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**AMENDED**  
**CITY OF LA VERNE**  
**CITY COUNCIL AGENDA**

Don Kendrick, Mayor  
Charlie Rosales, Mayor Pro Tem  
Robin Carder, Council Member  
Muir Davis, Council Member  
Tim Hepburn, Council Member



[www.cityoflaverne.org](http://www.cityoflaverne.org)  
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City Hall Council Chamber  
3660 D Street  
La Verne, CA 91750

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**Monday, March 16, 2020 - 6:30 p.m.**

**City Hall**

**Council Chambers**

**3660 D Street, La Verne, CA 91750**

Attendance and participation at the City of La Verne Council meetings are welcomed and appreciated. Community engagement provides the City Council with valuable information. Regular Meetings are held on the 1<sup>st</sup> and 3<sup>rd</sup> Monday of every month. In compliance with the American Disabilities Act, any person with a disability who requires a modification or accommodation in order to participate in a meeting should contact the City Clerk's Office at (909) 596-8726 at least 48 hours prior to the meeting.

Individuals may contact the City Clerk's Office for guidance on how to request an item to be added to a future Agenda. Materials related to an item on this agenda, submitted to the Council after distribution of the agenda packet, are available for public inspection at the meeting or in the City Clerk's Office during normal business hours.

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:** Council Member Carder, Council Member Davis, Council Member Hepburn, Mayor Pro Tem Rosales and Mayor Kendrick.

4. **PRESENTATIONS**

a. **Acknowledgment of Measure LV Campaign Efforts**

- b. **Presentation of Proclamation declaring the Month of April, 2020, DMV/Donate Life California Month** - A proclamation declaring April 2020 as "DMV/Donate Life California Month" will be presented to Donate Life Ambassador Ina Strickland. The purpose of this proclamation is to bring attention to the importance of and need for organ, marrow, and blood donations.

5. **ANNOUNCEMENTS OF UPCOMING COMMUNITY EVENTS** (Any person who wishes to make a brief announcement of a future community event that is open to the general public may do so at this time.)

6. **CONSENT CALENDAR** (All items on the Consent Calendar are considered to be routine and will be enacted by one motion unless a member of the City Council or member of the audience requests separate discussion.)

- a. **City Council Minutes** of the regular and special meetings of January 21, 2020, ***to be received and filed.***

- b. **Register of Audited Demands** in the amount of \$141,330.98 dated February 26, 2020 and in the amount of \$679,819.83 dated March 4, 2020, ***approval recommended by staff.***

- c. **Treasurer's Report for the Month of December 31, 2019,** ***to be received and filed.***

- d. **2019 Housing Element Annual Progress Report** - The City is required to prepare an Annual Progress Report on the status and progress in implementing its Housing Element. This report is required to be presented to the City Council prior to submitting the report to the State.

***Staff recommends that the City Council authorize the Community Development Department Staff to submit Annual Progress Reports for 2019.***

e. **Resolution(s) passage and adoption recommended, as follows:**

1. **Resolution No. 20-12** - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AUTHORIZING THE EXECUTION OF AN EASEMENT AGREEMENT WITH THE PUENTE BASIN WATER AGENCY GRANTING AN EASEMENT FOR WELL RELATED PURPOSES - *The Puente Basin Water Agency (PBWA) is seeking property to construct a replacement groundwater well in the Pomona Basin in the vicinity of Arrow Highway and Fairplex Drive. City staff has negotiated an agreement with PBWA, offering an easement across a small portion of the City's "sweepings" property. The 1,900 square foot easement will not impact City operations at the site nor limit any potential future use. Puente Basin Water Agency has agreed to pay the City \$133,000 in exchange for the easement.*

*Staff recommends approval of Resolution No. 20-12, authorizing the execution of a grant of easement to the Puente Basin Water Agency across 1,900 square feet of the southern right of way line as depicted in Exhibits C and D of the Easement Agreement. The easement will facilitate the construction, operation, and maintenance of a new groundwater well for the BWA.*

2. **Resolution No. 20-13** - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AUTHORIZING AN AGREEMENT WITH RINCON CONSULTANTS, INC. FOR ENVIRONMENTAL CONSULTING SERVICES - *The applicant, Matt Waken, with MJW Investments, has agreed to the City's selection of Rincon Consultants, Inc. as the consultant to prepare the required environmental documents to meet the California Environmental Quality Act (CEQA). Staff is proposing the City enter into an agreement with Rincon Consultants, Inc. to prepare the necessary documents for a proposed single-family residential development located at Amherst Street and Williams Avenue (APN #: 8666-021-902 and a portion of 8666-021-904).*

*Staff recommends that the City Council adopt Resolution Number 20-13, approving an agreement with Rincon Consultants, Inc. for environmental services.*

3. **Resolution No. 20-14** - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AUTHORIZING EXECUTION OF A PUBLIC WORKS CONTRACT WITH PTM GENERAL ENGINEERING SERVICES, INC. FOR THE DURWARD WAY AND WHITE AVENUE TRAFFIC SIGNAL IMPROVEMENTS PROJECT FEDERAL PROJECT NO. HSIPL-5149(021). - *Bids were received and opened for the Durward Way and White Avenue Traffic Signal Improvements Project on March 3, 2020. A total of six (6) bids were received for this project.*

*Staff recommends the City Council approve Resolution No. 20-14, authorizing an agreement with PTM General Engineering Services, Inc., the second lowest bidder for the Durward Way and White Avenue Traffic Signal Improvements Project, Federal Project No. HSIPL-5149(021), and to reject all other bids. The lowest bid did not meet the responsiveness standards in submitting a complete and thorough bid.*



4. **Resolution No. 20-15** - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN ADOPTION AGREEMENT AND ASSOCIATED DOCUMENTS WITH BENCOR, INC. TO PROVIDE A FICA ALTERNATIVE PLAN FOR PART-TIME EMPLOYEES - ***While completing the record-keeping transition of the City's 457(b) and 401(a) plans to MassMutual, the City of La Verne was recently notified by Lincoln Financial that they have decided to also discontinue the contract for the Social Security replacement plan - FICA, provided to part-time employees. In working with the City's fiduciary, SFG Retirement Plan Consulting, BENCOR, Inc. has been identified as the most qualified and responsible bidder to replace Lincoln Financial and administer the plan going forward.***

***Staff recommends the City Council adopt Resolution 20-15, authorizing the City Manager to execute an Adoption Agreement and associated documents with BENCOR, Inc. to provide a FICA Alternative Plan for part-time employees.***

7. **OTHER MATTERS**

- a. **Mid-Year Financial Report – December 31, 2019** - The Finance Division is providing a mid-year fiscal status report concerning the financial activities of the City for the period ending December 31, 2019. The report includes budget to actual comparisons for revenues and expenditures along with other financial information.

**STAFF RECOMMENDATION:**

The City Council should approve the budget amendments detailed in the included Budget Amendments Listing to adjust revenues and expenditure appropriations for the fiscal year 2019/20 budget. The Council should also receive and file the December 31, 2019 Mid-Year Financial report.

- b. **Resolution No. 20-16 Request for Termination of Resolutions 18-51 and 18-52** - City Council Members Davis and Carder have requested Resolutions 18-51 and 18-52 be agendized for Council action.

**STAFF RECOMMENDATION:**

The City Council should discuss this matter and take action as deemed appropriate.

8. **PUBLIC COMMENTS/ORAL COMMUNICATIONS** - This is the time set aside for anyone wishing to address the City Council on items not listed in any other place on the agenda. Under the provisions of the Brown Act, the legislative body is prohibited from talking or engaging in discussion on any item not appearing on the posted agenda. However, your concerns may be referred to staff or set for discussion at a later date. Any person desiring to speak should complete a 'Speaker Card,' located at the podium, and hand it to the Assistant City Clerk. When addressing the Council, please go to the podium and state your name and address for the record. The Mayor reserves the right to place limits on duration of comments.
  
9. **COUNCIL COMMENTS AND CONFERENCE/MEETING REPORTS** - Each Council Member may address the Council and public on matters of general information and/or concern. This is also the time for Council Members to report on conferences and/or meetings they have attended.
  
10. **ADJOURNMENT in memory of John Hackworth, La Verne resident and retired La Verne Police Lieutenant who passed away on February 20, 2020.** John was a 20-year veteran of the La Verne Police Department. After retirement he served on the City's Planning Commission for eight years. John was immensely proud of his Celtic heritage and often could be found at the Renaissance Faire. He leaves behind his wife Linda (Peachy) Watts and his daughter Heather Addison.

***THE NEXT REGULAR MEETING of the La Verne City  
Council is scheduled for Monday, April 6, 2020, at 6:30pm***

**ADVISORY STAFF**

\_\_\_\_ Robert Russi, City Manager  
\_\_\_\_ Dan Keesey, Assistant City Manager/Director of Public Works  
\_\_\_\_ Robert Kress, City Attorney  
\_\_\_\_ Lupe Gaeta Estrella, Assistant City Clerk  
\_\_\_\_ Eric Scherer, Director of Community Development  
\_\_\_\_ Bill Aguirre, Director of Community Services  
\_\_\_\_ Nathan Statham, Finance Manager  
\_\_\_\_ Nick Paz, Police Chief  
\_\_\_\_ Devin Leonard, Interim Fire Chief  
\_\_\_\_ Dominic Milano, City Engineer  
\_\_\_\_ Bill Elftman, Information Services Manager

<p><b>Posting Statement:</b> On March 10, 2020, a true and correct copy of this Agenda was posted on the bulletin board at La Verne City Hall, 3660 D Street, La Verne, and on the City's website at <a href="http://cityoflaverne.org">cityoflaverne.org</a>.</p>
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**MINUTES OF A SPECIAL MEETING  
OF THE CITY COUNCIL OF THE CITY OF  
LA VERNE HELD IN THE COUNCIL CHAMBERS  
OF THE LA VERNE CITY HALL  
Tuesday, January 21, 2020**

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1. A special meeting of the La Verne City Council was called to order by Mayor Kendrick at 5:00 p.m.
2. Council Members present: Mayor Don Kendrick  
Mayor Pro Tem Charlie Rosales  
Council Member Robin Carder  
Council Member Tim Hepburn  
Council Member Muir Davis  
  
Absent: None.  
  
Advisory personnel present: City Manager Robert Russi  
City Attorney Robert L. Kress
3. Pledge of Allegiance was led by Mayor Kendrick.
4. Wireless Study Session The City Council met in a study session regarding the recent developments in wireless communications and small cell sites.  
  
Attorney Scott Porter provided a report to the City Council.  
  
Public Comment This was the time set aside for anyone wishing to address the City Council on items not listed in any other place on the agenda. Mayor Kendrick called for public comment.  
  
There was none.
6. Adjournment at 6:05 pm.  
  
Respectfully submitted,

Bob Russi  
City Manager

**MINUTES OF THE REGULAR MEETING  
OF THE CITY COUNCIL OF THE CITY OF  
LA VERNE HELD IN THE COUNCIL CHAMBERS  
OF THE LA VERNE CITY HALL  
Tuesday, January 21, 2020**

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1. A regular meeting of the La Verne City Council was called to order by Mayor Kendrick at 6:30 p.m.
2. Council Members present: Mayor Don Kendrick  
Mayor Pro Tem Charlie Rosales  
Council Member Robin Carder  
Council Member Tim Hepburn  
Council Member Muir Davis  
  
Absent: None.  
  
Advisory personnel present: City Manager Robert Russi  
City Attorney Robert L. Kress  
Assistant City Manager/Public Works Director Dan Keesey  
Assistant City Clerk Lupe Gaeta Estrella  
Community Development Director Eric Scherer  
Community Services Director Bill Aguirre  
Police Chief Nick Paz  
Interim Fire Chief Devin Leonard  
Public Works Manager Tracy Costello  
Principal Planner Candice Bowcock  
Police Captain Colleen Flores  
Police Lieutenant Sam Gonzalez
3. Pledge of Allegiance was led by Mayor Kendrick.
4. Badge Fire Captain Andy Glaze Mayor Kendrick, on behalf of the City Council recognized and congratulated Andy Glaze on his promotion to Fire Captain. Andy was born and raised in Redlands, CA. He currently lives there with his wife Lauren and their 3 children, Hayden, Marley and Peyton. He graduated with a Bachelor's degree in Business Management from Skidmore College. He worked at San Bernardino County Fire as a Firefighter/Paramedic before coming to La Verne. He has worked for La Verne for 6 and half years. He is currently the La Verne Firefighters' Association President. Andy is currently assigned to Fire Station No. 1 on C Shift.
- Mike Shaw Pride of La Verne Award Mayor Kendrick reported that each year in December an employee from the Fire Department is recognized as the recipient of the Mike Shaw Pride of La Verne Award for excellence and exemplary service to the organization and the community. This year, Battalion Chief Kevin Greenway was selected as the recipient.  
  
Mayor Kendrick, along with the City Council congratulated Battalion Chief Greenway. Battalion Chief Greenway's name will be engraved on a perpetual plaque that will be displayed prominently at the Public Safety Facility.

Teri Muse from Waste Management will give a Year End Review on Waste Management Activities.

Teri Muse, Public Sector Solutions Manager for Waste Management reported on the Year-end activities of Waste Management. One of the things she reported on was the new recycling law that will take effect in 2022 and that in 2019 they diverted 10,634 tons from the waste stream.

**ANNOUNCEMENTS OF UPCOMING COMMUNITY EVENTS**

**ANNOUNCEMENTS OF UPCOMING COMMUNITY EVENTS** (Any person who wishes to make a brief announcement of a future community event that is open to the general public may do so at this time)

Hugh Kelly, La Verne resident reported that the La Verne Coalitin of Concerned Citizens will hold a meeting on Monday, January 27, 2020, at St. John's Episcopal Church at 7:00 pm.

5. Consent Calendar

It was moved by Rosales, seconded by Carder, and unanimously carried to accept, approve, or act on the Consent Calendar items

City Council Minutes

**City Council Minutes** of November 18, 2019 and December 2 and 16, 2019, ***received and filed.***

Registers of Audited Demands

**Register of Audited Demands:**

In the amount of \$744,445.27, dated December 12, 2019  
In the amount of \$278,150.62, dated December 18, 2019  
In the amount of \$150,105.16, dated December 31, 2019  
In the amount of \$1,241,592.82, dated December 26, 2019  
In the amount of \$651,265.19, dated January 8, 2020

Staff recommended approval. ***Approved.***

Treasurer's Report for the Months of October and November, 2019

**Treasurer's Report for the Months of October and November, 2019,**  
***received filed.***

Development Impact Fees Fund Report

**Development Impact Fees Fund Report** - Under State law, information on certain fees collected by the City from various development activities is to be made available to the public. The City Manager's Office is providing an informational report regarding Development Impact Fees for the fiscal year ending June 30, 2019.

Staff recommended that the City Council review the report and make the information available to the public pursuant to Government Code Section 66006.  
***Approved.***

**Resolution (s)** passed & adopted, as recommended, as follows:

Salary Table Resolution

**Salary Table Resolutions** - The salary tables reflect adjustments in compensation resulting from increases in the California Minimum Wage as well as increases agreed to in negotiations with the La Verne Police Officers' Association, City Employees Association, and Police Middle Management Association. Similarly, Middle Management and Executive Management employees are also being adjusted as directed by the City Council.

Staff recommended that the City Council adopt Resolution No. 20-03, and Resolution No. 20-04, amending both the part-time and full-time salary tables.

Resolution No. 20-03,  
Adopting a Salary Chart for All  
Full-Time Employees and  
Repealing Resolution No. 18-29

**Resolution No. 20-03** - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ADOPTING A SALARY CHART FOR ALL FULL-TIME EMPLOYEES AND REPEALING RESOLUTION NO. 18-29. **Approved.**

Resolution No. 20-04,  
Adopting a Salary Chart for All  
Part-Time Employees and  
Repealing Resolution No. 19-01

**Resolution No. 20-04** - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ADOPTING A SALARY CHART FOR ALL PART-TIME EMPLOYEES AND REPEALING RESOLUTION NO. 19-01. **Approved.**

Police Dispatch Services  
Reciprocal Agreement between  
La Verne and Covina

**Dispatch Agreement with Covina** - To ensure staffing continuity and access to personnel knowledgeable with our dispatch system, the Police Chiefs of La Verne and Covina Police Departments wish to execute a reciprocal MOU that will allow the sharing of dispatchers.

Staff recommended that the City Council approve Resolution No. 20-05, authorizing the City Manager to enter into a reciprocal agreement between the Cities of La Verne and Covina for emergency dispatch personnel. **Approved**

Resolution No. 20-05 -  
An Agreement with the City of  
Covina for Supplemental Law  
Enforcement Functions relating  
to Police Dispatching Services

**Resolution No. 20-05** - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AUTHORIZING AN AGREEMENT WITH THE CITY OF COVINA FOR SUPPLEMENTAL LAW ENFORCEMENT FUNCTIONS RELATING TO POLICE DISPATCHING SERVICES. **Approved.**

6. Hillcrest Homes - 2548  
Magnolia Avenue, 2551 Park  
Avenue, and 1619 Hawthorne  
Avenue Case, No. 24-19PPR,  
25-19PM, 26-19MPA, 27-19ZC,  
90-19VAC, and 88-19GPA

Mayor Kendrick declared a conflict of interest on this matter because of his involvement as real estate agent with the purchase of the Hawthorne Property and earning a small commission, Council Member Hepburn declared a conflict of interest on this matter because of his recent work with Hillcrest in reviewing contractors for the construction of new homes and he was a former Hillcrest Board Member and worked on the Hawthorne Property. Both left the Council Chambers and Mayor Pro Tem Rosales chaired the Council meeting.

Principal Planner Bowcock reported on the Hillcrest Homes - 2548 Magnolia Avenue, 2551 Park Avenue, and 1619 Hawthorne Avenue Case No. 24-19PPR, 25-19PM, 26-19MPA, 27-19ZC, 90-19VAC, and 88-19GPA. Request to construct 14 attached/detached senior homes. She stated that the Community Development Department has received an application to modify and develop Neighborhood 6 of the Brethren Hillcrest Homes (Hillcrest) Master Plan. The proposed project includes construction of 14 attached/detached senior homes with a common landscaped area on approximately 1.7 acres. An existing residential dwelling unit (2548 Magnolia Avenue) constructed in 1955 will be demolished. The Project will widen Hawthorne Avenue approximately two feet to the limits of the City right-of-way and vacate the alley fronting the northern boundary of the project site. The project requires an update to the development standards of Neighborhood 6 of the Brethren Hillcrest Homes Master Plan, a Zone Change, Parcel Merger, Precise Plan Review, Street Vacation, and a General Plan Amendment to facilitate the proposed development.

Mike representing Hillcrest spoke about the proposed project. He stated that he was grateful to be here to better to serve the residents of La Verne. He also stated that the project is essential to meet the needs of the senior citizens and that it was a good project.

Matthew Neely, Hillcrest CEO, stated he appreciated the Mayor, City Council and City Staff, especially Principal Planner Bowcock for their work on this project and he looked forward to the completion of the project.

Mayor Pro Tem Rosales opened the Public Hearing and called for public comment.

There was none.

It was moved by Davis seconded by Carder, and carried by a vote of 3-0 (Kendrick and Hepburn Abstained) to conditionally approve Case Numbers 88-19GPA and Number 26-19MPA 27 by adopting Resolution Numbers 20-01 and 20-02 and approved to continue Case Number 90-19VAC to the February 3, 2020 City Council, to ensure the required on-site posting is completed.

Resolution No. 20-01 –  
Amending General Plan  
Designation of 1619 Hawthorne  
and 2549 Magnolia from Low  
Density Residential to  
Community Facility, Hillcrest  
Homes

**Resolution No. 20-01** - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, APPROVING CASE NO. 88-19GPA, A REQUEST BY HILLCREST HOMES TO AMEND THE GENERAL PLAN DESIGNATION OF THE SITE AT 1619 HAWTHORNE AND 2549 MAGNOLIA FROM LOW DENSITY RESIDENTIAL TO COMMUNITY FACILITY. **Approved.**

Resolution No. 20-20-  
Amending the Hillcrest Master  
Plan

**Resolution No. 20-02** - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, APPROVING CASE NO. 26-19MPA, A REQUEST BY HILLCREST HOMES TO AMEND THE HILLCREST MASTER PLAN. **Approved.**

And

It was moved by Davis, seconded by Carder, and carried by a vote of 3-0 (Kendrick and Hepburn Abstained) to waived further reading of Ordinance No. 1090, and to place on first reading.

Ordinance No. 1090-  
Changing the Zone Designation  
from PR4.5D to “Institutional for  
1619 Hawthorne and 2549  
Magnolia

**Ordinance No. 1091** - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, APPROVING CASE NO. 27-19ZC, A REQUEST BY HILLCREST HOMES TO CHANGE THE ZONE DESIGNATION FROM “PR4.5D” TO “INSTITUTIONAL” FOR THE SITE LOCATED AT 1619 HAWTHORNE AND 2549 MAGNOLIA. **Approved and placed on first reading.**

Mayor Kendrick and Council Member Hepburn returned to the Council Chambers and took their seats.

Proposed Urgency Ordinance  
Imposing a Moratorium on  
Short-Term Rentals.

City Manager Russi reported on Urgency Ordinance No. 1091, Imposing a Moratorium on Short-Term Rentals. He stated that at December 16, 2019 Council meeting, the City Council directed staff to prepare an ordinance for a moratorium on short-term (less than 30 days) rentals due to concerns raised by residents. This moratorium will expire in 45 days unless extended by the City Council in a noticed public hearing.

The Mayor called for public comment on this matter.

The following La Verne residents who are also Airbnb hosts urged the City Council to vote no on the Moratorium. They stated they live on the property and they have good tenants. Many of the tenants are students, and the tenants spend money in La Verne. In addition, they did not allow disruptive behavior. Many of the residents were also Airbnb hosts for financial reasons. Some are sole financial providers for their household.

George Richards  
Olivia Sargent  
Kim Herrera  
Christie Ramirez  
Pam Berry not a Airbnb host  
Noel Snyder  
Mark Ramos not a Airbnb host  
Jackie Thornton

The following La Verne residents urged the City Council to vote yes on the moratorium to maintain the safety of the neighborhoods. They spoke of the owner of a property at Old Ranch Road and the wedding venues held at the property in the past. They spoke about having the problems now with same neighbor regarding the owner's short-term rentals. In addition, they spoke about the possible conflict of interest by Council Member Hepburn and the owner of the Old Ranch Road property. Some spoke about coming up with guidelines for short-term rentals with fines.

Elietta Moreno  
Kellie Racine  
Brian Racine  
Jeff Bassler

Council Member Davis suggested amending the Ordinance by adding a Section to exempt any owner providing short-term rentals from the provisions of the Ordinance by obtaining six (6) signatures adjacent to the short-term rental property or area neighbors including adjacent neighbors directly across the street and behind the short-term property stating that they are aware of the short-term rentals and they have no concerns or problems with the rentals. Also that the owner or responsible person be on the premises during each short-term rental.

The City Council discussed the proposed Moratorium Ordinance, and the concerns of the La Verne residents who are for and against the Ordinance.

After the discussion it was the consensus of the City Council to amend Moratorium Ordinance by adding Section 3, exemptions and guidelines, as suggested by Council Member Davis.

It was moved by Davis seconded by Rosales, and unanimously carried to adopt Urgency Ordinance No. 1091 imposing a 45-day moratorium on the advertising and renting of short-term (less than 30 days) rentals.



Ordinance No. 1091,  
An Urgency Ordinance  
Imposing a 45-day Moratorium  
on Short-Term Rentals of  
Residential Property

**Ordinance No. 1091** - AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, IMPOSING A 45-DAY MORATORIUM ON SHORT TERM RENTALS OF RESIDENTIAL PROPERTY AND DIRECTING THE COMMUNITY DEVELOPMENT DEPARTMENT TO INITIATE A STUDY WITH RESPECT TO DEVELOPING APPROPRIATE ZONING REGULATIONS GOVERNING SUCH USES. (Approved with Amendment.)

8. Fire Department Update on Fire Station 3 Brownout

Interim Fire Chief Leonard reported on the reasons for the temporary closure of Fire Station 3. He spoke about the mitigation measures put in place during the brownout. He reported on the staffing issues in the department and the City's recruitment efforts.

Council Member Carder asked if the response time would be affected. Interim Fire Chief Leonard reported it would depend on what resources are available at time.

After discussion by the City Council regarding the brownout of Station 3 and their concerns, the City Council thanked the Interim Fire Chief Leonard for the update.

10. Public Comment

This was the time set aside for anyone wishing to address the City Council on items not listed in any other place on the agenda. Mayor Kendrick called for public comment.

Mayor Kendrick called for public comment.

David McElwain, La Verne resident stated that he has been a happy La Verne resident for the past twenty-five years. He stated that he supported Measure LV and urged residents to vote yes.

Krista Chakmak, La Verne resident spoke in support of Measure LV to support all City services and secure the City of La Verne.

Bruce Becker, La Verne resident, stated he opposed Measure LV and gave many reasons why he opposed it.

John Wilson, La Verne resident spoke about his concern of a cannabis business in Pomona near his home and his concern for the safety of his neighborhood.

Tom Davy, La Verne resident, spoke about the problems he is having with his neighbor who blames him for the death of his dog.

Tom Kokinis, La Verne resident asked for help regarding a code violation at his home. He stated he was cited for placement of his air conditioner on the side of his home. He spoke at length about the matter and on alleged harassment by the City staff.

Elline Garcia, La Verne resident stated that she delivered a packet of information addressed to the City Council regarding her concerns pertaining to the same code enforcement matter. She was upset because the packet was not sent to the Council, but to the Community Development Department and she demanded to know why it was not sent to Council. She spoke about being treated poorly by the Community Development Director.

Mayor Kendrick apologized to Ms. Garcia, and he explained to her that City Council couldn't respond to her question because of the Brown Act.

City Manager Russi responded to Ms. Garcia and explained that it was sent to the Community Development Department Staff for their input so it could assist City Council.

Lee, La Verne resident stated he was cited for the same violation regarding the placement of his air conditioner.

Denise lived in La Verne since 1979 and never had any problems. She alleged harassment by the City staff by calling her constantly.

Meshal "Kash" Kashifalighita stated that he is running for US Congress, District 32. He urged the City Council to continue dialogue with the residents.

Danny Montoya spoke at length regarding the Fire Department and the problems with the City since the lawsuit was settled.

A La Verne resident spoke about the unprofessional conduct of a Fire Official speaking at the meeting and the character assassination of the former Fire Chief. He complimented the Interim Fire Chief Leonard for the report on the brownout of Station 3.

Gary Hunter, La Verne stated that the La Verne Firefighters are great.

Mark Gutierrez, La Verne Police Officer's Association President spoke in favor of Measure LV and urged the residents to vote Yes to continue to the current level of service in the City of La Verne and thanked the City Council for their support of Measure LV.

Jeff Peterson, La Verne resident, retired La Verne Fire employee spoke about his concerns regarding the brownout of Fire Station 3 and the fire facilities fee established to build Fire Station 3.

Jeremy Conrad, Secure La Verne Committee, spoke in favor of Measure LV and to keep tax dollars in La Verne to help secure the future of La Verne.

City Manager Russi stated that the Country Club air conditioner issue was brought to the attention of the City by a resident. He stated that the City was only following the code and asking the resident to be in compliance and that it was not harassment.

11. Council Comments and  
Meeting/Conference Reports

Council Member Hepburn thanked everyone for coming to the Council Meeting. He thanked the Public Works staff for their amazing work on the Esperanza pathway.

Council Member Davis stated it is the cold/flu season and he was just recovering from the flu. He urged everyone to get a flu shot.

Council Member Carder spoke about her meeting with the La Verne Fire Departments in her efforts to improve relationship between the City and the Fire Department. She urged everyone to move forward and to work together.

Mayor Kendrick thanked Interim Fire Chief Leonard for his report on the Fire Station 3 brownout and the mitigation measures being taken to avoid disruption of service. He spoke about the Fire Department recruitment efforts. He stated that for the past 100 years the La Verne community has enjoyed a great atmosphere and quality of life.

12. Closed Session

At 9:45 pm, the City Council adjourned to closed session for conference with legal counsel – Existing Litigation pursuant to Government Code Section 54956.9(d)(1);

- Kevin Palm vs City of La Verne, Workers' Compensation Case No. CJPO28544LV/CJPO15367LV
- Keith Thompson vs City of La Verne, Workers' Compensation Case No. CJPO36375LV
- Tom Toth vs. City of La Verne, Workers' Compensation Case No. CJPO40793LV

13. Adjournment at 11 pm.

Respectfully submitted,

Lupe Gaeta Estrella, CMC  
Assistant City Clerk

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CITY OF LA VERNE  
REGISTER OF AUDITED DEMANDS  
2/26/2020

DEMANDS PRESENTED HAVE BEEN APPROVED CONSISTENT WITH THE CITY'S PURCHASING/FUNDING POLICY AND HAVE BEEN REVIEWED BY THE FINANCE MANAGER FOR ACCURACY AND PROPER APPROVAL.

SUMMARY OF DEMANDS


LARGEST 10 CITY DEMAND PAYMENTS OTHER THAN PAYROLL AND RELATED BENEFITS.

AMOUNT	ISSUED TO	DESCRIPTION
1. \$ 13,698.75	DE NOVO PLANNING GROUP	GENERAL PLAN UPDATE SERVICES - FEBUARY 2020
2. 13,485.12	SYNTECH GROUP	VARIOUS MAINTENANCE SERVICES - NOV. & DEC. 2019
3. 12,127.01	INTER-CON SECURITY SYSTEMS, INC.	PARKING ENFORCEMENT - JANUARY 2020
4. 10,169.83	INLAND VALLEY HUMANE SOCIETY	ANIMAL CARE/CONTROL SERVICES
5. 9,120.00	KRONOS INCORPORATED	WORKFORCE TELESTAFF BUNDLE - SOFTWARE SUBSCRIPTION
6. 5,398.32	FOOTHILL COMMUNICATIONS, INC.	SERVICES FOR VARIOUS COMMUNICATION EQUIPMENT
7. 4,510.00	REGAL CINEMEDIA CORP.	MOVIE TICKET RESTOCK
8. 4,243.30	LIEBERT, CASSIDY WHITMORE	ATTORNEY SERVICES - JANUARY 2020
9. 3,059.68	FRONTIER COMMUNICATIONS	PHONE SERVICE - JANUARY 2020
10 2,901.25	WELLS FARGO	PRINTER SERVICES 02/28/2020-03/27/2020
39,515.91	OTHER DEMANDS	
\$118,229.17		

DEMANDS OF \$23,101.81 WERE PAID ON BEHALF OF LAIMPACT FOR LAW ENFORCEMENT TASK FORCE OPERATIONS.

A DETAILED LIST OF WARRANTS PAID IS ATTACHED AS EXHIBIT A.

IN ACCORDANCE WITH GOVERNMENT CODE SECTION 37202, I HEREBY CERTIFY THAT THIS IS A TRUE AND ACCURATE REGISTER OF AUDITED DEMANDS.

  
NATHAN STATHAM  
FINANCE MANAGER

CITY OF LA VERNE  
REGISTER OF AUDITED DEMANDS - EXHIBIT A

2/26/2020

CHECK NO.	AMOUNT	ISSUED TO
150140	\$ 100.00	AARP
150141	635.10	ACP PUBLICATIONS & MARKETING
150142	136.88	ACT NOW SIGNS
150143	624.35	AT & T
150144	2,174.00	ATKINSON,ANDELSON,LOYA,RUUD & ROMO
150145	487.86	BATTERY SPACE.COM/AA PORTABLE POWER
150146	30.00	BILLIE CEROVAC
150147	955.00	BOSSIEUX, ANDRE
150148	30.00	BURRO CANYON SHOOTING PARK
150149	14.00	CARRASCO, DANIEL
150150	122.40	CM SCHOOL SUPPLY CO.
150151	13,698.75	DE NOVO PLANNING GROUP
150152	1,685.00	DENNIS WILLIAMS PAINTING
150153	568.00	DEPT OF FORESTRY & FIRE PROTECTION
150154	42.00	DRANSFELDT, CHRIS
150155	5,398.32	FOOTHILL COMMUNICATIONS, INC
150156	3,059.68	FRONTIER COMMUNICATIONS
150157	238.25	GARCIA, GILBERT
150158	132.29	GOLDEN STATE WATER COMPANY
150159	1,700.00	GONZALEZ, SAM
150160	262.48	GUTIERREZ, MARK
150161	874.86	HIRSCH PIPE AND SUPPLY
150162	1,301.60	INLAND VALLEY DAILY BULLETIN
150163	10,169.83	INLAND VALLEY HUMANE SOCIETY
150164	2,000.00	JOE GRECO CABINETRY
150165	220.00	LORD, KEITH
150166	247.95	KEYSTONE UNIFORM DEPOT
150167	9.00	KYOCERA DOCUMENT SOLUTIONS WEST
150168	1,800.00	LA VERNE PETTY CASH
150169	4,243.30	LIEBERT CASSIDY WHITMORE
150170	50.00	LIVE OAK BUILDING COMPANY
150171	32.50	LIVE OAK BUILDING COMPANY INC.
150172	600.00	MAIN STREET EXPERIENCES
150173	760.00	MCLAY SERVICES, INC.
150174	116.10	OFFICE DEPOT
150175	167.33	OFFICE SOLUTIONS
150176	225.00	ORANGE COUNTY SHERIFF'S DEPT.
150177	446.49	PARADISE EMBROIDERY & SCREEN PRINT.
150178	88.16	POSTAL ANNEX
150179	117.80	PRO AUDIO VIDEO INC.
150180	21.28	PROWS, JASON
150181	100.00	QUAN NGUYEN
150182	4,510.00	REGAL CINEMEDIA CORP.
150183	2,531.70	REGIONAL TAP SERVICE CENTER
150186	670.93	RUSSI, ROBERT
150187	116.00	SAFESHRED COMPANY, INC.
150188	230.76	SATELLITE PHONE STORE
150189	8.51	HOLLIE SAVAGE
150190	107.70	SEQUOIA FINANCIAL SERVICES
150191	211.20	SOCIAL VOCATIONAL SERVICES, INC.
150192	165.00	SOMBOON THAMMAKUMPEE
150193	1,001.23	SOUTH COAST EMERGENCY VEHICLE SVCS
150194	2,370.27	SOUTHERN CALIFORNIA EDISON
150195	582.86	STAPLES CREDIT PLAN
150196	14.00	SULLIVAN, SHANNON
150197	13,485.12	SYNTECH GROUP
150198	59.95	TELIT LOT PLATFORMS, LLC.
150199	794.57	TIME WARNER CABLE
150200	35.62	TIMOTHY LOPEZ
150201	105.00	VAN VELDHUIZEN, BRANDON
150202	2,043.09	VERIZON WIRELESS

CITY OF LA VERNE  
REGISTER OF AUDITED DEMANDS - EXHIBIT A

2/26/2020

CHECK NO.	AMOUNT	ISSUED TO
150203	1,580.85	WAXIE SANITARY SUPPLY
150204	2,901.25	WELLS FARGO VENDOR FIN SERV
150205	167.24	WELLS, JOSHUA
150206	1,193.49	ZOLL MEDICAL CORPORATION
BANK DRAFT	455.13	FRONTIER COMMUNICATIONS
BANK DRAFT	157.43	SOUTHERN CALIFORNIA EDISON
EFT	38.33	ALL STATE POLICE EQUIPMENT CO.
EFT	1,820.00	GREENSCAPE MAINTENANCE SERVICES INC.
EFT	581.58	HAAKER EQUIPMENT CO.
EFT	675.81	INTELESYONE, INC.
EFT	12,127.01	INTER-CON SECURITY SYSTEMS, INC.
EFT	9,120.00	KRONOS INCORPORATED
EFT	1,398.25	MIRELES, CHAE
EFT	63.73	SUPERION, LLC
EFT	1,220.00	TELEFLEX, LLC
	<u>118,229.17</u>	
	23,101.81	Total LAIMPACT Demands
Total Demands \$	<u><u>141,330.98</u></u>	

LAIMPACT Law Enforcement Task Force Demands

150207	\$	61.34	ANGELINA DIAZ
150208		100.00	AVILA, GUILLERMO
150209		4,539.42	BANK OF AMERICA
150210		900.00	CHARTER COMMUNICATIONS
150211		20.98	FEDERAL EXPRESS CORP.
150212		56.07	FEDERAL EXPRESS CORP.
150213		300.00	NUWAY JANITORIAL SERVICES
150217		1,224.00	T-MOBILE USA, INC.
MULTIPLE		15,900.00	LAI ENFORCEMENT OPERATIONS
Total	\$	<u>23,101.81</u>	

LAIMPACT demands are paid from federal asset forfeiture dollars allocated to LAIMPACT crime prevention activities. These funds are not City funds and are not available for City use outside of LAIMPACT activities.

CITY OF LA VERNE  
REGISTER OF AUDITED DEMANDS  
3/4/2020

DEMANDS PRESENTED HAVE BEEN APPROVED CONSISTENT WITH THE CITY'S PURCHASING/FUNDING POLICY AND HAVE BEEN REVIEWED BY THE FINANCE MANAGER FOR ACCURACY AND PROPER APPROVAL.

SUMMARY OF DEMANDS

LARGEST 10 CITY DEMAND PAYMENTS OTHER THAN PAYROLL AND RELATED BENEFITS.

	<u>AMOUNT</u>	<u>ISSUED TO</u>	<u>DESCRIPTION</u>
1.	\$ 31,010.87	GENTRY BROTHERS, INC.	LA VERNE CHANNEL CROSSINGS (EMERGENCY WORK)
2.	24,558.00	RKA	VARIOUS ENGINEERING/BUILDING SVCS - JANUARY 2020
3.	10,735.00	KITTLESON & ASSOCIATES	LV ACTIVE TRANSPORTATION SVCS - SEPT. 2019-JAN. 2020
4.	9,378.16	UTILITY COST MANAGEMENT, LLC	ELECTRICITY RATE SAVINGS SERVICE CHARGES
5.	8,603.10	DEPARTMENT OF HEALTH CARE SERVICES	2ND QUARTER MEDICAL TRANSPORT SERVICE PAYMENT
6.	8,350.00	L. BARRIOS & ASSOCIATES, INC.	BONITA BASEBALL FIELD RENOVATIONS
7.	7,800.00	JONES & MAYER	ATTORNEY SERVICES - RETAINER FOR MARCH 2020
8.	3,291.44	ECONOLITE SYSTEMS, INC.	ROLLING STREET LIGHT REPORT - JANUARY 2020
9.	3,053.17	WEST COAST ARBORISTS, INC.	TREE MAINTENANCE - JANUARY 2020
10	2,828.80	INLAND VALLEY DAILY BULLETIN	NOTICE OF PUBLICATIONS - JANUARY 2020
	41,795.16	OTHER DEMANDS	
	<u>\$ 151,403.70</u>		

DEMANDS OF \$501,675.15 WERE PAID FOR PAYROLL AND EMPLOYEE BENEFIT RELATED ITEMS.

DEMANDS OF \$26,740.98 WERE PAID ON BEHALF OF LAIMPACT FOR LAW ENFORCEMENT TASK FORCE OPERATIONS

A DETAILED LIST OF WARRANTS PAID IS ATTACHED AS EXHIBIT A.

IN ACCORDANCE WITH GOVERNMENT CODE SECTION 37202, I HEREBY CERTIFY THAT THIS IS A TRUE AND ACCURATE REGISTER OF AUDITED DEMANDS.



NATHAN STATHAM  
FINANCE MANAGER



CITY OF LA VERNE  
REGISTER OF AUDITED DEMANDS - EXHIBIT A

3/4/2020

CHECK NO.	AMOUNT	ISSUED TO
150229	\$ 29.01	ACTION AWARDS, INC.
150230	854.46	BADGE FRAME
150231	8,350.00	L. BARRIOS & ASSOCIATES INC.
150232	65.65	BLOOMING VIEW
150233	413.89	BROWNELLS, INC.
150234	798.26	C.A.T. SPECIALTIES, INC.
150235	580.00	CARPET TIME, INC.
150236	78.03	CM SCHOOL SUPPLY CO.
150237	2,684.00	THE COLORFUL SONGS OF BROADWAY
150238	1,679.99	COUNTY OF LOS ANGELES
150239	637.00	DATA INSTALLERS, INC.
150240	10.00	DBX, INC.
150241	30.00	DEBORAH BAKER
150242	3,291.44	ECONOLITE SYSTEMS, INC.
150243	66.73	FEDERAL EXPRESS CORP.
150244	42.00	VICTORIA GALVEZ
150245	31,010.87	GENTRY BROTHERS, INC.
150246	116.35	GRAINGER
150247	232.96	HI STANDARD AUTOMOTIVE, LLC
150248	900.00	HILLCREST
150249	1,256.89	HOLLIDAY ROCK CO.
150250	723.31	IMS REFRIGERATION, INC.
150251	2,828.80	INLAND VALLEY DAILY BULLETIN
150252	506.47	INTELLI-TECH
150253	20.00	JMO DEMOLITION & EARTHWORK
150254	7,800.00	JONES & MAYER
150255	100.00	JUNE QUINTERO
150256	10,735.00	KITTLESON & ASSOCIATES
150257	22.27	KONICA MINOLTA BUSINESS SOLUTIONS
150258	411.27	LA VERNE PETTY CASH
150259	85.00	LA VERNE POWER EQUIPMENT, INC.
150260	1,123.40	LESLIE'S POOLMART, INC.
150261	1,049.61	LIFE-ASSIST
150262	546.52	LOS ANGELES TIMES
150263	46.05	MAGSINO, JAMES ROMER
150264	185.00	MCLAY SERVICES, INC.
150265	380.00	MOORE, TRAVIS
150266	472.24	NBC SUPPLY CORP
150267	2,224.80	NICHOLS LUMBER & HARDWARE
150268	104.01	NISHIMURA, ROBERT
150269	269.27	OFFICE DEPOT
150270	2,345.48	OFFICE SOLUTIONS
150271	391.11	PRISTINE UNIFORMS
150272	309.60	PROWS, JASON
150273	2,187.00	REIFER, MICHAEL
150274	23.82	RIO HONDO COLLEGE
150275	24,558.00	RKA
150276	20.00	SHEPPARD, SHERRY
150277	172.39	SIGTRONICS CORP.
150278	2,445.12	SYNTECH GROUP
150279	223.01	TARPLEY, TONY M.
150280	350.83	TIM WOLFE
150281	600.00	TRITECH SOFTWARE SYSTEMS
150282	920.43	U.S. ARMOR CORPORATION
150283	9,378.16	UTILITY COST MANAGEMENT,LLC
150284	180.00	VAN VELDHUIZEN, BRANDON
150285	1,682.73	WASTE MANGEMENT OF SAN GABRIEL
150286	2,650.94	WESTNET, INC.
150287	116.90	WEX BANK
150288	323.40	YOUNG REMBRANDTS
BANK DRAFT	8,603.10	DEPARTMENT OF HEALTH CARE SERVICES
EFT	456.55	ALL STAR FIRE EQUIPMEMT INC.

CITY OF LA VERNE  
REGISTER OF AUDITED DEMANDS - EXHIBIT A

3/4/2020

CHECK NO.	AMOUNT	ISSUED TO
EFT	335.86	COLLEGIATE PRESS
EFT	175.00	D F POLYGRAPH
EFT	710.00	GREENSCAPE MAINTENANCE SERVICES
EFT	237.94	HASA, INC.
EFT	613.20	KIDZ LOVE SOCCER
EFT	500.00	LAW ENFORCEMENT MEDICAL SERVICES
EFT	575.00	MARTIN SCHERER ELECTRIC, INC.
EFT	539.00	MIRELES, CHAE
EFT	1,440.00	NOBEL SYSTEMS
EFT	700.00	PEST OPTIONS, INC.
EFT	1,580.63	SKYLINE SAFETY AND SUPPLY
EFT	244.78	SUN BADGE CO.
EFT	3,053.17	WEST COAST ARBORISTS, INC.
	151,403.70	
	501,675.15	Total Payroll and Employee Benefit Payments
	26,740.98	Total LAIMPACT Demands
Total Demands \$	679,819.83	

Payroll and Employee Benefit Payments:

10289	\$ 1,856.45	AFLAC
10290	460.12	CALIFORNIA, STATE OF
10291	3,504.32	DELTA DENTAL INSURANCE COMPANY
10292	10,925.65	DELTA DENTAL
10293	480.00	CITY OF LA VERNE EMPLOYEE FUND
10294	1,585.00	FIDELITY INVESTMENTS
10295	6,517.63	THE HARTFORD - PRIORITY ACCOUNTS
10296	159,474.93	HEALTH NET
10297	64,686.80	KAISER FOUNDATION HEALTH PLAN
10298	1,335.41	METLIFE - GROUP BENEFITS
10299	867.80	A.C. NEWMAN CO.
10300	32.00	UNITED WAY CAMPAIGN
10301	948.22	WAGeworks, INC.
10302	102.00	WAGeworks
BANK DRAFT	22,748.17	CALIFORNIA, STATE OF
BANK DRAFT	120,550.87	CALIFORNIA, STATE OF
BANK DRAFT	2,847.92	LINCOLN NATIONAL
BANK DRAFT	523.89	MASS MUTUAL ROTH
BANK DRAFT	19,130.81	MASS MUTUAL A
BANK DRAFT	1,579.76	STATE DISBURSEMENT UNIT
BANK DRAFT	74,963.57	UNITED STATES TREASURY
EFT	2,586.25	LA VERNE FIRE ASSOCIATION
EFT	2,217.58	LA VERNE POLICE OFFICERS ASSOCIATION
EFT	1,750.00	RUSSI, CHRISTINA
Total	\$ 501,675.15	

Break down of standard providers and the benefits they provide

Provider	Benefits Description
A.C. Newman Co.	Accidental Death Life Insurance
Delta Dental	Employee dental insurance coverage
The Hartford	Life Insurance Policy
Health Net	Employee health insurance
Kaiser	Employee health insurance
Wage Works	Flexible Savings Account (FSA) deductions
US Treasury	Employee federal tax withholdings
State of California	Employee state income tax, unemployment insurance and child support/garnishments
Mass Mutual A	401A plan
Mass Mutual B	457B plan
Mass Mutual Roth	Roth plan
Lincoln National	Replacement Social Security plan
Fire/Police/La Verne Employee Fund	Employee Group Dues

CITY OF LA VERNE  
REGISTER OF AUDITED DEMANDS - EXHIBIT A

3/4/2020

CHECK NO.	AMOUNT	ISSUED TO
<u>LAIMPACT Law Enforcement Task Force Demands</u>		
150221	\$ 41.76	FEDERAL EXPRESS CORP.
150222	19.67	FEDERAL EXPRESS CORP.
150223	6,548.55	LOS ANGELES COUNTY SHERIFF'S DEPT.
150224	1,131.00	TOTAL NETWORK SOLUTIONS
MULTIPLE	19,000.00	LAI ENFORCEMENT OPERATIONS
Total	\$ 26,740.98	

\* Payments in this category are made in the course of ongoing criminal cases.

LAIMPACT demands are paid from federal asset forfeiture dollars allocated to LAIMPACT crime prevention activities. These funds are not City funds and are not available for City use outside of LAIMPACT activities.

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**City of La Verne Treasurer's Report  
for the Month Ended December 31st, 2019**

**Portfolio Summary**

- As of December 31, 2019, the market value of the City's investment portfolio totaled \$42,533,787. The City's investment yield to maturity at market increased from 2.17% to 2.22% during the month of December. The weighted average maturity of the portfolio decreased from 353 days on November 30 to 284 days (.78 years ) on December 31.

- During the month of December, the City's total cash and investments increased by \$3,623,711. The significant cash receipts and disbursements (registers of audited demands) are listed below.

**Treasurer's Comments:**

1. The City holds funds for L.A. IMPACT in a fiduciary capacity.
2. The fiscal agent balance pertains to the 1996 Revenue Bonds (\$3,092,727) and 2018 POBS (\$142).

**December 2019 Activity**

Cash Receipts (\$100,000 and over presented)		Cash Disbursements		Investment Activity	
Property Tax	\$ 2,918,614	Audited Demands 12/05/19	\$ (496,932)	Purchases	\$ -
Investment Redemption - FHLB	2,022,301	Audited Demands 12/12/19	(174,824)	Sales	-
Investment Redemption - FHLMC	2,015,500	Audited Demands 12/19/19	(278,151)	Redemptions	(5,049,836)
Investment Transfers	2,015,000	Audited Demands 12/24/19	(939,196)	LAIF - Transfers	4,500,000
Investment Redemption - CD	1,012,534	Audited Demands 12/31/19	(126,247)	LAIF - Interest Reinvestment	-
Federal Funds - Case # 12-18-036	707,237	Payroll 12/12/19	(612,871)	Fair Market Adjustment	68,256
Sales Tax	329,087	Payroll 12/26/19	(417,615)	Total Investing Activity	\$ (481,580)
Federal Funds - Case # 16-04-004	272,980	LAIF - Transfers	(4,500,000)		
L.A. County Water Utility Payment	131,801	Investment - Transfers	(2,015,000)		
Edison UUT	109,497	Prior Demands Outstanding	(1,570,580)		
All Other Cash Receipts	2,928,576	Total Cash Disbursements	\$ (11,131,416)		
Total Cash Receipts	\$ 14,463,127				

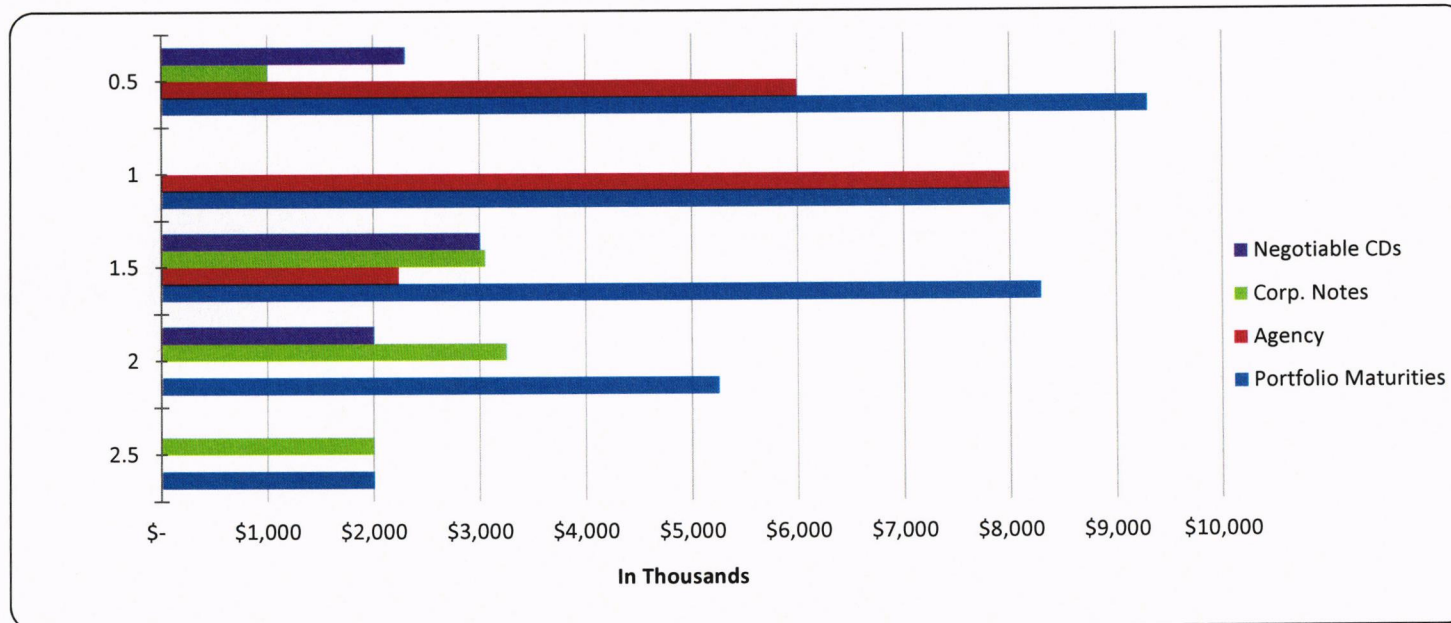
**Cash and Investment Balance**

Prior Month to Current Month Ending Balance Reconciliation				City Cash and Investment Balance	
November Treasurer's Report		December Activity			
Portfolio Balance	\$ 43,015,367	Cash Receipts	14,463,127	Investment Portfolio	\$ 42,533,787
Demand Deposit Balance	1,985,001	Cash Disbursements	(11,131,416)	Demand Deposits	8,003,703
Fiscal Agent Balance	4,111,260	Decreased Outstanding Demands	1,330,354	Less: Outstanding Demands	(1,356,637)
Fiduciary Funds <sup>1</sup>	9,365,249	Net Investment Activity	(481,580)	Treasury Cash & Investments	49,180,852
Cash & Investments	58,476,877	Fiscal Agent -Decrease <sup>2</sup>	(1,018,391)	Fiscal Agent <sup>2</sup>	3,092,869
		Fiduciary - Increase <sup>1</sup>	461,617	Fiduciary Funds <sup>1</sup>	9,826,866
		Total Cash & Investments	\$ 62,100,587	Total Cash & Investments	\$ 62,100,587

**City of La Verne Treasurer's Report  
for the Month Ended December 31st, 2019**

**Portfolio Maturity Schedule (shown at redemption value)**

Maturity Range (Years)	Agency Debt Securities	Corporate Notes	Negotiable Certificates of Deposit	Maturity Schedule	LAIF
0.5	\$ 6,000,000	\$ 1,000,000	\$ 2,300,000	\$ 9,300,000	\$ 9,544,824
1	8,000,000	-	-	8,000,000	-
1.5	2,240,000	3,050,107	3,000,000	8,290,107	-
2	-	3,250,000	2,000,000	5,250,000	-
2.5	-	2,000,000	-	2,000,000	-
	<u>\$ 16,240,000</u>	<u>\$ 9,300,107</u>	<u>\$ 7,300,000</u>	<u>\$ 32,840,107</u>	<u>\$ 9,544,824</u>



**Investment Policy Compliance**

	Category	% of Portfolio	Policy Limit	Max Maturity	In Compliance with Policy
Agency Debt Securities	\$ 16,240,000	38.3	None	5 years	Yes
Corporate Notes	9,300,107	21.9	30%	5 years	Yes
Negotiable Certificates of Deposit	7,300,000	17.2	None	5 years	Yes
LAIF	9,544,824	22.5	\$75,000,000	N/A	Yes
	<u>\$ 42,384,931</u>				

**City of La Verne Treasurer's Report  
for the Month Ended December 31st, 2019  
Cash and Investments Balance by Fund**

Fund		Cash and Investments Balance	Fund		Cash and Investments Balance
101	GENERAL FUND	5,588,486	Debt Service Fund		
Special Revenue Funds			326	LOAN REPAYMENT*	-
204	PARAMEDIC SERVICES*	-	Capital Project Funds		
206	GAS TAX	2,184,235	405	GENERAL CAP. IMP.	2,701,160
208	TRAFFIC SAFETY *	-	406	ROW MANAGEMENT FUND	3,332,695
215	CDBG*	-	407	I/S TECHNOLOGY CAPITAL FUND	44,347
216	OPER. & MAINT. CFD 90-1	783,567	410	UNDERGROUND UTILITY	82,868
217	EIFD	12,681	412	PARK DEVELOPMENT	794,441
221	CABLE PUBLIC ACCESS-PEG	83,462	413	YOUTH SPORTS CIP	93,886
223	DOWNTOWN PARKING IN-LIEU	110,713	419	STORM DRAIN DIST.	1,223,889
226	AFFORDABLE HOUSING FUND	1,304,029	Enterprise Funds		
229	LV HOUSING SUCCESSOR	300,447	502	WATER	7,119,821
231	ASSET FORFEITURE FUND	4,397,903	507	WATER CAP. IMP.	5,232,636
232	LACMTA - PROPOSITION A	364,314	530	SEWER	1,472,210
234	LACMTA - PROPOSITION C	631,274	531	SEWER CAPITAL IMP.	4,959,716
235	LACMTA - MEASURE R	841,491	624	EQUIPMENT FUND	628,025
236	LACMTA - MEASURE M*	-	625	RISK MANAGEMENT	79,280
240	PROP 172 PUBLIC SAFETY	77,790	Custodial Funds (fiduciary in nature)		
241	SUPPLEMENTAL LAW ENF SERV	141,568	700	TRUST & AGENCY	514,010
243	AB2766 MOBILE SRC AIR POL	470,965	713	TRUST & AGENCY DEPOSITS	109,724
244	PUBLIC SAFETY EQUIPMENT FUND	609,956	730	REDEV OBLIGATION RETIREMENT	216,743
245	DNTWN. BUS. IMP. DIST.	124,837	758	L. A. IMPACT	3,227,921
246	MAINTENANCE DIST.	585,043	759	L. A. IMPACT - ASSET FORFEITURE	6,598,945
250	FIRE EQUIPMENT REPLACEMENT	1,450,286	Total Treasury Cash & Investments		<u>\$ 62,100,587</u>
252	LARGE BLDG CFD FUND	187,588			
256	LA VERNE MOBILE COUNTRY CLUB	3,092,727			
257	VALLEY RANCHO MHP	324,907			
299	MISCELANEOUS GRANTS*	-			

\* Funds currently showing a negative cash balance due to unreimbursed costs are shown as if the applicable due to/from other funds balances were posted in the General Fund. Negative cash balances totaled \$1,358,937

Note: the above balances represent cash and investment balances in the respective funds, not the respective financial statement fund balances.

**City of La Verne Treasurer's Report  
for the Month Ended December 31st, 2019  
Portfolio Holdings - Pooled Investments**

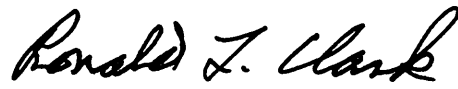
Purchase Cost	Market Value	Investment Institution	Description	Doc. I.D.	Investment Date	Maturity Date	Yield to Maturity
\$9,544,824	\$9,561,721	California State Treasurer	LAIF	9819439	Various	10/1/2019	2.400
\$2,000,000	\$1,999,700	Hilltop Securities, Inc.	FFCB Note	3133EFZT7	2/26/2016	2/24/2020	1.404
\$989,078	\$1,000,510	Hilltop Securities, Inc.	HSBC USA Inc.	40428HPR7	6/11/2018	3/5/2020	2.350
\$2,000,000	\$1,998,020	Hilltop Securities, Inc.	FHLB Note	3130A7ZT5	5/18/2016	5/18/2020	1.405
\$2,000,000	\$1,998,880	Securities America, Inc.	FHLB Note	3130AA3Z9	12/15/2016	6/15/2020	1.504
\$1,300,000	\$1,306,825	Time Value Investments	Morgan Stanley CD	61747M2NQ	6/11/2018	6/15/2020	2.800
\$1,000,000	\$1,005,430	Hilltop Securities, Inc.	Enterprise Bank CD	29367SHX5	6/8/2018	6/22/2020	2.802
\$2,000,000	\$1,996,040	Piper Jaffray	FHLMC Note	3134GABM5	8/30/2016	8/28/2020	1.305
\$2,000,000	\$1,997,340	Hilltop Securities, Inc.	FFCB Note	3133EGXX8	10/13/2016	10/13/2020	1.344
\$2,000,000	\$1,998,420	Multi Bank Securities, Inc	FFCB Note	3133EGEU5	6/14/2016	12/14/2020	1.545
\$2,000,000	\$1,999,980	Multi Bank Securities, Inc	FHLB	3130A6XY8	1/27/2016	1/27/2021	1.999
\$240,000	\$238,586	Hilltop Securities, Inc.	FHLB Note	3130A7CL7	2/26/2016	2/26/2021	1.700
\$1,015,107	\$1,010,300	Time Value Investments	Texas Instruments	882508AY0	10/8/2019	3/12/2021	2.718
\$998,150	\$1,016,830	Multi Bank Securities, Inc	General Dynamics	369550BE7	6/13/2018	5/11/2021	3.066
\$1,035,000	\$1,032,780	Multi Bank Securities, Inc	Blackrock INC	09247XAH4	6/13/2018	5/24/2021	2.998
\$2,000,000	\$1,997,020	Hilltop Securities, Inc.	FFCB Note	3133EGDH5	6/2/2016	6/2/2021	1.694
\$1,000,000	\$1,018,680	Time Value Investments	American Express CD	02589AAC6	6/5/2018	6/7/2021	3.000
\$1,000,000	\$1,018,680	Time Value Investments	Citibank NA CD	17312QM63	6/6/2018	6/7/2021	3.000
\$1,000,000	\$1,018,950	Hilltop Securities, Inc.	BMW Bank NA CD	05580ANA8	6/8/2018	6/15/2021	2.999
\$959,592	\$998,680	Time Value Investments	Microsoft Corp	594918BP8	6/11/2018	8/8/2021	2.900
\$1,206,124	\$1,252,625	Time Value Investments	Oracle Corp.	68389XBK0	6/11/2018	9/15/2021	3.020
\$1,000,000	\$1,001,740	Mischler Finacial Group	Ally Bk Midvale CD	02007GMF7	10/3/2019	10/12/2021	1.799
\$1,000,000	\$1,002,620	Mischler Finacial Group	Morgan Stanley CD	61690ULU2	10/3/2019	10/12/2021	1.874
\$988,280	\$1,015,860	Multi Bank Securities, Inc	US Bancorp	91159HHP8	5/31/2018	1/24/2022	2.966
\$992,240	\$1,022,300	Multi Bank Securities, Inc	TD Ameritrade	87236YAE8	5/31/2018	4/1/2022	3.166



### Portfolio Holdings - Pooled Investments

Purchase Cost	Market Value	Investment Institution	Description	Doc. I.D.	Investment Date	Maturity Date	Yield to Maturity
\$994,460	\$1,025,270	Multi Bank Securities, Inc	Qualcomm Inc.	747525AE3	5/31/2018	5/20/2022	3.149
<b>\$42,262,854</b>	<b>\$42,533,787</b>	<b>Total Pooled Investments</b>					

I hereby certify that the investment activity for this reporting period conforms with the current investment policy as set forth in Resolution No. 06-04. Per government code requirements, there are adequate funds available to meet the City of La Verne's budgeted and actual expenditures for the next six months.



Ronald L. Clark  
CITY TREASURER

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# Agenda Report

CITY OF LA VERNE

**Community Development Department**

**DATE:** March 16, 2020  
**TO:** Honorable Mayor and City Council  
**FROM:** Eric Scherer, AICP, Community Development Director  
**SUBJECT:** 2019 HOUSING ELEMENT ANNUAL PROGRESS REPORT

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## **AGENDA SUMMARY**

The City is required to prepare an Annual Progress Report on the status and progress in implementing its Housing Element. This report is required to be presented to the City Council prior to submitting the report to the State.

## **RECOMMENDATION**

Authorize the Community Development Department Staff to submit Annual Progress Reports for 2019.

## **BACKGROUND**

California's Housing Element law acknowledges both the need for private market to adequately address the housing needs and demands of Californians and for local governments to adopt plans and regulatory systems which provide opportunities for housing development. As a result, each local jurisdiction is required to adopt and monitor their Housing Element and remain in compliance with State law.

Each jurisdiction must prepare Annual Progress Reports (APR) on the status and progress in implementing its Housing Element through California's Government Code Section 65400. Each jurisdiction's APR must be submitted to California's Department of Housing and Community Development (HCD) for the previous year prior to April 1<sup>st</sup>.

Attachment A reflects the housing inventory built, approved, or finalized in 2019.

## **ENVIRONMENTAL REVIEW**

This project has been determined to be categorically exempt per Section 15061(b)(3) of the California Environmental Quality Act. Therefore, no further environmental review is required.

Respectfully submitted: Candice Bowcock, Principal Planner

Attachment: A. APR 2019

Jurisdiction	La Verne	
Reporting Year	2019	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT  
Housing Element Implementation

(CCR Title 25 §6202)

Note: "+" indicates an optional field  
Cells in grey contain auto-calculation formulas

Table A Housing Development Applications Submitted																			
Project Identifier					Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes								Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Notes
1					2	3	4	5						6		7	8	9	10
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SFA,SFD,2 to 4,5+ ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project (Auto-calculated Can Be Overwritten)	Was APPLICATION SUBMITTED Pursuant to GC 65§13.4(b)? (SB 36 Streamlining)	Notes*
Summary Row: Start Data Entry Below								0	0	0	13	0	0	0	16	27	1	26	0
	8375015009	2116 6th Street	Strycula		ADU	R	1/15/2019				1					1	1	0	No
	8381009005	2705 Mountain View Drive	Hillcrest/Hawthorn		SFD	O	3/20/2019							14	14		14		No
	8378004027	2024 Walnut Ave	Ols		SFD	R	3/25/2019				1					1		1	No
	8378004027	2024 Walnut Ave	Ols		ADU	R	3/25/2019				1							1	No
	8375012005	1970 7th Street	Eide		ADU	R	10/22/2019				1					1		1	No
	8375012005	1970 7th Street	Eide		SFD	O	10/22/2019							1				1	No
	8377011016	2353 2nd Street	Oufield		ADU	R	4/24/2019				1					1		1	No
	8664009001	4796 Chamber Ave	Lulu		ADU	R	6/6/2019				1					1		1	No
	8381013028	2530 Magnolia	Lulu		ADU	R	6/6/2019				1					1		1	No
	8378005045	1975 Walnut Street	Thomas		ADU	R	6/11/2019				1					1		1	No
	8375026014	2351 7th Street	Zellmann		ADU	R	7/16/2019				1					1		1	No
	8678035008	6828 Canterwood Road	Aguilar		ADU	R	9/3/2019				1					1		1	No
	8377002002	2054 5th Street	Ibrahim		SFD	O	11/5/2019							1		1		1	No
	8377002002	2054 5th Street	Ibrahim		ADU	R	11/5/2019				1					1		1	No
	8370004006	2634 5th Street	Gould		ADU	R	12/5/2019				1					1		1	No
	8381032003	1766 2nd Street	Cheney		ADU	R	12/30/2019				1					1		1	No
																0		0	
																0		0	
																0		0	

Jurisdiction		La Verne		ANNUAL ELEMENT PROGRESS REPORT										Note: "*" Indicates an optional field																																																																																																																																																																																																																																																																																																																																																																																																											
Reporting Year		2019		(Jan. 1 - Dec. 31)		Housing Element Implementation										Cells in grey contain auto-calculation formulas																																																																																																																																																																																																																																																																																																																																																																																																									
				Table A2																																																																																																																																																																																																																																																																																																																																																																																																																					
Annual Building Activity Report Summary - New Construction, Entitled, Permits and Completed Units																																																																																																																																																																																																																																																																																																																																																																																																																									
Project Identifier					Unit Types		Affordability by Household Incomes - Completed Entitlement								Affordability by Household Incomes - Building Permits									Affordability by Household Incomes - Certificates of Occupancy								Streamlining	Infill	Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions	Term of Affordability or Deed Restriction	Demolished/Destroyed Units			Notes																																																																																																																																																																																																																																																																																																																																																																																
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Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (GFA, ADU, D, etc.)	Tenure (R, O, etc.)	Very Low-Income Deed Restricted	Very Low-Income Non-Deed Restricted	Low-Income Deed Restricted	Low-Income Non-Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non-Deed Restricted	Above-Moderate-Income	Entitlement Date Approved	# of Units Issued Entitlements	Very Low-Income Deed Restricted	Very Low-Income Non-Deed Restricted	Low-Income Deed Restricted	Low-Income Non-Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non-Deed Restricted	Above-Moderate-Income	Building Permits Date Issued	# of Units Issued Building Permits	Very Low-Income Deed Restricted	Very Low-Income Non-Deed Restricted	Low-Income Deed Restricted	Low-Income Non-Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non-Deed Restricted	Above-Moderate-Income	Certificates of Occupancy or other forms of readiness (see instructions) Date Issued	# of Units Issued Certificates of Occupancy or other forms of readiness	How many of the units were Extremely Low Income?*	Was Project APPROVED using CC-SEPL-140? (SB 35 Streamlining) Y/N	Infill Units? Y/N*	Assistance Programs for Each Development (see instructions)	Deed Restriction Type (see instructions)	For units affordable without financial assistance or deed restrictions, explain how the locally determined the units were affordable (see instructions)	Term of Affordability or Deed Restriction (years) (if affordable in perpetuity enter "today")	Number of Demolished/Destroyed Units*	Demolished or Destroyed Units*	Demolished/Destroyed Units Owner or Reside*	Notes																																																																																																																																																																																																																																																																																																																																																																													
Summary Row: Start Data Entry Below							0							0	0	0							0	0	0							0	0	0							0	0	0	0	0			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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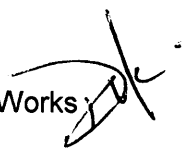
# Agenda Report

CITY OF LA VERNE

*Public Works Department*

**DATE:** March 16, 2020

**TO:** Honorable Mayor and City Council

**FROM:** Daniel W. Keesey, Assist. City Manager/Director of Public Works 

**SUBJECT:** Grant of Easement to the Puente Basin Water Agency - Orange St. Right of Way (AKA "Sweepings")

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## AGENDA SUMMARY

The Puente Basin Water Agency (PBWA) is seeking property to construct a replacement groundwater well in the Pomona Basin in the vicinity of Arrow Highway and Fairplex Drive. City staff has negotiated an agreement with PBWA, offering an easement across a small portion of the City's "sweepings" property. The 1,900 square foot easement will not impact City operations at the site nor limit any potential future use. Puente Basin Water Agency has agreed to pay the City \$133,000 in exchange for the easement.

## RECOMMENDATION

Staff recommends approval of the attached resolution authorizing the execution of a grant of easement to the Puente Basin Water Agency across 1,900 square feet of the southern right of way line as depicted in Exhibits C and D of the Easement Agreement. The easement will facilitate the construction, operation, and maintenance of a new groundwater well for the PBWA.

## BACKGROUND

The Puente Basin Water Agency is a Joint Powers Authority between the Rowland Water and Walnut Valley Water Districts. PBWA has acquired the former Durward Well located near the intersection of Fairplex Drive and Orange Street (an unimproved right of way). PBWA intends to replace the well as the current well has exceeded its life expectancy. Their existing property is too small to reasonably locate the replacement well on, which prompted PBWA to look at nearby properties. PBWA was pursuing discussions with local property owners, which happened to be within the City's newly formed Enhanced Infrastructure Financing District (EIFD) boundaries. Governmental ownership of any properties within the EIFD boundaries would be contrary to the goals of the EIFD and inhibit success of the EIFD.

City staff identified and evaluated other potential sites for a well, ultimately settling on the sweepings site, otherwise known as Orange Street, an unimproved public right of way. Orange Street is an unimproved street right of way located immediately south of the Metrolink rail right of way, between the Marshall Canon Flood Control Channel and Fairplex Drive. Orange Street is also contiguous to PBWA's Durward Well site. The public works department uses the sweepings location for material storage, disposal and transfer of certain waste items, and until recently, transfer of street sweeping debris into roll off waste bins.

City Council, re: PBWA Easement  
March 16, 2020  
Page 2

City staff and PBWA staff have negotiated an agreement for an easement measuring 95' by 20' along the southern right of way line and just west of the PBWA's Durward well site. PBWA intends to drill a replacement well at that location and will generally occupy an area of 15' by 20'. The additional area provides them access for construction and maintenance of their new well. PBWA will make a one-time payment to the City in the amount of \$133,000 for the lease. The easement agreement also includes provisions for indemnification, insurance, and general maintenance of the easement area benefiting the City.

## **ENVIRONMENTAL**

This project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15301(b) and Section 15305 of the CEQA guidelines and City of La Verne environmental guidelines. These exemptions provide for the maintenance and minor alteration of existing utilities and the granting of easements to other local agencies to accomplish activities that are categorically exempt.

C:\Users\dkeesey\Documents\DWK\Reports\RptCC re PBWA Sweepings Lease.docx

### **Attachments:**

1. Resolution No. 20-12
2. Easement Agreement



**RESOLUTION NO. 20-12**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AUTHORIZING THE EXECUTION OF AN EASEMENT AGREEMENT WITH THE PUENTE BASIN WATER AGENCY GRANTING AN EASEMENT FOR WELL RELATED PURPOSES**

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LA VERNE DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1.** That the Mayor is **HEREBY AUTHORIZED** to execute an easement agreement with the Puente Basin Water Agency for the purpose of granting an easement for groundwater well related purposes, said agreement being in the form attached hereto and made a part by this reference.

**Section 2.** That the Mayor shall sign and the Assistant City Clerk shall attest to the passage and adoption of this Resolution.

**APPROVED AND ADOPTED this 16<sup>th</sup> day of March, 2020.**

---

Mayor Don Kendrick

ATTEST:

---

Lupe Gaeta-Estrella, Assistant City Clerk

**CERTIFICATION**

I hereby certify that the foregoing **Resolution No. 20-12**, was duly and regularly adopted by the City Council of the City of La Verne at a meeting thereof held on the **16<sup>th</sup> day of March 2020**, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Lupe Gaeta Estrella, Assistant City Clerk

RECORDING REQUESTED BY AND  
WHEN RECORDED, MAIL TO:

**Puente Basin Water Agency**  
271 South Brea Canyon Road  
Walnut, CA 91789

THIS SPACE FOR RECORDER'S USE ONLY

**This is a conveyance of an Easement.**

**This conveyance is to a political subdivision of the state of California and is exempt from the documentary transfer tax. R & T Section 11922.**

**Exempt from recording fees and SB2 fee pursuant to Govt. Code Section 6103.**

### **EASEMENT AGREEMENT**

1. **Grant of Easement.** For valuable consideration, receipt of which is hereby acknowledged, and subject to the terms and conditions provided herein, the CITY OF LA VERNE, a general law city ("Grantor"), hereby grants and conveys to PUENTE BASIN WATER AGENCY, a joint powers agency formed and operating under California Government Code Sections 6500 et seq. ("Grantee"), and its successors and assigns, a permanent and irrevocable easement for installation and maintenance of a groundwater production well and appurtenant equipment and facilities, and for ingress and egress under, on, along and across the areas described in subdivisions (a) and (b), below, which total area is referred to herein as the "Easement Area," and consists of the combined area of the Well Easement and Staging Easement, as described below. It is understood and agreed that the easement rights granted hereunder shall **not** be construed as a grant of fee title.

(a) The portion of the Easement Area described in Exhibit "A" hereto and depicted in Exhibit "B," which exhibits are by this reference incorporated herein and made a part hereof as though fully set forth in detail, shall be used by Grantee for the installation and maintenance of a groundwater production well and appurtenant equipment and facilities (collectively, the "Well") to be owned and operated by Grantee in accordance with this Agreement, and for ingress to and egress from that well. That portion of the Easement Area shall be referred to herein as the "Well Easement" and that easement shall be an exclusive easement for Grantee.

(b) The portion of the Easement Area described in Exhibit "C" hereto and depicted in Exhibit "D," which exhibits are by this reference incorporated herein and made a part hereof as though fully set forth in detail, shall be used by Grantee for storage and staging purposes during the installation and maintenance of the Well and, after construction and installation of the Well is completed, as necessary by Grantee for ingress to and egress from the Well. That portion of the Easement Area shall be referred to herein as the "Staging Easement" and that easement shall be a non-exclusive easement for Grantee.

2. **Consideration.** For consideration of the grant of easement under this Agreement, Grantee shall pay Grantor the sum of \$133,000.00.

3. **Grantor's Use.** Grantor agrees for itself and for its successors and assigns, not to erect, place or maintain, nor to permit the erection, placement or maintenance of any building, planter boxes, earth fill, walls, fences or other structures on the Well Easement. Notwithstanding the foregoing, Grantor retains the right to the use other areas of the Easement Area, except as to any use in derogation of the easement rights provided to Grantee herein.

4. **Grantee's Rights.** The Grantee and its contractors, agents and employees, shall have the right to trim or cut tree roots as may endanger or interfere with the Well and any other facilities and shall have free access to the Easement Area and every part thereof, at all times, for the purpose of exercising the rights herein granted; provided, however, that in making any excavation on said real property of Grantor, Grantee shall make the same in such a manner as will cause the least injury to the surface of the ground around such excavation, and shall replace the earth so removed by it and restore the surface of the ground to as near the same condition as it was prior to such excavation as is practicable.

This easement includes the right to remove any improvements, trees, shrubs and any other growth on the Easement Area, unless herein otherwise provided, and at any time and from time to time to locate, construct, install, alter, inspect, remove, replace and maintain the Well, with all appurtenances and equipment necessary or convenient to be installed or used by Grantee, or its successors, at any time or from time to time in connection with any of the aforementioned facilities.

5. **No Grantor Liability.** Grantor shall have no responsibility for, or relating to, Grantee's operations on the Easement Area, monitoring of hazardous conditions on it, or the protection of Grantee, the public or any third parties from risks relating to Grantee's operations on the Easement Area. Without limiting the foregoing, Grantor shall not be liable to Grantee or other person or entity in connection with consents given or withheld, or in connection with any entry upon the Easement Area by any director, officer, employee, agent or contractor of Grantee occurring pursuant to the easement rights granted hereunder, or on account of any claim, liability, damage or expense suffered or incurred by or threatened against Grantee or any other person or entity relating to Grantee's operations on the Easement Area, except as the claim,

liability, damage, or expense is the result of the negligence or intentional misconduct of Grantor or Grantor's employees, agents, assigns, leaseholders or other easement holders.

6. **Indemnification.** Grantee shall defend, indemnify and hold harmless Grantor and Grantor's mayor, council members, officers, managers and agents harmless from any and all claims, damages, actions, causes of action, liabilities, losses, costs, attorneys' fees and any other expenses ("Claims") arising out of, related to, or encountered in connection with this Easement Agreement or the construction or operation of the Well in connection with it regardless of the merit or outcome of the Claim and whether such Claim is caused by Grantee, Grantee's agents or employees, or subcontractors employed on the project, their agents or employees, products installed on the project by Grantee or subcontractors, excepting only such injury or harm as may be caused by the Grantor's active or passive contributory negligence, but only to the extent of such negligence, or as may be caused by the Grantor's sole negligence or willful misconduct. The coverage of such indemnification shall include, without limitation, attorneys' fees and court costs incurred by Grantor with regard thereto. Said indemnity shall survive any expiration or termination of this Agreement.

7. **Insurance.** For so long as Grantee uses the Easement Area pursuant to this Agreement, Grantee, at its own cost and expense, shall procure from insurance company(ies) (including a joint powers insurance authority) acceptable to the Grantor, and continue in force, insurance policies of the amount and types set forth below (but in no event with levels below those required by any applicable law), furnish the Grantor with certificates of insurance accompanied by additional insured endorsements naming the Grantor, its mayor, council members, officers, agents and employees, as additional insureds under said policies and providing that the insurer must give the Grantee at least 30 days written notice of any cancellation and have the insurer issue the Grantor the appropriate ACORD form explicitly stating that the certificate(s) of insurance convey(s) all rights and privileges afforded under the policy(ies) to the certificate holder: Limits of Liability Coverage -- General Liability, \$1,000,000 Each Occurrence, \$3,000,000 Aggregate; Workers' Compensation, \$1,000,000; Automobile Liability -- Any Auto Used, Bodily Injury / Property Damage - \$1,000,000 Combined Single Limit. These limits shall be raised every ten years to appropriate coverage limits.

Grantee shall insert a provision substantially similar to the requirements of this paragraph in any contract covering any work pursuant to this Agreement and shall require the contractor to take out and maintain such insurance (including naming the Grantor, and its mayor, council members, officers, volunteers, agents and employees as additional insureds) and to file proof of compliance as stated above.

8. **Cleanup.** Whenever the Grantee is working on the Easement Area, whether to install the Well or any other facilities, systems and equipment, or to maintain and repair the same, the Grantee shall maintain the area in good order, and shall remove all of its tools, equipment and other debris from the area on completion of the work.

9. **Successors and Assigns.** This Agreement shall bind Grantor's and Grantee's respective successors and assigns.

**10. Miscellaneous.** This Agreement constitutes the entire agreement between Grantor and Grantee relating to the above easement rights. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. Any amendment to this Agreement shall be of no force and effect unless it is in writing and signed by Grantor and Grantee.

[SIGNATURE PAGES FOLLOW]



On \_\_\_\_\_, 2020, before me, \_\_\_\_\_,  
a Notary Public, personally appeared **ERIK HITCHMAN**, who proved to me on the basis of  
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument  
and acknowledged to me that he/she/they executed the same in his/her/their authorized  
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity  
upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

43

**EXHIBIT A**

**WELL EASEMENT LEGAL DESCRIPTION**



**EXHIBIT "A"**

**LEGAL DESCRIPTION FOR GRANT OF PERMANENT EASEMENT FOR A WATER WELL SITE.**


IN THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PERMANENT EASEMENT FOR A WATER WELL SITE, OVER, UNDER, AND WITHIN A PORTION OF ORANGE AVENUE, 80 FEET WIDE, PER TRACT NO. 46918, AS SHOWN ON MAP RECORDED IN BOOK 1138, PAGES 5 THROUGH 13, INCLUSIVE, OF MAPS, ON FILE IN THE OFFICE OF THE REGISTRAR/RECORDER FOR SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**COMMENCING** AT THE NORTHWEST CORNER OF LOT 35 OF SAID TRACT NO. 46918, SAID POINT LYING ON THE SOUTHWESTERLY RIGHT-OF-WAY OF ORANGE STREET, 80 FEET WIDE; THENCE NORTH  $72^{\circ} 52' 45''$  WEST, ALONG SAID RIGHT-OF-WAY AND NORTHEASTERLY LINE OF LOT 1 OF SAID TRACT, 135.00 FEET TO A POINT ON SAID RIGHT-OF-WAY, SAID POINT BEING THE **TRUE POINT OF BEGINNING**; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY AND NORTHEASTERLY LINE OF SAID LOT 1, NORTH  $72^{\circ} 52' 45''$  WEST, 15.00 FEET TO A POINT; THENCE, LEAVING SAID RIGHT-OF-WAY, NORTH  $17^{\circ} 07' 15''$  EAST, 20.00 FEET TO AN ANGLE POINT; THENCE SOUTH  $72^{\circ} 52' 45''$  EAST, 15.00' TO AN ANGLE POINT; THENCE SOUTH  $17^{\circ} 07' 15''$  WEST, 20.00 FEET TO THE **TRUE POINT OF BEGINNING**. ATTACHED HERETO IS A PLAT LABELED EXHIBIT "B", AND BY THIS REFERENCE MADE A PART HEREOF.

AREA OF SAID WELL SITE EASEMENT IS 300 SQUARE FEET OR 0.0069 ACRES, MORE OR LESS.

SUBJECT TO COVENANTS, CONDITIONS, RESERVATIONS, RIGHTS-OF-WAY, AND EASEMENTS OF RECORD, IF ANY.

PREPARED BY: CIVILTEC ENGINEERING, INC.

  
EUGENE C. DUNCAN, LS 7745  
EXPIRES: 12/31/2019

DATE: 11 SEPTEMBER, 2019



**EXHIBIT B**  
**WELL EASEMENT SKETCH**

EXHIBIT "B"

GRANT OF PERMANENT EASEMENT FOR WELL SITE  
WITHIN A PORTION OF ORANGE AVENUE, PER (R1).

SCALE: 1" = 40'



**Exp: 12-31-2019**

NO. 7745

12

STATE OF CALIFORNIA

**ORANGE**

**AVENUE**

SEE DETAIL  
BELOW

T.P.O.B.

LOT 1, (R1)

N 72° 52' 45" W

135.00'

P.O.C.:

N/W CORNER  
LOT 35, (R1)

LOT 35, (R1)

S/W CORNER-  
LOT 35, (R1)

LOT 1, (R1)

N71°41'18"E  
(RAD.)

42.80

CITY OF POMONA

40-

42.80

RIES 15

N 37.6

/

4


**SAMPLE**

1

(R1) = TRACT NO. 46918, M.B. 1138/5-13.

P.O.C. = POINT OF COMMENCEMENT

T.P.O.B. = TRUE POINT OF BEGINNING

 = HATCHED AREA INDICATES PROPOSED WELL SITE.

AREA OF WELL SITE = 300 SQ. FT. OR 0.0069 ACRES  
MORE OR LESS.

**EXHIBIT C**

**STAGING EASEMENT LEGAL DESCRIPTION**

**EXHIBIT "C"**

**LEGAL DESCRIPTION FOR GRANT OF PERMANENT EASEMENTS FOR CONSTRUCTION  
AND FUTURE MAINTENANCE OF A WATER WELL SITE.**

IN THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING PERMANENT EASEMENTS FOR THE CONSTRUCTION AND FUTURE MAINTENANCE OF A WATER WELL SITE, OVER, UNDER, AND WITHIN A PORTION OF ORANGE AVENUE, 80 FEET WIDE, PER TRACT NO. 46918, AS SHOWN ON MAP RECORDED IN BOOK 1138, PAGES 5 THROUGH 13, INCLUSIVE, OF MAPS, ON FILE IN THE OFFICE OF THE REGISTRAR/RECORDER FOR SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**EASEMENT PARCEL "A"**

**COMMENCING** AT THE NORTHWEST CORNER OF LOT 35 OF SAID TRACT NO. 46918, SAID POINT LYING ON THE SOUTHWESTERLY RIGHT-OF-WAY OF ORANGE STREET, 80 FEET WIDE; THENCE NORTH 72° 52' 45" WEST, ALONG SAID RIGHT-OF-WAY, AND NORTHEASTERLY LINE OF LOT 1 OF SAID TRACT, 95.00 FEET TO A POINT ON SAID RIGHT-OF-WAY, SAID POINT BEING THE **TRUE POINT OF BEGINNING**; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY AND NORTHEASTERLY LINE OF SAID LOT 1, NORTH 72° 52' 45" WEST, 40.00 FEET TO A POINT; THENCE, LEAVING SAID RIGHT-OF-WAY, NORTH 17° 07' 15" EAST, 20.00 FEET TO AN ANGLE POINT; THENCE SOUTH 72° 52' 45" EAST, 40.00' TO AN ANGLE POINT; THENCE SOUTH 17° 07' 15" WEST, 20.00 FEET TO THE **TRUE POINT OF BEGINNING**. ATTACHED HERETO IS A PLAT LABELED EXHIBIT "B", AND BY THIS REFERENCE MADE A PART HEREOF.

AREA OF SAID PARCEL "A" IS 800.0 SQUARE FEET OR 0.184 ACRES, MORE OR LESS.

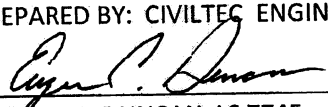
**EASEMENT PARCEL "B"**

**COMMENCING** AT THE NORTHWEST CORNER OF LOT 35 OF SAID TRACT NO. 46918, SAID POINT LYING ON THE SOUTHWESTERLY RIGHT-OF-WAY OF ORANGE STREET, 80 FEET WIDE; THENCE NORTH 72° 52' 45" WEST, ALONG SAID RIGHT-OF-WAY AND NORTHEASTERLY LINE OF LOT 1 OF SAID TRACT, 150.00 FEET TO A POINT ON SAID RIGHT-OF-WAY, SAID POINT BEING THE **TRUE POINT OF BEGINNING**; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY AND NORTHEASTERLY LINE OF LOT 1, NORTH 72° 52' 45" WEST, 40.00 FEET TO A POINT; THENCE, LEAVING SAID RIGHT-OF-WAY, NORTH 17° 07' 15" EAST, 20.00 FEET TO AN ANGLE POINT; THENCE SOUTH 72° 52' 45" EAST, 40.00 FEET TO AN ANGLE POINT; THENCE SOUTH 17° 07' 15" WEST, 20.00' TO THE **TRUE POINT OF BEGINNING**. ATTACHED HERETO IS A PLAT, LABEL EXHIBIT "B", AND BY THIS REFERENCE MADE A PART HEREOF.

AREA OF SAID PARCEL "B" IS 800.0 SQUARE FEET OR 0.184 ACRES, MORE OR LESS.

BOTH PARCELS ARE SUBJECT TO COVENANTS, CONDITIONS, RESERVATIONS, RIGHTS-OF-WAY, AND EASEMENTS OF RECORD, IF ANY.

PREPARED BY: CIVILTEC ENGINEERING, INC.

  
EUGENE C. DUNCAN, LS 7745  
EXPIRES: 12/31/2021

DATE: 12 FEBRUARY, 2020



**EXHIBIT D**  
**STAGING EASEMENT SKETCH**



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# Agenda Report

CITY OF LA VERNE

*Community Development Department*

DATE: March 16, 2020

TO: Honorable Mayor and City Council

FROM: Eric Scherer, AICP, Community Development Director



SUBJECT: **CONTRACT AGREEMENT WITH RINCON CONSULTANTS, INC. FOR THE PREPARATION OF THE ENVIRONMENTAL DOCUMENT FOR A PROPOSED SINGLE-FAMILY RESIDENTIAL DEVELOPMENT AT AMHERST STREET AND WILLIAMS AVENUE, APN #: 8666-021-902, AND A PORTION OF 8666-021-904 – CURRENTLY CITY OWNED PROPERTY).**

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## AGENDA SUMMARY:

The applicant, Matt Waken, with MJW Investments, has agreed to the City's selection of Rincon Consultants, Inc. as the consultant to prepare the required environmental documents to meet the California Environmental Quality Act (CEQA). Staff is proposing the City enter into an agreement with Rincon Consultants, Inc. to prepare the necessary documents for a proposed single-family residential development located at Amherst Street and Williams Avenue (APN #: 8666-021-902 and a portion of 8666-021-904).

## RECOMMENDATION:

Staff recommends City Council adoption of Resolution Number 20-23, approving an agreement with Rincon Consultants, Inc. for environmental services.

## BACKGROUND:

Staff sent 14 prospective environmental consultants a letter requesting proposals for the review and preparation of a CEQA document for a proposed single-family residential development. At the conclusion of the Request for Proposals, a total of four firms submitted proposals to prepare the required environmental documents. Staff reviewed each proposal in detail and concluded that Rincon Consultants, Inc. was the most thorough proposal at a fair price.

Rincon Consultants, Inc. will be specifically tasked with the preparation of an environmental document, compliant with the California Environmental Quality Act. Once completed, the results from the environmental documents will be presented to the Planning Commission and a final determination made by City Council. While the contract is with the City, all funds for the contract will be deposited by the applicant.

Respectfully submitted by: Candice Bowcock, Principal Planner

Attachment: Resolution 20-13  
Public Service agreement – Rincon  
Rincon Proposal

**RESOLUTION NO. 20-13**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AUTHORIZING AN AGREEMENT WITH RINCON CONSULTANTS, INC. FOR ENVIRONMENTAL CONSULTING SERVICES FOR A PROPOSED SINGLE-FAMILY RESIDENTIAL DEVELOPMENT AT AMHERST STREET AND WILLIAMS AVENUE**

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of La Verne as follows:

**Section 1.** The City Manager of the City of La Verne is hereby authorized to execute an agreement with Rincon Consultants, Inc. for environmental consulting services, said Agreement being in the form attached hereto as Exhibit 1.

**Section 2.** The Mayor shall sign and the Assistant City Clerk shall certify to the passage and adoption of this Resolution and thereupon the same shall take effect and be in force.

**PASSED, APPROVED AND ADOPTED this 16<sup>th</sup> day of March, 2020.**

\_\_\_\_\_  
Mayor Don Kendrick

ATTEST:

\_\_\_\_\_  
Lupe Gaeta Estrella, Assistant City Clerk

**CERTIFICATION**

I hereby certify that the foregoing **Resolution No. 20-13**, was duly and regularly adopted by the City Council of the City of La Verne at a meeting thereof held on the **16<sup>th</sup> day of March, 2020**, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Lupe Gaeta Estrella, Assistant City Clerk

**PROFESSIONAL SERVICES AGREEMENT**  
**Environmental Consulting Services for the Amherst Residential Development**

This Professional Services Agreement, entered into this 16<sup>th</sup> day of March, 2020 (the "Execution Date"), by and between the CITY OF LA VERNE, a municipal corporation ("City"), and LSA Associates, Inc. ("Consultant"), is made with reference to the following:

**RECITALS:**

- A. The City is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California.
- B. The Consultant is qualified to do business, and is doing business, in the State of California. Consultant represents it has the background, knowledge, experience and expertise necessary to provide the services set forth in this Agreement.
- C. The City and Consultant desire to enter into an agreement for the Consultant to provide professional services to the City as set forth herein, upon the terms and conditions set forth below.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

**AGREEMENT**

**SECTION I. TERM.**

This Agreement shall commence on the Execution Date, and shall terminate upon the completion of the services required by this Agreement, or the 16<sup>th</sup> day of March, 2022, whichever is earlier, unless terminated earlier as set forth herein.

**SECTION 2. SERVICES TO BE PERFORMED BY CONSULTANT.**

Consultant shall perform all of the services ("Services") that are more fully set forth in Exhibit A, Scope of Services, attached hereto and incorporated herein. The Services shall be completed in accordance with Exhibit A, Budget, attached hereto and incorporated herein.

**SECTION 3. SERVICES TO BE PERFORMED BY CITY.**

City shall perform the following services:

- A. Make available to Consultant any currently existing documents, data or information pertinent to the Services.
- B. Designate a representative authorized to act on behalf of City.

- C. Promptly examine and render findings on all documents submitted for staff review by Consultant.

SECTION 4. COMPENSATION.

Consultant shall be compensated for Services performed pursuant to this Agreement in an amount not to exceed \$52,432, for an Initial Study/Mitigated Negative Declaration as set forth in the proposal (Attachment A).

SECTION 5. NOTICES.

All notices, demands, requests, or approvals to be given under this Agreement, shall be given in writing and conclusively shall be deemed served when delivered personally or on the third business day after deposit in the United States mail, postage prepaid, registered or certified, addressed as follows:

- A. All notices, demands, requests, or approvals from Consultant to City shall be addressed to City at:

Community Development Department  
City of La Verne  
3660 D Street  
La Verne, California  
ATTN: Eric Scherer, AICP, Community Development Director

- B. All notices, demands, requests or approvals from City to Consultant shall be addressed to Consultant at:

RINCON CONSULTANTS, INC.  
250 East 1<sup>st</sup> Street, Suite 301  
Los Angeles, CA 90012  
ATTN: Joe Power

SECTION 6. INDEPENDENT PARTIES.

Both parties to this Agreement will be acting in an independent capacity and not as agents, employees, partners, or joint ventures of one another. Neither the City nor its officers or employees shall have any control over the conduct of Consultant or any of Consultant's agents, employees, or subconsultants, except as otherwise provided herein.

SECTION 7. INTEGRATED CONTACT.

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties hereto, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modifications of this Agreement will be effective only by written execution signed by both City and Consultant, and approved as to form by the City Attorney.

SECTION 8. INSURANCE.

Prior to commencing work, Consultant shall procure, maintain, and pay for insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work or services hereunder by Consultant and Consultant's agents, representatives, employees or subconsultants for the duration of this Agreement. The requirements of insurance are set forth in Section 22 hereof.

SECTION 9. COST OF LITIGATION.

If any legal action is necessary to enforce any provision of this Agreement or for damages by reason of any alleged breach of any provision of this Agreement, the prevailing party shall be entitled to receive from the losing party all reasonable costs, disbursements and expenses, and such amount as the court may adjudge to be reasonable attorney's fees.

SECTION 10. DEFENSE, INDEMNIFICATION AND HOLD HARMLESS.

Consultant shall indemnify, defend and hold harmless City, its City Council, boards and commissions, officers, agents and employees (collectively hereafter the "City") against any or all loss, damages, liability, claims, suits, costs, expenses, and judgments, whatsoever, including reasonable attorney's fees, arising from the negligent or willful acts, errors or omissions of Consultant or Consultant's officers, agents, employees or subconsultants, in the performance of services, activities or work conducted pursuant to this Agreement.

SECTION 11. PROHIBITION AGAINST TRANSFERS.

Consultant shall not assign, hypothecate, or transfer this Agreement or any interest therein directly or indirectly, by operation of law or otherwise without the prior written consent of City. Any attempt to do so without the City's consent shall be null and void, and any assignee, sublessee, hypothecatee or transferee shall acquire no right or interest by reason of such attempted assignment, sublease, hypothecation or transfer.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Consultant or of any general partner or joint venturer or syndicate member of Consultant, if a partnership or joint venture or syndicate exists, which shall result in changing

the control of Consultant, shall be construed as an assignment of this Agreement. Control means fifty percent (50%) or more of the voting power of the corporation.

SECTION 12. PERMITS AND LICENSES.

Consultant, at its sole expense, shall obtain and maintain during the term of this Agreement all required business and professional permits, licenses and certificates.

SECTION 13. WAIVER.

A waiver by either party to this Agreement of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein.

SECTION 14. TERMINATION.

In the event Consultant fails or refuses to perform any of the provisions of this Agreement, and if the default is not cured within a period of five (5) days after receipt by Consultant of City's written notice of default specifying the nature of the default and the steps necessary to cure the default, City may immediately terminate this Agreement by written notice. City shall have the option, at its sole discretion and without cause, of terminating this Agreement by giving ten (10) days written notice to Consultant. Upon termination of this Agreement, City shall pay to Consultant compensation earned and unpaid up to the effective date of termination.

SECTION 15. COMPLIANCE WITH LAW.

Consultant shall comply with all laws of the State of California and the United States, and all ordinances, rules and regulations enacted or issued by City. If such ordinances, rules or regulations enacted or issued by the City after the effective date of this Agreement significantly impact Consultant's performance of its obligations under this Agreement, equitable adjustment may be made to the time of performance, the compensation, or both, as appropriate.

SECTION 16. DISCRIMINATION.

Consultant shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ancestry, sex, age, sexual orientation, marital status, AIDS or disability, and shall comply with the requirements of City, state and federal law.

SECTION 17. NUISANCE.

Consultant shall not maintain, commit, or permit the maintenance or commission of any nuisance in connection with the performance of services under this Agreement.

SECTION 18. RECORDS.

Consultant shall maintain complete and accurate records with respect to costs, expenses, receipts and other such information required by the City for any services provided where compensation is on the basis of hourly rates, sub-consultant costs, and/or other direct costs.

Consultant shall maintain records of service provided insufficient detail to permit an evaluation of services. All records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Representatives of City or its designees shall be allowed free access to Consultant's books and records, and shall have the right to examine, audit and make transcripts therefrom as necessary, and to inspect all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be kept separate from other documents and records and shall be maintained for a period of three (3) years after receipt of final payment.

SECTION 19. REPORTS.

Each and every final report, work product, map, record and other document reproduced, prepared or caused to be prepared by Consultant pursuant to or in connection with this Agreement and delivered to the City shall be the exclusive property of City, including the originals of all notes, memoranda, sketches, letters and documents developed and received by Consultant.

Consultant shall furnish reports concerning the status of services required under this Agreement at City's request. No report, work product, map, record or other document given to or prepared or assembled by Consultant pursuant to this Agreement shall be made available to any individual or organization by Consultant without prior written approval by City. City shall not reuse or make any modifications to the designs, plans and specifications prepared by Consultant without the prior authorization of Consultant. The provisions of this Section shall apply to all materials developed by subconsultants pursuant to this Agreement unless otherwise authorized in writing by City prior to execution of any agreement with said subconsultants.

SECTION 20. STANDARD OF CARE.

Consultant agrees that all services performed hereunder, including services performed by any sub-consultant, shall be provided in a manner consistent with that level of care and skill ordinarily exercised by members of Consultant's profession currently practicing in the same locality under similar conditions.

## SECTION 21. SUB-CONSULTANTS.

Consultant shall be responsible for the quality of all sub-consultant work performed pursuant to this Agreement. Consultant may terminate and replace the services of any sub-consultant, subject to the prior written approval by the City which shall not be unreasonably withheld or delayed. Every subcontract or agreement of any kind entered into between Consultant and sub-consultant (or between any sub-consultant and others) shall contain the following provision:

This agreement is consistent with the specified terms and conditions of the Agreement entered into between the City of La Verne and Rincon Consultants, Inc. on (hereinafter referred to as the "Agreement") including, but not limited to: Section 2, Services to be Performed by Consultant; Section 4, Compensation; and Section 8, Insurance.

## SECTION 22. LEGAL AND INSURANCE REQUIREMENTS

A. The CONSULTANT will not assign, transfer, convey or otherwise dispose of its contract or rights, title or interest in or to the same, without prior written consent of the CITY.

B. At the time of execution of the contract, the CONSULTANT will be required to carry the following insurance:

1) Commercial General Liability/Umbrella Insurance: The CONSULTANT shall obtain, at its sole cost prior to exercising any right of performing any obligation, a policy or policies of general liability insurance, or certificate of such insurance, satisfactory to the City Attorney, which provides coverage not less than that provided against liability for any and all claims and suits for damages or injuries to persons or property resulting from or arising out of operations. Insurance shall provide coverage for both bodily injury and property damage. Total limits shall be not less than one million dollars (\$1,000,000) per occurrence for all coverage and two million dollars (\$2,000,000) general aggregate. Said general liability policy and certificate thereof shall name the City of La Verne and its policy shall be primary to any insurance carried by the CITY.

2) Workers' Compensation: The CONSULTANT shall furnish the CITY with an insurance certificate from its Workers' Compensation insurance carrier, certifying that it carried such insurance in accordance with the requirements of state law, and the policy shall not be cancelled nor the coverage reduced during the term of the contract.

3) Business Auto/Umbrella Liability Insurance: Primary coverage shall be written on ISO Business Auto Coverage from CA 00 01 06 92 including symbol 1 (Any Auto). Limits shall be no less than one million dollars (\$1,000,000) per accident. Starting and ending dates shall be



concurrent. If CONSULTANT owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

4) Employer's Liability insurance of at least \$500,000.

C. Any deductibles or self-insurance retention must be declared to and approved by the CITY. At the option of the CITY, either the insurer shall reduce or eliminate such deductible or self-insurance retention as respects the city, its officers, employees and volunteers; or the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.

D. The general liability policy is to contain, or be endorsed to contain, the following provisions:

1) The CITY, its officers, officials, employees, agents and volunteers are to be covered as insured as respects liability arising out of activities performed by or on behalf of the CONSULTANT.

2) For any claims related to the services requested, the contractor's insurance coverage shall be primary insurance as respects the city, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the city, its officers, officials, employees, agents or volunteers shall be excess of the CONSULTANT's insurance and shall not contribute with it.

3) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the city, its officers, officials, employees, agents or volunteers.

4) The CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5) Each insurance policy required by this Section shall also contain a provision that no termination, cancellation or change of coverage of insured or additional insured shall be effective until thirty (30) days' notice thereof has been given in writing to the CITY. CONSULTANT shall give the CITY prompt and timely notice of any claim made or suit instituted.

E. Insurance is to be placed with insurers with a current AM Best's rating of no less than A: VII, unless otherwise acceptable to the CITY.

F. CONSULTANT shall provide the CITY complete, certified copies of all required insurance policies, including endorsements, affecting the coverage required by these specifications.

SECTION 23. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of California.

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

Dated this \_\_\_\_\_ of March, 2020.

ATTEST:

**CITY OF LA VERNE**

\_\_\_\_\_  
Lupe Gaeta Estrella, CMC  
Assistant City Clerk

\_\_\_\_\_  
Robert Russi, City Manager

Rincon Consultants, Inc.

\_\_\_\_\_  
Consultant



Rincon Consultants, Inc.  
 250 East 1st Street, Suite 301  
 Los Angeles, California 90012  
 213 788 4842  
 FAX 908 2200  
 info@rinconconsultants.com  
 www.rinconconsultants.com

February 10, 2020  
 Rincon Proposal No. 20-09155

Candice Bowcock  
 Principal Planner  
 City of La Verne  
 3660 "D" Street  
 La Verne, CA 91750

**Subject: Proposal to Prepare Amherst Residential Project CEQA Documentation**

Dear Ms. Bowcock:

Rincon Consultants, Inc. (Rincon) is pleased to submit this proposal to prepare the California Environmental Quality Act (CEQA) documentation for the proposed Amherst Residential Project in the City of La Verne. The project involves 43 detached single-family homes on about 5.5 acres, for an overall density of 7.8 units per acre. Requested entitlements include a Tentative Tract Map, a Precise Plan, a Specific Plan, and a General Plan Amendment. The project site is currently occupied by a nursery.

This proposal includes the following: 1) an overview of Rincon's qualifications; 2) a description of our scope of services; 3) the estimated time to complete CEQA process; and 4) the cost of services for our proposed scope of work; and. Rincon has 25 years of experience preparing CEQA environmental documents, including for projects similar in scope to the current proposal. We are happy to provide additional information about our firm upon request.

### Qualifications

Rincon Consultants, Inc. is a multi-disciplinary environmental sciences, planning, and engineering consulting firm that provides quality professional services to government and industry. Established in 1994, Rincon has grown to a firm of over 285 professionals located in 13 California offices. The firm is a California Subchapter S Corporation. Our professionals are experienced in a variety of specialty areas, including:

CEQA/NEPA	Air Quality/Greenhouse Gases	Cultural Resources
General Plans/Specific Plans	Hazardous Materials/Health Risk	Biological Resources
Contract Planning Services	Noise	GIS Mapping and Analysis

CEQA compliance is a core business area for Rincon. We have completed many CEQA documents on residential projects similar to the current proposal and, in addition to our extensive experience in La Verne, have completed CEQA reviews for such nearby cities as Pomona, Claremont, San Dimas, Walnut, and West Covina. Our team of certified urban planners, environmental impact technical specialists, and LEED-accredited sustainability professionals work collaboratively to develop sound policy recommendations and provide unbiased and technically sound environmental review of both public and private projects. Our philosophy on all projects is to encourage early agency and public scoping and to develop and maintain close communication between the lead agency and other stakeholders to ensure that client expectations are met and community concerns are appropriately addressed. This approach enables us to identify and

Proposal to Prepare CEQA Documentation  
Amherst Residential Project

avoid constraints early in the planning and environmental review processes and minimize conflicts and timing delays.

During Rincon's 25-year history, we have received multiple awards for excellence from environmental planning industry organizations, including the American Planning Association (APA) and the Association of Environmental Professionals (AEP). A full firm profile and awards list can be viewed at [www.rinconconsultants.com](http://www.rinconconsultants.com). References can be provided on request.

The Rincon team will be led by Principal-in-Charge **Joe Power**, Senior Vice President, and Project Manager **Christine Donoghue**, Supervising Planner. Joe has more than 28 years of experience preparing CEQA documentation and has recently overseen CEQA reviews for residential projects in Pomona, San Dimas, and Walnut. Christine has more than 23 years of experience and has completed CEQA reviews for residential projects in such communities as Bradbury, Pomona, and Costa Mesa. Joe and Christine will be supported by Rincon technical staff, including experts in such areas as air quality/greenhouse gases, biological and cultural resources, and noise.

### Scope of Services

Based on our experience in La Verne and on similar project, we believe that a Mitigated Negative Declaration (MND) will be the appropriate environmental document under CEQA. Thus, our proposed scope of work involves the preparation of an Initial Study (IS) and MND. However, if any of our analyses determines that the project would or may have a significant and unavoidable environmental impact, we will contact you immediately to determine an appropriate course of action. This could involve the preparation of a focused environmental impact report (EIR).

Rincon's general work program for the IS-MND will be as follows:

1. **Administrative Draft IS-MND:** Rincon will prepare an internal review (Administrative) Draft IS-MND using the CEQA Guidelines Appendix G checklist. The Administrative Draft IS will address all the items on the CEQA environmental checklist and all checklist responses will be supported by facts, data, and analysis. To the maximum extent feasible, applicant-prepared technical studies will be used and impacts will be quantified and compared to quantitative significance thresholds. Our general approach to analyzing each checklist issue is described below. Rincon will submit an electronic copy of the Administrative Draft IS-MND for internal review in PDF and/or Word format.
2. **Public Review Draft IS-MND:** Rincon will respond to City staff comments on the Administrative Draft IS-MND (we anticipate responding to two rounds of comments) and prepare a Public Review Draft IS-MND for public circulation. We will provide one electronic (PDF) copy of the Public Review Draft IS-MND for posting on the City of La Verne website and will distribute up to 15 bound or CD copies. Rincon will prepare the newspaper ad and the Notice of Intent (NOI) to prepare an MND. We assume that the City will be responsible for publishing the NOI in a local newspaper. Rincon will post the NOI with the County Clerk. We assume that the Public Review Draft IS-MND will not need to be submitted to the State Clearinghouse.
3. **Final IS-MND:** Upon receipt of public comments on the Public Review Draft IS-MND, Rincon will prepare draft responses to comments and the Administrative Final IS-MND. If mitigation measures are included in the IS-MND, the Administrative Final IS-MND will be accompanied by a Mitigation Monitoring and Reporting Plan (MMRP). The MMRP will be a table listing all mitigation measures and indicating what monitoring actions are required, the department(s) responsible for monitoring, and when monitoring is to occur. We will incorporate comments on the responses to comments and the Administrative Final IS-MND into the Final IS-MND. Prior to or following IS-MND approval, we will provide a PDF of the Final IS-MND (including responses to comments and the MMRP) and up to 15

Proposal to Prepare CEQA Documentation  
Amherst Residential Project

bound or CD copies. Rincon will be responsible for filing a Notice of Determination (NOD), but either the City or the applicant will be responsible for paying applicable filing fees.

4. **Public Hearings:** Rincon will attend a public workshop and two public hearings on the project. If desired, workshop and hearing attendance will include a presentation summarizing the environmental review process and IS-MND conclusions.

The IS will address each issue on the CEQA checklist. Our general approach to each issue is described below.

- **Aesthetics:** Visual impacts (i.e., visual character and views from adjacent areas) resulting from the project will be reviewed based on a visual survey of the site and surrounding district. Discussion of architectural and design specifications for the project will be incorporated as appropriate and alteration of views and changes in visual character will be discussed. The analysis will also consider light and glare impacts from street lights, vehicle headlights, and building lights. We have assumed that elevations, simulations, or other visual tools to illustrate the project will be provided by the applicant.
- **Agriculture and Forestry Resources:** The IS will confirm that there would be no effect on farmland or forestland and that the project would not convert such lands to another use. The analysis will acknowledge the current use of the site as a nursery.
- **Air Quality:** The air quality analysis will be prepared in conformance with South Coast Air Quality Management District (SCAQMD) guidance and will address both temporary construction impacts and long-term operational impacts. Emissions will be calculated using the California Emissions Estimator Model (CalEEMod). Emissions will be compared to SCAQMD thresholds, including applicable localized significance thresholds (LSTs). As appropriate, mitigation will be developed to address impacts related to project emissions and fugitive dust.
- **Biological Resources:** Based on the suburban nature of the project site vicinity, we do not anticipate significant impacts related to biological resources. This will be confirmed and our findings with respect to special status species and habitats, wildlife linkages, and consistency with biological resource policies will be documented.
- **Cultural Resources:** Neither historic nor archaeological resource issues are anticipated. Our work scope will include a cultural resources records search and assistance with the required AB 52 Native American consultation, as described below under Tribal Cultural Resources.
- **Energy:** The Energy analysis will provide estimates of electricity, natural gas, and gasoline/diesel use based on CalEEMod output. It will also consider compliance with applicable energy conservation requirements to determine whether the project would involve the wasteful use of energy.
- **Geology:** This analysis will incorporate the findings of any applicant-prepared geotechnical studies for the project. If none are available, we will rely on readily available studies (such as the City's Safety Element) to determine the presence or absence of hazards related to such issues as seismicity, liquefaction, landsliding, and erosion. Impacts to paleontological resources will also be discussed qualitatively.
- **Greenhouse Gases:** The GHG emissions analysis will calculate both temporary construction emissions and long-term operational emissions using CalEEMod. The analysis will also address potential inconsistencies with applicable plans and policies aimed at GHG emissions reduction, including the 2030 emissions reduction target contained in the recently enacted SB 32 and the Air Resources Board's 2017 Climate Change Scoping Plan.
- **Hazards and Hazardous Materials:** Short-term and long-term hazard conditions will be examined, based upon readily available data from agency databases, field observations, and any available technical studies (such as a Phase I Environmental Site Assessment). If potentially significant impacts are identified, an appropriate mitigation program will be developed. We assume that we will rely on

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Amherst Residential Project

readily available information from existing studies and/or applicable hazardous material databases; however, Rincon's Environmental Site Assessment group has the capability of performing such studies if they are needed.

- **Hydrology and Water Quality:** Existing hydrology/drainage data for the project area will be reviewed to identify any existing localized flooding or drainage problems. The review will consider changes in absorption rates, drainage patterns, storm drain improvements, and downstream effects. The potential for the project to violate water quality standards or waste discharge requirements will also be analyzed. Standard Urban Stormwater Mitigation Plan (SUSMP) and National Pollutant Discharge Elimination System (NPDES) requirements will be referenced and incorporated as appropriate.
- **Land Use and Planning:** This discussion will analyze the relationship of the proposed project and associated entitlements to applicable planning policies and ordinances, including the City of La Verne General Plan. The potential for the project to divide the community will also be discussed.
- **Mineral Resources:** This discussion will note that there would be no effect upon mineral resources.
- **Noise and Vibration:** The noise analysis will consider both temporary construction impacts and long-term operational noise. Construction noise will be calculated at adjacent properties based on standard noise emission factors for equipment to be used and the distance to receptors using the Roadway Construction Noise Model (RCNM). Noise from individual pieces of equipment will be summed to develop an overall noise level estimate for each construction phase. The operational noise analysis will consider both on-site activities and increased traffic to and from the site. Future noise levels will be estimated and compared to City standards to determine significance. Noise measurements will be conducted at up to four locations on and around the site to confirm ambient noise conditions. Temporary ground borne vibration from construction will be estimated based on vibration criteria from the Federal Transit Administration and the distance to nearby receptors.
- **Population/Housing:** The analysis will compare population growth to local and regional forecasts and discuss potential displacement of existing residents and housing.
- **Public Services:** The project's effects related to existing services, including fire, law enforcement, educational, and recreational services, will be evaluated. Data sources will include readily available documents, such as the City of La Verne General Plan, and contact with affected agencies/departments. The analysis will focus on whether new or expanded facilities that may have environmental impacts would be needed to serve the project.
- **Recreation:** The analysis will address direct impacts to local recreation facilities as well as the indirect impact associated with increased demand for recreational facilities. Data sources will include the City of La Verne General Plan and City staff.
- **Transportation/Traffic:** The transportation analysis will be based on a focused traffic analysis to be prepared by Ganddini Group, Inc. Ganddini's work scope is described in the attached proposal dated February 10, 2020. The transportation analysis will include: (1) analysis of conflicts with City and CMP policies, including level of service (LOS) evaluation at five intersections; and (2) quantification of vehicle miles traveled (VMT) associated with the project and comparison to appropriate local thresholds.
- **Tribal Cultural Resources:** This analysis will discuss any tribal resources identified as part of the cultural resources analysis (described above). As part of this analysis we will assist the City with Native American consultation required by AB 52 and SB 18, which will involve contacting the Native American Heritage Commission and preparing letters to send to potentially concerned tribes offer consultation. We have budgeted for participation in one consultation conference call with tribes.
- **Utilities and Service Systems:** Impacts related to existing infrastructure, including water, wastewater, and solid waste facilities will be evaluated. Water demand and wastewater and solid waste generation will be quantified using standard rates for proposed uses and compared to current and future system capacity.



Proposal to Prepare CEQA Documentation  
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- **Wildfire:** This analysis will consider potential wildfire impacts. Because the site is in a suburban area that is not part of a high wildfire hazard zone, significant impacts are not anticipated.
- **Mandatory Findings of Significance:** This section will address cumulative effects, impacts to biological or cultural resources, and impacts to human beings.

## Schedule

Our proposed schedule for the IS-MND is as follows:

- **Administrative Draft IS-MND** to be submitted for internal review within six weeks of authorization
- **Public Review Draft IS-MND** to be circulated within one week of receipt of final comments on the Administrative Draft IS-MND (note that we assume two rounds of comments)
- **Administrative Final IS-MND** to be submitted within two weeks of close of the Public Review Draft IS-MND public comment period
- **Final IS-MND** to be submitted within one week of receipt of final comments on the Administrative Final IS-MND.

Based on the above timeframes and assuming a 20-day public review period and two-week reviews of internal work products, we believe that the Public Review Draft IS-MND can be circulated in 3-4 months and the CEQA review process can be completed in 5-6 months.

## Cost

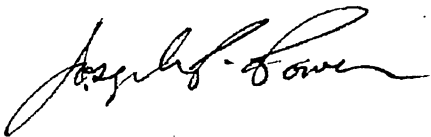
Rincon's estimated cost to prepare the IS-MND is **\$52,432**. A breakdown of costs by task is shown in the table on the following page. Our cost estimate includes attendance at a community workshop and two public hearings. We have budgeted 24 hours of professional staff time to respond to comments on the Public Review Draft IS-MND. While we believe that this is a reasonable budget, the number and nature of comment letters cannot be predicted with certainty. If effectively responding to comments requires a greater level of effort than we have budgeted, we reserve the right to request additional funds to complete this component of the work program.

\*\*\*\*\*

Thank you for the opportunity to assist with this project. If you have any questions regarding this proposal, please contact me.

Sincerely,

Rincon Consultants, Inc.



Joe Power, AICP CEP  
Senior Vice President



Proposal to Prepare CEQA Documentation  
Amherst Residential Project

## Amherst Residential Project CEQA Review Cost Estimate

Tasks	Team Totals						
	Cost	Hours	Principal	Supervising Planner	Associate Planner	GIS/CADD Specialist	Production/ Clerical
			\$240	\$195	\$130	\$112	\$88
1. Administrative Draft IS-MND	\$16,656	114	6	24	68	12	4
2. Public Review Draft IS-MND	\$5,008	34	4	8	12	2	8
3. Final IS-MND (including responses to comments)	\$6,048	42	4	8	20	2	8
4. Public Hearings (2)	\$3,480	16	8	8			
Project Management	\$4,612	24	8	12			4
Subtotal Labor:	\$35,804	230	30	60	100	16	24

Additional Costs	
Transportation Study (Ganddini)*	\$13,628
Printing (15 copies of Draft and Final MNDs)	\$1,500
Expenses (including cultural records search)	\$1,500
<b>Total Additional Costs</b>	<b>\$16,628</b>
<b>TOTAL LABOR + ADDITIONAL COSTS</b>	<b>\$52,432</b>

\* Cost includes standard 15% mark-up on subconsultant costs.

Note: Billing rates shown herein are for budgetary purposes. Actual rates will be from our standard fee schedule (attached) and may vary slightly from what is shown depending on which specific staff work on the assignment.







transportation ■ noise ■ air quality | **GANDDINI GROUP**

February 10, 2020

Mr. Joe Power, Vice President/Principal  
RINCON CONSULTANTS, INC.  
180 North Ashwood  
Ventura, CA 93003

**RE: Professional Services Proposal for the 2820 Amherst Street Project**  
P19203

Dear Mr. Power:

**INTRODUCTION**

Ganddini Group, Inc. is pleased to submit this proposal to provide professional consulting services for the 2820 Amherst Street Project in the City of La Verne. This proposal contains a proposed scope of services and budget based on the information provided by RINCON CONSULTANTS, INC. (Client) and our understanding of the requirements for the Focused Traffic Analysis.

**PROJECT UNDERSTANDING**

The approximately 5.5-acre project site is located at 2820 Amherst Street in the City of La Verne, California. The site is currently leased to a wholesale nursery and is proposed to be developed with 43 detached single-family residential dwelling units. The project will require a General Plan Amendment.

**SCOPE OF SERVICES**

**TASK 1 FOCUSED TRAFFIC ANALYSIS**

Ganddini Group, Inc. shall prepare a Focused Traffic Analysis report suitable for environmental impact documentation. The report will be prepared in accordance with accepted professional transportation engineering standards and will summarize the findings, methodology, and supportive data. Specifically, the Focused Traffic Analysis will consist of the following tasks:

- Prepare a scoping agreement for review/approval by City of La Verne staff. The scoping agreement shall outline the fundamental assumptions of the traffic impact analysis such as the proposed study area, trip generation/distribution, analysis methodologies, background growth forecasts, and specific requirements for the study.
- Calculate the existing land use, proposed land use, and net project trip generation based upon trip generation rates from the Institute of Transportation Engineers (ITE) Trip Generation Manual (10th Edition, 2017).
- Calculate the net project trip generation associated with the General Plan Amendment based upon trip generation rates from the ITE Trip Generation Manual (10th Edition, 2017).

Mr. Joe Power, Vice President/Principal  
RINCON CONSULTANTS, INC.  
February 10, 2020

- Conduct a field review and document the study intersection traffic control devices, intersection lane configurations, and existing non-automobile transportation facilities serving the project site, including pedestrian, bicycle, and transit facilities.
- Obtain peak period (7:00 - 9:00 AM and 4:00 - 6:00 PM) intersection turning movement counts on a typical weekday (Tuesday, Wednesday, or Thursday) at the study intersections.
- Develop future traffic volume forecasts for the following six analysis scenarios: 1) Existing conditions; 2) Existing Plus Project; 3) Opening Year Without Project; 4) Opening Year With Project; 5) Year 2040 Without Project; and 6) Year 2040 With Project.
- For each of the specified analysis scenarios, analyze study intersection Level of Service operations utilizing applicable Intersection Capacity Utilization and Highway Capacity Manual methodologies at up to **five (5) study intersections** for weekday AM and PM peak hour conditions.
- Identify project-related transportation impacts based on the thresholds of significance established by the City of La Verne and California Department of Transportation.
- Quantify the project's VMT using CalEEMod and assess the project impact based on guidance provided in the Technical Advisory on Evaluating Transportation Impacts in CEQA (State of California, December 2018) and/or currently available VMT impact study guidelines adopted by other jurisdictions in the region.
- Prepare a written letter-report documenting the findings that is signed and stamped by a Registered Engineer in the State of California.

## REVISIONS

Review one compiled set of City of La Verne comments, whether verbal or written, and revise the draft report(s), if necessary. Any technical errors made on the part of Ganddini Group shall be corrected. Revisions based on comments that are contrary to any City-approved parameters, or that require a substantial change in methodology and scope of work, may require a contract amendment. If necessary, additional revisions shall be performed on a time and materials basis in addition to the proposed fee upon prior Client approval. The Ganddini Group, Inc. standard compensation schedule is provided in Attachment A.

## RESPONSES TO THIRD PARTY COMMENTS

The proposed fee excludes responses to comments made by the general public or third party agencies that may or may not be required in support of the project review process. If necessary, Ganddini Group shall provide or assist with responses to third party comments on a time and materials basis in addition to the proposed fee upon request and Client authorization.

## MEETING ATTENDANCE

The proposed fee does not include attendance at public hearings/meetings that may or may not be required in support of the project review process. If necessary, attendance at follow-up meetings or hearings will be billed on a time and materials basis in addition to the proposed fee upon request and Client authorization.

Mr. Joe Power, Vice President/Principal  
RINCON CONSULTANTS, INC.  
February 10, 2020

## DELIVERABLES

A Focused Traffic Analysis letter-report will be delivered to the Client in digital format (\*.PDF). A Microsoft Word version of the report text and Microsoft Excel version of the report tables will also be made available by request. This scope of services includes up to one (1) bound copy of the final report, upon request.

## TIME SCHEDULE

It is estimated that the draft Focused Traffic Analysis will be submitted to the Client approximately **two (2) weeks** from the date of authorization and timely receipt of data essential for the study, including a detailed project description, final site plan, scoping agreement approval, and traffic count data. Any delays resulting from circumstances beyond our control including, but not limited to, project redesign, changes in public policy, delays in scoping approval, local school district schedules, illness, equipment malfunction, weather delays, or employee departure, shall extend the time schedule. If such a delay occurs, the Client shall be notified of the revised project schedule.

## ADD-ON SERVICES

Add-on services may or may not be required in support of the project review process. If add-on services are requested, a contract amendment will be required. Add-on services may include, but are not limited to:

- Responses to comments from the general public and/or other agencies.
- Additional data collection and subsequent analysis.
- Revisions based on changes to the project design, land use, quantity, or site plan.
- Reconciling fair share calculations, development impact fees, conditions of approval, or similar requirements.

## QUALIFICATIONS

Ganddini Group, Inc. is a California Corporation committed to assisting our clients and their projects succeed by providing high value consulting for transportation and environmental analysis. Our staff is ready to enhance any private or public agency team by offering our expertise in the following disciplines:

- Traffic Engineering
- Transportation Planning & Parking
- Noise & Vibration
- Air Quality & Greenhouse Gas Emissions
- Health Risk Assessments
- Energy Analysis

Our team of highly qualified engineers and planners bring decades of experience in providing professional consulting services for a variety of purposes, including a strong emphasis in environmental documentation. Ganddini Group has provided services on 200+ projects since its founding in the summer of 2018 – a testament to the value provided and strong working relationships our staff have developed over previous years with a range of clients, including planners, engineers, architects, developers, land owners, property managers, and public institutions and agencies. Proudly serving California with offices in Orange County and Palo Alto, our goal is to continue to build trusted working relationships by applying our professional expertise with integrity and with every effort to make a positive contribution to the projects and communities in which we are involved.

Mr. Joe Power, Vice President/Principal  
RINCON CONSULTANTS, INC.  
February 10, 2020

**Giancarlo Ganddini, PE, PTP**, is the Principal-in-Charge who directs, reviews, and oversees the assignment and timely delivery of all services provided by the firm. Giancarlo has directed work on numerous projects involving transportation and environmental analysis for both public and private sector projects throughout California. His technical expertise is in traffic/transportation and he is highly familiar with the standards of transportation planning used throughout Southern California. Giancarlo is a Registered Professional Engineer (Traffic) in the State of California and a nationally certified Professional Transportation Planner (PTP). He obtained a Bachelor of Science degree in Civil Engineering (with specialization in transportation systems engineering) at the University of California in Irvine. Giancarlo currently serves on the Executive Board of Directors for the Institute of Transportation Engineers Western District and is a Past President of the Southern California Section.

#### PROFESSIONAL FEE

The scope of services outlined herein shall be performed for a fixed fee of **\$11,850.00**. The fee does not include permit/review fees that may or may not be required by the City of La Verne. The fee is a maximum not to be exceeded without prior approval from you or your authorized representative. The Ganddini Group, Inc. standard compensation schedule is provided in Attachment A.

#### AUTHORIZATION

The Ganddini Group, Inc. standard terms and conditions are provided in Attachment A. This letter can serve as a memorandum of agreement between RINCON CONSULTANTS, INC. (Client) and GANDDINI GROUP, INC. (Consultant). If you wish to proceed, please the sign below and return a copy to us for our records.

#### CONCLUSION

We look forward to serving you on the 2820 Amherst Street Project. Should you have any questions, please contact me at (714) 795-3100 ext. 101.

Respectfully,



Giancarlo Ganddini, PE, PTP  
Principal

#### AUTHORIZATION

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Firm: \_\_\_\_\_

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

## **ATTACHMENT A**

### **Standard Compensation Schedule/ Standard Terms & Conditions**



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## 2020 STANDARD COMPENSATION SCHEDULE

CLASSIFICATION	HOURLY RATE
Principal	\$ 165
Senior Associate	\$ 130
Associate	\$ 100
Junior Associate	\$ 75
Senior Technician	\$ 55
Technician	\$ 40
Administrative Assistant	\$ 40

## STANDARD TERMS & CONDITIONS

1. Unless otherwise agreed upon by Ganddini Group, Inc., the proposal is void if not authorized within 60 days from the proposal date.
2. Hourly rates apply to work time as well as travel time and waiting time, which occur at meetings and public hearings. Evening meeting time will be billed at time and a half. Additional time, if required, for depositions and/or court testimony will be billed at time and a half.
3. Invoices will be submitted monthly for work in progress based on percentage complete and/or upon completion of work. Invoices are payable upon receipt. Any invoice unpaid after 30 days shall be subject to a service charge of the maximum interest rate allowed by law or two percent per month, whichever is less.
4. Client hereby agrees that the balance in a billing statement is correct and binding unless the Client notifies Ganddini Group, Inc. in writing within fifteen days of the date of billing of the alleged incorrect item.
5. All documents produced as a result of this agreement may be used by Ganddini Group, Inc. without consent from the Client.
6. Ganddini Group, Inc. will produce an objective, professional report, and may not arrive at the findings desired by the Client. Ganddini Group, Inc. will perform its services using the level of care and skill ordinarily exercised by reputable members of its profession practicing contemporaneously under similar conditions in the locality of the project. No other warranty, expressed or implied, is made or intended.
7. Ganddini Group, Inc. will format the report according to Client instructions at the beginning of the project, or in the absence of such instructions, in a format chosen and consistent with generally accepted professional methods.
8. The Client agrees to limit Ganddini Group, Inc.'s liability to the Client, because of professional negligent acts, errors, or omissions to the proposal fee.
9. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitration may be entered in any court having jurisdiction thereof.
10. Where Ganddini Group, Inc. initiates arbitration proceedings relating to this contract, any resultant fees to process arbitration, such as filing fees and attorney fees, shall be borne by the Client.
11. If any term, condition, or provision of this Agreement is declared void, unenforceable, or limited in its application or effect, such event shall not affect any other provisions hereof and all of the provisions shall remain fully enforceable.

# Agenda Report

CITY OF LA VERNE

*City Engineer*

**DATE:** March 16, 2020

**TO:** Honorable Mayor and City Council

**FROM:** Dan Keesey, Assistant City Manager/Director of Public Works

**SUBJECT:** Award of Construction Contract- Durward Way and White Avenue Traffic Signal Improvements Federal Project HSIPL-5149(021)

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## **AGENDA SUMMARY:**

Bids were received and opened for the Durward Way and White Avenue Traffic Signal Improvements Project on March 3, 2020. A total of were six (6) bids received for this project.

## **RECOMMENDATION:**

Staff recommends that the City Council approve Resolution No. 20-14, to award to the second lowest bid submitted by PTM General Engineering Services, Inc. for the Durward Way and White Avenue Traffic Signal Improvements Project Federal Project No. HSIPL-5149(021), and to reject all other bids. The lowest bid did not meet the responsiveness standards in submitting a complete and thorough bid.

## **BACKGROUND:**

On March 3, 2020, six (6) bids were opened for the Durward Way and White Avenue Traffic Signal Improvements Project Federal Project No. HSIPL-5149(021). The work consists of furnishing all necessary materials, labor, tools & equipment to construct traffic signal improvements at the intersection of Durward Way and White Avenue as designated in the project plans and specifications. The engineer's estimate for the project was \$315,000. Following is a summary of bid results:

<b>BIDDER</b>	<b>TOTAL BASE BID</b>
International Line Builder's, Inc.	\$316,491.00
PTM General Engineering Services	\$336,000.00
California Professional Engineering	\$351,000.00
Elecnor Belco Electric	\$366,712.00
DBX Inc.	\$372,192.00
Calpromax Engineering Inc	\$409,404.00

## **Agenda Report**

Award of Bid – Durward Way and White Avenue Traffic Signal Improvements  
Project Federal Project No. HSIPL-5149(021)  
Page 2 of 2

Staff has performed a bid analysis including the verification of licensing. The project is majority funded through use of Highway Safety Improvement Program (HSIP) grant funds. Such funds require Federal funding requirements be integrated into the contract requirements.

Awarding bodies are obligated by the funding requirements to review the three lowest bidders to ensure project DBE utilization commitments meet the minimum requirements or an adequate Good Faith Effort is well documented by the bidder. In the event the lowest bidder fails to meet the set DBE utilization goal or furnish an acceptable good faith effort, the awarding agency is obligated to review the other bids for consideration of award.

The No. 1 ranked lowest bidder did not furnish the required DBE forms or documentation of good faith effort and is deemed as a non-responsive bid. The No. 2 and No. 3 ranked lowest bidder did submit all the required compliance form documents in their respective bid proposal.

Staff has concluded that the bid submitted by International Line Builder's, Inc. to be non-responsive and recommend that PTM General Engineering Services., the second lowest ranked bidder, be considered for the award of the construction contract.

## **FISCAL**

Award of the recommended bid will exceed the programmed amount for this particular project by approximately \$34,000. Funds amounting to \$302,000 have been allocated for this project within the 19/20 Capital Improvement Program budget (\$252,000.00 HSIP Funds, \$50,000 development impact fees). Staff suggests that the balance of the project be paid through operational savings found within the Pavement Management Program; therefore, no additional appropriation is required.

## **ENVIRONMENTAL**

The State of California determined that this project is a categorical exclusion under NEPA, 23 CFR 771.117(c): activity (c)(4) on April 23, 2018. The project is also categorically exempt per the California Environmental Quality Act (CEQA) Guidelines, Section 15301 (c) and City of La Verne environmental guidelines.



**RESOLUTION NO. 20-14**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AUTHORIZING EXECUTION OF A PUBLIC WORKS CONTRACT WITH PTM GENERAL ENGINEERING SERVICES, INC. FOR THE DURWARD WAY AND WHITE AVENUE TRAFFIC SIGNAL IMPROVEMENTS PROJECT FEDERAL PROJECT NO. HSIPL-5149(021).**

**WHEREAS**, the City Council of the City of La Verne, County of Los Angeles, State of California, has heretofore advertised for bids for the construction of a public works project; and,

**WHEREAS**, said bids have been opened at the time designated and considered by the City Engineer of the City of La Verne; and,

**WHEREAS**, said City Engineer has recommended to said City Council that the bid of PTM General Engineering Services, Inc. in the amount of \$336,000.00 is in accordance with plans, specifications and other data incidental to the obtaining of bids for such improvements, is the lowest and best responsible bid and should be accepted by the City Council; and,

**WHEREAS**, said bid has now been considered by the City Council;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of La Verne as follows:

**Section 1.** That said City Council does hereby find and determine that the bid of said Contractor is the lowest and best responsible bid for the construction of said project.

**Section 2.** That the contract for the construction of said project, as set forth, is in accordance with the plans, specifications and other data, and the same is hereby awarded to said Contractor subject to the following conditions:

That said Contractor execute and deliver an appropriate contract covering said work;  
That the form of said contract shall be approved by the City Attorney for the City of La Verne;  
That said Contractor post with the City of La Verne appropriate bonds covering Faithful Performance, and Labor and Materials, both in the amount of the contract, as required by said specifications; and,

That said Contractor provide the City of La Verne with certificates of insurance naming the City and the Engineer as additional insured in accordance with the contract documents.

**Section 3.** That the Mayor and Assistant City Clerk are hereby authorized on behalf of the City of La Verne to enter into a contract with said Contractor, for the construction of said project as set forth and in accordance with plans, specifications and other data therein referred to.

**Section 4.** That said City Council does hereby find and determine that this project is categorically exempt from the California Environmental Quality Act, Section 15301 – Existing Facilities, and the City of La Verne environmental guidelines and affirms the State's determination of a Categorical Exclusion under NEPA, 23 CFR 771.117(c): activity (c)(4)

**Section 5.** That the Mayor shall sign and the Assistant City Clerk shall certify to the passage and adoption of this Resolution and thereupon the same shall take effect and be in force.

**PASSED, APPROVED AND ADOPTED this 16<sup>th</sup> day of March, 2020.**

---

Mayor Don Kendrick

ATTEST:

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Lupe Gaeta Estrella, Assistant City Clerk

**CERTIFICATION**

I hereby certify that the foregoing **Resolution No. 20-14**, was duly and regularly adopted by the City Council of the City of La Verne at a meeting thereof held on the **16<sup>th</sup> day of March, 2020**, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

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Lupe Gaeta Estrella, Assistant City Clerk


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# Agenda Report

CITY OF LA VERNE  
*City Manager's Office*

**DATE:** March 16, 2020

**TO:** Honorable Mayor and City Council

**FROM:** JR Ranells, Personnel Officer 

**SUBJECT:** Resolution 20-15 Authorizing the City Manager to Execute an Adoption Agreement and Associated Documents with BENCOR, Inc. to provide a FICA Alternative Plan for Part-Time Employees

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## **AGENDA SUMMARY**

While completing the record-keeping transition of the City's 457(b) and 401(a) plans to MassMutual, the City of La Verne was recently notified by Lincoln Financial that they have decided to also discontinue the contract for the Social Security replacement plan – FICA, provided to part-time employees. In working with the City's fiduciary, SFG Retirement Plan Consulting, BENCOR, Inc. has been identified as the most qualified and responsible bidder to replace Lincoln Financial and administer the plan going forward.

## **RECOMMENDATION**

Staff recommends the City Council adopt Resolution 20-15 authorizing the City Manager to execute an Adoption Agreement and associated documents with BENCOR, Inc. to provide a FICA Alternative Plan for part-time employees.

## **BACKGROUND**

La Verne part-time employees are not eligible for the California Public Employee Retirement System benefits that full-time employees enjoy. In order to be in compliance with Internal Revenue Code 3121(b)(7)(F), the City has had a Social Security replacement plan, otherwise known as a Federal Insurance Contributions Act (FICA) alternative plan since 1986. Lincoln Financial is the current vendor on that plan. However, after recently switching record keeping of the City of La Verne's 457(b) and 401(a) plans to MassMutual, Lincoln notified the City that they have decided to discontinue the FICA alternative plan contract as it was no longer financially viable for their company. BENCOR, Inc is one of the nation's leading providers of these plans and has submitted the best-qualified proposal after soliciting bids through a competitive process.

The benefits to employees of a FICA alternative plan include a greater net take home pay as well as better access to funds in case of separation or subsequent promotion. Eligible employees will continue to benefit from the tax-advantaged treatment of these contributions by deferring federal and state income tax on plan contributions and the City will continue to save on the FICA tax burden. The transition from Lincoln to BENCOR, Inc. is expected to be a seamless process for both the employees and the City. This is a much less complex process in comparison to the recent change of the record-keeping of the City's 457(b) and 401(a) plans to MassMutual.

There is no change in fiscal impact for the City as there will continue to be no administrative or implementation fees. BENCOR, Inc. will provide administration and will receive their compensation from the investment alternatives offered through the plan to the employees. The City will continue to contribute 2.5% of employee compensation, while employees contribute 5% to meet the required 7.5% minimum contribution for these types of plans.

Attachments: Resolution 20-15  
Draft Adoption Agreement  
Investment Direction Election  
Standard Contract

**RESOLUTION NO. 20-15**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN ADOPTION AGREEMENT AND ASSOCIATED DOCUMENTS WITH BENCOR, INC. TO PROVIDE A FICA ALTERNATIVE PLAN FOR PART-TIME EMPLOYEES**

**WHEREAS**, the City of La Verne has traditionally provided an employer sponsored social security replacement also known as a Federal Insurance Contributions Act "FICA" alternative plan for part-time employees under Section 3121(b)(7)(F) and 457(b) of the Internal Revenue Code herein known as "the Plan"; and

**WHEREAS**, the Plan provides tax benefits to eligible employees on a pre-tax basis for their retirement; and

**WHEREAS**, Lincoln Financial has notified the City of La Verne that it will no longer administer the Plan on behalf of the City; and

**WHEREAS**, BENCOR, Inc. has made a competitive proposal for replacing Lincoln Financial in providing a FICA alternative plan for eligible part-time employees.

**BE IT RESOLVED** by the City Council of the City of La Verne as follows:

**Section 1.** The City Manager or his/her designee of the City of La Verne is hereby authorized to execute, on behalf of the eligible employees of the Employer, an adoption agreement with BENCOR, Inc., and other such agreements and contracts as are necessary to implement the program.

**Section 2.** The City Council hereby approves continuation of the funding and contribution split whereby the City will contribute 2.5% and employees contribute 5% toward the FICA alternative plan.

**Section 3.** That said action was taken during a regular meeting of the La Verne City Council.

**Section 4.** The Mayor shall sign and the Assistant City Clerk shall certify to the passage and adoption of this Resolution and thereupon the same shall take effect and be in force.

**PASSED, APPROVED AND ADOPTED this 16<sup>th</sup> day of March, 2020.**

ATTEST:

\_\_\_\_\_  
Don Kendrick, Mayor

\_\_\_\_\_  
Lupe Gaeta Estrella, Assistant City Clerk

### **CERTICATION**

I hereby certify that the foregoing **Resolution No. 20-15** was duly and regularly adopted by the City Council of the City of La Verne at a meeting thereof held on the **16<sup>th</sup> day of March, 2020**, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Lupe Gaeta Estrella, Assistant City Clerk

Authorized Document # \_\_\_\_\_

**BENCOR  
DEFERRED PAY 457 PLAN™  
FOR GOVERNMENTAL EMPLOYEES**

**Adoption Agreement**

This Adoption Agreement is executed by and between the government Employer named below ("Employer") and BENCOR, Inc. ("BENCOR") in accordance with the provisions of the Bencor Deferred Pay 457 Plan™ for Governmental Employees ("Bencor Plan"). The Employer hereby adopts and agrees to be bound by all terms of the Bencor Plan and its Trust Agreement and provides the following information and makes the following elections:

**1. EMPLOYER AND PLAN INFORMATION.**

- (a) Employer Name: City of La Verne
- (b) Employer Address: 3660 D Street  
La Verne, CA 91750
- (c) Employer Telephone Number: (909) 596-8710
- (d) Employer Fiscal Year Ends on: June 30
- (e) Plan Name: FICA Alternative Plan for the City of La Verne  
*(Referred to herein as the "Plan")*
- (f) Plan Number (001, 002, etc.): 002
- (g) Original Effective Date of Plan Adoption: November 14, 1986
- (h) If an Amendment and Restatement, Effective  
Date of such Amendment and Restatement: April 1, 2020

**THIS PLAN MAY BE ADOPTED ONLY BY A STATE GOVERNMENT OR A POLITICAL SUBDIVISION  
THEREOF OR AN AGENCY OR INSTRUMENTALITY OF EITHER OF THE FOREGOING.**

\_\_\_\_\_  
© Copyright 2018 BENCOR, Inc.

2. **PLAN DEFINITIONS.**

(a) **Compensation.** Compensation means an Employee's (*check one*):

- ☒ (i) W-2 wages.
- ☐ (ii) Cash compensation actually paid throughout the Plan Year.
- ☐ (iii) The basic annual rate of pay.

Compensation means all compensation, as defined above, except (*check only those items that are excluded, if any*):

- ☐ (iv) Overtime.
- ☐ (v) Bonuses.
- ☐ (vi) Amounts earned prior to the date of commencement of participation in the Plan.
- ☐ (vii) Single sum amounts received on account of death or separation from service under a bona fide vacation, compensatory time plan, or under a severance pay plan.

Compensation (*select one*) ☒ shall ☐ shall not include any amount deferred and not otherwise currently counted in the Employee's gross income pursuant to this Plan or any other eligible deferred compensation plan under Code Section 457(b), a tax deferred annuity under Code Section 403(b), a grandfathered Section 401(k) plan, or by reason of Code Section 125 or 132(f)(4).

(b) **Normal Retirement Age.** (*Check one*):

- ☒ (i) Age 55 (*not earlier than 55 nor later than 65*).
- ☐ (ii) Age \_\_\_\_ (*not earlier than 55 nor later than 65*), or if later, completion of \_\_\_\_ (*not more than 10*) years of participation in the Plan.
- ☐ (iii) Other: \_\_\_\_\_

(c) **Bencor Plan Administration.** The Bencor Plan shall be administered by a third-party Administrator (appointed from time to time by BENCOR). The Administrator shall have responsibility for all functions specifically described herein, in the Bencor Plan



and its Trust Agreement. Other day-to-day administrative functions and decisions under this Plan shall be handled by (check one, and provide additional information, if applicable):

- ☐ (i) A Committee consisting of \_\_\_\_\_ (number) persons, as named below:  
(Place an asterisk (\*) after the names of those individuals who are authorized to act for and on behalf of the Committee in communicating directions.)

Names: \_\_\_\_\_  
\_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone Number: \_\_\_\_\_

- ☒ (ii) The following person:

Name: JR Ranells

Address: 3660 D Street, La Verne, CA 91750

Telephone Number: (909) 596-8710

If an employee, give title: Personnel Officer

- ☐ (iii) Other (specify):

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

If an employee, give title: \_\_\_\_\_

Unless BENCOR is notified otherwise in writing by one or more of the persons with authority designated above, directions to the Trustee regarding account investments may be accepted only from the Administrator.

**(d) Plan Year.**

- (i) The Plan Year is the 12-month period commencing each January 1 and ending the following December 31.
- (ii) If the first Plan Year is a short Plan Year, the period begins on the Effective Date and ends on the immediately following \_\_\_\_\_.

3. **ELIGIBILITY PROVISIONS.**

(a) **Eligible Class of Employees.** The following shall be eligible to participate in the Plan:

- ☐ (i) All instructional staff and educational support employees as defined by state law.
- ☒ (ii) Other: All Part-Time Employees

(b) **Years of Service for Eligibility.** Eligible Employees must complete N/A (*maximum of five*) years of service (as defined by state law) with the Employer.

4. **CONTRIBUTIONS.** The following types of contributions shall be made to the Plan in accordance with the provisions of Article 3 of the Bencor Plan document:

- ☒ (i) **Mandatory Employee Salary Deferrals** equal to 5.0 % of Compensation.
- ☐ (ii) **Voluntary Employee Salary Deferrals** not exceeding \_\_\_\_% of Compensation.
- ☐ (iii) **Employer Matching Contributions** equal to \_\_\_\_% of Voluntary Employee Salary Deferrals, not to exceed \_\_\_\_% of the Participant's Compensation.
- ☐ (iv) **Discretionary Employer Contributions** determined annually by the Employer.
- ☒ (v) **Mandatory Employer Contributions** equal to 2.5 % of Compensation.

5. **DISTRIBUTIONS.** A Participant's Account shall be distributed pursuant to Article 5 of the Bencor Plan document. The following options apply under this Plan (*check as applicable*):

- ☐ (i) **Annual Installment Payments** - Payable over five years, beginning in the year after the year of Severance from Employment.
- ☒ (ii) **Deferred Lump Sum Payment** - Payable on a future date elected by the Participant.
- ☒ (iii) **Immediate Lump Sum Payment** - Payable as soon as administratively feasible after Severance from Employment.

- ☐ (iv) **Group Annuity Contract Selection** - Payments at such time and in such form as selected by the Participant under any group annuity contract funding the Plan.

Notwithstanding any contrary provision in this Adoption Agreement or in the Plan, no distribution will be made on or after the close of the first regular legislative session of the legislative body with the authority to amend the Employer's Plan that begins on or after January 1, 2006 to any Participant, without that Participant's consent, if Code Section 401(a)(31) would require the Employer to establish an IRA for the Participant and make a direct rollover of the distribution into that IRA.

6. **INVESTMENT OF PLAN ASSETS.** Plan assets shall be invested by the Trustee (appointed from time to time by BENCOR) at the direction of (*check one*):

- ☒ (i) The Employer.
- ☐ (ii) Participants (*i.e., self-directed investment of individual accounts by Participants*).

The Trustee shall have no investment discretion.

7. **AMENDMENT INFORMATION.** The terms of this Adoption Agreement may be amended from time to time by a written amendment executed by BENCOR, and approved by the Internal Revenue Service, if necessary. Provided, that any such amendment which alters or amends any of the elections or specifications set forth in this Adoption Agreement will not be effective unless the Employer consents in writing to the change; if the Employer fails to provide such consent within any time frame specified by the amendment, BENCOR shall have the option to discontinue the Employer's participation in the Bencor Plan. BENCOR will inform the Employer of any amendments made to the Bencor Plan, or of the discontinuance or abandonment of the Bencor Plan. The elections or specifications set forth in this Adoption Agreement may be amended from time to time by the Employer by execution of a new Adoption Agreement or Amendment to the Agreement, which shall be effective as provided therein or on such later date as the new agreement or amendment is accepted by Bencor. No amendment to the Plan shall deprive any Beneficiary, Participant or former Participant of any benefits to which he/she may be entitled thereunder, unless such amendment is required for the Plan to continue meeting the requirements of Code Section 457.

8. **DESIGNATION OF TRUSTEE AND SECURITIES ACT OF 1933.** The Employer designates the Trustee, as named from time to time by BENCOR, to accept, hold and manage contributions made under the Plan pursuant to the terms of the Trust Agreement, a copy of which has been delivered to the Employer, and in accordance directions of the Administrator of the Plan. The Employer shall be notified by BENCOR of any change in the Trustee or amendment to the Trust Agreement. Operation of the trust fund will be governed by the terms of the Trust Agreement as in effect from time to time. In the case of an investment option or vehicle held under the Trust Agreement that is subject to the Securities Act of 1933, and provided the participants' interest in the Plan is exempt from the requirements of such Act, the participants or their beneficiaries shall not, except upon their written, telephonic or electronic request to the Administrator or by written instruction of the Employer to the Administrator, be provided with copies of any prospectuses, financial statements and reports, or of any other materials relating to such investment option or vehicle (including, without limitation, materials provided to the Plan relating to the exercise of voting, tender or similar rights that are incidental to the holding of an ownership interest in such investment option or vehicle).
9. **EMPLOYER SIGNATURE.** It is understood and agreed that BENCOR, the Trustee, and the Administrator shall not be responsible for any tax or legal aspects of this Plan as adopted by the Employer. Full responsibility therefor is assumed by the Employer, which acknowledges it has counseled with its selected legal and tax advisers. Any action taken by the Employer shall be taken as conclusive evidence of any of the matters related to the Plan as adopted by the Employer, and BENCOR, the Trustee, and the Administrator shall be fully protected in taking, permitting or omitting any action on the faith thereof, and shall incur no liability or responsibility for carrying out such actions as directed by the Employer.

**[THIS SPACE IS INTENTIONALLY LEFT BLANK]**

Signed at \_\_\_\_\_, \_\_\_\_\_ on \_\_\_\_\_.

\_\_\_\_\_  
**EMPLOYER**

By: \_\_\_\_\_

Title: \_\_\_\_\_

BENCOR, INC. HEREBY AUTHORIZES USE OF THE BENCOR PLAN BY THE ABOVE-NAMED EMPLOYER AS REPRESENTED BY THIS ADOPTION AGREEMENT AND THE ACCOMPANYING PLAN DOCUMENT AND TRUST AGREEMENT, EACH OF WHICH IS NUMBERED AND REGISTERED WITH BENCOR, INC. ANY USE OF THESE NUMBERED DOCUMENTS BY ANY OTHER ENTITY IS EXPRESSLY PROHIBITED BY THE COPYRIGHT LAWS OF THE UNITED STATES.

**BENCOR, INC.**

BENCOR Administrative Services

P.O. Box 1429

Brentwood, TN 37024-1429

Plan Sponsors: 844-249-4520

Participant Service Center: 866-296-9712

Fax: 888-500-7111

By: \_\_\_\_\_

Hugh Bishop, President

(BENCOR.CSONY.L1)  
(06/14/2017)  
(RESTATED 07/08/2019)

**ATTACHMENT**

*Use this page for information requested in the Adoption Agreement that does not fit within the blanks of the form.*



**BENCOR**  
**NATIONAL GOVERNMENT EMPLOYEES RETIREMENT PLAN™**

**Investment Direction Election**

PLAN NAME: CITY OF LA VERNE FICA ALTERNATIVE PLAN

BENCOR PLAN TYPE: 457(b)

Pursuant to the Adoption Agreement, Plan assets shall be invested by the Custodian at the direction of the employer.

The Custodian shall invest all plan assets through Charles Schwab Trust Company.

Contributions shall be invested into the Following designated account in the percentage indicated:

☒ 100% The Standard Capital Preservation Income Fund IV – XCPF4

☐ \_\_\_\_\_

The instructions on this form supersede any prior investment direction and shall become effective upon execution.

\_\_\_\_\_  
Authorized Signer for Employer/ Contract Holder

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

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**STANDARD INSURANCE COMPANY**

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**GROUP ANNUITY CONTRACT**

**814038**

**FICA Alternative Plan for the City of La Verne**

**City of La Verne**

**PLEASE READ YOUR CONTRACT CAREFULLY**



## **Notice of Protection Provided by California Life and Health Insurance Guarantee Association**

This notice provides a brief summary regarding the protections provided to policyholders by the California Life and Health Insurance Guarantee Association ("the Association"). The purpose of the Association is to assure that policyholders will be protected, within certain limits, in the unlikely event that a member insurer of the Association becomes financially unable to meet its obligations. Insurance companies licensed in California to sell life insurance, health insurance, annuities and structured settlement annuities are members of the Association. The protection provided by the Association is not unlimited and is not a substitute for consumers' care in selecting insurers. This protection was created under California law, which determines who and what is covered and the amounts of coverage.

Below is a brief summary of the coverages, exclusions and limits provided by the Association. This summary does not cover all provisions of the law; nor does it in any way change anyone's rights or obligations or the rights or obligations of the Association.

### **COVERAGE**

- **Persons Covered**

Generally, an individual is covered by the Association if the insurer was a member of the Association *and* the individual lives in California at the time the insurer is determined by a court to be insolvent. Coverage is also provided to policy beneficiaries, payees or assignees, whether or not they live in California.

- **Amounts of Coverage**

The basic coverage protections provided by the Association are as follows.

- **Life Insurance, Annuities and Structured Settlement Annuities**

For life insurance policies, annuities and structured settlement annuities, the Association will provide the following:

- **Life Insurance**
      - 80% of death benefits but not to exceed \$300,000
      - 80% of cash surrender or withdrawal values but not to exceed \$100,000
    - **Annuities and Structured Settlement Annuities**
      - 80% of the present value of annuity benefits, including net cash withdrawal and net cash surrender values but not to exceed \$250,000

The maximum amount of protection provided by the Association to an individual, for *all* life insurance, annuities and structured settlement annuities is \$300,000, regardless of the number of policies or contracts covering the individual.

- **Health Insurance**

The maximum amount of protection provided by the Association to an individual, as of July 1, 2016, is \$546,741. This amount will increase or decrease based upon changes in the health care cost component of the consumer price index to the date on which an insurer becomes an insolvent insurer. Changes to this amount will be posted on the Association's website [www.califega.org](http://www.califega.org).

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### **COVERAGE LIMITATIONS AND EXCLUSIONS FROM COVERAGE**

The Association may not provide coverage for this policy. Coverage by the Association generally requires residency in California. You should not rely on coverage by the Association in selecting an insurance company or in selecting an insurance policy.

The following policies and persons are among those that are excluded from Association coverage:

- A policy or contract issued by an insurer that was not authorized to do business in California when it issued the policy or contract
- A policy issued by a health care service plan (HMO), a hospital or medical service organization, a charitable organization, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company, an insurance exchange, or a grants and annuities society
- If the person is provided coverage by the guaranty association of another state
- Unallocated annuity contracts; that is, contracts which are not issued to and owned by an individual and which do not guaranty annuity benefits to an individual
- Employer and association plans, to the extent they are self-funded or uninsured
- A policy or contract providing any health care benefits under Medicare Part C or Part D
- An annuity issued by an organization that is only licensed to issue charitable gift annuities
- Any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk, such as certain investment elements of a variable life insurance policy or a variable annuity contract
- Any policy of reinsurance unless an assumption certificate was issued
- Interest rate yields (including implied yields) that exceed limits that are specified in Insurance Code Section 1067.02(b)(2)(C)

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### **NOTICES**

Insurance companies or their agents are required by law to give or send you this notice. Policyholders with additional questions should first contact their insurer or agent. To learn more about coverages provided by the Association, please visit the Association's website at [www.califega.org](http://www.califega.org), or contact either of the following:

California Life and Health Insurance  
Guarantee Association  
P.O. Box 16860  
Beverly Hills, CA 90209-3319  
(323) 782-0182

California Department of Insurance  
Consumer Communications Bureau  
300 South Spring Street  
Los Angeles, CA 90013  
(800) 927- 4357

**Insurance companies and agents are not allowed by California law to use the existence of the Association or its coverage to solicit, induce or encourage you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and California law, then California law will control.**

**NOTICE TO CONTRACTOWNER  
REGARDING THE CALIFORNIA DEPARTMENT OF INSURANCE  
CONSUMER AFFAIRS UNIT**

Should any dispute arise about your premium or about a claim that you have filed, contact a Standard representative and write or call us at:

Standard Insurance Company  
P. O. Box 711, P9A  
Portland, Oregon 97207

Phone No. 1-800-262-7111  
Fax No. (971) 321-7998

If the problem is not resolved, you may also write to:

Department of Insurance  
Consumer Services Division  
300 South Spring Street, South Tower  
Los Angeles, CA 90013

Consumer Hotline: 1-800-927-HELP

This notice of complaint procedure is for information only and does not become a part or condition of this annuity contract.

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## ARTICLE I INTENT AND PURPOSE

This Group Annuity Contract is intended to provide the Contractowner with financial services designed to receive and accumulate funds within retirement plans established under the relevant sections of the Internal Revenue Code, for the prospective purchase of annuities and payment of benefits in accordance with the terms of said plan(s).

## ARTICLE II DEFINITIONS

- A. **“Business Day”** means any day that we are open for business and the New York Stock Exchange is open for trading. Transactions are processed on Business Days only.
- B. **“Contract”** means this Standard Insurance Company Group Annuity Contract between you, the Contractowner, and us, Standard Insurance Company.
- C. **“Contract Date”** means the effective date of the Contract indicated on the signature page of this Contract.
- D. **“Contractowner”** means the party or parties named on the signature page of this Contract or, subject to the Assignment provisions of Article VII, such party's or parties' successor in interest by reason of change of name, merger, consolidation, purchase of stock, or acquisition of substantially all of the assets of the Contractowner's business. Contractowner will be referred to as “you” and “your.”
- E. **“Deposits”** are amounts paid into this Contract, and are more fully described in Article III.
- F. **“Good Order”** means an instruction from you received by us, utilizing any such forms as we may reasonably require, that contains all the information we need to take the specific instruction, and is sufficiently complete and clear that we do not need to exercise any judgment or discretion in order to carry out such an instruction.
- G. **“Home Office”** means our address indicated on the signature page of this Contract.
- H. **“Investment Fund”** means an option into which you have chosen to invest your Plan assets. An Investment Fund is operative when you instruct us to deposit or transfer your assets to it. The Investment Fund(s) available to you are described in the Rider(s) attached to this Contract.
- I. **“Market Value Adjustment” or “MVA”** is a charge deducted from the amounts you withdraw or transfer from an Investment Fund. A Market Value Adjustment, if applicable, is more fully described in the Investment Fund Rider to which it specifically applies.
- J. **“Participant”** means any person who is participating in the Plan.
- K. **“Plan”** means the retirement plan maintained by you which gives rise to this Contract. Standard is not a party to the Plan, and our obligations are limited to those set forth in this Contract.

- L. **“Plan Administrator”** means the Plan sponsor, Plan trustee(s), Plan fiduciary, or a person or persons specifically designated by you to have the authority to control and manage the operation and administration of your Plan. Standard is not the Plan Administrator.
- M. **“Standard”** means Standard Insurance Company and will also be referred to as “we”, “us”, and “our.”
- N. **“Written Notice”** means any notice required by this Contract. Written Notice required of you shall be delivered to us via US Mail at our Home Office, or via electronic notice at an e-mail address we designate, unless we notify you otherwise. Any Written Notice required of us by this Contract shall be sent to you at your last business address on our records, or via electronic notice at an e-mail address you designate, unless you notify us otherwise. It is the responsibility of each of us to notify the other in writing of any changes in a party’s respective business or e-mail addresses.

### ARTICLE III DEPOSITS

#### A. Deposits.

Deposits of contributions to your Plan will be accepted periodically under the terms of this Contract. Deposits must be in the form of electronic funds transfer or check in United States funds, unless we consent otherwise in advance of the deposit.

#### B. Application of Deposits.

1. Depositing Plan Contributions. All Deposits and allocation instructions must be remitted to us by your Plan’s custodian in accordance with practices and procedures which we establish.
2. Refund of Deposit. We shall refund a Deposit if the terms of your Plan or applicable state or federal law so require.
3. Limitation on Deposits. In order to preserve the financial integrity of this Contract, we reserve the right to return amounts exceeding five-million dollars received in any one calendar month.

### ARTICLE IV WITHDRAWALS

#### A. Participant Benefit Withdrawals.

1. Description. Participant Benefit Withdrawals are withdrawals made according to the terms of your Plan and this Contract for:
  - a. Participant-initiated withdrawals for purposes of financial hardship, termination of employment, retirement, disability, or death. Participant-initiated withdrawals also include the cash-out of the present value of a Participant’s benefits or account balance as allowed by the terms of the Plan for small benefits, for example \$5,000 or less.

- b. Participant-directed transfers of assets among Investment Funds, if applicable to Plan type;
  - c. Loans to Participants, if applicable;
  - d. Qualified domestic relations orders, as determined by the Plan Administrator or their designee; or
  - e. Participant-directed annuity purchases.
- 2. Limitation on Participant Benefit Withdrawals. Any limitations on Participant Benefit Withdrawals will be subject to the terms described in each Investment Fund in which you have assets.
  - 3. Reasonable Proof Required. We may require reasonable proof that Participant Benefit Withdrawals are being made consistent with the terms of the Plan and this Contract.
  - 4. Participant Benefit Withdrawals upon Contract Termination. We reserve the right to suspend Participant Benefit Withdrawals from the date of our receipt of any Written Notice of termination of this Contract in order to effect an equitable termination distribution.

**B. Contractowner Withdrawals.**

- 1. Description. Contractowner Withdrawals are any withdrawals made that are not defined as Participant Benefit Withdrawals. Subject to the terms described in the specific Investment Fund(s), you may withdraw all or a part of your assets from the Investment Fund(s).
- 2. Participant-Initiated Withdrawals and Transfers. Participant-initiated withdrawals or transfer requests directly or indirectly arising out of corporate acts such as mergers, spin-offs, divestitures, corporate relocations, layoffs, corporate bankruptcy or receivership, total or partial Plan terminations (including any action initiated by the employer which results in a work force reduction of more than 20%), sales or closing of all or a part of your operations, retirement incentive programs, the liberalization of Plan withdrawal or transfer rules, or withdrawals resulting from prohibited communications as described in Article VII are all Contractowner Withdrawals. Such withdrawal requests are not treated as Participant Benefit Withdrawals.
- 3. Valid Instructions Required. Before any Contractowner Withdrawal is made, we will require complete instructions from you in Good Order and in conformance with any restrictions specific to an Investment Fund.
- 4. Market Value Adjustment. A Market Value Adjustment may apply depending on the terms of the Investment Fund(s) from which you are withdrawing assets.
- 5. Delay of Contractowner Withdrawals. We reserve the right to delay the effective date of Contractowner Withdrawal transaction(s) for not more than thirty (30) days after we receive Written Notice, except for special circumstances described in Section C., below.

**C. Right to Defer a Payment, Transfer, or Withdrawal.**

We may defer honoring any withdrawal request or other payment obligations for any reasonable period of time if, due to a natural disaster or other emergency, or the closing or disruption of financial markets or exchanges we are unable to prudently liquidate the necessary assets to satisfy the request. Such a deferral generally will be limited to a period commensurate with the emergency or market disruption.

**D. Limitation of Liability.**

1. General Liability.
  - a. Limited to Amounts Attributable to Investment Fund(s). Our general liability to you at any time shall be limited to the amount(s) attributable to the applicable Investment Fund(s).
  - b. Limit on Payment. At no time shall we make payments to you under this Contract in excess of this limit.
2. Sufficiency of Funds. We will not be responsible for the lack of sufficient funds under this Contract to provide benefits or otherwise meet any funding requirements for your Plan under applicable law.
3. Limitation Period. No suit may be brought in relationship to this Contract unless it is brought within five years after the date on which the suit could have first been brought. If this limitation is prohibited by the laws of the state of Jurisdiction shown in the signature page of this Contract, this limitation will be deemed to be amended to agree with the minimum period of limitation permitted by those laws.

**ARTICLE V  
RIGHT TO PURCHASE ANNUITIES**

**A. Definition.**

Beginning with the Contract Date and until the date this Contract is subsequently terminated pursuant to Article VI, if the provisions of your Plan allow, you shall have the right, but not the obligation, to purchase annuities on behalf of Participants as provided below. "Premium" means the purchase amount.

To purchase annuities, you may do so by sending us a request for an annuity form which is (1) acceptable to us; (2) provided for under the terms of your Plan; and (3) authorized by the Plan Administrator. A description of those annuities that we typically provide is set forth on Schedule A.

**B. Purchase of Annuities.**

1. Necessary Information. In advance of the purchase of an annuity, you must provide us with the purchase date, the form of annuity desired, proof of age, and any other information we in our sole discretion deem necessary in order to issue an annuity contract to the participant.



2. Sufficiency of Payment.

- a. Insufficient Funds. No annuity will be purchased if your funds under this Contract are insufficient.
- b. No Responsibility. We shall not be responsible for the lack of sufficient funds held under this Contract to purchase the annuity.

3. Misstatements.

If the age or gender on which the purchase of an annuity was based are misstated, we reserve the right to adjust the amount withdrawn from the Investment Fund(s) or the amount of annuity benefit payments, or both, at the correct age or gender.

**C. Premium Rates.**

1. Guaranteed Maximum Rates. Subject to subsection C.3. below, the rate for a Premium shall not exceed the amounts shown in the attached Schedule A.
2. Current Rates. If, at the time of selection, we offer a benefit on a more favorable basis than that guaranteed in the Contract, the lower Premium shall apply.
3. Modification of Schedule A. We reserve the right to modify Schedule A for benefits of Participants who enter the Plan after sixty (60) days Written Notice of modification of the premium rates.

**D. Annuity Payments.**

1. Cash-out. At our option, we may choose to pay in cash the amount for which we could purchase the benefit if the annuity benefit is less than \$100 annually.
2. Modification of Payments. Once annuity payments have begun and we later discover that the age or gender of an annuitant or contingent annuitant has been misstated, the payment shall be adjusted based on the correct age and gender from the date payments began. If we underpaid, we will pay the underpaid amount in full with the next annuity payment. If we overpaid, we shall deduct the overpayments from future annuity payments until we are repaid in full.

**E. Supplementary Contracts.**

In any case where we provide an annuity under this Contract, we will issue a Supplementary Contract to the named annuitant describing the terms and conditions of the relationship created between the annuitant and our Company, including any guarantees we undertake.

**ARTICLE VI  
TERMINATION OF THIS CONTRACT**

**A. Initiation of Termination.**

1. Initiated by You. You may terminate this Contract at any time by delivering Written Notice to us. The Written Notice shall specify a Business Day on which termination is to be initiated, which shall not be less than thirty (30) or more than ninety (90) days after the date on which we receive your Written Notice at our Home Office, unless we agree otherwise. Notwithstanding anything herein to the contrary, this Contract will terminate only when all assets attributable to the Contract have been distributed.
2. Initiated by Us. We may initiate termination of this Contract at any time by delivering Written Notice to you. Our Written Notice shall specify a Business Day on which initiation of termination is to be effective, which shall not be less than thirty (30) days after the date on which Written Notice is delivered to you, unless you agree otherwise. Notwithstanding anything herein to the contrary, this Contract will terminate only when all assets attributable to the Contract have been distributed.

**B. Effect of Termination.**

1. Deposits. On the date termination of this Contract is initiated, we will no longer accept Deposits as described in Article III.
2. Interest. We shall continue to credit interest according to the terms of the applicable Investment Fund(s).
3. Disposition of Funds. Subject to the terms of the Investment Fund Rider(s), you shall direct us pursuant to a Written Notice in Good Order how to dispose of your funds.
4. Certification. Prior to distribution, we may require a Written Notice from you or the Plan Administrator certifying that the withdrawals you make will continue to be applied for the exclusive benefit of Participants and their beneficiaries under the terms of your Plan.
5. Documentation. If you withdraw funds for payment to another party or institution (other than yourself), we may require reasonably necessary documentation prior to such withdrawals.
6. Refusal to Transfer. Notwithstanding anything herein to the contrary, we may refuse to transfer funds if, in our opinion, based on all the facts and circumstances known to us at the time, the transfer may subject us to liability under applicable state or federal law.

**ARTICLE VII  
GENERAL CONDITIONS**

**A. Your Responsibilities.**

1. Authority to Control and Manage. You (or person(s) you nominate) are the Plan Administrator who has the authority to control and manage the operation and administration of the Plan and Plan assets. We do not assume this responsibility.

2. Responsibility for Funding Vehicle. You (or the person(s) you nominate) are solely responsible for selecting this Contract as a funding vehicle appropriate for the Plan.
3. Retain Legal and Accounting Advice. You must obtain your own legal and accounting advice concerning your Plan.
4. Meeting Legal Deadlines, Requirements. You are ultimately responsible for meeting all Internal Revenue Service and Department of Labor filing deadlines for your Plan. This includes securing and maintaining the qualified status of your Plan, if applicable. We are not responsible for payment of any damages, fines, or penalties for the acts or omissions of the Plan Administrator.

**B. General Corporate Assets.**

Unless an Investment Fund specifically provides to the contrary, Deposits made under this Contract shall become part of our general corporate assets to be used and invested as such. This relationship between you and our Company shall not give you, your creditors, or any party acting on your behalf any claim against Standard's specific or identifiable assets.

**C. Assignment.**

1. Assignment, Pledge, or Transfer. You can assign, pledge, or transfer ownership of this Contract, but only if we have given you prior consent pursuant to a Written Notice and only if the assignment, pledge, or transfer complies with applicable state and federal law.
2. Commutation, Anticipation, or Encumbrance. Any payments or benefits provided for by this Contract shall not be subject to commutation, anticipation, encumbrance, or alienation by any person, individual, or institution entitled to such payments or benefits unless it complies with applicable state or federal law and we have given you consent pursuant to a Written Notice prior to that transaction.
3. Seizure by Operation of Law. Furthermore, no payment or benefit provided for by this Contract shall be seized, taken, appropriated, or applied by any legal or equitable process or operation of law to pay any debt or liability of any person entitled to such payments or benefits, except to the extent provided by applicable law and only if we have consented in a prior Written Notice.

**D. Non-Waiver.**

Our failure to enforce any provision of this Contract at any time shall not affect our right, by doctrine of waiver, estoppel, or otherwise, to enforce any provision at any other time.

**E. Data Supplied By You, Reliance.**

You shall furnish any information that we may reasonably require in order to administer this Contract. We will be permitted to rely conclusively upon any statement by you of the amount of benefits due. All statements that you make will, in the absence of fraud, be deemed representations and not warranties.

**F. Prohibited Communications.**

Except as otherwise required by law or as directed by: (i) a fiduciary for the Plan; or (ii) a Participant, neither Contractowner or its agents or designees will take any action which would adversely affect our rights and obligations under this Contract.

**G. Entire Contract.**

This Group Annuity Contract, any attached Schedules and Riders, any applicable Endorsements and the Contract Application constitute the entire Contract between you, the Contractowner, and our Company. We are responsible for performing only those duties, obligations, and responsibilities specifically described in this Contract. If any provision of this Contract is determined to be invalid, the remainder of the provisions will remain in full force and effect.

**H. Amendment and Modification.**

1. Description. This Contract may be amended or modified as described in this section, and without the consent of any employee, Participant, or beneficiary of the Plan.
2. Modifications to Comply with Applicable Law. We may amend any provision of this Contract without your consent in order to comply with applicable laws or regulations, subject to regulatory approval. However, we shall give you Written Notice of any such compliance modifications.
3. Amendments. You and we may amend this Contract by mutual agreement, subject to regulatory approval. We may propose amendments to the Contract which will be effective no sooner than sixty (60) days after we have given you Written Notice. You may reject our proposed modification by initiating termination of this Contract in accordance with the Termination provisions of Article VI.

Such an Amendment must be signed by your authorized representative and:

- a. our President; or
- b. one of our Vice Presidents and our Secretary.

No amendment will adversely affect the terms of any annuity that has already been issued pursuant to Article V.

4. Authority to Sign. No other person has the authority to sign a contract, amend this Contract, or waive any provision of this Contract on our behalf.

**I. Force Majeure.**

We reserve the right to suspend or postpone the processing of any transactions under this Contract for any period when a natural disaster or other emergency occurs, trading on financial markets or exchanges are restricted, a state insurance department permits such a postponement for the protection of contract owners, or our systems fail.

**STANDARD INSURANCE COMPANY  
GROUP ANNUITY CONTRACT**

**CONTRACTOWNER:** City of La Verne

**CONTRACT NO.:** 814038                      The Investment Funds included are:

**CONTRACT DATE:** April 1, 2020                      Capital Preservation Income Fund

**RECEIPT DATE:** March 25, 2020

**JURISDICTION:** California

This Contract between Standard Insurance Company and the Contractowner shall be effective on the Contract Date if it is received at Standard's Home Office no later than the Receipt Date.

If, however, this Contract is received after the Receipt Date, Standard may either: (1) accept the Contract anyway, if received within a reasonable time after the Receipt Date; (2) withdraw our offer of this Contract and refund any Deposits already paid to us; or (3) withdraw our offer in the initial Contract and issue a new Contract.

This Contract shall be governed by the laws of the Jurisdiction identified above.

The Contractowner agrees, as indicated by the signature(s) below, to all of the terms set forth in this Contract, Contract Application, any accompanying Schedule(s), Rider(s) and Endorsements attached hereto.

CITY OF LA VERNE

By: \_\_\_\_\_  
Name/Title

Address:  
3660 D Street  
La Verne, CA 91750

By: \_\_\_\_\_  
Name/Title

By: \_\_\_\_\_  
Name/Title

Dated: \_\_\_\_\_

Standard agrees, as indicated by the signatures below, to provide annuities and financial services pursuant to the terms set forth in this Contract, the Schedules, and accompanying Rider(s) incorporated by reference herein.

STANDARD INSURANCE COMPANY



\_\_\_\_\_  
President

"Home Office" Address:  
Standard Insurance Company  
Retirement Plans Division  
1100 S.W. 6th Avenue (97204)  
P.O. Box 711 (97207)  
Portland, Oregon



\_\_\_\_\_  
Secretary

Dated: 03/09/2020

## STANDARD INSURANCE COMPANY

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### MARKET VALUED ADJUSTMENT EQUALIZER ENDORSEMENT

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This Market Valued Adjustment Equalizer Endorsement is attached to and forms a part of the Contract. All terms defined in the Contract have the same meaning where used in this Endorsement.

In consideration of the issuance of the Group Annuity Contract and Rider(s) in conjunction with the provision of financial services to your Plan(s), it is agreed that the following new section is added to the Capital Preservation Income Fund Rider:

#### **Market Valued Adjustment Equalizer**

Standard has agreed to make payment (the "Transfer Payment") on the Plan's behalf of the exit charges assessed against the Plan under the investment vehicle from which deposits to the Contract are received. Standard will be reimbursed for the Transfer Payment amount under the following terms.

Subject to the Minimum Guaranteed Interest Rate, the Capital Preservation Income Fund Interest Rate will be reduced by 0.25% (the "Repayment Rate"). Standard will retain the amount attributable to the Repayment Rate for purposes of recovering the Transfer Payment until the Transfer Payment is repaid to Standard, or for a period of 5 contract years, whichever occurs first.

At the beginning of each calendar quarter, Standard will determine the remaining Transfer Payment. If the Transfer Payment is expected to be repaid in full in the following calendar quarter, or if the 5-year contract anniversary will be reached, Standard will notify you, and the reduction in the Capital Preservation Income Fund Interest Rate will end on the first day of the next calendar quarter. At that time, Standard will invoice you for any partial Transfer Payment amount remaining, or issue a refund for amounts collected over the Transfer Payment amount.

In consideration of Standard's agreement to make the Transfer Payment on the Plan's behalf, you represented approximately \$1,138,828.65 will be deposited to the Capital Preservation Income Fund. If, after 60 days following the Contract Date, the value of the Capital Preservation Income Fund is less than 80% of \$1,138,828.65, Standard reserves the right to invoice you for a portion of the Transfer Payment amount in proportion to the shortage.

Prior to any distribution of assets in accordance with the Contract Termination sections of the Contract and the Rider, any remaining Transfer Payment amount that has not been repaid to us will be billed on the date termination of the Contract is initiated.

Notwithstanding any of the foregoing, upon distribution of substantially all assets from the Capital Preservation Income Fund, you agree to repay any Transfer Payment amount remaining due to Standard.

STANDARD INSURANCE COMPANY



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President

MVE (05/19)

## **SCHEDULE A**

### **TABLE OF GUARANTEED MAXIMUM RATE TO PURCHASE \$1.00 OF MONTHLY RETIREMENT BENEFIT**

For each optional form of annuity payment a Guaranteed Maximum Rate to purchase \$1 of monthly retirement is defined based on the following assumptions:

1. 1994 Group Annuity Mortality Table with a projection factor to year of first payment
2. Interest rate of 3%
3. Single life rates use 100% female mortality
4. Joint life factors are blended 50% male and 50% female. Joint mortality improvement factors are an arithmetic average of 50% male and 50% female.

These rates are guaranteed for the duration of this Contract for the benefits of current Plan Participants. We reserve the right to change the Guaranteed Maximum Rates for the benefits of Participants who enter the Plan after we give sixty (60) days Written Notice of the change.

#### **Available Annuities are:**

- A. Life Annuity** – Monthly income payable for the life of the annuitant only, with no payments after the annuitant's death.
- B. Certain and Life Annuity** – Monthly income payable for the life of the annuitant with the provision that if the annuitant should die after commencement of payments, but before the end of a certain period of 60, 120, or 180 months, as elected, payments will be continued for the remainder of certain period to a designated beneficiary; PROVIDED, however, that the certain period election shall not extend beyond any applicable limit imposed by law.
- C. Joint and Survivor Annuity** – Monthly income payable for the life of the annuitant, and thereafter for the life of a designated contingent annuitant. Monthly payments to the contingent annuitant may be the same amount as, one-half of, or two-thirds of the monthly payments to the annuitant, as you specify.

At our option, we may choose to pay in cash the amount for which could purchase the benefit if the annuity benefit is less than \$100 annually.

## STANDARD INSURANCE COMPANY

### Capital Preservation Income Fund Rider

This Rider is made a part of the Group Annuity Contract (the "Contract") between you and our Company. All the terms used in this Rider have the same meaning as those described in the Contract.

- A. Description.** Standard Insurance Company's Capital Preservation Income Fund (the "CPIF") will be in the nature of an account showing a general liability against us on your behalf. As such, there will be no particular segregated or identifiable assets ascribed to it.
- B. Deposits.** Deposits to the CPIF are made in accordance with the provisions of Article III of the Contract.
- C. Valuation.** The value of the CPIF is an amount equal to (A) minus (B), where:
- (A) is the sum of:
1. the Deposits to the CPIF; and
  2. interest credited to the CPIF.
- (B) is the sum of:
1. any Plan expenses allocated to the CPIF;
  2. Contractowner Withdrawals; and
  3. Participant Benefit Withdrawals.
- The CPIF is valued daily. Interest is credited daily to Deposits to the CPIF at the daily equivalent of the CPIF Interest Rate.
- D. Determination of the CPIF Interest Rate.** Deposits to the CPIF will earn interest at the "CPIF Interest Rate." The CPIF Interest Rate is expressed as an annual rate, which we will determine and declare quarterly and will only be in effect for that quarter. The CPIF Interest Rate will not be less than the Minimum Guaranteed Interest Rate.
- E. Determination of the Minimum Guaranteed Interest Rate.** The "Minimum Guaranteed Interest Rate" is a rate equal to 1.00% per annum in all years.
- F. Limit on Competing Funds.** The CPIF may not be offered as an Investment Fund if any other Competing Fund is offered by the Plan.

A Competing Fund means any investment option offered by the Contractowner that:

1. Is a fund that seeks to maintain a stable value per unit or to maintain preservation of principal (e.g., stable value fund, money market fund, or cash equivalent fund); or
2. Is an allocation or fixed-income fund that has a target duration of 3 years or less.

Investment options that allow access to other investment options or funds that have the CPIF (09/18)



same preceding characteristics are also deemed a Competing Fund, unless we provide written consent to the contrary.

We have discretion in determining whether a particular investment option is a Competing Fund.

**G. Withdrawals.**

**1. Participant Benefit Withdrawals**

- i. Participant Benefit Withdrawals are governed in accordance with Article IV of the Contract, except as modified by this Item G.1.
- ii. All Participant Benefit Withdrawals are processed at book value.
- iii. Subject to Section IV.A.4 of the Contract, Upon initiation of termination of the Contract, Participant Benefit Withdrawals from the CPIF cannot be transferred directly or indirectly to a Competing Fund (as defined in Item F of this Rider) without first being invested in a non-Competing Fund for 90 days.

**2. Contractowner Withdrawals**

- i. Contractowner Withdrawals are governed in accordance with Article IV of the Contract, except as modified by this Item G.2.
- ii. All Contractowner Withdrawals prior to initiation of termination will be disbursed as a lump sum calculated in accordance with Item H of this Rider. Disbursal of Contractowner Withdrawals upon initiation of termination are governed in accordance with Item I of this Rider.

**H. Market Value Adjustment.** A Market Value Adjustment ("MVA") may be calculated and billed to you in connection with certain withdrawals as described in this Item H. If we do not receive prompt payment of an MVA, future Contractowner Withdrawals could be delayed until payment is received.

**1. Application of MVA.** An MVA will be applied and billed in the following circumstances:

- i. To the Contractowner Withdrawal that results in the aggregate amount of Contractowner Withdrawals in that calendar year exceeding 25% of the value of the CPIF calculated on the January 1<sup>st</sup> of the same year, and all subsequent Contractowner Withdrawals in that year.
- ii. To the value of the CPIF distributed as a lump sum after initiation of termination, if a lump sum distribution is elected under Item I of this Rider.

**2. Calculation of MVA.**

- i. The MVA is the product of the Distribution Amount (defined below) and 1.00 minus the MVA Factor (defined below).
  - a. The "Distribution Amount" is the applicable amount described in Item H.1 of this Rider.
  - b. The "MVA Factor" is the lesser of 1.00 and the ratio of:

Current Bond Price  
Par Value of Bond

I. "Current Bond Price" is the price of a bond:

issued with a maturity of five years; bearing interest payable semi-annually at the three year monthly average of the Bloomberg Fair Value U.S. Dollar Denominated U.S. Industrial BBB 5 Year Index (the "Index") as of the last day of the month prior to the date the Contractowner Withdrawal is distributed; and calculated to yield the index value of the Index as of the last day of the month that is two months prior to the date the Contractowner Withdrawal is distributed.

II. "Par Value of Bond" is the price of a bond:

issued with a maturity of five years; bearing interest payable semi-annually at the value of the Index as of the last day of the month prior to the date the Contractowner Withdrawal is distributed; and calculated to yield the index value of the Index as of the last day of the month that is two months prior to the date the Contractowner Withdrawal is distributed.

If the Index ceases to be published or if we determine another index is more appropriate, we will select an appropriate index. We will provide you with Written Notice of this change.

- ii. Notwithstanding anything in this Item H to the contrary, every distribution associated with an MVA will be at least equal to the amount determined by multiplying the value of the net deposits to the CPIF by the ratio of the Distribution Amount to the value of the CPIF. The MVA will be reduced if needed to ensure this result.
- iii. Upon your request, we will provide you with a calculation of the MVA, based on the date the parties agree the Contractowner Withdrawal will take place.

**I. Contract Termination.**

- 1. No later than initiation of termination in accordance with Article VI of the Contract, you must elect the method of distribution for the value of the CPIF from the following options:

- i. A lump sum, subject to Item I.2 of this Rider.
- ii. Installment payments, subject to Item I.3 of this Rider.

If you do not make an election, the value of the CPIF will be distributed in a lump sum subject to Item I.2 of this Rider.

- 2. A lump sum distribution is subject to the MVA described in Item H.2 of this Rider. Any MVA will be billed to you. You must pay any MVA at least five days prior to the date the distribution of the value of the CPIF is scheduled to take place. If we do not receive payment of the MVA, the lump sum distribution of the value of the CPIF could be delayed until we receive payment.

- 3. Installment payments will be made in the following manner:

- i. After initiation of termination in accordance with Article VI of the Contract, all Contractowner Withdrawals are prohibited except those defined as "Participant Initiated Withdrawals and Transfers" in Section VI.B.2 of the Contract, which will

continue to be permitted.

- ii. After initiation of termination in accordance with Article VI of the Contract, Participant Benefit Withdrawals will continue to be permitted.
- iii. The assets of the CPIF other than those distributed as Participant Benefit Withdrawals and Participant Initiated Withdrawals and Transfers will be paid in six annual payments over five years. The first payment will be made within 60 days of the initiation of termination of the Contract. Each subsequent payment will be made on the anniversary of the prior payment. Payment amounts will be in accordance with the schedule below:

First Payment	16% of the CPIF balance
Second Payment	20% of the remaining CPIF balance
Third Payment	25% of the remaining CPIF balance
Fourth Payment	33% of the remaining CPIF balance
Fifth Payment	50% of the remaining CPIF balance
Sixth Payment	100% of the remaining CPIF balance

For each payment except the first and last, the payment amount will be decreased by:

- a. the amount of any Participant Benefit Withdrawals and Participant Initiated Withdrawals and Transfers between the date the previous payment was calculated and 30 days prior to the payment date; and
- b. the amount of any Permitted Withdrawals rolled forward from previous annual calculations.

If the net payment amount is zero or negative, that payment will not be made. Any amount of Participant Benefit Withdrawals and Participant Initiated Withdrawals and Transfers over the scheduled payment amount will be rolled forward and subtracted from the next payment.

The calculation of any amount to be subtracted from the payment will be made and communicated to you 15 days before the payment is made.

- iv. At any time after initiation of termination, we may at our option elect to disburse the remaining balance of the CPIF in a single lump sum. We will provide Written Notice of our election at least 60 days before we disburse the remaining balance. No MVA will be applied if we elect to disburse the remaining balance of the CPIF.
- v. Notwithstanding the above, if the Contract or this Rider is terminated under the circumstances listed here, or if one of the circumstances listed here occurs during an installment period, we will disburse the remaining balance of the CPIF in a single lump sum subject to the MVA described in Item H.2 of this Rider:
  - a. If there is a full or partial termination of your Plan; or
  - b. If the Internal Revenue Service disqualifies your Plan, or if your Plan ceases to meet the requirements of the Internal Revenue Code for purposes of this Rider.
- vi. Notwithstanding Item D of this Rider, upon the initiation of termination of the Contract, the deposits to the CPIF will earn interest at the Minimum Guaranteed Interest Rate.

4. We may require indemnification as a condition for making any payment, or we may refuse to make payment if, in our opinion under all the facts and circumstances known to us at the time, the payment might subject us to liability for a breach of duty pursuant to applicable law.
- J. **Modification.** We reserve the right to change the mode of operation of the CPIF, but only as to contributions or transfers directed to this CPIF on or after the effective date of the modification. The effective date of any modification is the first day of the next calendar quarter. We will deliver a Written Notice to you at your last known business address at least 60 days before the modification becomes effective.

**STANDARD INSURANCE COMPANY**



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President



**TheStandard®**

## **Application for Group Annuity Investment Option**

Full legal name and address of Applicant:

**City of La Verne**

Name of corporation, organization or trust

**3660 D Street**

Address

**La Verne, CA 91750**

City/State/Zip

**FICA Alternative Plan for the City of La Verne**

Plan Name

As an authorized representative of the employee benefit plan named above, I request that Standard Insurance Company provide a funding option to the plan pursuant to a group annuity contract.

In signing below, I acknowledge that I have reviewed this application. If I am signing on behalf of a corporation, organization or trust, I certify that I have been expressly authorized to do so.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Title

\_\_\_\_\_  
Print or Type Name of Authorized Representative

\_\_\_\_\_  
Date

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# Agenda Report

CITY OF LA VERNE  
Finance Division

**DATE:** March 16, 2020  
**TO:** Honorable Mayor and City Council  
**FROM:** Nathan Statham, Finance Manager *NS*  
**SUBJECT:** Mid-Year Financial Report – December 31, 2019

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## **AGENDA SUMMARY:**

The Finance Division is providing a mid-year fiscal status report concerning the financial activities of the City for the period ending December 31, 2019. The report includes budget to actual comparisons for revenues and expenditures along with other financial information.

## **RECOMMENDATION:**

Staff recommends that the City Council approve the budget amendments detailed in the included Budget Amendments Listing to adjust revenues and expenditure appropriations for the fiscal year 2019/20 budget. The Council should also receive and file the December 31, 2019 Mid-Year Financial Report.

## **BACKGROUND:**

During the fiscal year, City sales tax revenues are expected to increase due to higher than expected collections thus far and the implementation of new collection requirements for out of state online retailers. The City expects to see significant reductions in revenues from building permits and ambulance service charges for a net overall decrease in revenues (\$819,000). An increase in expenditures is also expected for fire overtime, salary increases and accrued vacation conversions to the City's 401A plan (\$1,175,300).

Although the City faces a significant decrease in revenues and increased expenditures, departments were able to identify offsetting savings (\$966,000) primarily from vacant positions and project related engineering costs. Additionally, the City has assigned fund balances for salary increases and accrued vacation conversions (\$431,300) and was able to utilize non General Fund restricted revenues (\$350,000) to cover a portion of the shortfall. Despite significant unexpected changes, the total unexpected shortfall is only \$247,000, \$180,000 from fire injury overtime and \$67,000 from net revenue decreases.

## City of La Verne Mid-Year Financial Report

### REVENUES BY SOURCE PLUS TRANSFERS (In Thousands)

	Current Year 12/31/2019			Prior Year 12/31/2018	
	Actual	Budget	% of Budget	Actual	% of Budget
Property Taxes	\$ 4,281	\$ 11,751	36%	\$ 4,049	37%
Sales Taxes	1,922	4,351	44	1,994	45
Utility User Taxes	1,199	2,800	43	1,306	46
Franchise Taxes	106	560	19	103	19
Business License Taxes	116	482	24	118	25
Licenses and Permits	666	2,654	25	827	62
Use of Money and Property	421	675	62	160	47
Intergovernmental	78	291	27	216	93
Charges for Services	2,743	6,104	45	2,600	46
Other Revenues	12	48	25	70	12
Total Revenues	11,544	29,716	39	11,443	41
Operating Transfers	2,392	5,289	45	4,250	95
Total Revenue and Transfers	\$ 13,936	\$ 35,005	40	\$ 15,693	41

Total General Fund revenues as of December 31, 2019 reflect a net increase of \$101K compared to the City's position on December 31, 2018. The City's top three tax revenue collections represent a combined \$53K (0.7%) decrease in total revenues compared to the same time last year discussed as follows:

*Property Taxes* increased by \$232K (5.7%), this increase is attributable to higher assessed values. Budget projections for the second half of the year indicate a minimal increase in property tax revenues for the current year.

*Sales Taxes* decreased by \$72K (3.6%) compared to the same time last year largely due to the timing of sales tax return filing with the California Department of Tax and Fee Administration. These timing fluctuations are expected to have no effect on overall collections. Projections for the second half of the year indicate an overall increase in sales tax revenue.

*Utility User Taxes* decreased by \$107K (8.2%) compared to the same time last year. These differences are due to the timing of payments received from utility providers. Total utility user tax revenues are expected to be in line with the 19/20 budget.



### **REVENUES BY SOURCE PLUS TRANSFERS (continued)**

*Licenses and permits* activity for the first six months of the year decreased by \$161,000 (19.5%) over prior year. Significant decreases are expected in the second half of the year due to delays in a housing development project at the University of La Verne.

*Operating transfers* were booked on a quarterly basis in 2019/20. Total transfers will be booked consistent with budgeted amounts over the full year.

### **PROPERTY TAX REPORT**

The City has received its annual property tax report compiled by our outside tax consultant Hinderliter, De Llamas & Associates (tax consultant). The report includes numerous schedules regarding assessed valuations and other property information for fiscal year 2019/20. A brief overview of selected data is as follows:

- The City's net taxable assessed values were approximately \$4.89 billion, an increase of \$197.9 million (4.2%) over the prior year assessment.
- Residential property accounts for 75.8% of net taxable values, while commercial and industrial property values total 12.8%.
- The median sale price of a detached single family home in La Verne from January through August 2019 was \$690,000. This represents a \$2,000 (0.3%) increase in the median sale price from August 2018. At \$690,000, the 2019/20 median sales price for homes in the City is now 10.4% (\$65,000) greater than the prior inflation adjusted peak value of \$625,000 experienced in 2007.

### **SALES TAX REVENUES**

A brief overview of the City's quarterly sales tax report for the quarter ending September 30, 2019 is as follows:

La Verne's point of sale tax receipts of \$1,207,684 for business activity in July-September of 2019 reflect an 8.4% decrease (\$111,409) before adjustments compared to the same quarter of 2018. This decrease was largely due to delays in prior year collections from the State's implementation of a new reporting system. Once adjusted, the decrease was 0.2% (\$2,531). The City saw reductions in the general consumer goods (21.7%) and building/construction (42.8%) sectors. The decrease in the building/construction sector is attributable to the closing of Orchard Supply Hardware. These reductions were largely offset by an increase in the County pool due to the United States Supreme Court Wayfair decision.

Included are reports from the City's tax consultant that provide additional details about the City's Property and Sales taxes.

**EXPENDITURES BY FUNCTION**  
**(In Thousands)**

	Current Year 12/31/2019			Prior Year 12/31/2018	
	Actual	Budget	% of Budget	Actual	% of Budget
General Government	\$ 1,457	\$ 3,041	48%	\$ 1,475	59%
Public Safety					
Police	6,503	12,573	52	6,051	52
Fire	4,893	9,275	53	5,179	60
Community Dev.	712	2,134	33	868	51
Public Works					
Refuse & Recycling	995	2,457	40	769	32
Street Maintenance	749	2,056	36	919	38
Park Maintenance	915	1,814	50	836	44
Public Works Other	168	410	41	142	36
Comm. Svc.	823	1,619	51	746	47
Total Expenditures	17,215	35,379	49	16,985	51
Operating Transfers	124	247	50	165	43
Total Expenditures and Transfers	<u>\$ 17,339</u>	<u>\$ 35,626</u>	49	<u>\$ 17,150</u>	51

Total expenditures of \$17.2 million in the General Fund reflect that departments are generally operating within budgeted projections for the first six months of the year discussed as follows:

*General Government* expenditures somewhat exceed budget projections but represent an \$18,000 (1.2%) decrease compared to last year. The two primary factors increasing this function are changes in utility cost reimbursement allocations and election related costs.

*Police* expenditures are slightly over the midpoint level due to overtime expenditures not yet transferred from budgeted asset forfeiture funds and additional unanticipated overtime costs due to job injury related long-term leave. With the exception of unanticipated overtime cost, it is expected that Police expenditures will stay within budget for the fiscal year.

*Fire* expenditures for the current year are slightly over the midpoint level due to fire resources on assignment with the U.S. Forest Service for which the City has \$543,000 in cost reimbursement requests pending and overtime due to fire related injury.

**EXPENDITURES BY FUNCTION (continued)**

*Community Development* is significantly under the midpoint level as a result of postponements in a large development project previously anticipated for the 19-20 fiscal year. An overall decrease in costs is anticipated from the postponement of the project and vacant/unfilled positions.

*Refuse & Recycling* costs for the current year are closer to the midpoint budget levels because the total represents five monthly payments while the prior year total represents only four monthly payments.

*Street Maintenance* costs are somewhat lower than budget at mid-year due to timing of related projects. It is anticipated that more than half the annual costs will be incurred in the remainder of the fiscal year and the expenditures will be consistent with the original budget.

*Park Maintenance* costs are in line with the mid-year point this year and are expected to be consistent with the original budget amounts throughout the second half of the year.

*Other Public Works* consist of various smaller public works activities. These activities are slightly under the midpoint of the budgeted level but are expected to come in within the existing budget.

*Community Services* expenditures are consistent with budget projections and are expected to come in within the existing budget.

**PROJECTED GENERAL FUND BALANCE**

	<u>Fund Balance</u>
18/19 Beginning General Fund Balance	\$ 10,980,202
401 A Appropriations - Assigned Fund Balance	(204,400)
Salary Increases - Assigned Fund Balance	(226,900)
Fire Injury Overtime - Appropriation Request	(180,000)
Additional Appropriation Requests	(67,000)
19/20 Ending Fund Balance	<u>\$ 10,301,902</u>

Approval of the requested expenditure appropriations for the General Fund will cause a net decrease in unassigned fund balance of \$247,000.

### **ACCOUNTING CHANGES**

Generally accepted accounting principles provide no benefit for using a debt service fund to report one bond issuance (2018 Pension Obligation Bonds). To streamline the City's financial reports, the City's Debt Service Fund (326) will no longer be utilized for the City's 2018 pension obligation bond payments. The payments will show up as two new accounts in the General Fund. Bond payments in the amount of \$3,100,300 are currently budgeted in fund 326 with a transfer of the same amount from the General Fund to Fund 326. As a result of this accounting change, the budgeted debt service transfer in the General Fund will be reclassified as an appropriation for debt service payments.

During the course of the fiscal year, City staff evaluated the nature of the fund balance in the Miramar Debt Repayment Fund (519) including discussions with the City auditor. The fund balances in Fund 519 have been reclassified to the Water Utility Fund (502) and the Water Capital Improvement Fund (507) for \$1 million and \$4.1 million respectively. The City purchases water from the Miramar Water Facility which is operated by Three Valleys Municipal Water District (Three Valleys). In the initial agreement with Three Valleys, plant maintenance costs could be directly billed to the City or included in the rates the City pays to purchase water from the Miramar Facility at the discretion of Three Valleys. Fund 519 was retained in anticipation of directly paying maintenance fees to Three Valleys. Three Valleys has consistently included maintenance costs in the purchased water rate and has never billed the City separately for maintenance costs. As a result, the Miramar Facility related fees paid by City rate payers were booked to the Miramar Debt Repayment Fund while the costs associated with those fees were booked in the Water Utility Fund (502) and Water Capital Improvement Fund (507). This adjustment simply moves the collected fees into the funds where the related costs have been/will be incurred.

The City purchased a replacement copier and six replacement printers this year. Based on a lease versus purchase analysis, the replacement equipment was purchased instead of being leased as initially budgeted. The equipment was purchased in the City's I/S Technology Fund (407); however, the current fund type (capital projects fund) is not consistent with these transactions. To be consistent with Generally Accepted Accounting Principles the I/S Technology Fund will be reported as an internal services fund going forward. Since City internal service funds have 600 series fund numbers, fund 407 has been re-numbered to fund 626. The actual fund balances will not be affected as a result of the fund number change.

Based on ongoing analysis of the Fire Facility and Fire Equipment development impact fees recorded in Public Safety Fund (244), these revenues would be a more appropriate funding source for a portion of the Type 1 Fire Engine currently budgeted in CFD 90-1 Fund (216). Fees in fund 244 are more restricted than fire related assessments in fund 216. Council previously budgeted \$174,000 to be transferred to the Fleet Services Fund (624) from 216 for this purpose. Requests are included to appropriate the transfer to fund 624 from fund 244 instead of from fund 216.

### **BUDGET AMENDMENTS LISTING**

The following budget adjustments are recommended based upon changes in financial conditions from the start of the fiscal year:

**Revenues:**

- 1) Increase in property tax revenue by \$29,000.
- 2) Increase sales tax revenue by \$160,000.
- 3) Increase charges for services revenues by \$175,000 for refuse fees resulting from the re-negotiated Waste Management contract.
- 4) Increase Fire Dept. USFS reimbursement revenue by \$543,000.
- 5) Decrease licenses and permits revenues by \$1,550,000 for expected decreases in building permit activity.
- 6) Decrease charges for services by \$176,000 for reduced ambulance services.

**Expenditure Appropriations:**

- 1) Increase personnel cost appropriations pertaining to the City's 401A contributions by \$204,450. These contributions were not included in the fiscal 19-20 budget, but were set aside as part of the other benefits obligation fund balance assignment last fiscal year. Contributions of approximately \$168,800 have already been incurred with estimated additional contributions for the remainder of the fiscal year of \$35,650. These appropriations are to be adjusted consistent with the participant salary allocations including fund allocations.
- 2) Increase in personnel expenditures for median salary increases approved by Council for \$226,900 to be allocated consistent with applicable salaries.
- 3) Increase Fire Dept. overtime appropriations by \$543,000 for costs related to USFS fire activities.
- 4) Increase personnel costs by \$14,300 in various Community Services programs due to minimum wage increases.
- 5) Increase fire department overtime appropriations by \$133,000 to cover additional overtime costs associated with job injuries and unfilled positions.
- 6) Appropriate a transfer of \$4,700 from the General Fund to the EIFD Fund (217) for administrative costs.
- 7) Appropriate a transfer of \$20,000 from the General Fund to the Maintenance Assessment Districts Fund (246) for maintenance costs.

### **BUDGET AMENDMENTS LISTING (Continued)**

- 8) Appropriate a transfer of \$29,000 from the General Fund to the City's Risk Management Fund (625). The City has paid \$22,500 for administration fees and \$51,700 for claim settlements. It is expected that additional claims settlements can be covered from fund 625 reserves and this additional transfer.

These adjustments require a net increase in appropriations of \$1,175,300; however, a significant portion of the appropriations will be covered by projected personnel savings (\$236,000) from unfilled positions, savings from contracted jail services (\$115,000), transfers from public safety related special revenue funds (\$350,000) and the use of assigned fund balances (\$431,355). The remaining \$42,945 of appropriations and net revenue adjustments of \$204,055 will come from the use of general fund reserves (\$247,000).

In addition to the above, staff also recommends that the following revenue and expenditure appropriations be made to the following funds:

- 1) CFD 90-1 (216) – Appropriate a \$174,000 transfer to the General fund for fire operations. This does not represent additional appropriations since these funds are currently appropriated as a transfer to fund 624.
- 2) EIFD (217) – Appropriate \$13,000 in the City's enhanced infrastructure financing district for planning and administrative costs.
- 3) Cable Public Access (221) – Appropriate and authorize the transfer of \$4,000 for the City's public access programming agreement with the University of La Verne. \$60,000 was appropriated in the 19/20 budget prior to approval of the final agreement for \$64,000.
- 4) Police Asset Forfeiture Fund (231) – Appropriate \$92,000 for the cost of police officer body worn cameras.
- 5) Public Safety Fund (244) – Appropriate a \$174,000 transfer to the Fleet Services Fund (624) to cover part of the City's type 1 fire engine purchase.
- 6) Public Safety Fund (250) – Appropriate \$21,000 for the cost of fire hoses and related apparatus and \$40,000 for quality assurance fees for ambulance related services.
- 7) Water Utility Operations (502) – Increase personnel costs appropriations pertaining to the City's 401A contributions by \$14,000. These contributions were not included in the fiscal 19-20 budget.
- 8) Sewer Utility Operations (530) – Increase personnel cost appropriations pertaining to the City's 401A contributions by \$7,000. These contributions were not included in the fiscal 19-20 budget.
- 9) Risk Management (625) – Appropriate \$29,000 for administrative costs and claims payouts.
- 10) I/S Technology Fund (626) – Appropriate \$24,200 for the purchase of admin. copier and printer equipment.



# LA VERNE

## 2019/20 PROPERTY TAX SUMMARY



The City of La Verne experienced a net taxable value increase of 4.2% for the 2019/20 tax roll, which was modestly less than the increase experienced countywide at 6.3%. The assessed value increase between 2018/19 and 2019/20 was \$198 million. The change attributed to the 2% Proposition 13 inflation adjustment was \$79.7 million, which accounted for 40% of all growth experienced in the city.

Since 2015-16 values increased by \$1.06 billion (27.5%). For 2019-20 assessed values in the City have grown by \$197.9 million (4.22%). Residential property accounts for 75.8% of all value in the City and these values grew by \$162.3 million (4.6%) for 2019-20. Within this growth was \$10.9 million in value recovery on properties that the Assessor had reduced in value pursuant to Prop 8 in prior years. For this year there are 305 homes that are enrolled at values below their adjusted base values and there is \$33.6 million remaining to be recovered on these homes. The median sales price for homes in the City has increased by 1.47% based on sales through August and by year end the number of sales for 2019 will be comparable to the number of sales in 2018. The largest value gain for 2019-20 was from the addition of \$9.6 million in improvement and personal property value by Gilead Sciences. Another \$8.6 million in new value was added due to the development of La Verne Landing, a 38-unit apartment project at 2379 1st Street. Unsecured values declined by \$11 million (-8.6%). This decline is driven by a reduction in unsecured value for Zimmer Biomet at 1647 Yeager that totaled \$9.4 million in personal property.

Current median home prices, in many regions, are at or above the pre-recession peak values. In the past year, the number of sales has generally declined and growth in median sale prices has flattened in most areas of the State. Despite the moderation of growth in sale prices and somewhat lower mortgage rates, affordability remains a concern, particularly in coastal regions. Most economists are predicting a weaker housing market through the balance of 2019 and in 2020. The median sale price of a detached single family residential home in La Verne from January through September 2019 was \$682,000. This represents a \$2,000 (0.3%) increase in median sale price from 2018.

Year	D-SFR Sales	Median Price	% Change
2013	288	\$480,000	
2014	234	\$575,000	19.79%
2015	241	\$599,000	4.17%
2016	264	\$625,000	4.34%
2017	234	\$640,000	2.40%
2018	222	\$680,000	6.25%
2019	171	\$682,000	0.29%

### 2019/20 Tax Shift Summary

ERAF I & II	<b>\$-2,073,957</b>
VLFAA (est.)	\$3,668,561

### Top 10 Property Owners

Owner	Net Taxable Value	% of Total	Use Type
1. GILEAD SCIENCES INC	\$247,092,324	5.05%	Vacant
2. PK I LA VERNE TOWN CENTER LP	\$52,301,390	1.07%	Commercial
3. MG MONTE VISTA APTS COR LP	\$51,228,294	1.05%	Residential
4. LA VERNE VILLAGE LLC	\$42,197,507	0.86%	Vacant
5. WEISS FAMILY LP	\$29,154,753	0.60%	Industrial
6. VPM MAGNOLIA COURTS LV LP	\$27,138,571	0.55%	Residential
7. LAVERNE COMMONS LLC	\$25,777,003	0.53%	Commercial
8. CHAINARC LLC	\$21,129,300	0.43%	Commercial
9. LA VERNE VENTURE I LLC	\$18,267,148	0.37%	Commercial
10. NNC APARTMENT VENTURES LLC ET AL	\$17,857,599	0.37%	Residential
<b>Top Ten Total</b>	<b>\$532,143,889</b>	<b>10.88%</b>	

# Real Estate Trends

## Home Sales

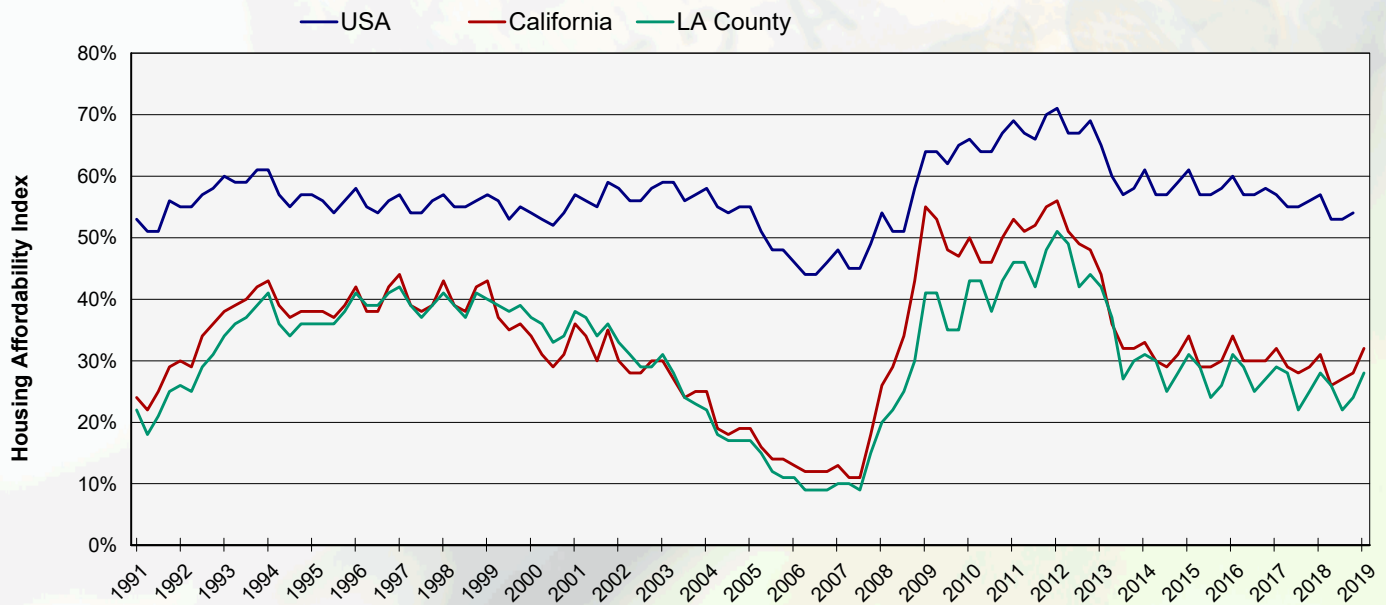
According to industry experts, affordability and concerns about buying too close to a potential drop in housing prices are impacting sales volume. The slowdown in number of sales may cause a further weakening of median sale prices if interest rates aren't enough to keep buyers interested. The reported median price of an existing, single-family detached homes in California during June 2019 was \$611,420 This was an 1.4 percent increase from the June 2018 value of \$602,770.

All Homes	Units Sold June-2018	Units Sold June-2019	% Change	Median Price June-2018	Median Price June-2019	% Change
Imperial County	141	114	-19.15%	\$225,000	\$200,000	-11.11%
Los Angeles County	7,711	6,470	-16.09%	\$615,500	\$619,000	0.57%
Orange County	3,173	2,867	-9.64%	\$729,000	\$721,000	-1.10%
Riverside County	4,098	3,488	-14.89%	\$370,000	\$375,000	1.35%
San Bernardino County	2,875	2,447	-14.89%	\$325,000	\$322,000	-0.92%
San Diego County	4,128	3,630	-12.06%	\$570,000	\$581,750	2.06%
Ventura County	943	964	2.23%	\$615,000	\$578,000	-6.02%

## Housing Affordability Remains a Challenge Throughout California

The percentage of home buyers who could afford to purchase a median-priced, existing single-family home in California in second-quarter 2019 dipped to 30 percent from 32 percent in the first quarter of 2019, but was up from 26 percent in the second quarter a year ago, according to the California Association of Realtors® (C.A.R.) Traditional Housing Affordability Index (HAI). California's housing affordability index hit a peak of 56 percent in the second quarter of 2012. Housing affordability, however, varies widely in different areas of the State.

C.A.R.'s HAI measures the percentage of all households that can afford to purchase a median-priced, single-family home in California. As of the first quarter 2019, it took a minimum annual income of \$118,860 to qualify for the purchase of the statewide median-priced single-family home of \$545,820 including principal, interest, and taxes on a 30-year fixed-rate mortgage. C.A.R. also reports affordability indices for regions and select counties within the state. The index is considered the most fundamental measure of housing well-being for home buyers in the state.



Data Source: California Association of Realtors



Q3  
2019



# City of La Verne Sales Tax *Update*

*Fourth Quarter Receipts for Third Quarter Sales (July - September 2019)*

## La Verne In Brief

La Verne's receipts from July through September were 8.4% below the third sales period in 2018, though most of this decline was the result of anomalies in payment timing that occurred after the State's recent transition to a new reporting system. After adjusting for the correct allocation period, sales were down only 0.2%.

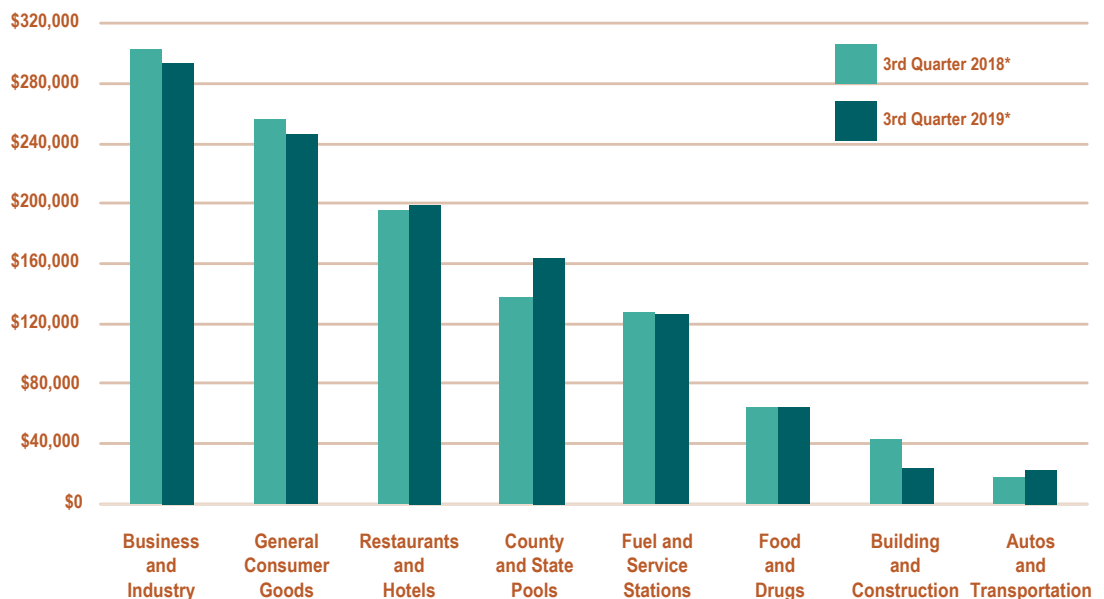
The closure of a local building and construction supplier was a prominent factor in this quarter's flat results.

Sales at general consumer goods retailers were broadly lower as consumer shopping habits continue to shift away from physical retail to the convenience of the internet.

The strongest growth was seen in allocations from the Los Angeles County Pool, which has been boosted by implementation of California's AB 147 legislation in the aftermath of the Supreme Court's recent Wayfair decision. The new legislation has established a lower threshold to collect use-tax on internet sales, contributing to 20% growth in La Verne's receipts from the pool compared to the prior year.

Net of aberrations, taxable sales for all of Los Angeles County grew 2.7% over the comparable time period; the Southern California region was up 2.8%.

## SALES TAX BY MAJOR BUSINESS GROUP



*\*Allocation aberrations have been adjusted to reflect sales activity*

## TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

76	Michaels
Cambridge Select	Moon Valley Nursery
Citrus Feed Company	Outdoor Elegance
Crown Lift Trucks	Ross
Direct Edge	Shell
Front Line Sales	Shogun Restaurant
Haaker Equipment	Sodexo
In N Out Burger	Staples
Intelli Tech	Stater Bros
Kohls	Target
La Verne Car Wash	Vons
Marshalls	Vons Fuel
McDonalds	

## REVENUE COMPARISON

One Quarter – Fiscal Year To Date (Q3)

	2018-19	2019-20
Point-of-Sale	\$1,160,922	\$1,034,345
County Pool	157,575	172,926
State Pool	596	413
Gross Receipts	\$1,319,093	\$1,207,684

**Statewide Results**

The local one-cent share of statewide sales and use tax from sales occurring July through September was 2.2% higher than the summer quarter of 2018 after adjusting for accounting anomalies.

The bulk of the increase came from the countywide use tax allocation pools and is due to the acceleration in online shopping where a large volume of the orders are shipped from out-of-state.

Online shopping also produced gains in the business-industrial group with in-state industrial zoned logistics centers filling orders previously taken by brick and mortar retailers. Purchases to support healthcare, food processing, logistics/warehouse operations and information/data technology also helped offset declines in other business-related categories.

With the exception of some discount and value-oriented retail, most categories of general consumer goods were down. New cannabis related start-ups offset declines in the food and drug group while a softening in building-construction receipts was consistent with recent declines in the volume and value of new building permit issuances.

Overall growth in restaurant receipts continued to soften with a shift toward lower cost dining establishments and takeout meal options. Reports of labor shortages and the impact of homelessness on customer traffic in metropolitan areas were reportedly factors in the decline in tax revenues from higher price, fine dining establishments.

Despite a slight uptick in used auto and auto lease receipts, the auto related group was significantly down due to a drop in new car and RV sales. Previously propped up by a 23% subprime rated customer base and six- and seven-year financing, loan delinquencies have recently surged back to levels last seen in 2009.

**Additional Tax Districts Approved**

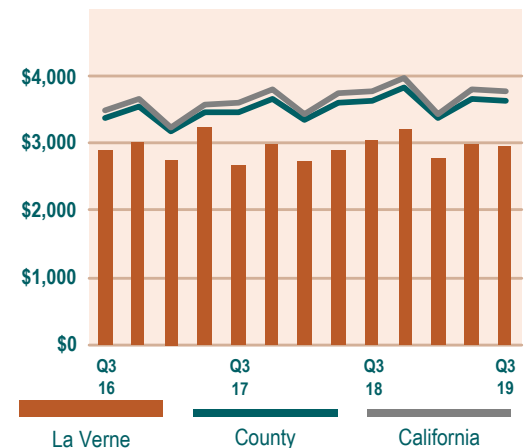
Voters approved eight of the nine sales

tax measures on the November 2019 ballot adding six new districts and extending two others.

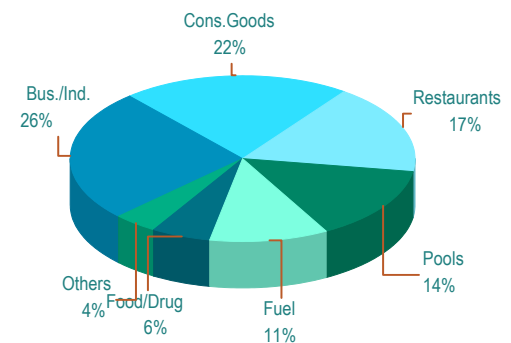
This brings the total number of local transactions and use tax districts (TUT's) to 325 with 62 that are levied countywide and 263 imposed by individual cities. The number of local districts have close to tripled over the last decade as agencies deal with rising costs and service needs. TUT's have been a favorable option as visitors contribute to the tax and a collection system is already in place that minimizes administrative and monitoring costs.

California's basic rule is that the rate for all local TUT's combined, shall not exceed 2.0% or a total of 9.25% including the state levy. However, the state legislature has authorized higher caps in some jurisdictions with the highest voter-approved, combined state/local rate now at 10.5%.

Thirty-five or more additional local TUT measures are currently being considered for the March 2020 ballot.

**SALES PER CAPITA\***

\*Allocation aberrations have been adjusted to reflect sales activity

**REVENUE BY BUSINESS GROUP**  
La Verne This Quarter\*

\*Allocation aberrations have been adjusted to reflect sales activity

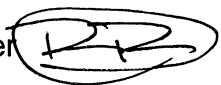
**LA VERNE TOP 15 BUSINESS TYPES\*\***

Business Type	La Verne		County	HdL State
	Q3 '19	Change	Change	Change
Casual Dining	95,678	2.0%	2.6%	2.3%
Department Stores	— CONFIDENTIAL —	—	-8.2%	-9.5%
Discount Dept Stores	— CONFIDENTIAL —	—	3.7%	2.8%
Electronics/Appliance Stores	18,140	-4.5%	-5.8%	-3.1%
Family Apparel	45,220	3.4%	0.3%	1.5%
Fast-Casual Restaurants	30,095	-5.0%	2.0%	5.1%
Garden/Agricultural Supplies	35,417	5.0%	7.2%	4.5%
Grocery Stores	40,533	1.6%	1.4%	1.7%
Home Furnishings	19,936	-9.9%	-1.2%	-1.0%
Light Industrial/Printers	35,967	24.1%	1.0%	2.2%
Office Supplies/Furniture	46,630	20.3%	-2.1%	-7.5%
Quick-Service Restaurants	67,653	8.9%	1.7%	2.6%
Service Stations	124,516	-1.6%	-3.9%	-1.5%
Variety Stores	17,745	16.2%	0.9%	3.4%
Warehouse/Farm/Const. Equip.	— CONFIDENTIAL —	—	-0.2%	9.9%
<b>Total All Accounts</b>	<b>976,252</b>	<b>-2.9%</b>	<b>0.1%</b>	<b>0.3%</b>
<b>County &amp; State Pool Allocation</b>	<b>163,740</b>	<b>19.7%</b>	<b>21.2%</b>	<b>14.9%</b>
<b>Gross Receipts</b>	<b>1,139,992</b>	<b>-0.2%</b>	<b>2.7%</b>	<b>2.3%</b>

\*\* Accounting aberrations such as late payments, fund transfers, and audit adjustments have been adjusted to reflect the quarter in which the sales occurred.

# Agenda Report

CITY OF LA VERNE  
*City Manager's Office*

**DATE:** March 16, 2020  
**TO:** Mayor & City Council  
**FROM:** Bob Russi, City Manager   
**SUBJECT:** Resolution 20-16 Request for Termination of Resolutions 18-51 and 18-52

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## **Agenda Summary**

City Council Members Davis and Carder have requested Resolutions 18-51 and 18-52 be agendaized for Council action.

## **Recommendation**

It is recommended that the City Council discuss this matter and take action as deemed appropriate.

## **Background**

On September 17, 2018, the Council adopted Resolutions 18-51 and 18-52 establishing committees for matters involving litigation and meet and confer.

Pursuant to requests by Council Members Carder and Davis, the City Attorney has prepared the attached resolution that would terminate these committees should the City Council deem that appropriate.

**RESOLUTION NO. 20-16**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA TERMINATING RESOLUTIONS NO. 18-51 AND 18-52 WHICH ESTABLISHED COUNCIL COMMITTEES FOR LITIGATION AND MEET AND CONFER MATTERS**

The City Council hereby resolves as follows:

**Section 1.** Resolutions No. 18-51 and 18-52 of the City Council are hereby terminated.

**Section 2.** This Resolution shall take effect immediately.

**Section 3.** The Assistant City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

**PASSED, APPROVED and ADOPTED this 16<sup>th</sup> day of March, 2020.**

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Mayor Don Kendrick

ATTEST:

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Lupe Gaeta Estrella, Assistant City Clerk

**CERTIFICATION**

I hereby certify that the foregoing **Resolution No. 20-16**, was duly and regularly adopted by the City Council of the City of La Verne at a meeting thereof held on the **16<sup>th</sup> day of March, 2020**, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Lupe Gaeta Estrella, Assistant City Clerk