.

In support of the future management plan, the city will contract with D. Joy Gould dba Hacienda Sosegado to provide horse boarding care which includes daily feeding of horses in boarding and daily cleaning of boarding units. Hacienda Sosegado will also serve in a consulting role to city staff and provide customer service support to horse boarders, horse trainers and vendors at the LEC. Ms. Gould is an equestrian specialist, experienced in the day-to-day operations of managing horse stables and comes highly recommended as the current manager of the Whittier Narrows Equestrian Center.

LEC History

An equestrian facility has been on the property since 1946 when Glenn Spiller purchased the land and adorned it the Lakewood Stables. Spiller sold the property to Juan de Cordova in January 1976 and the city purchased the property from Juan de Cordova on December 28, 1979 using Land and Water Conservation Funds. Mr. de Cordova continued managing the LEC until the city's lease agreement began with Sandie Mercer Ranch, Inc. in May of 1987.

Request for Proposal and Request for Qualifying Information

From that time to October of 2020, Sandie Mercer Ranch, Inc. coordinated equestrian activities and boarding facilities for horses at the Lakewood Equestrian Center (LEC). Anticipating the end of the contractual agreement between the city and Sandie Mercer Ranch, Inc., in 2019, the city solicited a Request for Proposals seeking an individual, company, or organization with proven equestrian management experience, equine care and maintenance expertise, and the financial ability to fund capital improvements to maintain a full service equestrian facility for public boarding, equine training, and recreational uses. The city offered a long-term lease option in hopes of enticing a qualified lessee to invest in the facility and have the time to realize a fair market return on their investment.

The result of that process did not conclude with finding an entity that met the required qualifications the city sought after. The city did receive several proposals from individuals interested in continuing existing programs and facilities, but not having the capital needed for necessary facility improvements. The lack of interest for a private investment in exchange for a long-term lease was due to several factors. The LEC is encumbered with a Southern California Edison (Edison) right-of-way for electrical towers and power lines down the middle of the property and Edison will only provide the city with a license agreement in five-year increments and has restricted the type of uses that can be made under the utility's lines. The facility also lacked quality maintenance and an investment in capital improvements over the three decades it was operated by Sandie Mercer Ranch, Inc. The deferred maintenance of the LEC during this time resulted in extraordinary estimated expenses for capital improvements to bring the facility up to safety standards and building and safety codes and provide the type of horse boarding stalls, barns, arenas, and equestrian amenities necessary to successfully operate a full-service equestrian center.

While the city did receive interest from qualified investors, none submitted a proposal indicating concerns that their investment would not be returned due to Edison's restricted use of the site; cost of capital improvements; and the fact that the facility is on public property and subject to the California Public Contract Code and prevailing wage requirements. Additionally, the competitive market rates charged for boarding and training proved to be insufficient to cover the costs of operations and provide a return on capital investment.

Failing to receive a proposal for private investment in exchange for a long-term lease, beginning November 1, 2020, the city decided to enter into an interim caretaker management agreement with SJE. This agreement maintained existing services and programs offered at the LEC and gave the city time to make critical improvements so that the facility met safety, building, and environmental codes. All the while, the City continued its quest for a long-term lessee and private investment in the facility by publishing a Request for Qualifications and Interest (RFQI). The RFQI was marketed on a local, state and national level through equestrian industry magazines and newsletters for six months allowing potential responders sufficient time to research the facility and determine their interest. This period was congruent with the city's timed progress report with the interim caretaker and provided the city adequate time to explore other options should the RFQI fail to yield desired results.

Responses to the RFQI were due to the city in May 2021, with no success in garnering a proposal, which matched the city's interest. In fact, only one proposal was received and it was received past the advertised due date. Staff reviewed the proposal despite its late submission and determined that the proposal did not demonstrate the ability to invest in the capital improvements needed at the facility and the proposer's terms were not congruent with the best interest of the city.

SJ Equestrian LLC.

Extending the terms and conditions of the Interim Caretaker Management Contract for Lakewood Equestrian Center, SJE continued to manage the equestrian activities and boarding facilities for horses at the Lakewood Equestrian Center. The 19-acre facility operates seven days a week from dawn to dusk to serve the local equine community along with neighborhood youth groups. The equestrian center's primary functions are horse boarding, horse training and providing riding lessons. There are approximately 150 horses currently boarded at the facility. Through sub-contracted services, the equestrian center also offers a petting zoo, pony rides, camps, birthday parties and youth education in equine care.

Given the known challenges of managing a private entity on public property, the complexities of adhering to the contractual requirements of the Edison License Agreement and the difficulties of securing a long-term lessee, the city will assume managerial and administrative oversight of the LEC at the conclusion of the current agreement with SJE.

LEC Management and Operation

The city will invite all current LEC personnel, equestrian trainers and vendors to continue serving the LEC community. Most of all the current boarding rates and the cost for feed will remain in place for the first six months of the city's management. Staff will assess and propose rate adjustments following a six-month analysis of all revenue and expenses.

City staff are actively preparing to take on the management and operations of the LEC. Newly drafted agreements for horse boarding, horse training and vendors are being developed. Part-time city employees are being recruited and trained to assist with administrative and maintenance task. The need for equipment and supplies are being identified and purchased. Vendor accounts are being set up with equine suppliers, utility companies and contractors to perform specialized work.

Staff will continue to keep the LEC community informed by hosting quarterly user meetings including an initial information meeting on Wednesday, October 25. The upcoming meeting will update all current users at the LEC of the roles and responsibilities of the city, Hacienda Sosegado and current users beginning November 1, 2023.

Financial Impact

Using the average boarding occupancy numbers and rates, trailer parking fees collected and revenue share from the petting zoo and pony ride operation, the city estimates revenue totals for the remaining eight months of the current fiscal year to be approximately \$1,024,760.

As the city assumes its leadership, startup expenses are estimated at \$70,500. Items to be purchased include maintenance supplies, office furniture, facility signage, a utility vehicle, a storage bin, security cameras, and other miscellaneous supplies such as employee uniforms.

Estimated expenses also include contracted services to be provided by Hacienda Sosegado. Hacienda Sosegado will bill the city semi-monthly for their professional services depending on the number of horses in boarding. The city will enter into an agreement with Hacienda Sosegado beginning November 1, 2023, for an eighteen-month period ending April 30, 2025, at a contracted rate not to exceed \$390,114 for the total eighteen-month term of the agreement. The expense for services from Hacienda Sosegado for the remaining eight months of the current fiscal year is \$173,384.

Additional expenses for the remaining eight months of the current fiscal year are tabled below.

Contracted Skilled Trade Work	\$35,000
City Part-time Personnel	\$100,767
Utilities and Contract Services for trash and manure removal	\$ 152,640
*Edison License Agreement	\$42,788.73
Special Supplies including feed, shavings, fuel and rental of portable restroom	\$543,700

*The city's expense for the Southern California Edison License Agreement is approved in the current fiscal year's budget and due to Edison on January 1, 2024. Staff will reassign these funds to the expense account created for the city's management of the Lakewood Equestrian Center. No additional funds need approval to fulfill this obligation.

The estimated expenditures for the city's management of the LEC do not account for any planned capital improvement projects including, but not limited to: tack shed and locker replacement; horse boarding stall replacement; new fencing for horse riding arenas; new paved driveways; and annual maintenance of the footing in each of the nine arenas. The financial investment needed to fund capital improvement projects at the LEC requires a facilities condition assessment conducted by a qualified business entity who has an expertise in equestrian facility design, construction and maintenance.

Absent the city's startup expenses, the total estimated operating expenses for the city to manage and operate the LEC is approximately \$1,048,279.73 for the remaining eight months of the current fiscal year. Although, the estimated expenditures depict a shortfall of \$23,519.73, continuity of service at the LEC is a goal.

SUMMARY


SJ Equestrian, LLC was as a good partner with the city, serving as the caretaker of the Lakewood Equestrian Center since November 1, 2020. Given the known challenges of managing a private entity on public property, the complexities of adhering to the contractual requirements of the Southern California Edison License Agreement and the difficulties of securing a long-term lessee, the city will assume managerial and administrative oversight of the LEC beginning November 1. City staff intend to work cooperatively with the LEC community to provide horse boarding, equestrian training and opportunities for the public to participate in equestrian activities.

RECOMMENDATION

Staff recommends that the City Council:

1. Authorize the Mayor and the City Clerk to execute the Professional Services Agreement with D. Joy Gould dba Hacienda Sosegado LLC to serve as the Lakewood Equestrian Center Manager at a contract rate of subject to approval of the City Attorney as to the form. The term of the agreement is 18 months commencing November 1, 2023 and terminating on April 30, 2025 at a contract rate not to exceed \$21,673 per month and not to exceed \$390,114 for the total term of the agreement.
2. Appropriate \$1,075,991 from the General Fund for annual expenses to manage and operate the Lakewood Equestrian Center: \$70,500 for startup expenses; \$208,384 for contractual services; \$100,767 for part-time personnel; \$152,640 for utilities, trash, manure and internet services; \$543,700 for special supplies.
3. Instruct Administrative Services to create revenue and expense accounts for the Lakewood Equestrian Center with the requested fund and revenue estimates as recommended in the report.

Valarie Frost, Director 
Recreation & Community Services


Thaddeus McCormack
City Manager

**PROFESSIONAL SERVICE AGREEMENT
WITH D. JOY GOULD DBA HACIENDA SOSEGADO, LLC
FOR LAKEWOOD EQUESTRIAN CENTER**

This professional service agreement ("Agreement") is made and effective as of October 24, 2023, between City of Lakewood ("City"), a municipal corporation, and D. Joy Gould, DBA Hacienda Sosegado, LLC ("Contractor"), with reference to the following facts:

- A. City is the owner and licensee of the certain real property located at 11369 East Carson Street, Lakewood, California 90715 and commonly referred to as the Lakewood Equestrian Center.
- B. The Lakewood City Council has authorized and approved use of the property for equestrian recreation uses including horse boarding and equine activities.
- C. This Agreement is not a lease of Premises, and has no real property interest or possessory interest value. The purpose of this Agreement is to provide management services of the approved uses at the Lakewood Equestrian Center under the direction of City.

NOW, THEREFORE, City, for and in consideration of the performance of the covenants and agreements hereinafter contained, to be kept and performed by Contractor, and upon the following terms and conditions, hereby contracts with Contractor to manage facility operations, subject to the following terms and conditions:

1. **TERM.** This Agreement shall commence on November 1, 2023, and shall remain and continue in effect until tasks described herein are completed, but in no event later than April 30, 2025 unless sooner terminated pursuant to the provisions of this Agreement.
2. **SERVICES.** In response to City's request for an equestrian center manager, Contractor shall perform the tasks described and set forth in City's Equestrian Center Manager Scope of Work ("Scope of Work"), attached hereto as [Exhibit A] and incorporated herein as though set forth in full.
3. **PERFORMANCE.** Contractor shall furnish and use, at Contractor's own expense, all labor, equipment and materials necessary for the satisfactory performance of the work set forth in this Agreement. Contractor shall at all times faithfully, competently, and to the best of Contractor's ability, experience, and talent, perform all tasks described herein. Contractor shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Contractor hereunder in meeting Contractor's obligations under this Agreement.
4. **CITY REPRESENTATIVE.** City's Recreation and Community Services Department Director shall represent City in all matters pertaining to the administration of this Agreement, review and approve all products submitted by Contractor, but not including the authority to enlarge Scope of Work or change the compensation due to Contractor. City's Recreation and Community Services Department Director shall be authorized to act

on City's behalf and to execute all necessary documents which enlarge Scope of Work or change Contractor's compensation, subject to Section 5 hereof.

5. PAYMENT.

A. City agrees to pay Contractor on a semi-monthly pay schedule providing two payments per month. Distribution of payments is based upon completion of Scope of Work, in accordance with Contractor's Fee for Required Services, at a monthly rate as described below:

- Less than 100 horses in boarding care = \$14,825 per month
- 101 to 119 horses in boarding care = \$17,108 per month
- 120 to 139 horses in boarding care = \$19,391 per month
- Above 140 horses in boarding care = \$21,673 per month

This amount shall not exceed \$390,114 for the total term of the Agreement unless additional payment is approved as provided in this Agreement.

B. Contractor shall not be compensated for any services rendered in connection with Contractor's 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 City. Contractor shall be compensated for any additional services in the amounts and in the manner as agreed to by City and Contractor at the time City's written authorization is given to Contractor for the performance of said services.

C. Contractor shall submit an invoice for actual services performed. Invoice shall be submitted as soon thereafter as practical, for services provided. Payment shall be made within seven (7) days of receipt of invoice as to all non-disputed fees. If City disputes any of Contractor's fees, it shall give written notice to Contractor within seven (7) 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 therefore.

6. TERMINATION OF AGREEMENT.

A. Except as otherwise provided herein below, either party may terminate this Agreement, or any portion hereof, by serving written notice of termination upon the other party at least ten (10) days prior to the date of termination. Upon receipt of said notice, Contractor shall immediately cease all work under this Agreement, unless the notice provides otherwise. If City terminates a portion of this Agreement, such termination shall not make void or invalidate the remainder of this Agreement.

B. In the event this Agreement is terminated pursuant to this section, City shall pay to Contractor the actual value of the work performed up to the time of termination, less any disputed amounts. Upon termination of the Agreement pursuant to this section, Contractor will submit an invoice to City as provided herein above.

7. DEFAULT.

A. Either party's failure to comply with the provisions of this Agreement shall constitute a default. In the event that either party is in default for cause under the terms of this Agreement, the affected party shall promptly notify the deficient party of such default and following such notice shall have no obligation or duty to continue compensating or providing any work after the date of default and can

terminate this Agreement immediately by written notice to the other party. If such failure hereunder arises out of causes beyond either party's control, and without fault or negligence, it shall not be considered a default.

- B. If City determines Contractor is in default in the performance of any of the terms or conditions of this Agreement, City shall cause to be served upon Contractor a written notice of the default. Contractor shall have ten (10) days after service of default notice to cure the default as directed by City in the notice of default. In the event Contractor fails to cure Contractor's default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. OWNERSHIP OF DOCUMENTS.

- A. Contractor shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Contractor 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. Contractor shall provide free access to City at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, 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. In the event of termination of this Agreement, copies of all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of City and may be used, reused, or otherwise disposed of by City without the permission of Contractor. With respect to computer files, Contractor shall make available to City, at Contractor's office and upon reasonable written request by City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Contractor hereby grants to 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 Contractor in the course of providing the services under this Agreement.

9. INDEMNIFICATION AND DEFENSE.

- A. **Indemnification.** To the fullest extent permitted by law, Contractor shall indemnify and hold harmless City and any and all of its officials, 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 negligent or wrongful act, error or omission of Contractor, Contractor's officers, agents, employees or subcontractors (or any City or individual that Contractor shall bear the legal liability thereof) in the

performance of services under this Agreement. Contractor's duty to indemnify and hold harmless City shall not extend to City's sole or active negligence or willful misconduct.

- B. **Duty to defend.** In the event the Indemnified Parties, individually or collectively, are made a party to any action, lawsuit, or other adversarial proceeding arising from the performance of the services encompassed by this Agreement, and upon demand by City, Contractor shall defend the Indemnified Parties at Contractor's cost or at City's option, to reimburse City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters to the extent the matters arise from, relate to or are caused by Contractor's negligent acts, errors or omissions. Payment by City is not a condition precedent to enforcement of this provision. In the event of any dispute between Contractor and City, as to whether liability arises from the sole or active negligence or willful misconduct of City or its officers, employees, or agents, Contractor will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the Indemnified Parties as solely or actively negligent or to have acted with willful misconduct. Contractor 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.** Contractor shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in [Exhibit B] attached herewith and incorporated herein by this reference as though set forth in full.

11. **INDEPENDENT CONTRACTOR.**

- A. Contractor is and shall at all times remain as to City, a wholly independent contractor. The personnel performing the services under this Agreement on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Contractor or any of Contractor's officers, employees, or agents, except as set forth in this Agreement. Contractor shall not at any time or in any manner represent that it or any of Contractor's officers, employees, or agents are in any manner officers, employees, or agents of City. Contractor shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.
- B. No employee benefits shall be available to Contractor in connection with the performance of this Agreement. Except for the fees paid to Contractor as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Contractor and/or Contractor's employees for performing services hereunder for City. City shall not be liable for compensation or indemnification to Contractor for injury or sickness to Contractor's employee(s) arising out of performing services hereunder.

12. **LEGAL RESPONSIBILITIES.** Contractor shall keep informed of local, state, and federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of Contractor's service pursuant to this Agreement. Contractor

shall at all times observe and comply with all such laws and regulations. City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of Contractor to comply with this section.

13. **UNDUE INFLUENCE.** Contractor declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of 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 City has or will receive compensation, directly or indirectly, from Contractor, or from any officer, employee, or agent of Contractor, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this section shall be a material breach of this Agreement entitling City to any and all remedies at law or in equity.
14. **NO BENEFIT TO ARISE TO CITY EMPLOYEES.** During Contractor's tenure and for one year thereafter, no member, officer, or employee of City, or Contractor's designees or agents, and no public official who exercises authority over or responsibilities with respect to the services under this Agreement shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the services performed under this Agreement.
15. **RELEASE OF INFORMATION/CONFLICTS OF INTEREST.**
 - A. All information gained by Contractor in performance of this Agreement shall be considered confidential and shall not be released by Contractor without City's prior written authorization. Contractor, Contractor's officers, employees, agents, or subcontractors, shall not without written authorization from City or unless requested by City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within City. Response to a subpoena or court order shall not be considered "voluntary" provided Contractor gives City notice of such court order or subpoena.
 - B. Contractor shall promptly notify City should Contractor, Contractor's officers, employees, agents, or subcontractors be served with any summons, complaint, subpoena, 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 work performed thereunder or with respect to any project or property located within City, unless City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Contractor is prohibited by law from informing City of such Discovery. City retains the right, but has no obligation, to represent Contractor and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Contractor in such proceeding, Contractor agrees to cooperate fully with City and to provide the opportunity to review any response to Discovery requests provided by Contractor. However, City's right to review any

such response does not imply or mean the right by City to control, direct, or rewrite said response.

16. ASSIGNMENT.

- A. Contractor shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of City. Due to the personal nature of the services to be rendered pursuant to this Agreement, only Contractor shall perform the services described in this Agreement.
- B. Before retaining or contracting with any subcontractor for any services under this Agreement, Contractor shall provide City with the identity of the proposed subcontractor, a copy of the proposed written contract between Contractor and such subcontractor which shall include an indemnity provision identical to the one provided herein identifying City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subcontractor carries insurance at least equal to that required by this Agreement or obtain a written waiver from City for such insurance.

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

Contractor agrees to provide City with current copies of said licenses and permits and with copies as they are renewed.

18. GOVERNING LAW. City and Contractor 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 City.

19. 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, are merged into this Agreement and 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.

20. SEVERABILITY. Any part, provision, or representation of this Agreement or any of its exhibits, including, but not limited to [Exhibit B], which is held to be invalid, void or unenforceable by a court of competent jurisdiction, shall be limited to that part, provision or representation and all other parts, provisions, or representations herein shall remain in full force and effect.

21. **AUTHORITY TO EXECUTE THIS AGREEMENT.** The person or persons executing this Agreement on behalf of Contractor warrants and represents that they have the authority to execute this Agreement on behalf of Contractor and have the authority to bind Contractor to the performance of Contractor's obligations hereunder.

DRAFT

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

To CITY: City of Lakewood
Attention Director of Recreation and Community Services
5050 Clark Avenue, Lakewood, CA 90712

To CONTRATOR: D. Joy Gould DBA Hacienda Sosegado, LLC
23746 California Avenue
Hemet, CA 92545

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

CITY OF LAKEWOOD

MAYOR

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

D. Joy Gould DBA, Hacienda Sosegado, LLC

By _____

Title

Attachments:

Exhibit A – Equestrian Center Manager Scope of Work
Exhibit B - Insurance Requirements

**PROFESSIONAL SERVICE AGREEMENT
WITH D. JOY GOULD DBA HACIENDA SOSEGADO, LLC
EQUESTRIAN CENTER MANAGER**

**EXHIBIT A
EQUESTRIAN CENTER MANAGER SCOPE OF WORK**

POSITION: Equestrian Center Manager - Contractor

DEPARTMENT: Recreation and Community Services

REPORTS TO: Director of Recreation and Community Services

SUMMARY: The Lakewood Equestrian Center is a 19-acre facility where equestrian enthusiasts participate in a variety of activities, including riding lessons, horse training and a petting zoo. The Lakewood Equestrian Center is open 7 days a week from dawn to dusk and serves the local equine community along with neighborhood youth groups. The facility offers a variety of unique services for both rider and horse. The equestrian center's primary functions are boarding and training horses and providing riding lessons.

DUTIES and RESPONSIBILITIES:

- ✓ Meet with the Director of Recreation and Community Services weekly to discuss facility operations
- ✓ Assist with the development of horse boarding, trailer parking, equine training and vendor contracts and rates
- ✓ Assist with the development of procedures for billing and accounts receivables for horse boarding, trailer parking, equine training and vendor contracts
- ✓ Assist city staff with measuring and relabeling each boarding unit
- ✓ Assist with the development of rules for all areas within the facility to ensure the safety of users and visitors
- ✓ Assist with the development for procedures for businesses coming onto the facility to provide specialized services, including but not limited to veterinarian and farrier services
- ✓ Assist with a schedule for use of riding rings, arenas and turnouts by horse boarders and equine trainers
- ✓ Assist with the development of new facility signage, including new signage for all horse boarding units
- ✓ Assist with the implementation of purchasing agreements with suppliers for quality hay and feed, bedding and necessary equine supplies deemed necessary for facility operations
- ✓ Assist with the development of facility rules for boarders, vendors, businesses and the public
- ✓ Assist with the development of a security plan for the facility
- ✓ Assist with the managerial oversight of boarding, trailer parking, equine training and vendor contracts
- ✓ Assist with verification of billing for all services provided at the facility and accounts receivable
- ✓ Assist with the management of the City's approved budget for supplies, equipment and facility repair
- ✓ Provide the personnel and equipment necessary to ensure the day-to-day cleaning and maintenance of all horse boarding units, including waterers and feeding buckets

- ✓ Recruit, hire, train, schedule, supervise and evaluate contracted staff performing day-to-day cleaning and maintenance of all boarding units
- ✓ Follow federal, state, and local laws when it comes to managing employees and maintaining a safe work environment.
- ✓ Ensure for the health and welfare of all animals through an effective health process for boarders and those coming into the facility for day use
- ✓ Develop standards for vaccination of animals boarded at the facility as well as quarantine protocols for any sick animals
- ✓ Provide written and verbal reports to Director of Recreation and Community Services issues and concerns related to the health and safety of the horses in boarding at the facility
- ✓ Ensure efficient disposal of all waste in compliance with governmental regulations
- ✓ Serve as the initial point of contact for users associated with horse boarding, trailer parking, equine training and/or vendors at the facility
- ✓ Provide customer service to the general public, responding to inquiries and answering questions related to facility operations
- ✓ Respond to problems or emergency situations as they arise
- ✓ Work collaboratively with the city's office and maintenance staff
- ✓ Identify pest issues at the facility and report to maintenance staff
- ✓ Identify and report to the Director of Recreation and Community Services any safety concerns, equipment which needs repair or replacement as well as facility infrastructure in need of repair
- ✓ Maintain horse boarding records of all horses on site for which Contractor provides services
- ✓ Maintain a record of feeding, supplements, nutritional needs and/or medications necessary for all boarded horses on site for which Contractor provides services
- ✓ Obtain trailer parking records for all trailers parked on site from city staff
- ✓ Maintain a valid California driver's license for self and ensure the same of all contractor's employees who drive in the performance of their work on the facility
- ✓ Provide a monthly spreadsheet detailing the expenses due from facility users for horse boarding, trailer parking, and revenue share from approved businesses at the facility
- ✓ Provide a weekly list of supplies, to be ordered by City
- ✓ Schedule, advertise, prepare agenda and led quarterly meetings for horse boarders, trailer parking renters, equine trainers and vendors
- ✓ Confirm programs and activities occurring on the facility are approved, permitted and/or contracted by the City
- ✓ Provide recommendations for programs, activities and events to the Director of Recreation and Community Services for city approval

**PROFESSIONAL SERVICE AGREEMENT
WITH D. JOY GOULD DBA HACIENDA SOSEGADO, LLC
EQUESTRIAN CENTER MANAGER**

**EXHIBIT B
INSURANCE REQUIREMENTS**

Without limiting Contractor's indemnification of City, and prior to commencement of work and/or services under this Agreement, Contractor shall obtain, provide, and maintain at Contractor's own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City.

Commercial General Liability Insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another (e.g. the "Insured v. Insured" exclusion). Limits shall be no less than \$1,000,000 per occurrence for all covered losses and no less than \$2,000,000 general aggregate.

Commercial Equine General Liability Insurance, to the extent the Commercial General Liability policy obtained pursuant to Section 17.A. above, does not include the management of equine operations. Contractor shall procure and maintain, at Contractor's sole costs and expense, comprehensive Commercial Equine General Liability Insurance in the single limit minimum amount of \$1,000,000 per occurrence and an aggregate in the amount of \$2,000,000.

Workers' compensation insurance. Contractor shall maintain Workers' Compensation Insurance (statutory limits) and Employer's Liability insurance (with limits of at least \$1,000,000). Contractor shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its officers, agents, employees, and volunteers.

Automobile liability insurance. Contractor 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 Contractor 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.

If Contractor owns no vehicles that will be utilized in the performance of Contractor's obligations pursuant to this Agreement, the insurance requirement may be satisfied by a non-owned auto endorsement to the commercial general liability policy described above.

Professional liability (errors & omissions) insurance. Contractor shall maintain professional liability insurance that covers the services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Contractor agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this Agreement.

Other provisions and/or requirements

- 1. Proof of insurance.** Contractor shall provide certificates of insurance and required endorsements to City as evidence of the insurance coverage required herein. Insurance certificates and endorsements must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City for the contract period and any additional length of time required thereafter. City reserves the right to require complete, certified copies of all required insurance policies, at any time.
- 2. Duration of coverage.** Contractor shall procure and maintain for the contract period, and any additional length of time required thereafter, insurance against claims for injuries to persons or damages to property, or financial loss which may arise from or in connection with the performance of the Work hereunder by Contractor, Contractor's agents, representatives, employees, or subcontractors.
- 3. Primary/noncontributing.** Coverage provided by Contractor shall be primary and any insurance or self-insurance procured or maintained by 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 City before City's own insurance or self- insurance shall be called upon to protect it as a named insured.
- 4. 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, City has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by City will be promptly reimbursed by Contractor or City will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, City may cancel this Agreement.
- 5. 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 City.
- 6. Waiver of subrogation.** All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees, and volunteers or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives Contractor's own right of recovery against City and shall require similar written express waivers and insurance clauses from each of Contractor's subcontractors.

7. **Enforcement of contract provisions (non estoppel).** Contractor acknowledges and agrees that any actual or alleged failure on the part of City to inform Contractor of non-compliance with any requirement imposes no additional obligations on City nor does it waive any rights hereunder.
8. **Requirements not limiting.** Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. 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. If Contractor maintains higher limits than the minimums shown above, City requires and shall be entitled to coverage for the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.
9. **Notice of cancellation.** Contractor agrees to oblige Contractor's insurance agent or broker and insurers to provide 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. If any of Contractor's insurers are unwilling to provide such notice, then Contractor shall have the responsibility of notifying City immediately in the event of Contractor's failure to renew any of the required insurance coverages, or insurer's cancellation or non-renewal.
10. **Additional insured status.** General liability, automobile liability, and umbrella/excess liability insurance policies shall provide or be endorsed to provide that City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies.
11. **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 City and approved of in writing.
12. **Separation of insureds.** A severability of interests provision must apply for all additional insureds ensuring that Contractor'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.
13. **Pass through clause.** Contractor agrees to ensure that Contractor's subcontractors and any other party who is brought onto or involved in the project/service by Contractor, provide the same minimum insurance coverage and endorsements required of Contractor under this Agreement. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. However, in the event Contractor's subcontractor cannot comply with this requirement, which proof must be submitted to City, Contractor may still be able to utilize the subcontractor provided Contractor shall be required to ensure that Contractor's subcontractor provide and maintain insurance coverage and endorsements

sufficient to the specific risk of exposure involved with subcontractor's scope of work and services, with limits less than that required of Contractor, but in all other terms consistent with Contractor's requirements under this Agreement. This provision does not relieve Contractor of Contractor's contractual obligations under the Agreement and/or limit Contractor's liability to the amount of insurance coverage provided by Contractor's subcontractors. This provision is intended solely to provide Contractor with the ability to utilize a subcontractor who may be otherwise qualified to perform the work or services but may not carry the same insurance limits as required of Contractor under this Agreement given the limited scope of work or services provided by the subcontractor. Contractor agrees that upon request, all agreements with subcontractors, and others engaged in the project and/or services, will be submitted to City for review.

- 14. City's right to revise specifications.** City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving Contractor sixty (60) days advance written notice of such change. If such change results in substantial additional cost to Contractor, City and Contractor may renegotiate Contractor's compensation.
- 15. Self-insured retentions.** Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible, or require proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention through confirmation from the underwriter.
- 16. Timely notice of claims.** Contractor shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.
- 17. Additional insurance.** Contractor shall also procure and maintain, at Contractor's own cost and expense, any additional kinds of insurance, which in Contractor's own judgment may be necessary for Contractor's proper protection and prosecution of the work.

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

Legislation

COUNCIL AGENDA

October 24, 2023

TO: The Honorable Mayor and City Council

SUBJECT: Resolutions for the 2024 General Municipal Election

INTRODUCTION

In accordance with Section 1500 of the Lakewood Municipal Code, the municipal election shall be held on the date of the statewide primary election in each even-numbered year. The date for the 2024 Election will be March 5th.

STATEMENT OF FACTS

Lakewood's General Municipal Election will be held on March 5, 2024, to select two members of the City Council from Districts 3 and 4 for terms of four years. Registered voters of the City interested in running for this office must complete the nomination process prescribed by State election law. The nomination period will be open over a four-week period beginning on Monday, November 13th and concluding on Friday, December 8th.

The City is requesting that the County of Los Angeles allow for the consolidation of the City's general municipal elections with the statewide primary election to be conducted by the County on March 5, 2024. In consolidating the City's election with the County, the Registrar would administer, manage, and oversee many facets of the City's election, including services and tasks related to the complete and successful conduct of the election; provision of all election materials and equipment; the hiring, training and supervision of poll/vote center workers; printing and distribution of ballot materials; the tallying of votes; and canvassing of election results. The City Clerk's Office would continue to handle the candidate nomination filing process, FPPC filings and publishing of official election notices relating to calling an election and nominations.

The amount budgeted for the election is \$248,000 based on estimates for election services of a consolidated election.

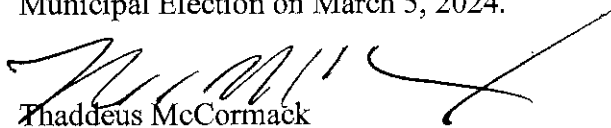
In accordance with requirements as set forth in the Elections Code, the City Council must adopt certain resolutions in a timely manner pertaining to General Municipal Elections. The following resolutions are presented for consideration at this time:

1. Resolution Calling and Giving Notice of the Election;
2. Resolution Requesting the Board of Supervisors of Los Angeles County to Render Specified Election Services; and
3. Resolution Adopting Regulations for Candidates for Elective Office Pertaining to Candidate Statements Submitted to the Voters.

2024 Municipal Election
October 24, 2023
Page 2

STAFF RECOMMENDATION

Staff recommends that the City Council adopt the attached resolutions pertaining to the General Municipal Election on March 5, 2024.

A handwritten signature in black ink, appearing to read 'Thaddeus McCormack', with a long, sweeping horizontal stroke extending to the right.

Thaddeus McCormack
City Manager

RESOLUTION NO. 2023-66

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, MARCH 5, 2024, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES

WHEREAS, under the provisions of the laws relating to General Law Cities in the State of California, a General Municipal Election shall be held on, March 5, 2024, for the election of Municipal Officers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Pursuant to the requirements of the laws of the State of California relating to General Law Cities, there is called and ordered to be held in the City of Lakewood, California, on Tuesday, March 5, 2024, a General Municipal Election for the purpose of electing two (2) Members of the City Council from Districts 3 and 4 for the full term of four years.

SECTION 2. The ballots to be used at the election shall be in form and content as required by law.

SECTION 3. The City Clerk is authorized, instructed and directed to coordinate with the County of Registrar-Recorder/County Clerk ("County Registrar") to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

SECTION 4. The polls/vote centers, operated by the County Registrar, for the election shall be open as required during the identified voting period pursuant to Section 4007 and 14401 of the Elections Code of the State of California.

SECTION 5. In all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 6. Notice of the time and place of holding the election is given and the City Clerk and County Registrar are authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 7. The City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

SECTION 8. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

ADOPTED AND APPROVED THIS 24TH DAY OF OCTOBER, 2023.

Mayor

ATTEST:

City Clerk

RESOLUTION NO. 2023-67

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON, MARCH 5, 2024, WITH THE STATEWIDE PRESIDENTIAL PRIMARY ELECTION

WHEREAS, the City Council of the City of Lakewood will hold a General Municipal Election to be held on March 5, 2024, for the purpose of the election of two (2) Members of the City Council; and

WHEREAS, it is desirable that the General Municipal Election be consolidated with the Statewide Presidential Primary Election to be held on the same date and that within the City the precincts, polling places and election officers of the two elections be the same, and that the Los Angeles County Registrar-Recorder/County Clerk ("County Registrar") canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election; and

WHEREAS, Elections Code Section 10002 authorizes the City to request by resolution that the Board of Supervisors of Los Angeles County authorize the County Registrar to conduct specified election services.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Pursuant to the requirements of Section 10403 of the Elections Code, the Board of Supervisors of the County of Los Angeles is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide Presidential Primary Election on Tuesday, March 5, 2024, for the purpose of the election of two (2) Members of the City Council from Districts 3 and 4 for the full term of four years.

SECTION 2. The City Council requests the Board of Supervisors of the County of Los Angeles to direct the Registrar-Recorder/County Clerk to administer, manage and perform all necessary functions, services and tasks related to the complete and successful conduct of the consolidated election; including the provision of all election materials and equipment; the hiring, training and supervision of election workers and other election personnel; the printing and distribution of ballot materials; the translation of ballot materials in the required languages for the City of Lakewood; the collection of submitted ballots; the tallying of votes; and canvassing and certification of election results. The election will be held in all respects as if there were only one election and only one form of ballot will be used. The election will be held and conducted in accordance with the provisions of law regulating the statewide or special election.

SECTION 3. The Board of Supervisors is requested to consent and agree to the consolidation of the City of Lakewood's General Municipal Election with the Statewide Presidential Primary Election to be held on March 5, 2024, and that the County of Los Angeles take any and all steps necessary for the holding of the consolidated election.

SECTION 4. The City of Lakewood recognizes that additional costs will be incurred by the County by reason of this consolidation and agrees to reimburse the County for these costs.

SECTION 5. The candidate nomination and filing process shall occur in the City of Lakewood for convenience of residents between the dates of November 13, 2023, and December 8, 2023, unless extended to December 13, 2023, in the event that an incumbent does not file, and shall be conducted by the City Clerk with the support of the County Registrar.

SECTION 6. The City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors of the County of Los Angeles and the County Registrar.

SECTION 7. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED THIS 24TH DAY OF OCTOBER, 2022.

Mayor

ATTEST:

City Clerk

RESOLUTION NO. 2023-68

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATE STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, MARCH 5, 2024

WHEREAS, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the Candidate Statement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. GENERAL PROVISIONS. Pursuant to Section 13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at an Election to be held in the City of Lakewood on March 5, 2024, may prepare a Candidate Statement on an appropriate form provided by the City Clerk. The statement may include the name, age and occupation of the candidate and a brief description of no more than 200 words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be filed in typewritten form in the office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

SECTION 2. Pursuant to Section 13307(c) of the California Elections Code, the governing body of the City of Lakewood authorizes the preparation of candidate statements for nonpartisan elective office for the purpose of electronic distribution. Candidates will prepare statements for electronic distribution pursuant to Section 13307(a) of the Elections Code. A statement prepared pursuant to this subdivision shall be posted on the internet website of the County Elections Official. Pursuant to Section 13307.7(a) of the Elections Code, candidates shall provide payment of the requisite fee to cover the duties and procedures set forth in Sections 13307(b) and (d) of the Elections Code.

SECTION 3. FOREIGN LANGUAGE POLICY. Pursuant to the Federal Voting Rights Act, the Candidate Statement shall be translated into all languages required by the County of Los Angeles. The Los Angeles County Registrar-Recorder/County Clerk ("County Registrar"), will print and mail the voters' pamphlet and candidate statements in all the required languages. Pursuant to State law, the candidates' statements must be translated and printed in the voters' pamphlet in any language at the candidates' request. The candidates will be required to pay for the actual cost of translating and printing their candidates' statements into any required foreign language pursuant to Federal and/or State law, as specified, and into any other foreign language requested by the candidate.

SECTION 4. PAYMENT. The City Clerk shall work with the County Registrar to estimate the total cost of printing, handling, translating, and mailing the Candidate Statements filed, including the costs incurred as a result of complying with the Voting Rights Act of 1965, as amended, and require each candidate filing a statement to pay in advance to the City of Lakewood his or her estimated pro rata share as a condition of having his or her statement included in the voters' pamphlet. The estimate is just an approximation of the actual cost that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the City Clerk is not bound by the estimate and may, on a pro rata basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the City Clerk may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the City Clerk shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election.

SECTION 5. MISCELLANEOUS. Translations shall be provided by professionally certified translators and the City Clerk and County Registrar shall comply with all recommendations and standards set forth by the California Secretary of State regarding occupational designations and other matters relating to elections.

SECTION 6. ADDITIONAL MATERIALS. No candidate will be permitted to include additional materials in the Official Sample Ballot Booklet/Voter Information Guide.

SECTION 7. The City Clerk shall provide each candidate or the candidate's representative a copy of this Resolution at the time nominating petitions are issued.

SECTION 8. All previous resolutions establishing City Council policy on payment for Candidate Statements are repealed.

SECTION 9. This resolution shall apply only to the election to be held on March 5, 2024, and shall then be repealed.

SECTION 10. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED THIS 24TH DAY OF OCTOBER, 2023.

Mayor

ATTEST:

City Clerk

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

Reports

COUNCIL AGENDA

October 24, 2023

TO: The Honorable Mayor and City Council

SUBJECT: Approval of Change Order No. 1 to All Cities Engineering Inc., to install 1,360 LF of 8" PVC pipe in Sandwood Street as part of the FY 2024 Water Main Replacement Project

INTRODUCTION

On June 20, 2023, City Council awarded a construction contract to All Cities, Engineering, Inc. (ACE) to replace 11,000 feet of old 4-inch cast iron water main, installed in the 1950s, in the following streets: Del Amo Blvd., Silva St., Eckleson St., Yearling St., Hardwick St., Levelside Ave., Klondike Ave., Bixler Ave., and Downey St. The project includes installation of new 8-in PVC water mains, valves, fire hydrants, service lines, while improving water-quality, serviceability, fire protection and water supply reliability to the area. Construction is proceeding as planned and is expected to complete before the Christmas holidays.

Recent records indicate there has been fourteen (14) main breaks that occurred over the years in Sandwood St. between Levelside Ave. and Downey Ave., a few blocks from the current water main replacement project. Existing water main in Sandwood St. is also cast-iron constructed in the 1950s, which is undersized and not consistent with new standards. Sandwood St. was identified as part of the 10-mile water main replacement project of which the 11,000-ft. has been selected for construction.

Due to its condition and a history of excessive breaks and that it is located within proximity of the current water main project, staff recommends approving a Change Order to ACE to include an additional 1,360 feet of new 8-in PVC pipe as part of the current project. Staff has negotiated with ACE for the same unit cost as the current water main project, which was the lowest price received during bidding.

STATEMENT OF FACT

The current project scope provides for the replacement of approximately two miles of water mains in residential streets as listed below:

Current Water Main Replacement Streets

Street	Between	And
Del Amo NSR	Obispo	Downey
Silva St	Obispo	Downey
Eckleson	Obispo	Downey
Yearling	Obispo	Downey
Hardwick	Obispo	Downey
Levelside	Hardwick	Candlewood
Klondike	Hardwick	Candlewood
Bixler	Hardwick	Klondike
Downey WSR	Hardwick	Candlewood

Staff has noted there has been excessive main breaks that occurred on an undersized 4-in, cast-iron water main in Sandwood St., between Levelside Ave and Downey Ave. Design plans for the new pipeline in Sandwood St. has been completed by Tetra Tech, Inc. Being that Sandwood St. is adjacent to Riley Elementary School, construction work within this area will be challenging during the regular school schedule. Staff has negotiated with ACE to perform work outside of the school drop-off hours, on the weekend(s) for the same unit costs.

Staff believes cost to replace Sandwood St. in the future as previously planned would result in higher costs than the current negotiated price due to future inflationary pricing, higher labor costs for performing work on the weekends and additional mobilization and demobilization to the project site; whereas, ACE can schedule and perform the work now. Furthermore, due to its condition and history of excessive breaks, existing main in Sandwood St. poses a water supply reliability concern for the Water Department and the customers it serves.

Staff recommends approving Change Order No. 1 in the amount of \$433,420 to include 1,360 feet of new 8-in PVC pipe in Sandwood St. between Levelside and Downey as part of ACE's current contract. The Water Enterprise Fund FY 2024 Budget provides adequate funding for this Change Order. At its October 17, 2023 meeting, the Water Resources Committee discussed this item and approved staff's recommendation.

RECOMMENDATION

That the City Council:

1. Approve Change Order No. 1 to All Cities Engineering Inc., in the amount of \$433,420 to install 1,360 feet of 8" PVC pipe in Sandwood St. between Levelside Ave and Downey Ave and authorize staff to issue the corresponding change order.



Derek Nguyen, Ph.D., P.E.
Director of Water Resources



Thaddeus McCormack
City Manager

Enclosed are two photos from recent main breaks on Sandwood St.

Approve Change Order #1 with All Cities Engineering Inc. for FY 2024 Watermain Replacement - PW Project 23-07
October 24, 2023
Page 3



DIVIDER SHEET

COUNCIL AGENDA

October 24, 2023

TO: The Honorable Mayor and City Council

SUBJECT: Quarterly Budget Report of Major Funds – as of September 30, 2023

INTRODUCTION

The City is in the second year of a Two-Year Budget, revised in June 2023. Following is the quarterly budget review as of September 30, 2023 for the City's two major funds, the General Fund and the Water Utility Enterprise Fund.

In addition to scheduled formal budget reviews, Staff continually monitors the year-round inflow and outflow of funds to make sure that the City remains on a sound fiscal path. Within the budget, particular attention is given to the City's two major funds as mentioned above. Together, the funds support the majority of the City's day-to-day operations with the General Fund being the City's most discretionary funding source.

Following is the quarterly budget review as of September 30, 2023:

STATEMENT OF FACT

General Fund

The General Fund is the largest City fund, with operational expenditures trending as expected and aligned with the adopted budget. Overall, 17.9% of the year's total expenditure budget has been utilized through the end of the first quarter (or 25% of the fiscal year). An expenditure summary table is provided on the following page. Given the normal time lag in receiving invoices and processing payments for costs incurred, the figure seems appropriate. Employee Services and Contract Services represent the two largest expenditure categories and have expended 20.6% and 13.5% of their budgets, respectively.

In contrast to the above, the Other Operating Expenditure category has 61.8% of the annual budget expended. Of the \$2,145,346 expended in the year, over \$1.7 million represents annual payments for the City's various insurance coverages. These amounts are paid only once early in the fiscal year for annual coverage. Lastly, it is important to note that Capital Outlay / Capital Improvement Project (CIP) expenditures at 10.1% year-to-date (YTD) are irregular in their spending pattern with projects that may span multiple fiscal years. When excluding them (and only including Operational Expenditures), the YTD percentage increases slightly to 19%.

Following is a summary of the General Fund expenditure activities:

ACCOUNT DESCRIPTION	BUDGET ESTIMATE*	YTD EXPENDITURES	% SPENT
EMPLOYEE SERVICES	\$ 27,302,877	\$ 5,617,067	20.6%
CONTRACT SERVICES	32,797,295	4,436,194	13.5%
FACILITIES EXPENSE	2,240,250	424,451	18.9%
OFFICE EXPENSE	189,000	31,107	16.5%
MEETING EXPENSE	203,000	17,997	8.9%
SPECIAL DEPT SUPPLIES	2,258,442	313,422	13.9%
OTHER OPERATING EXP	3,471,010	2,145,346	61.8%
OPERATIONAL EXPENDITURES	68,461,874	12,985,585	19.0%
CIPS / CAPITAL OUTLAY	8,933,815	902,953	10.1%
TOTAL EXPENDITURES	\$ 77,395,690	\$ 13,888,537	17.9%

*Includes YTD budget adjustments and prior-year approved CIPS and capital outlay.

General Fund revenues through the first quarter are also tracking as expected and according to annual seasonal trends. At 10.3% YTD, revenues lag behind the 25% marker for the first quarter. The delay stems from larger revenue sources necessarily having to flow through State and County remittance processes prior to receipt by the City. Additionally, some large revenues are received as single payments later in the fiscal year (i.e. SCE franchise fees and Proposition A sale of funds). In contrast, the City's Business License Tax is mostly collected at the beginning of the fiscal year. With licenses renewing at the onset of the City's fiscal year, YTD revenues (\$601,729) represent 86% of the budgeted amount (\$700,000). Additional Business License Tax revenues are received throughout the year from new businesses and contractors coming in to the city.

Sales tax revenue generated by Measure L is anticipated to be \$14,254,000 for the year, having received \$1,121,075 during the quarter. Actual amounts earned during the first quarter will not be known until December. The YTD amount represents a relatively small advance that the State provides based on prior year actual amounts.

Following is a summary of the General Fund revenues:

ACCOUNT DESCRIPTION	BUDGET ESTIMATE	YTD REVENUES	% RECEIVED
PROPERTY TAXES	6,875,000	-	0.0%
SALES TAX - BRADLEY BURNS	18,351,111	1,436,089	7.8%
SALES TAX- MEASURE L	14,254,000	1,121,075	7.9%
OTHER TAXES	69,000	3,148	4.6%
FRANCHISE FEES	1,640,000	-	0.0%
BUSINESS LICENSE TAX	700,000	601,729	86.0%
DOCUMENTARY TRANSFER TAX	250,000	64,076	25.6%
TRANSIENT OCCUPANCY TAX	95,000	374	0.4%
UTILITY USERS TAX	3,175,000	559,603	17.6%
LICENSES & PERMITS	2,160,400	593,661	27.5%
FINES / FORFEITURES / PENALTIES	662,100	168,514	25.5%
USE OF MONEY & PROPERTY	1,500,775	262,956	17.5%
FROM OTHER AGENCIES	11,914,800	-	0.0%
CURRENT SERVICE CHARGE	11,105,632	2,035,920	18.3%
BUDGETED TRANSFERS	4,324,200	1,081,050	25.0%
TOTAL REVENUE	\$ 77,077,018	\$ 7,928,194	10.3%

Water Utility Enterprise Fund

At 12.1% YTD, Water expenses are tracking under budget. Similar to trending with General Fund expenditures, there is a time lag in receiving and processing payments for costs incurred. As seen in the General Fund, when excluding Capital Outlay / Capital Improvement Project (CIP) expenses (and only including Operational Expenses), the YTD percentage increases slightly to 15.9%.

Below is a summary of the various Water Utility Enterprise Fund expense activities:

ACCOUNT DESCRIPTION	BUDGET ESTIMATE*	YTD EXPENSES	% SPENT
EMPLOYEE SERVICES	3,298,748	619,420	18.8%
CONTRACT SERVICES	1,220,727	188,944	15.5%
FACILITIES EXPENSES	2,052,000	5,059	0.2%
OFFICE EXPENSES	3,500	608	17.4%
MEETING EXPENSES	9,000	825	9.2%
SPECIAL DEPT SUPPLIES	866,976	117,638	13.6%
OTHER OPERATING EXP	5,467,100	970,511	17.8%
INTERDEPT TRANSFERS	128,500	15,305	11.9%
BUDGETED TRANSFERS	1,795,700	448,925	25.0%
OPERATIONAL EXPENSES	\$ 14,842,251	\$ 2,367,235	15.9%
CIPs / CAPITAL OUTLAY	6,333,042	197,643	3.1%
TOTAL EXPENSES	\$ 21,175,293	\$ 2,564,878	12.1%

*Includes YTD budget adjustments and prior-year approved CIPS and capital outlay.

At 16.4% YTD, water revenues are trending close to their anticipated mark. It is early in the year and a portion of revenues received during the first quarter were attributable to activities from the prior fiscal year and posted as such. Water meter sales, the largest revenue source, are highly sensitive to weather patterns and may vary significantly depending on rainfall and conservation efforts during the year. The following table provides a snapshot:

ACCOUNT DESCRIPTION	BUDGET		% RECEIVED
	ESTIMATE	YTD REVENUES	
INVESTMENT EARNINGS	\$ 105,000	\$ 67,010	63.8%
RENTS AND CONCESSIONS	64,000	12,363	19.3%
ENERGY UTILITY REBATES	11,000	-	0.0%
OTHER REVENUE	274,000	137,047	50.0%
METERED WATER SALES	11,800,000	2,040,163	17.3%
METERED WTR SALES-INTERCONNECT	1,134,000	61,098	5.4%
FIRE PROTECTION SERVICES	205,000	32,800	16.0%
RECLAIMED WATER	551,000	112,103	20.3%
SERVICE INITIATION FEES	43,500	8,425	19.4%
SERVICE RESTORATION CHARGES	70,000	14,577	20.8%
LEASE OF WATER RIGHTS	858,000	-	0.0%
TOTAL REVENUES	\$ 15,115,500	\$ 2,485,586	16.4%

SUMMARY

Overall, first quarter revenue and expenditure activity is line with historical seasonal trends, and more importantly, with the adopted budget. Staff will continue to monitor all activities and recommend adjustments, if necessary.

RECOMMENDATION

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



Jose Gomez
Director of Finance & Administrative Services



Thaddeus McCormack
City Manager

DIVIDER SHEET

COUNCIL AGENDA

October 24, 2023

TO: The Honorable Mayor and City Council

SUBJECT: 2023 Halloween Carnivals

INTRODUCTION

Halloween carnivals featured at eight parks throughout the city are among the most well attended city events of the year. It is estimated that over 10,000 children and adults will participate in this year's annual event on Tuesday, October 31 from 6 p.m. to 8:30 p.m.

STATEMENT OF FACT

Halloween carnivals have been a Lakewood tradition since 1956 when Mayfair Park hosted the first citywide event. In 1957, three additional carnivals were coordinated at Bolivar, San Martin and Del Valle Parks. Halloween attractions were later added at Biscailuz, Bloomfield, Boyar and Palms Parks, thus creating a safe destination within walking distance of most neighborhoods in the city.

Carnival elements, including game booths and decorations, are centered on a popular theme that is quickly recognized by preschoolers and elementary school-age children. More common themes are related to popular movies and cartoon characters widely adored by youngsters. This year's themes for each park are listed below.

- "Bluey" – Biscailuz Park
- "Scooby Doo" – Bolivar Park
- "Disney Villains" – Mayfair Park
- "Super Mario Bros" – San Martin Park
- "Spider-Man: Across the Spiderverse" – Del Valle Park
- "Super Mario Bros" – Boyar Park
- "Winnie the Pooh" – Bloomfield Park
- "LEGO" – Palms Park

Collectively, carnival elements feature over 200 game booths for preschool and school-age children. Game booth participants are awarded age-appropriate candy or a novelty prize for their participation. Specialty contests are also scheduled throughout the evening. The highlight of the evening is a costume contest and parade beginning at 7 p.m. at each carnival location. The showcase of costumes provides a stage for participants of all ages to be recognized for their individualism in costume selection.

A “Red Ribbon Booth” to promote a drug free society is a carnival staple since the early 90s. Children of all ages can play a carnival game inside the booth and win a selection of prizes promoting a drug free message.

Appropriately scary haunted houses are a popular attraction at Bolivar, Del Valle, Palms and San Martin Parks. Haunted houses are specially designed for children 6 to 11 years old and will be open from 6 p.m. to 8:30 p.m.

To further augment and support the larger attendance at Mayfair Park, inflatable attractions will complement the carnival. These affordable fee-based attractions have become a main event component since the department introduced the concept in 2007.

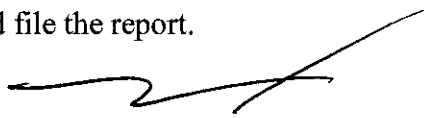
The success of each carnival is dependent upon the assistance received from the Lakewood community. It is anticipated that over 400 volunteers will provide over 2,200 hours of service in working more than 200 game booths. Sources of volunteers throughout the community include Lakewood service organizations, church groups and student organizations from area high schools and colleges.

Communicating this safe alternative for Halloween night is an important planning element. Vinyl banners are on display at the park facilities where carnivals are scheduled. Special event flyers were distributed to students at Lakewood’s elementary schools and are available at city facilities and Lakewood’s libraries. Lastly, printed press and complementary photos were published in the RCS fall catalog, social media, the Lakewood Living Magazine, the Lakewood Community News and online in Lakewood’s e-Magazine. The combination of all these communication media ensures that residents have been thoroughly informed about the continued tradition of Halloween carnivals at city parks.

RECOMMENDATION

Staff recommends the mayor and City Council receive and file the report.

Valarie Frost, Director 
Recreation and Community Services


Thaddeus McCormack
City Manager

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

*Written
Communications*

GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT

12545 Florence Avenue, Santa Fe Springs, CA 90670

Office (562) 944-9656 Fax (562) 944-7976

Email: info@GLAmosquito.org Website: www.GLAmosquito.org

GENERAL MANAGER

Susanne Klueh

PRESIDENT

Scott T. Kwong, San Marino

VICE PRESIDENT

Marilyn Sanabria, Huntington Park

SECRETARY-TREASURER

Ali Saleh, Bell

September 28, 2023

ARTESIA

Melissa Ramoso

BELL GARDENS

Pedro Aceituno

BELLFLOWER

Sonny R. Santa Ines

BURBANK

Dr. Jeff D. Wassem

CARSON

Jim Dear

CERRITOS

Mark W. Bollman

COMMERCE

Leonard Mendoza

CUDAHY

Daisy Lomeli

DIAMOND BAR

Ruth M. Low

DOWNEY

Robert Kiefer

GARDENA

Paulette C. Francis

GLENDALE

Steve Rylle

HAWAIIAN GARDENS

Luis Roa

LA CAÑADA FLINTRIDGE

Leonard Pieroni

LA HABRA HEIGHTS

Catherine Houwen

LAKEWOOD

Steve Croft

LA MIRADA

John Lewis

LONG BEACH

Emily Holman

LOS ANGELES CITY

Steven Appleton

LOS ANGELES COUNTY

Steven A. Goldsworthy

LYNWOOD

Rita Soto

MAYWOOD

Jessica Torres

MONTEBELLO

Avik Cordetro

NORWALK

Margarita L. Rios

PARAMOUNT

Isabel Aguayo

PICO RIVERA

Gustavo V. Camacho

SAN FERNANDO

Sylvia Ballin

SANTA CLARITA

Heidi Heinrich

SANTA FE SPRINGS

William K. Rounds

SIGNAL HILL

Robert D. Copeland

SOUTH EL MONTE

Hector Delgado

SOUTH GATE

VACANT

VERNON

Leticia Lopez

WHITTIER

Jessica Martinez

Mr. Thaddeus McCormack
City Manager
5050 Clark Avenue
Lakewood, CA 90712

Re: Appointment/Re-appointment of Representative to the Greater Los Angeles County Vector Control District Board of Trustees

Dear Mr. McCormack:

This correspondence is to inform you that the term of office for Trustee Steve Croft as a member of the Board of Trustees of the Greater Los Angeles County Vector Control District **will expire on January 1, 2024**. Pursuant to Section 2024 of the State Health and Safety Code (SHSC) governing the dates of term of office of members appointed to the Board of Trustees, the City Council may consider reappointing Trustee Croft or appointing a new trustee for a **2- or 4-year term** of office, commencing at noon on the first Monday of January (i.e., January 1, 2024). **Please note, per the State Health and Safety Code, representatives must be appointed to serve a full 2 or a 4-year term commencing on January 1, 2024 and should not be appointed on a yearly basis. Furthermore, the District does not accept or recognize the appointment of alternate representatives.**

Please review all subsections of the SHSC 2022 (i.e., a-e) enclosed. Subsections **a** and **b** require that each person appointed by a board of supervisors or by a city council shall be a voter and resident within the respective county or city of the appointing body. Section 2022 (c) incorporates language that clarifies the issue over the doctrine of Incompatibility of Office, exempting and enabling an appointee who holds elected offices to also simultaneously serve on the District's Board of Trustees. Trustees represent the mission and interests of the District at large rather than the individual interests of the appointing body. **Once appointed, the representative cannot be removed at-will by the appointing city or county. The representative will serve until the expiration of his/her term unless he/she resigns, vacates the office due to absences, or is no longer a voter and resident within the respective county or city of the appointing body.**

Representatives are expected to attend the district's general board meetings held monthly on the 2nd Thursday of the month.

Pursuant to California Government Code Section 1770(g), the Trustee's seat will be considered abandoned if the person holding the office ceases to discharge the duties of that office for a period of three consecutive months, except when prevented by sickness or specified excuses.

WC

A CALIFORNIA GOVERNMENTAL AGENCY

PROMOTING COMMUNITY HEALTH, COMFORT AND WELFARE THROUGH EFFECTIVE AND RESPONSIVE VECTOR CONTROL SINCE 1952

Please make your appointment/reappointment prior to January 1, 2024, as stipulated in the SHSC.

Should you have any questions regarding this appointment, please contact Araceli Hernandez or Maria Weinbaum at 562-944-9656 ext. 504 or e-mail at ahernandez@GLAmosquito.org.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Klüh".

Susanne Klüh
General Manager

Enclosure: Sections 2022 & 2024 of the SHSC
cc: Steve Croft
Ms. Jo Maybery

SHSC

2022.

(a) Each person appointed by a board of supervisors to be a member of a board of trustees shall be a voter in that county and a resident of that portion of the county that is within the district.

(b) Each person appointed by a city council to be a member of a board of trustees shall be a voter in that city and a resident of that portion of the city that is within the district.

(c) Notwithstanding any other provision of law including the common law doctrine that precludes the simultaneous holding of incompatible offices, a member of a city council may be appointed and may serve as a member of a board of trustees if that person also meets the other applicable qualifications of this chapter.

(d) It is the intent of the Legislature that persons appointed to boards of trustees have experience, training, and education in fields that will assist in the governance of the districts.

(e) All trustees shall exercise their independent judgment on behalf of the interests of the residents, property owners, and the public as a whole in furthering the purposes and intent of this chapter. The trustees shall represent the interests of the public as a whole and not solely the interests of the board of supervisors or the city council that appointed them.

(Added by Stats. 2002, Ch. 395, Sec. 6. Effective January 1, 2003.)

2024.

(a) Except as provided in Section 2023, the term of office for a member of the board of trustees shall be for a term of two or four years, at the discretion of the appointing authority. Terms of office commence at noon on the first Monday in January.

(b) Any vacancy in the office of a member appointed to a board of trustees shall be filled pursuant to Section 1779 of the Government Code. Any person appointed to fill a vacant office shall fill the balance of the unexpired term.

(Added by Stats. 2002, Ch. 395, Sec. 6. Effective January 1, 2003.)