AGENDA
EL SEGUNDO CITY COUNCIL
COUNCIL CHAMBERS - 350 Main Street

The City Council, with certain statutory exceptions, can only take action upon properly posted and listed agenda items. Any writings or documents given to a majority of the City Council regarding any matter on this agenda that the City received after issuing the agenda packet are available for public inspection in the City Clerk’s office during normal business hours. Such Documents may also be posted on the City’s website at www.elsegundo.org and additional copies will be available at the City Council meeting.

Unless otherwise noted in the Agenda, the Public can only comment on City-related business that is within the jurisdiction of the City Council and/or items listed on the Agenda during the Public Communications portions of the Meeting. Additionally, the Public can comment on any Public Hearing item on the Agenda during the Public Hearing portion of such item. The time limit for comments is five (5) minutes per person.

Before speaking to the City Council, please come to the podium and state: Your name and residence and the organization you represent, if desired. Please respect the time limits.

Members of the Public may place items on the Agenda by submitting a Written Request to the City Clerk or City Manager’s Office at least six days prior to the City Council Meeting (by 2:00 p.m. the prior Tuesday). The request must include a brief general description of the business to be transacted or discussed at the meeting. Playing of video tapes or use of visual aids may be permitted during meetings if they are submitted to the City Clerk two (2) working days prior to the meeting and they do not exceed five (5) minutes in length.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact City Clerk, 524-2305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 19, 2014 – 5:00 PM

5:00 P.M. SESSION

CALL TO ORDER

ROLL CALL

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250.
SPECIAL ORDER OF BUSINESS:

CLOSED SESSION:
The City Council may move into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City's Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City's Labor Negotiators; as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(d) (3): -1- matter

1. City of El Segundo vs. City of Los Angeles, et.al. LASC Case No. BS094279

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(d) (2) and (3): -0- matter.

Initiation of litigation pursuant to Government Code §54956.9(c): -0- matter.

DISCUSSION OF PERSONNEL MATTERS (Gov’t Code §54957): -0- matter

APPOINTMENT OF PUBLIC EMPLOYEE (Gov’t. Code § 54957): -0- matter

PUBLIC EMPLOYEMENT (Gov’t Code § 54957) -0- matter
CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -8-matters

1. **Employee Organizations:** Police Management Association; Police Officers Association; Police Support Services Employees Association; Fire Fighters Association; Supervisory and Professional Employees Association; City Employees Association; Executive Management Group (Unrepresented Group); Management/Confidential Group (Unrepresented Group)

   Agency Designated Representative: Steve Filarsky and City Manager

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov’t Code §54956.8): -0-matters
AGENDA

EL SEGUNDO CITY COUNCIL
COUNCIL CHAMBERS - 350 Main Street

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REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 19, 2014 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER

INVOCATION – Dina Ferguson, St. Michael Episcopal Church

PLEDGE OF ALLEGIANCE – Council Member Fellhauer
PRESENTATIONS

a) Presentation – Mike Harriel, Public Affairs Manager for Southern California Gas Company, presenting an update on the Advance Meter Project.

ROLL CALL

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

CITY COUNCIL COMMENTS – (Related to Public Communications)

A. PROCEDURAL MOTIONS

Consideration of a motion to read all ordinances and resolutions on the Agenda by title only.
Recommendation – Approval.

B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

1. Consideration and possible action to conduct a Public Hearing regarding operating and capital outlay requests of $100,000 from the existing Citizens Option for Public Safety (COPS) Supplemental Law Enforcement Services Fund (SLESF) account by the Chief of Police. The grant requires that expenditures be utilized to supplement “front line law enforcement.” Front line law enforcement includes funding special enforcement details, and purchasing equipment.
(Fiscal Impact: $100,000 from COPS grant fund)
Recommendation – 1) Open Public Hearing to consider funding requests from the Chief of Police; 2) Adopt Resolution approving the use of COPS grant funds to purchase equipment related to supplementation of “front line law enforcement”; 3) Alternatively, discuss and take other possible related action to this item.
2. Consideration and possible action regarding adoption of a Resolution authorizing the City of El Segundo to withdraw from the Los Angeles Region Interoperable Communications System (LA-RICS) Authority Joint Powers Agreement (Fiscal Impact: None at this time)

Recommendation – 1) Adopt Resolution authorizing the City’s formal withdrawal as a member of the Los Angeles Regional Interoperable Communications System (LA-RICS) Authority Joint Powers Agreement (JPA Agreement) and provide written notice thereof to LA-RICS prior to November 24, 2014; 2) Alternatively, discuss and take other possible related action to this item.

C. UNFINISHED BUSINESS

3. Consideration and possible action to adopt the proposed fee modifications presented by the Recreation and Parks Fee Analysis Task Force. (Fiscal Impact: Estimated Annual Increased Revenues of $12,000.00 to Proposition A and $28,000.00 to General Fund)

Recommendation – 1) Approve the proposed fee schedule for aquatics programs and transportation programs services; 2) Adopt Resolution accepting the new fee schedule; 3) Alternatively, discuss and take other possible action related to this item.

4. Consideration and possible action to enter into a Professional Services Agreement with Isaac Sports Group to conduct an Aquatics Facility Program, Financial, and Sustainability Analysis. (Fiscal Impact: Not to exceed $15,000.00)

Recommendation – 1) Authorize the City Manager to enter into an agreement for consulting services in a form approved by the City Attorney for an Aquatic Facility Program, Financial and Sustainability Analysis; 2) Alternatively, discuss and take other possible action related to this item.

5. Update and possible action on the ESCenterCal LLC (CenterCal) proposal to enter into a Due Diligence and Ground Lease Agreement (“Agreement”) to lease the driving range portion of the Lakes Golf Course for the purpose of developing a Top Golf facility. (Fiscal Impact: None associated with this Agenda item.)

Recommendation – 1) Provide public direction regarding how Council would like to proceed regarding the Agreement; 2) Alternatively, discuss and take other possible action related to this item.
D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

   (Fiscal Impact: Budget savings or additional expense depending on City Council direction.)
   Recommendation – 1) Provide direction related to the level of El Segundo Unified School District funding for staffing of School Libraries and Crossing Guards for FY 14-15; or 2) Alternatively, discuss and take other action related to this item.

E. CONSENT AGENDA

All items listed are to be adopted by one motion without discussion and passed unanimously. If a call for discussion of an item is made, the item(s) will be considered individually under the next heading of business.

7. Warrant Numbers 3001896 through 3002145 on Register No. 21 in the total amount of $1,209,167.89 and Wire Transfers from 07-14-2014 through 07-27-2014 in the total amount of $1,976,328.22
   Recommendation – Approve Warrant Demand Register and authorize staff to release. Ratify Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.

   Recommendation – Approval.

9. Consideration and possible action to accept as complete the installation of sub-meters on the City’s Main Electrical Meter. Project No. PW 13-02.
   (Fiscal Impact: $29,000.00)
   Recommendation – 1) Accept the work as complete; 2) Authorize the City Clerk to file a Notice of Completion in the County Recorder’s office; 3) Alternatively, discuss and take other possible action related to this item.
10. Consideration and possible action to authorize the City Manager to enter into an easement agreement with Southern California Edison (SCE) to install equipment upgrades in the south 400 block of Sepulveda Blvd. for improved service reliability in El Segundo.
(Fiscal Impact: receipt of a one-time $2,000 easement fee)
Recommendation – 1) Authorize the City Manager to enter into an easement agreement, in a formed approved by the City Attorney, with Southern California Edison to install equipment upgrades at 400 S. Sepulveda Blvd. for improved service reliability in El Segundo. 2) Alternatively, discuss and take other possible action related to this item.

11. Consideration and possible action to receive and file this report regarding cleaning and repairing drywall and carpet as well as restoring furniture in the north portion of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code (“ESMC”) §§ 1-7-12 and 1-7A-4.
(Fiscal Impact: $37,000.00)
Recommendation – 1) Receive and file this report regarding cleaning and repairing drywall and carpet as well as restoring furniture in the north portion of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code (“ESMC”) §§ 1-7-12 and 1-7A-4; 2) Alternatively, discuss and take other possible action related to this item.

12. Consideration and possible action to receive and file this report regarding the emergency repair to remove debris in the attic space of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code (“ESMC”) §§ 1-7-12 and 1-7A-4.
(Fiscal Impact: $82,354.00)
Recommendation – 1) Receive and file this report regarding the emergency repair to remove debris in the attic space of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code (“ESMC”) §§ 1-7-12 and 1-7A-4; 2) Alternatively, discuss and take other possible action related to this item.
13. Consideration and possible action regarding approval of a Funding Agreement ("FA") between the City of El Segundo and the Los Angeles County Metropolitan Transportation Authority (Metro) for the receipt of $350,000 of Measure R grant funds for Park Place Extension Project environmental review. Metro Project ID No. MR312.57 and FTIP # LA0G321. (Fiscal Impact: Measure R Grant Revenue $350,000.00)

Recommendation – 1) Authorize the City Manager to execute a Funding Agreement with the Los Angeles County Metropolitan Transportation Agency, in a form approved by the City Attorney, for the receipt of $350,000 in Measure R grant funds for Park Place Extension Project environmental review; 2) Alternatively, discuss and take other possible action related to this item.

14. Consideration and possible action to accept as complete the City Hall heating ventilation and air conditioning system ("HVAC") Duct Emergency Repair Project, Project No. PW 14-05 (Fiscal Impact: Measure R Grant Revenue $12,065.00)

Recommendation – 1) Accept the work as complete; 2) Authorize the City Clerk to file a Notice of Completion in the County Recorder’s office; 3) Alternatively, discuss and take other possible action related to this item.

F. NEW BUSINESS

15. Discussion and possible action to reallocate Proposition C Funds to Public Works Projects and modify transportation services provided by Proposition A Funds. (Fiscal Impact: To Be Determined)

Recommendation - 1) Discuss transportation service modifications; 2) Alternate, discuss and take other action related to this item.

G. REPORTS – CITY MANAGER

H. REPORTS – CITY ATTORNEY

I. REPORTS – CITY CLERK
J. REPORTS – CITY TREASURER

   (Fiscal Impact: None)
   Recommendation - 1) Receive and file; 2) Alternately discuss and take other action related to this item.

17. Information regarding credit card fees and the City’s ability to charge a convenience fee.
   (Fiscal Impact: None)
   Recommendation - 1) Receive and file; 2) Alternately discuss and take other action related to this item.

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Fellhauer –

18. Discussion regarding the use of unmanned aerial devices, power model aircraft, drones, etc., within the City.
   (Fiscal Impact: None)
   Recommendation – 1) Discuss and consider restricting the use of unmanned aerial devices, power model aircrafts and drones within the City of El Segundo; 2) Alternatively, discuss and take other possible action related to this item.

Council Member Atkinson –

Council Member Dugan -

Mayor Pro Tem Jacobson –

Mayor Fuentes –
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MEMORIALS –

CLOSED SESSION

The City Council may move into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator, and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators.

REPORT OF ACTION TAKEN IN CLOSED SESSION (if required)

ADJOURNMENT

POSTED:

DATE: 08-11-14

TIME: 9:30 AM

NAME: [Signature]
Presentation
Mike Harriel, Public Affairs Manager for the Southern California Gas Company,
Updating Council on the Advance Meter Project.
AGENDA DESCRIPTION:
Consideration and possible action to conduct a Public Hearing regarding operating and capital outlay requests of $100,000 from the existing Citizens Option for Public Safety (COPS) Supplemental Law Enforcement Services Fund (SLESF) account by the Chief of Police. The grant requires that expenditures be utilized to supplement “front line law enforcement.” Front line law enforcement includes funding special enforcement details, and purchasing equipment. (Fiscal Impact: $100,000 from COPS grant fund)

RECOMMENDED COUNCIL ACTION:
1. Open Public Hearing to consider funding requests from the Chief of Police;
2. Adopt Resolution approving the use of COPS grant funds to purchase equipment related to supplementation of "front line law enforcement."
3. Alternatively discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Resolution

FISCAL IMPACT: Included in Adopted Budget

<table>
<thead>
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<th>Amount Budgeted: $100,000</th>
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<tr>
<td>Additional Appropriation: N/A</td>
</tr>
<tr>
<td>Account Number(s): 120-400-0000-8104</td>
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ORIGINATED BY: Brian Evanski, Captain
REVIEWED BY: Mitch Tavera, Chief of Police
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

In 1996, the Legislature adopted Government Code §§ 30061 to 30064 to provide a block grant for law enforcement purposes. This legislation, known as the Citizens Option for Public Safety (COPS), requires a public hearing to consider the expenditure of funds.

In May 2014, the City was awarded $100,000 in COPS grant funds. All funds received under this grant must be utilized to supplement law enforcement activities and cannot be used to supplant existing funding. In the past, the funds have been used to purchase equipment directly used in “front line law enforcement” including replacement handguns, less-than-lethal shotguns, tasers, DUI enforcement, and mobile data computers.
It is anticipated that these monies will be utilized during the upcoming fiscal year to purchase similar equipment and fund specialized enforcement plans. Proposed purchases of equipment or use of these funds must be approved by Council. Staff recommends the following items for approval by Council as possible utilizations to be made with the COPS grant funds. Any single equipment purchase that exceeds $25,000 will be submitted to Council for consideration and approval.

1. Overtime funding for special enforcement details. (Between $10,000 - $50,000)
2. Purchase predictive policing analytical software. (NTE 20,000)
3. Fund a wellness training program for police personnel. (NTE $10,000)
4. Purchase upgrades to existing Sokia surveying equipment. (NTE $7,500)
5. Purchase portable electronic message boards. (NTE $40,000)
6. Purchase traffic equipment trailer. (NTE $10,000)
7. Purchase first responder breaching tools. (NTE $2,500)
8. Fund document imaging services. (NTE $45,000)
9. Purchase "Simunition" type training equipment. (NTE $2,000)
10. Fund mobile medical services, pre-book exams and blood draws. (NTE $15,000)

*NTE = Not to exceed*
RESOLUTION NO. _____

A RESOLUTION PROVIDING FOR THE IMPLEMENTATION OF THE CITIZENS OPTION FOR PUBLIC SAFETY (COPS) PROGRAM.

BE IT RESOLVED by the Council of the city of El Segundo as follows:

SECTION 1: The City Council finds as follows:

A. Senate Bill 823 (SB 823) (Poochigian – Local law enforcement funding) was chartered into law on April 6, 2002 for supplemental local law enforcement funding pursuant to the bill;

B. SB 823 provides $100,000,000 statewide for the Citizens for Public Safety (COPS) Program;

C. The County of Los Angeles has established a Supplemental Law Enforcement Service Fund (SLESF) in accordance with Section 30061 of the Government Code to receive SB 823 funds which have been allocated for use in Los Angeles County;

D. The City of El Segundo participates in the COPS Program and receives its share of any funds available for the purpose of ensuring public safety; and

E. The City has established its own Supplemental Law Enforcement Service Fund (SLESF) in accordance with Section 30061 of the Government Code;

F. The City Council has conducted a public hearing to consider funding requests from the Chief of Police and shall determine the submitted requests as required by SB 823.

SECTION 2: The City Council directs that the City maintain its own Supplemental Law Enforcement Service Fund (SLESF) as required pursuant to Government Code §§ 30061 and 30063.

SECTION 3: The City Council requests that the City’s share of the funding be allocated to SLESF for purposes of front-line law enforcement.

SECTION 4: The City Clerk is directed to certify the adoption of this Resolution; record this Resolution in the book of the City’s original resolutions; and make a minute of the adoption of the Resolution in the City Council’s records and the minutes of this meeting.

SECTION 5: This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.
PASSED AND ADOPTED this ___ day of ______________, 2014.

Suzanne Fuentes,
Mayor

STATE OF CALIFORNIA  )
COUNTY OF LOS ANGELES  ) SS
CITY OF EL SEGUNDO  )

I, Tracy Weaver, City Clerk of the City of El Segundo, California, hereby certify that the whole number of members of the City Council of the City is five; that the foregoing Resolution No. __________ was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested to by the City Clerk of said City, all at a regular meeting of said Council held on the 6th day of August, 2013, and the same was so passed and adopted by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

______________________________
Tracy Weaver,
City Clerk

APPROVED AS TO FORM:
Mark D. Hensley, City Attorney

By:
______________________________
Karl H. Berger
Assistant City Attorney
EL SEGUNDO CITY COUNCIL
AGENDA STATEMENT
MEETING DATE: August 19, 2014
AGENDA HEADING: Special Orders of Business

AGENDA DESCRIPTION:
Consideration and possible action regarding adoption of a Resolution authorizing the City of El Segundo to withdraw from the Los Angeles Region Interoperable Communications System (LA-RICS) Authority Joint Powers Agreement (Fiscal Impact: None at this time.)

RECOMMENDED COUNCIL ACTION:
1. Adopt Resolution authorizing the City’s formal withdrawal as a member of the Los Angeles Regional Interoperable Communications System (LA-RICS) Authority Joint Powers Agreement (JPA Agreement) and provide written notice thereof to LA-RICS prior to November 24, 2014.
2. Alternatively discuss and take other action related to this item

ATTACHED SUPPORTING DOCUMENTS:
Resolution

FISCAL IMPACT: None at this time
Amount Budgeted: $.00
Additional Appropriation: N/A
Account Number(s):

ORIGINATED BY: Bob Turnbull, Captain
REVIEWED BY: Mitch Tavera, Chief of Police
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

In 2009, the LA-RICS Authority was created under a joint powers agreement in order to engage in a region-wide cooperative effort to plan and to establish a wide-area interoperable public safety communications network. Via Resolution No. 4592, adopted on February 17, 2009 in regular session of the El Segundo City Council, the LA-RICS JPA was approved thus authorizing the City’s membership therein.

The Authority is administered by a board of directors consisting of a minimum of eight (8) and not more than seventeen (17) directors identified by the appointing authorities and is charged with providing structure for administrative and fiscal oversight; identifying and pursuing funding sources; setting policy; maximizing the utilization of available resources; and overseeing all committee activities. As LA-RICS developed,
there were eighty-nine (89) eligible response agencies in Los Angeles County, and ultimately eighty-two (82) cities, the County of Los Angeles, the University of California at Los Angeles, and the Los Angeles and the Inglewood Unified School Districts became participating agencies at no cost.

The original concept of LA-RICS was to design and implement a network consisting of voice or land mobile radio (LMR) components that accommodate first responders and local mission-critical personnel. However, in 2010, LA-RICS secured a Federal Broadband Technology Opportunity Program (BTOP) grant totaling $154.6 million to deploy a 700 MHz public safety broadband network (PSBN) long-term evolution (LTE) system, called LA-SafetyNet, across the county. Due to the time requirements and strict spending deadlines imposed by the federal grant, the focus of LA-RICS has changed substantially and consequently the LMR system (hybrid UHF T-Band channels and 700 MHz spectrum) may not be operational until fiscal year 2017-18.

A key provision of the JPA Agreement is that the Authority must develop a Funding Plan before it commits resources to constructing the LMR and LTE systems. Unfortunately, this plan applies only to the “backbone” system and not to the “hard match” contribution of assets such as equipment, land for the placement of antennas or use of radio channels owned by an agency for which subscribing members would be financially responsible through fiscal year 2029-30.

Analysis

On March 6, 2014, a Draft Funding Plan was circulated to the existing membership for review as part of a 60-day comment period. In consideration of the feedback received, particularly from the City of Los Angeles, the plan’s cost allocation formula was revised to incorporate only 2 equally weighted variables, population (50%) and geographic area (50%), as opposed to numerous factors associated with system capacity and usage. Although this allows for more predictability, it also means that the funding structure is conditioned largely on member participation rather than utilization.

On April 3, 2014, the Authority released revised cash flow estimates assuming deferred capital replacement reserves, and subsequently on May 7, 2014, the Draft Funding Plan was again updated to reflect initial revenue contingent on every potential member participating and paying its indicated annual share. However, numerous cities have already started to withdraw from LA-RICS, which disrupts the aforementioned funding methodology, placing the burden on and driving up the costs along with liabilities for those remaining members. Two of the largest independent cities in Los Angeles County - Glendale and Torrance - have already opted out and all of the independent cities in the South Bay (Gardena) have begun the process of withdrawing from the JPA.

The Funding Plan dated June 2, 2014 estimates LMR capital costs to be approximately $205 million and annual operations and capital replacement to be roughly $11 million, while the LTE capital costs are nearly $150 million, in addition to the annual contributions of $10 million necessary for operations. These financial investments and
obligations are enormous, even if spread across eighty-six (86) members; but they
become unsupportable in light of thirty-five (35) cities who on June 26, 2014, acting
collectively at a Los Angeles County Police Chiefs’ Association (LACPCA) conference,
expressed their intention to withdraw from the JPA based on the LA-RICS funding
framework that lacks a clear development schedule and phasing plan.

The LA-RICS Funding Plan, as adopted by the board of directors on May 28, 2014, sets
forth each jurisdiction’s current share of costs as a member of the Authority and sets a
180-day time and penalty-free period for members to submit written notices of
withdrawal pursuant to Article V, Section 5.01 of the JPA Agreement.

While supportive of the activities of LA-RICS, City staff has determined that it is not in
the best financial, technical and operational interest of the City now to remain a member
of LA-RICS without having a clearer understanding of the costs, service level and overall
viability of the system over a fifteen to thirty-year horizon.

Other Considerations

The South Bay region currently has a functioning interoperable safety communications
system in the form of RCC, which is a joint powers authority (JPA), owned by the cities
of Gardena, Hawthorne and Manhattan Beach and which also services the contracting
cities of El Segundo and Hermosa Beach.

A similar JPA is the Interagency Communications Interoperability System (ICIS), which
is comprised of the following member and/or subscriber cities: Azusa; Beverly Hills;
Burbank; Covina; Culver City; Glendale; Glendora; Irwindale; La Verne; Montebello;
Pasadena; Pomona; West Covina; Bob Hope Airport Police; Alhambra; Arcadia;
Monrovia; Monterey Park; San Fernando; San Gabriel; San Marino; Sierra Madre; and
South Pasadena.

As the LTE and LMR systems proposed by LA-RICS have yet to be built, there is no
guarantee that they will result in capabilities far superior to those presently offered by
RCC or ICIS.
RESOLUTION NO. ____

A RESOLUTION ADOPTED BY THE EL SEGUNDO CITY COUNCIL WITHDRAWING THE CITY FROM THE LOS ANGELES REGIONAL INTEROPERABLE COMMUNICATIONS SYSTEM (LA-RICS) AUTHORITY JOINT POWERS AGREEMENT.

The City Council of the city of El Segundo does resolve as follows:

SECTION 1: The City Council finds and declares as follows:

A. The City joined LA-RICS in 2009 for the purpose of facilitating public safety communications;

B. The City supports LA-RICS activities, but believes that it is in the public interest to withdraw its membership;

C. Sections 5.01 and 6.01 of the LA-RICS joint powers agreement allow the City to withdraw from LA-RICS without financial obligation upon providing notice to LA-RICS; and

D. It is no longer in the public interest for the City to continue as a LA-RICS member.

SECTION 2: That the City of El Segundo withdraws from membership in LA-RICS. The City Manager, or designee, is authorized to forward a copy of this Resolution to LA-RICS in accordance with the joint powers agreement to notify LA-RICS of the City’s withdrawal.

SECTION 3: This Resolution will become effective immediately upon adoption.

   PASSED AND ADOPTED this ___ day of ____________, 2014.


Suzanne Fuentes, Mayor
ATTEST:

______________________________
Tracy Weaver, City Clerk

APPROVED AS TO FORM:
Mark D. Hensley, City Attorney

By:

______________________________
Karl H. Berger, Assistant City Attorney
AGENDA DESCRIPTION:
Consideration and possible action to adopt the proposed fee modifications presented by the Recreation and Parks Fee Analysis Task Force. (Fiscal Impact: Estimated Annual Increased Revenues of $12,000 to Proposition A and $28,000 to General Fund

RECOMMENDED COUNCIL ACTION:
(1) Approve the proposed fee schedule for aquatics programs and transportation programs services.
(2) Adopt Resolution accepting the new fee schedule.
(3) Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
(1) Resolution including Exhibit A, Schedule of Proposed Fees
(2) Community Meeting Summary
(3) Community Survey Results

FISCAL IMPACT: Estimated Annual Increased Revenues of $12,000 to Proposition A and $28,000 to General Fund

| Amount Budgeted: | $0 |
| Additional Appropriation: | N/A |
| Account Number(s): | N/A |

ORIGINATED BY: Meredith Petit, Director of Recreation and Parks
REVIEWED BY: Greg Carpenter, City Manager
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:

The Recreation and Parks Fee Analysis Task Force was created on September 18, 2012, and was tasked with analyzing and recommending fees associated with programs and services offered through the Recreation and Parks Department, with cost-recovery and sustainability a primary focus. The Task Force includes Council Members Dave Atkinson and Marie Fellhauer and Recreation and Parks Commissioners Bob Motta and Debbie Bundy. Various non-voting City staff from the Finance and Recreation and Parks Departments supported the Task Force by providing data and other information to aid discussion.

At the City Council meeting on May 20, 2014, the City Council provided direction to staff and the Task Force to re-evaluate the proposed fees for transportation services and aquatics drop-in programs to address concerns of customer convenience and affordability. To do so, the City Council requested that staff conduct public outreach to include community meetings and a survey to collect feedback.

Three community meetings were held and were scheduled at various times and days to accommodate diverse populations and schedules. Additionally, a ten-question survey was created and distributed throughout the community. The meetings and the survey were advertised in the El Segundo Herald, posted on the City website, displayed at city facilities, and emailed to over 600 email addresses subscribed to the City’s eZine system. Those who couldn’t attend were provided instructions on how to provide feedback via the survey or by speaking to a designated City employee. There were 239 surveys
completed and a total of 46 members of the public attended the three meetings. The survey results and a summary of the community meetings are attached to this report.

Following the public outreach, staff and the Fee Analysis Task Force reconvened to review the results and modify fee recommendations. It was evident that the majority of the residents who provided feedback were not in favor of the City charging transportation fares, especially when pertaining to Dial-A-Ride services that cater to senior citizens. They indicated that the financial implications of paying fares would result in them limiting their ability to get around town to shop for necessities and participate in recreational and social activities. As a result, the proposed fees have been modified to be significantly lower than originally proposed:

<table>
<thead>
<tr>
<th>Transportation Fares (one-way)</th>
<th>Original Proposal</th>
<th>Modified Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dial-A-Ride</td>
<td>$1.00</td>
<td>$0.25</td>
</tr>
<tr>
<td>Beach Shuttle (i.e. Spring Break/Summer)</td>
<td>$1.00</td>
<td>$1.00 / $40.00 Summer Unlimited</td>
</tr>
<tr>
<td>Out-of-City Shopping Trip</td>
<td>$2.00</td>
<td>$0.50</td>
</tr>
<tr>
<td>Out-of-City Medical Trip</td>
<td>$4.00</td>
<td>$5.00 round trip</td>
</tr>
<tr>
<td>Financial Assistance for Lifeline Qualifiers</td>
<td>10% discount</td>
<td>50% discount</td>
</tr>
</tbody>
</table>

Passengers would have two options on how to pay transportation fares. The passenger could always pay each time the service is rendered by paying the shuttle driver directly upon boarding with exact change. An additional option would be a pre-paid “punch card” in designated dollar amounts. Additionally, it is recommended that Dial-A-Ride services be restricted to El Segundo Residents who are disabled or over 62 years of age. Passengers would verify their eligibility through an annual application process which would require a Recreation ID Card ($5 per year for seniors).

Although only a small percentage of those participating in the public outreach process were concerned about the proposed aquatics fees, valuable feedback was obtained. Many supported small fees and were mostly concerned about convenience factor and family usage during the summer. To address those concerns, the Fee Analysis Task Force has modified the recommendations as follows:

<table>
<thead>
<tr>
<th>Aquatics Drop-In Fees</th>
<th>Original Proposal</th>
<th>Modified Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Residents</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Ages</td>
<td>$5.00</td>
<td>$5.00</td>
</tr>
<tr>
<td><strong>El Segundo Residents</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adults (18-61 years)</td>
<td>$2.00</td>
<td>$2.00 / $20 Monthly Unlimited</td>
</tr>
<tr>
<td>Youth (3-17 years)</td>
<td>$2.00</td>
<td>$2.00 / $20 Monthly Unlimited</td>
</tr>
<tr>
<td>Seniors (62+ years)</td>
<td>$1.00</td>
<td>$1.00 / $10 Monthly Unlimited</td>
</tr>
<tr>
<td>Infants (0-2 years)</td>
<td>$1.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Family Summer Recreation Swim Pass</td>
<td>N/A</td>
<td>$50 Family up to 4 members (each additional child $10)</td>
</tr>
</tbody>
</table>

As with the transportation fares, a “pay-as-you-go” option will also be necessary for those who desire to use the facility less frequently and/or prefer to pay for the services at each visit. Recreation ID Cards will be required for all participants wishing to receive the discounted resident rates, including all family members listed on the Family Summer Recreation Swim Pass.

The Task Force recommends that the City Council approve the proposed fees as listed in Exhibit A. Upon approval, the Recreation and Parks Department will work to develop an appropriate implementation plan.
RESOLUTION NO. ______

A RESOLUTION ADOPTING NEW FEES PURSUANT TO ESMC § 9-8-6 FOR THE EL SEGUNDO PARKS AND RECREATION DEPARTMENT TO RECOVER COSTS INCURRED FROM PROVIDING VARIOUS PUBLIC SERVICES.

BE IT RESOLVED by the Council of the City of El Segundo as follows:

SECTION 1: The City Council finds as follows:

A. The City Council may establish fees for services under various provisions of California law including, without limitation, Business & Professions Code § 16000; Education Code § 18926; Government Code §§ 36936.1, 43000, 54344, 65104, 65456, 65874, 65909.5, 65943, 66013, 66014, 66451.2; and Health & Safety Code §§ 510, 17951, 17980.1, 19852.

B. In addition, the City Council may establish fees pursuant to El Segundo Municipal Code § 9-8-6 including, without limitation, the Basic Rate for using park property and facilities.

C. Pursuant to Government Code § 66016, the City made data available regarding the cost, or estimated cost, of providing services for various fees ten (10) days before the public hearing held on March 4, 2014.

D. On March 4, 2014, the City Council heard public testimony and considered evidence in a public hearing held and noticed in accordance with Government Code § 66016.

E. At the recommendation of the City’s Departments and the City Manager, the City Council believes that it is in the public interest to establish the recommended fees to recover the costs of public services.

SECTION 2: The Fees attached as Exhibit “A,” and incorporated into this Resolution as if fully set forth, are approved and adopted. Those rates identified for using park facilities constitute the “Basic Rate” for purposes of ESMC § 9-8-9 and may be adjusted in accordance with ESMC §§ 9-8-1, et seq.

SECTION 3: This Resolution is exempt from review under the California Environmental Quality Act (Cal. Pub. Res. Code §§ 21000, et seq.; “CEQA”) and CEQA regulations (Cal. Code Regs. tit. 14, §§ 15000, et seq.) because it establishes, modifies, structures,
restructures, and approves rates and charges for meeting operating expenses; purchasing supplies, equipment, and materials; meeting financial requirements; and obtaining funds for capital projects needed to maintain service within existing service areas. This Resolution, therefore, is categorically exempt from further CEQA review under Cal. Code Regs. tit. 14, § 15273.

SECTION 4: This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

SECTION 5: The City Clerk will certify to the passage and adoption of this Resolution; will enter the same in the book of original Resolutions of said City; and will make a minute of the passage and adoption thereof in the record of proceedings of the City Council of said City, in the minutes of the meeting at which the same is passed and adopted.

PASSED AND ADOPTED this 19th day of August, 2014.

______________________________
Suzanne Fuentes, Mayor
STATE OF CALIFORNIA          )
COUNTY OF LOS ANGELES      )   SS
CITY OF EL SEGUNDO         )

I, Tracy Weaver, City Clerk of the City of El Segundo, California, hereby certify that the whole number of members of the City Council of the City is five; that the foregoing Resolution No. __________ was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested to by the City Clerk of said City, all at a regular meeting of said Council held on the 19th day of August, 2014, and the same was so passed and adopted by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

____________________________________
Tracy Weaver,
City Clerk

APPROVED AS TO FORM:
Mark D. Hensley, City Attorney

By: __________________________________
   Karl H. Berger
   Assistant City Attorney
### Exhibit A - Transportation and Aquatics Drop-In Fees

<table>
<thead>
<tr>
<th>Transportation Fares (one-way)</th>
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</tr>
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<td>$50 Family up to 4 members (each additional child $10)</td>
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</table>
Community Meetings Summary Notes

- Of the 46 members of the public in attendance at the three meetings, about 15% were mostly interested in the aquatics program fees and the remaining 85% were primarily interested in providing feedback regarding the proposed transportation fees, more specifically the Dial-A-Ride programs.

- Those representing aquatics users were most concerned about summer usage for families. They felt that a per-person fee would be cost prohibitive to their family. The recommended solution by many of these users was the option of a season pass for the summer for the entire family’s unlimited usage of Recreation Swim programs at all three pools. The cost that each family is willing to pay would be $50-$60.

- Almost all of the members of the public attending regarding transportation services were senior citizens, many of which expressed concerns of affordability that would limit their access to transportation services if fees were implemented. Many are on fixed incomes as they receive very little retirement income and/or social security. Additionally, older adults are often subject to paying for medication and health-related expenses that reduce their discretionary spending ability.

- Furthermore, if fees were implemented they would have limited ability to attend social programs such as those held at the Joslyn Center, which they expressed as a critical component of their well-being as they age. They also indicated that the out-of-town shopping trips allow them to purchase regular household items and necessities that are not available within the El Segundo city limits, such as clothing and linens.

- The philosophy of a “need” versus a “want” was expressed. Transportation to senior citizens who no longer have the ability to drive was described as a “need,” versus the opportunity for transportation for teenagers to visit the beach was described as a “want.” The point was made that the government subsidy should be used for “needs” first.

- Because transportation services are funded by Proposition A, a portion of Los Angeles County sales tax, some people felt that they would be “double taxed” if a fee was imposed on top of sales tax dollars that have already been collected. This point was made in comparison to school funding, where taxes are collected but don’t always support the tax-payer directly, but are allocated based on a designated need (i.e. education or transportation).

- Several people commented that the Lunchtime Shuttle is often seen with few passengers and that it does not seem fair that the City continue to fully support that program while proposing fees to the programs that directly benefit the residents of El Segundo. Many felt that a fee should be proposed for the Lunchtime Shuttle or that the City should discontinue the program altogether.

- Some expressed that it appears that the City is unfairly targeting senior citizens with the proposed fees.

- Many stated that if they were charged for transportation or aquatics they would have to limit their usage.

- Other budget concerns raised included construction and operations of the Wiseburn Pool, Campus El Segundo, employee salaries/benefits, and special event fee waivers to non-profit organizations.

- One transportation user pointed out that Dial-A-Ride trips are sometimes only four blocks and that the proposed fee seems too high for such a short trip.

- Several felt the proposed transportation fees were too high but would be willing to pay $0.25-$0.50 (comparable to Manhattan Beach fares), but that those who qualify for low-income programs should be exempt from paying anything.

- There was concern for the shuttle drivers and how they would collect money from
passengers, from a safety perspective but also in terms of efficiency and cost-effectiveness.

- People expressed concern that the costs associated with collecting fees could negate the revenue, thereby making the implementation of fees a moot point.
- Many people inquired if the petition that was circulated and presented to the City Council would be considered when making a final decision.
- There was some concern about whether a passenger's caregiver would be required to pay the fare as well.
- The suggestion was made that those residing at Park Vista and/or attending Joslyn Center programs should be exempt from paying a transportation fare.
- Pay-as-you-go option is needed even if a pre-paid or monthly unlimited pass is offered, for those who only want to use the services occasionally.
- There was concern that once a fee is implemented, no matter how nominal, that it will only lead to increases into the future.
Q1 Are you an El Segundo Resident?

Answered: 236  Skipped: 3

<table>
<thead>
<tr>
<th>Answer Choices</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>97.88%</td>
</tr>
<tr>
<td>No</td>
<td>2.12%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>
Q2 On average, how often do you and your immediate family members participate in Aquatics Drop-In Programs?

Answered: 224  Skipped: 15

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>30.36%</td>
</tr>
<tr>
<td>Once a month</td>
<td>12.59%</td>
</tr>
<tr>
<td>2-3 times per month</td>
<td>17.41%</td>
</tr>
<tr>
<td>Once a week</td>
<td>7.59%</td>
</tr>
<tr>
<td>More than once a week</td>
<td>13.39%</td>
</tr>
<tr>
<td>Summer Only</td>
<td>18.75%</td>
</tr>
</tbody>
</table>

Answer Choices

<table>
<thead>
<tr>
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<td>Never</td>
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</tr>
</tbody>
</table>

Total: 224

Other (please specify)

<table>
<thead>
<tr>
<th>#</th>
<th>Other (please specify)</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>haven't been this year, in past several times a week</td>
<td>8/11/2014 2:56 PM</td>
</tr>
<tr>
<td>2</td>
<td>occasionally with visiting family</td>
<td>8/6/2014 2:43 PM</td>
</tr>
<tr>
<td>3</td>
<td>Not currently, 3 times a week previously</td>
<td>8/6/2014 2:36 PM</td>
</tr>
<tr>
<td>4</td>
<td>But no longer go because my fear of water has returned</td>
<td>8/6/2014 2:25 PM</td>
</tr>
<tr>
<td>5</td>
<td>Only more than once a week during summer, otherwise it is a few times a year</td>
<td>8/5/2014 11:56 AM</td>
</tr>
<tr>
<td>6</td>
<td>Winter based on health</td>
<td>8/5/2014 9:46 AM</td>
</tr>
<tr>
<td>7</td>
<td>Daily</td>
<td>8/5/2014 9:31 AM</td>
</tr>
<tr>
<td>8</td>
<td>3 times a week</td>
<td>8/1/2014 1:30 PM</td>
</tr>
<tr>
<td>9</td>
<td>more than 4 times a week</td>
<td>8/1/2014 12:24 PM</td>
</tr>
<tr>
<td>10</td>
<td>masters program</td>
<td>7/31/2014 8:01 PM</td>
</tr>
<tr>
<td>11</td>
<td>Used it more when my children were younger Once a week</td>
<td>7/31/2014 4:37 PM</td>
</tr>
<tr>
<td>12</td>
<td>Although do not participate I believe this program is one of the many programs at segundo residents and non-residents used year round and financially will not pay for itself without fees being increased. Ie. maintenance, staff, etc.</td>
<td>7/31/2014 2:12 PM</td>
</tr>
<tr>
<td>13</td>
<td>6 times a year</td>
<td>7/31/2014 7:37 AM</td>
</tr>
<tr>
<td>14</td>
<td>Occasional but not in a regular cadence</td>
<td>7/30/2014 8:52 PM</td>
</tr>
<tr>
<td>15</td>
<td>Previously several times a week, future several times a week</td>
<td>7/30/2014 8:40 PM</td>
</tr>
<tr>
<td>16</td>
<td>But once I have kids I plan in using it</td>
<td>7/30/2014 4:10 PM</td>
</tr>
<tr>
<td>17</td>
<td>monthly during the year than weekly in summer</td>
<td>7/30/2014 3:29 PM</td>
</tr>
<tr>
<td>18</td>
<td>I've used it for water aerobics in the past &amp; would like to continue.</td>
<td>7/30/2014 12:29 PM</td>
</tr>
<tr>
<td></td>
<td>Feedback</td>
<td>Date</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------------------------------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>19</td>
<td>summer and spring breaks</td>
<td>7/29/2014 11:11 PM</td>
</tr>
<tr>
<td>20</td>
<td>A few times a year</td>
<td>7/29/2014 2:29 PM</td>
</tr>
<tr>
<td>21</td>
<td>about 2-3 times per week during the summer</td>
<td>7/28/2014 6:48 PM</td>
</tr>
<tr>
<td>22</td>
<td>I swim there 3-5 times a week. My kids go 2 times a month at least.</td>
<td>7/28/2014 6:04 PM</td>
</tr>
</tbody>
</table>
Q3 Currently there is no fee for El Segundo Residents to participate. If a fee was implemented, would you continue to participate in Aquatics Drop-In Programs?

Answered: 230  Skipped: 9

- Yes: 25.65%
- No: 27.83%
- I don't know: 28.26%
- N/A: 18.26%

<table>
<thead>
<tr>
<th>Answer Choices</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>25.65%</td>
</tr>
<tr>
<td>No</td>
<td>27.83%</td>
</tr>
<tr>
<td>I don't know</td>
<td>28.26%</td>
</tr>
<tr>
<td>N/A</td>
<td>18.26%</td>
</tr>
<tr>
<td>Total</td>
<td>230</td>
</tr>
</tbody>
</table>
Q4: If fees were implemented for Aquatics Drop-In Programs, what fee range would you consider fair for...

Answered: 213  Skipped: 16

- Youth (3-17 years)
  - $0.25 - $1.99: 10.05% (21)
  - $2.00 - $3.99: 44.02% (91)
  - $4.00 - $5.99: 36.36% (76)
  - None: 3.57% (7)
  - Total: 209

- Adult (18-61 years)
  - $0.25 - $1.99: 2.39% (5)
  - $2.00 - $3.99: 30.62% (64)
  - $4.00 - $5.99: 5.26% (11)
  - None: 27.75% (56)
  - Total: 209

- Seniors (62+ years)
  - $0.25 - $1.99: 5.26% (11)
  - $2.00 - $3.99: 34.45% (72)
  - $4.00 - $5.99: 12.44% (26)
  - None: 51.20% (107)
  - Total: 209

- Infants (0-2 years)
  - $0.25 - $1.99: 14.78% (30)
  - $2.00 - $3.99: 1.48% (3)
  - $4.00 - $5.99: 1.97% (4)
  - None: 81.77% (160)
  - Total: 203

Total: 1000
El Segundo Community Feedback - Aquatics & Transportation Fees

Q5 Would you rather pay...

Answered: 197  Skipped: 42

Answer Choices

- Each time you participate with cash or credit card: 16.24% 32 responses
- A monthly fee for unlimited use: 12.69% 25 responses
- A yearly fee for unlimited use: 38.58% 78 responses
- A "punch card" that holds a designated number of visits and repurchase as needed: 32.49% 64 responses

Total: 197 responses

<table>
<thead>
<tr>
<th>#</th>
<th>Other (please specify)</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No charge for residents</td>
<td>8/11/2014 2:56 PM</td>
</tr>
<tr>
<td>2</td>
<td>No fees</td>
<td>8/11/2014 2:56 PM</td>
</tr>
<tr>
<td>3</td>
<td>An optional one time fee of $3.00 added to our Rec ID cards.</td>
<td>8/11/2014 10:20 AM</td>
</tr>
<tr>
<td>4</td>
<td>Yearly fee and punch card for a second option</td>
<td>8/9/2014 8:47 AM</td>
</tr>
<tr>
<td>5</td>
<td>Vacation advantages, downtime lower prices etc</td>
<td>8/8/2014 8:35 PM</td>
</tr>
<tr>
<td>6</td>
<td>Monthly or a punch card</td>
<td>8/7/2014 8:15 AM</td>
</tr>
<tr>
<td>7</td>
<td>No fee</td>
<td>8/6/2014 2:34 PM</td>
</tr>
<tr>
<td>8</td>
<td>No fee</td>
<td>8/6/2014 2:33 PM</td>
</tr>
<tr>
<td>9</td>
<td>0</td>
<td>8/6/2014 2:32 PM</td>
</tr>
<tr>
<td>10</td>
<td>Rather not pay - El Segundo has a good revenue stream</td>
<td>8/6/2014 2:29 PM</td>
</tr>
<tr>
<td>11</td>
<td>No fee for seniors, period.</td>
<td>8/6/2014 2:25 PM</td>
</tr>
<tr>
<td>12</td>
<td>A seasonal pass for the summer would also be a great option</td>
<td>8/5/2014 11:56 AM</td>
</tr>
<tr>
<td>13</td>
<td>Card like Golf uses - prepaid</td>
<td>8/5/2014 9:48 AM</td>
</tr>
<tr>
<td>14</td>
<td>Seniors over 60 free</td>
<td>8/5/2014 9:48 AM</td>
</tr>
<tr>
<td>15</td>
<td>Need family plan</td>
<td>8/5/2014 9:37 AM</td>
</tr>
<tr>
<td>16</td>
<td>Increase the price of a rec card</td>
<td>8/4/2014 8:35 AM</td>
</tr>
<tr>
<td>17</td>
<td>Really, whatever is cheaper.</td>
<td>8/4/2014 7:39 AM</td>
</tr>
<tr>
<td>18</td>
<td>Residents with Rec card should be free</td>
<td>8/4/2014 3:56 AM</td>
</tr>
<tr>
<td>19</td>
<td>We pay for rec card &amp; that should get you in for free swim, maybe charge $1 for each pool classes</td>
<td>8/3/2014 11:38 PM</td>
</tr>
<tr>
<td>20</td>
<td>No fee</td>
<td>8/3/2014 12:20 AM</td>
</tr>
<tr>
<td>21</td>
<td>I'd rather not pay any more fees.</td>
<td>8/1/2014 1:30 PM</td>
</tr>
<tr>
<td>22</td>
<td>There should be a discount for seniors Res or non res</td>
<td>8/1/2014 12:24 PM</td>
</tr>
<tr>
<td>23</td>
<td>A $30 to $40 annual fee</td>
<td>7/31/2014 4:37 PM</td>
</tr>
<tr>
<td>24</td>
<td>No fee</td>
<td>7/31/2014 12:21 PM</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>25</td>
<td>None</td>
<td>7/31/2014 8:39 AM</td>
</tr>
<tr>
<td>26</td>
<td>Never</td>
<td>7/31/2014 7:24 AM</td>
</tr>
<tr>
<td>27</td>
<td>combination, pay as you go for very occasional users and a monthly fee option for regular users</td>
<td>7/30/2014 10:59 PM</td>
</tr>
<tr>
<td>28</td>
<td>none</td>
<td>7/30/2014 9:27 PM</td>
</tr>
<tr>
<td>29</td>
<td>No fee</td>
<td>7/30/2014 9:06 PM</td>
</tr>
<tr>
<td>30</td>
<td>Actually, a summer fee and a &quot;rest of the year fee&quot; would be great. We use the outdoor pools in the summer a lot with my kids, but not the indoor pool as much in non-summer months</td>
<td>7/30/2014 4:46 PM</td>
</tr>
<tr>
<td>31</td>
<td>already pay a yearly fee by way of my rec park card</td>
<td>7/30/2014 4:20 PM</td>
</tr>
<tr>
<td>32</td>
<td>We do pay a fee now, $10 a year for services. You should be clear</td>
<td>7/30/2014 4:04 PM</td>
</tr>
<tr>
<td>33</td>
<td>I would expect to use it less</td>
<td>7/30/2014 3:29 PM</td>
</tr>
<tr>
<td>34</td>
<td>I would pay up to $10 per person for an annual fee.</td>
<td>7/30/2014 3:18 PM</td>
</tr>
<tr>
<td>35</td>
<td>I think paying to use the pool is a bad idea, and the yearly fee paid now is the price I pay for the Recreation Cards to use the pool as a resident</td>
<td>7/30/2014 1:34 PM</td>
</tr>
<tr>
<td>36</td>
<td>increase rec card only</td>
<td>7/26/2014 11:11 PM</td>
</tr>
<tr>
<td>37</td>
<td>Raise fee for park and rec annual membership instead of charging for drop-in aquatics programs.</td>
<td>7/29/2014 8:34 PM</td>
</tr>
<tr>
<td>38</td>
<td>None</td>
<td>7/28/2014 9:18 PM</td>
</tr>
<tr>
<td>39</td>
<td>Punch card or yearly fee</td>
<td>7/28/2014 8:04 PM</td>
</tr>
</tbody>
</table>
Q6 On average, how often do you and your immediate family members utilize the City's Transportation Services?

Answered: 232  Skipped: 7

Answer Choices

<table>
<thead>
<tr>
<th>Never</th>
<th>40.52%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Once a month</td>
<td>7.33%</td>
</tr>
<tr>
<td>2-3 times per month</td>
<td>4.31%</td>
</tr>
<tr>
<td>Once a week</td>
<td>2.16%</td>
</tr>
<tr>
<td>More than once a week</td>
<td>10.78%</td>
</tr>
<tr>
<td>Summer/Spring Break Only...</td>
<td>34.91%</td>
</tr>
</tbody>
</table>

### Responses

<table>
<thead>
<tr>
<th>Answer</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never: 40.52%</td>
<td>94</td>
</tr>
<tr>
<td>Once a month: 7.33%</td>
<td>17</td>
</tr>
<tr>
<td>2-3 times per month: 4.31%</td>
<td>10</td>
</tr>
<tr>
<td>Once a week: 2.16%</td>
<td>5</td>
</tr>
<tr>
<td>More than once a week: 10.78%</td>
<td>25</td>
</tr>
<tr>
<td>Summer/Spring Break Only (Beach Shuttle): 34.91%</td>
<td>61</td>
</tr>
</tbody>
</table>

### Other (please specify)

<table>
<thead>
<tr>
<th>#</th>
<th>Comment</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Use more in future as I get older</td>
<td>8/11/2014 2:56 PM</td>
</tr>
<tr>
<td>2</td>
<td>Businesses should be charged a minimal, reasonable, annual fee or tax to support the lunch shuttle. Especially the larger corporations.</td>
<td>8/11/2014 10:20 AM</td>
</tr>
<tr>
<td>3</td>
<td>More than once a week during summer</td>
<td>8/9/2014 2:36 PM</td>
</tr>
<tr>
<td>4</td>
<td>3-4 times a week, used to use often but doesn't use anymore because she is not mobile.</td>
<td>8/5/2014 5:33 PM</td>
</tr>
<tr>
<td>5</td>
<td>Based on medical needs</td>
<td>8/5/2014 9:46 AM</td>
</tr>
<tr>
<td>6</td>
<td>Two times within the past year</td>
<td>8/3/2014 11:49 PM</td>
</tr>
<tr>
<td>7</td>
<td>Summer about once a week: My kids would not use shuttle if there was a charge.</td>
<td>8/3/2014 11:38 PM</td>
</tr>
<tr>
<td>8</td>
<td>Occasionally</td>
<td>8/3/2014 4:10 PM</td>
</tr>
<tr>
<td>9</td>
<td>Currently I can drive, but I'm looking to a time that I might not be able to.</td>
<td>8/3/2014 4:09 PM</td>
</tr>
<tr>
<td>10</td>
<td>We have used this once in 37 years</td>
<td>8/1/2014 1:30 PM</td>
</tr>
<tr>
<td>11</td>
<td>This service is fantastic for our seniors. However it does need to have a fee in order for it to continue.</td>
<td>7/31/2014 2:12 PM</td>
</tr>
<tr>
<td>12</td>
<td>Used to (beach shuttle) may in future dial a ride</td>
<td>7/30/2014 8:40 PM</td>
</tr>
<tr>
<td>13</td>
<td>I participate in the Stidens program 3 x a week</td>
<td>7/30/2014 12:29 PM</td>
</tr>
<tr>
<td>14</td>
<td>My daughter used it during Junior Guards</td>
<td>7/28/2014 8:04 PM</td>
</tr>
</tbody>
</table>
Q7 Currently there is no fee for El Segundo Residents to ride. If a fee was implemented, would you continue to utilize Transportation Services?

Answered: 234  Skipped: 5

<table>
<thead>
<tr>
<th>Answer Choices</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>24.36%</td>
</tr>
<tr>
<td>No</td>
<td>27.78%</td>
</tr>
<tr>
<td>I don't know</td>
<td>23.08%</td>
</tr>
<tr>
<td>N/A</td>
<td>24.79%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>
Q8 If fees were implemented, what fee would you consider fair (one-way trip) for...

Answered: 224  Skipped: 15

<table>
<thead>
<tr>
<th>Service</th>
<th>$0.25 - $0.50</th>
<th>$0.75 - $1.75</th>
<th>$2.00 - $3.00</th>
<th>$4.00 - $5.00</th>
<th>None</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beach Shuttle</td>
<td>32.56%</td>
<td>25.12%</td>
<td>27.23%</td>
<td>39.53%</td>
<td>2.79%</td>
<td>21.60%</td>
</tr>
<tr>
<td>Dial-A-Ride Trips within...</td>
<td>22.76%</td>
<td>18.01%</td>
<td>14.22%</td>
<td>42.72%</td>
<td>0.94%</td>
<td>7.51%</td>
</tr>
<tr>
<td>Medical Trips outside of L..</td>
<td>23.33%</td>
<td>21.90%</td>
<td>18.57%</td>
<td>36.97%</td>
<td>10.00%</td>
<td>8.06%</td>
</tr>
<tr>
<td>Shopping Trips outside of L..</td>
<td>23.33%</td>
<td>21.90%</td>
<td>18.57%</td>
<td>36.97%</td>
<td>10.00%</td>
<td>8.06%</td>
</tr>
<tr>
<td>#</td>
<td>Other (please specify)</td>
<td>Date</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>----</td>
<td>---------------------------------------------------------------------------------------</td>
<td>--------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>No fee should be charged for residents</td>
<td>8/11/2014 2:56 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Seniors SHOULD NOT be charged! Optional Donation Only. El Segundo should continue to take care of our Seniors!</td>
<td>8/11/2014 10:20 AM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>LADOT Dash is no more than 50 cents, and that covers a major Metro area.</td>
<td>8/9/2014 8:47 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>No fees for seniors and lifeline persons</td>
<td>8/8/2014 2:25 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>No fee if over 60 years - like getting to Center</td>
<td>8/5/2014 9:48 AM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>This should reflect item 4 age break down</td>
<td>8/5/2014 9:41 AM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Kids are going to get stuck at the beach with no money to get back home.</td>
<td>8/3/2014 11:38 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>You get money from the state for this service</td>
<td>8/3/2014 11:20 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>non</td>
<td>8/3/2014 4:10 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>75 cents or a dollar on medical and shopping trips—not the higher fee.</td>
<td>8/3/2014 4:09 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>we have to deal with LAX, which is Hyperion and Chevron - no shrink fees of our own!</td>
<td>8/1/2014 1:30 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>should be free for seniors</td>
<td>8/1/2014 12:24 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Dial a ride for seniors should be free.</td>
<td>7/30/2014 4:40 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>a fee is implemented, $10 a year</td>
<td>7/30/2014 4:04 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>I use bch shuttle, but wouldn’t if there was a fee</td>
<td>7/30/2014 3:29 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>I’ve used the D&amp;R to Dr’s visits outside E.S. I’ve also participated in the shopping trips from time to time.</td>
<td>7/30/2014 12:29 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Unsure</td>
<td>7/28/2014 9:18 PM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
El Segundo Community Feedback - Aquatics & Transportation Fees

Q9 Would you rather pay...

Answer choices:

- Each time you participate: 38.95% (74 responses)
- A monthly fee for unlimited use: 11.05% (21 responses)
- A yearly fee for unlimited use: 17.89% (34 responses)
- A "punch card" that holds a designated number of visits and repurchase as needed: 32.11% (61 responses)

Other (please specify):

1. No charge for residents, Non-residents need to be charged a fee.
2. No fees.
3. Additional Annual fee on Rec ID card. See below.
4. Offer any of the above options to meet community need and ability to pay.
5. Monthly or yearly.
6. No fees.
7. 0.
10. None.
12. None over 60.
13. Because we just use the Beach Shuttle.
14. No pay at all.
15. Require a rec card and increase the price to have one.
17. It would really depend on prices and the best bargain. But I would hate to pay for something all year if I'm not always using it.
18. None.
20. NO FEES.
21. $10 per year for beach shuttle.
22. No fee.
23. None.

Total: 190 responses, 49 skipped.
<table>
<thead>
<tr>
<th></th>
<th>Feedback</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>combination - pay per ride for occasional users and a recurring fee option (maybe discounted) for regular users</td>
<td>7/30/2014 10:59 PM</td>
</tr>
<tr>
<td>26</td>
<td>none</td>
<td>7/30/2014 9:27 PM</td>
</tr>
<tr>
<td>27</td>
<td>No fee</td>
<td>7/30/2014 9:06 PM</td>
</tr>
<tr>
<td>28</td>
<td>no, it's paid for by a grant!</td>
<td>7/30/2014 8:54 PM</td>
</tr>
<tr>
<td>29</td>
<td>Monthly pass and pay per ride</td>
<td>7/29/2014 8:34 PM</td>
</tr>
</tbody>
</table>
1. The deficit in the El Segundo budget, both city and recreation, is due to an excessive salary and benefit package that is not sustainable. A cut of 30% to 40% of pay and benefits is in order to bring these excessive expenditures in a realistic scale with private non government pay ranges that would happen if a surplus of funds would appear. My observation of city departments, there are many employees that are not required to perform tasks at hand. The Recreation Department fee imposition on residents is just another tax on residents to continue the ridiculous pay and benefits that the city of El Segundo pays its employees.

2. I would like to see additional optional fees on the purchase of our Annual Rec Park ID card, Additional $3.00 for Aquatics Only OR Beach Shuttle Only. Additional $5.00 Unlimited Drop in Aquatics AND Unlimited Beach Shuttle. These add-ons should be clearly shown (possibly in color) on our Rec ID cards.

3. I think the visitor (non resident) pool fees are very low compared to other facilities.

4. Only minimal raise for El Segundo residents, more can be charged to non El Segundo people. Also, new sport center coming up with the Wiseburn District, more can be charged there, keep El Segundo affordable.

5. More policy decisions that support health. Think about improving the overall health of ES residents incentivizing access, keep fee low. 25% to fee free. Create a walking path through & around town, use color-coded mile markers (1-5). Invite residents to meet at mile 1 on a scheduled basis, invite by demographic, Mom's walk, Mom-to-be walkers, Dad's walk, Mother Daughter Father Son, Family walkers, Stroller Push, Senior Stroll, age groups 20's, 30's, 40's, 50's, and beyond, the NOT Dead Yet Gang. This will get people out, meeting neighbors, becoming visible, and connected. It will reduce isolation and crime. (Too dam many people walking around this town, better deal elsewhere.) 8. If individ receives pub aid or is Sr, no charge, or if I have limited resources, they do not spend $ supporting local businesses, stay home, health declines. Staying healthy, socially connected & mobile costs less ultimately and supports better quality of life. You can call me A) 310-720-9347

6. Transportation fees impact seniors much more than younger age groups due to limited income.

7. I cannot walk up hills. I can walk down hills. So I usually go by DAR as needed then take the 109 bus back home (or walk home if less than 1/2 mile).

8. They payment for each ride option needs to be available for the occasional riders. Also fees should be waived for shuttles to Joklyn Center activities to prevent a drop in attendance for a variety of programs such as bingo, potluck, movies, exercise classes, etc. Perhaps Park Vista Residents should also be exempt from fees to ride DAR as they are all on low incomes and many struggle to make ends meet.

9. DAR fees would add a serious burden to us on limited income.

10. Seniors have less discretionary income and the fees proposed are unreasonable and higher than surrounding communities not proposing for transportation. El Segundo is not as rich as some of these other cities. Maybe 25 cents each way would not be unreasonable.

11. Please let it stay as is.

12. Ridiculous to charge when we give waivers on fundraisers.

13. As a taxpayer I am concerned about all city services. Rec Park ID Card is already fees for services.

14. None

15. Some retired people are unable to pay a fee. This should be considered also.

16. City is paying 100K to Campus El Segundo project, but seniors and children are being charged for shuttle. Loves ES so much. Children to Manhattan Beach should be free. Should be party on income - but I can't get around should be free. If that's something else. Would have to continue to ride even if a fee was imposed, but it infuriates her.

17. Medical Trips & Shopping Trips. Possibly setup 2 days where people can sign up for these trips out of town to get more people on each shuttle. Cost of gas/week & fare is very high for a single occupant trip to Tonance. Beach Shuttle: Family/Groups of 4 or 5 makes $1 cost each way cheaper to drive themselves. Especially true for families that have little kids and lots of stuff. Swim pass needs to be a reasonable price and not just a calculation of how many times avg use is times weeks. Many families attend for 30 minutes or so and having a cost of even a few dollars would make that less appealing. Possibly waive fees for kids participating in swim lessons through the parks program since you want to encourage outside practices.

18. Pay online fees or keep credit card like metro-express.

19. (If a fee was implemented), couldn't get to Center for social need, would be locked in my home. To Joklyn Center FREE Center is social needs - keep as is alive. 1) Pot Luck Dinner 2) Lunch 2) Bingo 3) Cards 4) Pool playing (Billiards) 5) Taxes 6) Exercise Classes - so we can keep moving 7) Sr Board Meetings 8) Bowling 9) Movies Stores - none in E.S. for clothes, bed sheets, shoes, etc. etc. Will only be able to afford to go shopping. Fees for Lifeliners.

20. 1) All perks given to the local school system need to be re-evaluated by the City Council. All library clerks are city employees should be pulled from the high school, the middle school and the two elementary schools. The school district should own its own textbooks and library books. As long as this expense to the city ends soon, I'm in favor of allowing the district to keep whatever is currently in its schools. 2) The seniors who use city transportation are low-income, Those of us who still drive our own vehicles will capably use this service. 3) I am concerned that part-time drivers would be the ones collecting fees. Recently their hours have been cut, so the city won't have to pay any PERS. Collecting (or not collecting) fees will require more time on their routes.

21. Seniors on fixed income will find fees very difficult.

22. I enjoy the city very much.

23. Everybody including seniors should pay at least $10 for a Rec Park card. No break for seniors.

24. What about the lunch shuttle? They don't charge them! Dial-A-Ride and Beach Shuttle should not be charged.
Just increase the price of a rec card to $30 and require it for the shuttles

26 Services to residents should be free. Charge a little more for Rec card and vary by a menu of services, age of resident, and charge higher fees for annual vs. three, five, or even a 10 year card. Also, don’t charge out of town participants considerably more for Rec participation.

27 Sorry – this survey is inaccurate. Question 2 should be “Do you/your family have valid Rec Park ID cards?” And while there is no fee to use the aquatics facility, residents are supposed to have a valid Rec Park ID card. So technically it isn’t free as residents do pay for the ID card. Question 4 – you put a price but no reference to how many visits.

28 I feel that if you own a home & paying the high taxes you should get some services for free, I feel the beach shuttle should not cost or going to kids free swim. We also pay for rec cards. There should definitely be a big break for families in financial need. Even some help for swim lessons or classes for families in financial need. A lot of kids just have to do without.

29 If it becomes a tax service for medical appointments - that should be a paid service

30 I’m a senior resident at Park Vista and live on a small fixed income. I often have medical appts and if a $4 or $5 fee were implemented, on top of a medical copay, that could be prohibitive.

31 I find the money somewhere. Go ahead and up the rental of rooms and permits, especially out of towners.

32 Don’t charge me

33 The complimentary services are apart of what makes El Segundo so great. Taking that away would not only take away the joy of taking part in the city’s activities, but would minimize the usage due to cost.

34 Technically, I have to purchase rec cards for my family to use the aquatics, so it isn’t completely free already.

35 Residents in the City of El Segundo get too many services for free compared to other cities. Prices for all these services are continuously rising and we as residents need to step up and help pay for them. This includes trash. I live in a townhome and already pay for trash pickup but people living in houses need to also pay.

36 We have enough new cap in this city to deal with. Everyone has their hands cut. Services are cut but pension expenses keep going up sucking money out of the treasury. CUT THEM NOW so the 89% of the city isn’t being penalized.

37 Non-Resident seniors are having difficulty paying $3.00 fee if it goes up we will not be able to afford it at all. This is the only social outlet we have and exceed we can actually do. Please don’t raise the rate. In fact, can’t you currently give seniors a discount? The YMCA gives senior discounts based on your income.

38 The Aquatics program for residents in the City of El Segundo is wonderful. Between it, the access to the beach, and the multiple community parks, the city has many options for health and fitness. The economic and affordable option of swimming at the Plunge with just an ID card purchased once a year is a wonderful program and very convenient. If the fees help ensure that the Aquatic programs are able to continue, I understand the need to implement fees. I hope that they will be affordable and give people like me who use the Plunge several times a week the option of purchasing a years’ worth of use in advance - the inconvenience of paying each time would be a hassle.

39 We have not used the plunge in years because it’s run down and gross, but if a fee needs to be implemented for the city to maintain it, then users should pay a nominal fee. We also have never used the beach shuttle because we have 1/2 mile away from the beach, so it’s an easy walk. But I believe that users of the city transportation system should be paying for it, unless they are riders on the lunchtime shuttle, which is actually bringing people into the downtown area to spend money. People in this town have gotten used to many free little "perks" like this and now it’s at the cost of us maintaining a top-rated school district. I pay, get rid of the country club perks and start investing that money in our town’s future...our kids

40 Our children are 6 & 8, we go to hilltop pool in the summer and will use the beach shuttle as they get older. I would prefer to pay more for our park and rec cards and not have to pay every time we use a service. I think all of these services help make El Segundo such a special place to live and I would hate to see any of them go away.

41 Use volunteer groups to help keep facilities open

42 I believe I stated my comments above. I am a Middle Class Senior resident and strongly support fees or fee increases to be able to continue support for us.

43 I am absolutely appalled that the city is thinking about charging for these services. What are my tax dollars paying for? Apparently, my taxes are paying for outrageous compensation packages for city employees (http://transparency.allfortom.com/salaries/el-segundo/?page=1). When did public service become public "larceny"?

44 She is in Park Vista and has no other way of transportation - this is their life line.

45 FIXED INCOME!

46 We pay more than enough taxes & fees in this town already!

47 I am personally more concerned with the fees that have been proposed with reference to recreation cards, use the facilities at the rec park, parties, bouncers. This is a town built on families a significant portion of which are one income homes. A town filled with fortune 500 companies should not rely on its residents to raise funds which may seem minimal to the governing body but have a huge impact on way of life in our heavenly town. Thank you for allowing us to be heard. Ashley, mom of 2, proud resident of El Segundo going on 6 years.

48 Need a new pool. The plunge is outdated. Get your priorities straight. Hire someone who knows how to run a facility. Contact Jesus Sandoval in manhattan beach for advice. His pool not only covers its costs, it also now runs summer programs at Mira Costa pool. He knows what he’s doing.

49 You made the BIGGEST mistake with the Wtebun pool agreement. Nobody I have spoken to agree with that decision. Shame on you!

50 I'd rather have fees imposed and pay for these services than lose them.

51 I am willing to pay more annual rec card fees and more for classes if the pools can be better maintained and if the quality of lessons can be improved.

52 Please don't charge.

53 I would be very upset if the city decided to cut the beach shuttle or if it decided to charge residents for its use.

54 Please don't charge tennis courts on an au le carte basis, happy to pay an annual fee!
If you were to have cash payment, you have a system of cash handling and someone picking up money you are trying to collect. Punch cards are better.

I would be happy to pay an increased fee for my Rec Park Card rather than pay for each use. I feel that charging per use for the shuttle would severely slow down the system and create congestion during boarding.

I would rather pay more up front for a Rec Park Card than pay each time I want to use a service.

About how we will be a little more fiscally responsible, I have heard that " beautification projects" and pre-paying loan payments have been made in favor of holding on to employees, employee benefits, raises and programs. This is a gross misjudgment. If the City was paying the loan off quicker, that would be one thing but paying ahead so you don't have to pay later accomplishes very little than perhaps saving a tax if interest, though not likely, I will definitely be voting differently next election.

In regards to the aquatic program, I would suggest raising the annual cost of the rec park card to cover all fees. In addition, I recommend evaluating the class enrollment software/policy to ensure maximum enrollment in all courses, especially the swimming lottery.

Since I am a stay at home mom and we are on a very tight budget so I can be home with my kids the pay as you go would be a hardship for us. Sometimes we have extra and sometimes we don't. I would however be more than happy to pay as much as $25.00 for adults and $20.00 per child per year for our Rec card if there were no additional fees for the pool and classes.

Stop paying we don't pay a fee because we do. We pay a $10 fee to have services through the rec park for a year. That is a fee. What you want to do is add extra costs for activities.

If there was a fee why would we purchase a resident pass? Why not increase the pass fee instead of nickele & dime to death? I think the resident pass could be tightened up with putting an actual expiration date and checking it. Maybe have the shuttle, dish & ride, medical & shopping need to have a rec card to use.

If fees increases are to be made, they need to be made evenly across all age groups, excluding those under 2 years old, they should always be free. The seniors need to be charged more than this. I charge as if any as families do.

Now that measure A did not pass, we ALL (youth, families AND seniors) need to pay the price. Relax the fees. Relax all the fees. Maybe next time there is something on the ballot, voters will feel differently.

I would rather pay more for the yearly rec card than nickele and dimeing along the way or at least an option for "all you can play" with the rec card. I'd also like to see some way for seniors to get a break if they need it.

I think making residents pay entrance for using the pool is a bad idea. I exercise outside and swimming laps at the Plunge and am not currently a member of any gym. If there was a fee to use the pool here in El Segundo as a resident, I would probably look to join a gym. Say there was a $2 change every time I use the pool, at the end of the month I would be paying between $30-$40 a month. For that price I would be inclined to seek out a gym membership that would include pool use plus other offerings, which El Segundo does not have to offer.

I attended the meeting and gave an input. There were a couple of people that were negative "Nellie's", I'm sorry the audience had to hear their comments.

She would like to see the financials related to prop A & C, then decide if taxes should be raised. Does not think seniors & youth should have to pay. She does not think a driver would want to drive around giving change. If you install payment meters, that cost would have to be factored in. Consider cost of putting in payment system.

Increase non residents fees not resident.

Especially for senior, the dial a ride service is invaluable. My grandmother takes it often to various shopping trips, and running errands. Please consider their fixed income when making these changes to a program.

One of the reasons El Segundo is such a great town are the services offered and the small town community. These include but are not limited to the plunge, hilltop pool, acacia pool, beach shuttle and public transportation. If these services are charged for, the city would not be as great therefore chipping away at the very reasons to live here. If you want great families and upstanding citizens to remain attracted to the City of El Segundo and want them to call this great town their home, don't nickele and dime those people.

I live at Park Vista. I drive. But like all seniors at PV, I will either die quick or will loose my license and be forced to use the shuttle. NO SENIOR TAKES THE SHUTTLE AS AN OPTION, ONLY AS A NECESSITY. IT WOULD BE HORRIBLY UNFAIR--MAYBE ILLEGAL--TO ALLOW SENIORS TO LIVE AT A REDUCED RENT AT PARK VISTA TO MEET STATE MANDATED REQUIREMENTS AND THEN TO OFFSET THAT COST IN ANOTHER MONEY Source.

Beach Shuttle is a set route, $.50 each way or monthly pass. Dial-a-ride outside the city should pay based on mileage.

It has always been my assumption we are paying an annual fee already when we renew our parks and recreation cards. Maybe we could charge those when getting on beach shuttle as proof we have paid and to ensure stays used by residents only.

I would much prefer an increase to the annual cost of rec cards than to be nickele and dime every time I use city facilities.

As a family, we use the pool a lot and have always made an effort to utilize the various programs and free swim options as much as possible. Our Rec Card is almost exclusively used towards the pool. We would love to keep the costs asis so that we can keep coming. Separately, we would love if you offered more group swim lessons for the little ones so that all ES kids can learn how to swim close to home. Thank you.

We use the drop-in swim all the time, as we live a mere few addresses away from Hilltop! Hence, for convenience we would HIGHLY prefer to have the annual Rec Park Card fees (to cover pool use costs) OR the option of an annual (or summertime) unlimited pass. Paying each time would be such a pain, and I would think much more costly to manage for the City. I wonder also if devices could be installed for swimmers to pay with a credit/debit card each time, like the new ones in other South Bay cities? Again, to reduce the City's burden of handling small amounts of money a zillion times at the gate.

I feel fees imposed should be higher for non residents, especially in regards to aquatics. As a resident, I would be ok with paying $.50 for kids and $1 for adults. $1 per way also seems reasonable for the beach shuttle. When I moved here a few years ago, I was actually surprised that this was a fee service. I would also be okay with paying a slightly higher rec card renewal fee.

I believe that the staff at the pools could do a better job of collecting fees from non-residents. Also, how would they know if a resident's card is up to date? Maybe install swipe machines with an ipad that can show if a card is up to date and if not charge the person. Plenty of people are using the pools for free and that's not fair. I would even consider paying a little more than $10 for the yearly al Segundo card. But I would probably stop using the Kiddie pools if I had to pay $2/person/visit. My family simply cannot afford this.

16 / 16
AGENDA DESCRIPTION:
Consideration and possible action to enter into a Professional Services Agreement with Isaac Sports Group to conduct an Aquatics Facility Program, Financial, and Sustainability Analysis.  
(Fiscal Impact: Not to Exceed $15,000)

RECOMMENDED COUNCIL ACTION:
1. Authorize the City Manager to enter into an agreement for consulting services in a form approved by the City Attorney for an Aquatic Facility Program, Financial and Sustainability Analysis; and,
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

FISCAL IMPACT: Not to Exceed $15,000 (Aquatics Trust Fund)

Amount Budgeted: $0
Additional Appropriation: $15,000
Account Number(s): 702-400-5202-8476

PREPARED BY: Meredith Petit, Director of Recreation & Parks
REVIEWED BY: Greg Carpenter, City Manager
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:
On May 21, 2013, the City Council entered into a Settlement Agreement with Wiseburn School District that began the collaborative process of designing a joint-use aquatics facility. The agreement called for Wiseburn to commit $6,000,000 to the construction of an aquatics facility and the City to operate and maintain the facility into the future. The City would also be responsible for costs in excess of $6,000,000. According to Section 2 of the agreement, the facility would consist of the following:

i. An outdoor 50 meter pool for swimming, water polo, physical education/recreational use. In addition, if the Aquatics Center budget allows (as reasonably determined by District), the Aquatics Center should include a spring board diving board; a snack or small kitchen facility; and a 20 ft. X 40 ft. therapy pool with separate changing facilities for men and women.
ii. A moveable bulkhead for short course swim.

iii. Associated support structures/facilities to include at a minimum locker rooms and restrooms.

iv. Separate meters for electricity, water, and gas to be installed to differentiate the Aquatics Center from the rest of the High School facility.

v. The Aquatics Center may include solar panels to reduce the cost of utilities.

On June 15, 2014, staff presented the City Council with two design options under consideration by the Aquatics Task Force. Design Option 1, a 50-meter by 25-yard outdoor competition pool with limited additional amenities, was estimated cost of $6,400,000. Design Option 2, estimated at $8,400,000, includes a 54-meter by 25-meter outdoor competition pool, a 25-yard additional pool, bleachers, moveable bulkheads, sports lighting, and other amenities that would provide for more versatility in aquatics programming.

While the larger facility design option is likely to have a higher potential to generate revenue over the long term, the additional costs associated with the initial construction as well as the annual maintenance and operations would be the responsibility of the City. After discussion, the City Council directed staff to (1) to seek consulting services in the form of a Aquatics Facility Program, Financial, and Sustainability Analysis to gain a better understanding of the future facilities’ operations and assist in the decision making process, and (2) explore stand-alone costs for amenities such as bleachers and lights that could potentially be added to Design Option 1 to add functionality but possibly reduce the excess costs of Design Option 2.

Staff received five proposals for consulting services:

<table>
<thead>
<tr>
<th>Firm Name</th>
<th>Proposed Fee</th>
<th>Additional Proposed Fee Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ballard King &amp; Associates, LTD</td>
<td>$28,800</td>
<td></td>
</tr>
<tr>
<td>Council-Hunsaker</td>
<td>$7,500+</td>
<td>Includes 2 site visits, additional service rates may be incurred for additional travel and/or printing</td>
</tr>
<tr>
<td>GreenPlay, LLC</td>
<td>$39,997</td>
<td></td>
</tr>
<tr>
<td><strong>Isaac Sports Group</strong></td>
<td><strong>$12,000+</strong></td>
<td><strong>Additional expenses include travel and printing</strong></td>
</tr>
<tr>
<td>The Sports Management Group</td>
<td>$23,200+</td>
<td>Additional expenses include travel (not to exceed $1,500)</td>
</tr>
</tbody>
</table>

After reviewing each proposal staff recommends the selection of Isaac Sports Group to perform the study. Isaac Sports Group provided a very comprehensive and detailed proposal with a reasonable price estimate. The proposal outlined the services to be conducted in the following areas: Community Engagement, Programming, Design Development, Financial Operating Analysis and Projections, and Management. Isaac Sports Group also included a list of deliverables (and samples from previous
projects) that the City would receive in approximately 12-weeks from the execution of an agreement for services. The deliverables include:

- Program model
- Detailed sample pool scheduling model based on programs and user groups
- Design update recommendations
- Detailed 5-year annual budget including costs, revenue, and program analysis
- 20-year replacement and long term maintenance projections
- Outline of staffing and management position needs
- Summary Power Point presentation suitable for public meeting use

As a component of the study, Isaac Sports Group will work with staff to explore the City Council’s expressed desire to include certain amenities, such as bleachers and sports lighting, in the conceptual design while being mindful of the overall construction costs and facility design. The final study will present design recommendations based on the needs of the community and the intent of the facility.
CITY OF EL SEGUNDO
WISEBURN SCHOOL DISTRICT

FACILITY PROGRAM, FINANCIAL and SUSTAINABILITY ANALYSIS
CONSULTING PROPOSAL
August 8, 2014

OVERVIEW
The Wiseburn School District and the City of El Segundo are undertaking a joint use venture to
build and operate an aquatic center on the campus of Wiseburn High School. The aquatic center
will meet the aquatic programming needs of the High School, the overall school district, the City
of El Segundo, and the overall community. The School District is providing the land and the
bulk of capital funding while the City of E Segundo will be responsible for managing the facility
and paying the operating costs of the facility. It is critical to the city that the facility be self-
sustaining, supporting operating expenses through user fees, program revenue, and other revenue
sources. It will also be important that programming and scheduling of the new aquatic center is
integrated into the existing aquatic programs and facilities in El Segundo to maximize the overall
aquatic programs, creating growth in all the facilities and best utilizing the unique aspects of
each facility.

To analyze and develop the management, programming, design options, and business model that
can sustain operations it is important to understand the current aquatic programs and facilities in
the area, identify the needs of all potential users and stakeholders, and develop the programs and
schedule that will maximize access and affordability to the entire community. It will be
important to not only meet the needs of the school district and create expanded aquatic programs
for the district but to develop enhanced and new aquatic programming for all segments of the
community. This includes:

- Learn to swim
- Aquatic fitness programming
- Adult Swimming, including lap lanes
- Senior programming
- Masters swimming and triathlon training
- Club swimming, water polo, diving, and synchronized swimming teams
  - Training
  - Meets, games, and events
- Family and recreational programming
- Open community user access
- Special needs programming
- Aquatic therapy and rehab
To maximize the programming and benefit to the community and to generate the operational and programming revenue to sustain operations it is important to blend the programming and scheduling needs of the school district with access for community programs. Once the programming needs and opportunities for all stakeholders are identified it is possible to determine the facility needs; including pool(s) configurations, support facilities, and amenities. At this point it is possible to evaluate the current design options with respect to the following variables:

- Impact on programming
  - Ability to meet the needs of the stakeholders
  - Maximizing benefits to the City and the overall community
- Operational costs
- Potential revenue
- Long term maintenance
- Overall project costs

Based on these criteria ISG will also provide recommendations on potential design modifications that may reduce project cost, enhance sustainability, and meet stakeholder needs, goals, and objectives in the most cost effective designs.

The Isaac Sports Group (ISG) proposes to conduct a study analyzing the aquatic program needs and potential in the community in order to develop a program model and schedule that can cost effectively meet the needs of the School District, the City, potential outside user groups, and the overall community. ISG will provide the analysis of both the single 50 meter x 25 yard pool design model and the expanded 54m x 25m pool with the 25 yard teaching/therapy pool. We will also provide a similar analysis for any hybrid design recommendations.

ISG will then analyze potential participation, recommend user and program fees and pool rental rates suitable for the City and the regional market. Based on this programming and fee structure, ISG will develop a detailed financial analysis and operating budget for each design model option. This analysis will include analysis of any technology or design updates that can drive programming and revenue.

ISG will also evaluate the long term maintenance and replacement costs of the facility as well as analyzing return on investment and life cycle costs of any key technology or equipment that can help reduce annual operating costs and long term maintenance.

ISG will also review and recommend a management and staffing structure that fits into the current City and School District parameters and can best insure the success of the aquatic center and its programs. This staffing structure is also critical to developing the operating budget for the facility.

The ultimate goal of the consulting services and analysis is to provide the City of El Segundo with the data to analyze the financial operations of the aquatic center and provide recommendations to the City to determine the optimum design, maximize return on investment, and insure the financially sustainable operation of the aquatic center and its programs.
ISG SERVICES
In this study ISG will draw on its key hands-on experience in facility management, operations, events, marketing, and knowledge of comparable facility best practices around the country. Specifically, ISG services will include the following:

Community Engagement
- Work with the School District and the City to engage stakeholders, user groups, and members of the community to understand the current aquatic facility and programming environment and determine the needs and potential for enhanced and new programming

Programming
- Analyze current aquatic, fitness, and health and wellness programming in the city and across the region as well as other facilities and programs in the area and determine facility needs for existing, enhanced, and new programs and projected growth
- Develop program model and sample schedule for facility
  - School District programming and scheduling needs
  - City specific programs
  - Outside user and rental groups
- Suggest ways to best integrate new and enhanced programs into the overall aquatic programming run by the City of El Segundo
  - Identify potential updates to existing facilities to better integrate programs and best take advantage of the unique features of current facilities, especially the Uhro Saari Swim Stadium
- Identify and engage (in conjunction with the City) potential outside user groups (teams, youth organizations, other) and quantify their needs and potential space and time needs
- Develop specific program details relevant to management and financial projections
  - Time and space needed
  - Rate and fee analysis
    - Research into existing rates and fees in regional market
    - Develop fee structure for programs and users
      - Integrate into the current structure of relevant recreation and program fees used by the City and the School District
      - Take into account those in the tax based community with free access to the facility
      - Create resident and non-resident differentiated rates to provide added benefits for residents
    - Develop projected participation numbers for usage and programs
      - Explore membership and other frequent user models that could enhance participation and revenue
- Identify potential meets, games, and special events that could be hosted by the aquatic center
  - Competitive Events in all aquatic disciplines
    - Engage local, regional, and state sport governing bodies to evaluate realistic event expectations and calendar
    - Impact of events on daily school and community programming and use
  - Sport, swim and kids camps
  - Clinics
- Birthday parties/family events
- Other

- Review and present relevant best programming practices of similar facilities around the country

Design Development

- Review current aquatic center design options with Arch Pac based on programming needs and identify any design tweaks (if any) that can enhance programming and revenue generation
  - Enhance programming flexibility
    - Bulkheads
    - Pool configuration options
  - Temperature options
  - Depth options
  - Concurrent programming
  - Enhance programming and revenue benefits versus added project cost (Return on Investment)

- Evaluate impact of each design on the following:
  - Programming
  - Events
  - Concurrent use
  - Operational cost
  - Revenue
  - Sustainability

- Help determine any specific equipment or systems needed to support programming
  - Scoreboard and timing systems
  - Special needs
  - Fitness, teaching, and recreation equipment

Financial Operating Analysis and Projections

- Based on programming and design scope develop financial and budget model

- Develop 5-year annual operating budget
  - Facility expenses (fixed expenses)
  - Program expenses (variable based on programs)
    - See notes in programming section
  - Facility Revenue
    - User fees
    - Memberships
    - Rental fees
    - Events
    - Other revenue streams
  - Program Revenue
  - Analysis of revenue and expenses for specific programs
  - 5-Year profit & loss summary

- Develop 20-year long range maintenance and replacement budget for aquatic center
  - Develop annual budget line item for fund accrual for long term component replacement
- Review means to limit operating and maintenance costs
  - Evaluation of impact of state of the art technology and systems impact filtration, energy, water and environmental costs
  - Best operational and management practices and impact on operating costs and efficiency
- Assist in identifying and forecasting other revenue streams
  - Sponsorship programs
  - Partnerships with user and community groups
  - Identify potential special event revenue
  - Help identify potential grant, community or non-profit organizational support for the facility and facility programs
- Analyze event-revenue opportunities and weigh event revenue/budget projections against the added cost of building and maintaining a facility capable of hosting of various size events
- Analyze economic impact
  - Event/sport tourism
  - Job creation

Management
- Within existing City recreation and School District structures, suggest management and staffing structure for facility
  - Necessary to develop the annual staffing costs of facility for budget analysis
  - Cost effectively optimize management of programming and operations to insure sustainability

Deliverables
- Program model
- Detailed sample pool scheduling model based on programs and user groups
- Design update recommendations
- Detailed 5-year annual budget including costs, revenue, and program analysis
  - Includes annual set aside for replacement fund accrual
  - Individual breakdown of projected key program use and revenue such as learn to swim programs
  - Detailed breakdown of potential outside group rental and events
- 20-Year replacement and long term maintenance projections
- Outline of staffing and management position needs
- Summary Power Point presentation suitable for public meeting use

**TIMELINE**
The timeline for this project is flexible and can integrate into the City and School District decision making time line. ISG likes to allow an additional two weeks after final presentation of study to provide an opportunity for any follow up questions and to review next steps with the City and the School District. Overall, the study timeline would normally break down as follow:

Initial research and analysis 4 weeks
- Begin immediately upon execution of Letter of Intent of Agreement
• Identify info needed by ISG from City and School District
• Conference calls and interviews with City and School District leadership, stakeholders, partners, user groups, and community organizations
• Initial site visit to meet with City and School District leadership, key stakeholders, and user groups
• Market Research

Development and initial presentation findings and recommendations 4 weeks
• Presentation and review of draft program and operating financials
• Follow up calls with leadership, management, and key stakeholders

Final Presentation of program, design, and financials 2 weeks
• On site presentation of report and findings

Follow up and Next Steps 2 weeks

TOTAL TIME ESTIMATE 12 weeks

TERM OF AGREEMENT
To be determined depending on projected start date. ISG is prepared to start as early as September 1, 2014.

FINANCIAL CONSIDERATIONS

CONSULTING FEE
ISG offers to provide these services for the following fee:
$12,000 plus expenses
Payable as follows:
• $6,000 upon acceptance of proposal
• $3,000 due following initial discovery site visits, meetings, and interviews or four (4) weeks into Term of Agreement, whichever comes first
• $3,000 due upon final presentation of program, design and financial analysis

EXPENSES
We would anticipate the need for one or two trips to El Segundo by an ISG representative as referenced in the timeline.

All trips would need to be pre-approved by the City. The City would be responsible for these travel expenses, including personal auto mileage, coach/economy airfare, hotel, meals, ground transportation and any other reasonable and documented miscellaneous travel expenses.

Expenses would also include any printing, photo, or postage/shipping expenses that ISG would incur in fulfilling the Services. We would not anticipate any other office or other routine expenses. Any other extraordinary additional expenses would need to be pre-approved by the City.
CONFIDENTIALITY
All studies, findings, and work created by ISG for the City of El Segundo and the Wiseburn School District and communication between the City and the School District will be kept confidential unless the project requires any disclosure and the disclosure is approved by the City and the School District.

Submitted by:
The Isaac Sports Group, LLC
Stuart A. Isaac, President
3419 Wagner Woods Ct.
Ann Arbor, MI 48103
Office Phone: 734-332-9777
Cell Phone: 734-604-2867
Email: stu@isaacsportsgroup.com
ISG REFERENCES
Relevant Projects to City of El Segundo

TUPELO, MS 2010-Current
Project Description: Indoor 51.2 meter pool with bulkhead for training and mid-level competition with a teaching pool. Seats just under 1,000 spectators with ample deck seating. Total square footage 43,000+. City owned and operated by Parks and Rec program.

Our client was initially JBHM Architects, the firm hired by the city, but we were first brought into the project by the Shockwave Swim Club and the local competitive aquatic stakeholders. We have worked very closely with the swim team as part of the initial development and pitch for the project. We also worked very closely with the parks and rec department on behalf of the architect and the local stakeholders. We developed and presented the proposal and project plan to the Tupelo City Council and in public meetings and worked through the funding process. Once the project was funded and construction started ISG was retained by the Tupelo Parks and Recreation Department to assist in development of the management team, the programming and operational model and support sponsorship and fundraising activities. The Tupelo Aquatic Center opened in November, 2013. We are still on retainer to the Park and Recreation Department through its first anniversary, November, 2014.

Project Team:
ISG, JBHM Architects, Councilman-Hunsaker (aquatic engineer)

Key Contact
Joey Henderson-JBHM Architects

Don Lewis-Chief Operations Officer-City of Tupelo

NOTE: Don was Director of Parks and Rec during the development of the project.
The Tupelo Aquatic Center
Located at Veterans Park in Tupelo, MS 38804

Facility Information:
- Total square footage is 43,665 square feet
- Seating capacity of 971 people
- Mytra Competition pool is 25 yard pool with lane follow and lane dividers
- Separate 6,000 sq ft teaching pool
- 1,700 sq ft women's locker room with showers, laundromat, and lockers
- 1,300 sq ft men's locker room with showers, laundromat, and lockers
- The building also has a 3,386 sq ft office space for management and event planning
- Two Colorado Style Video Scoreboards

Tourist Information:
- Quality hotel rooms and a wide array of restaurants, attractions and shopping venues
- Tupelo is serving its visitors with its unique attractions including the Elvis Presley Birthplace, the Tupelo Automobile Museum, and the Tupelo Buffalo Park and Zoo. As well, Tupelo boasts some of the state's only children's museums.
- The HealthWorks Kid Museum is filled with imaginative, interactive exhibits and games that appeal to kids of all ages. You can think of it as a place to entertain the team during Saturdays and offer your kids the tools to make good choices. All under one roof.

For more information about Tupelo's attractions, shopping, dining, and family fun special events, visit our website at: www.tupelo.net or give us a call at: 662-841-6440.

Contact Information: For more information on the facility and its availability, visit: www.tupeloaquatics.com

For more information on Tupelo's attractions, shopping, dining, and family fun special events, visit our website at: www.tupelo.net or give us a call at 662-841-6440.
ROCHESTER RECREATION CENTER (MN)  2014

Client is the Rochester Parks and Recreation Center. Project includes the renovation of an aging 50 meter training and competition pool and the addition of a 25 yard teaching and warm-up pool.

ISG Services include design consulting based on programming and swim meet goals, working with the two local USA Swimming Clubs for input, and developing the operating budget projections for the expanded and renovated aquatic center. Project is funded and construction will begin in late 2014 or early 2015.

Project Team: ISG with aquatic engineering by USAquatics

Key Contacts

Dale McCamish: Director of Sport Facilities

Ed Staier: Manager of Recreation Center
GLEN ELLYN AQUATIC CENTER, Glen Ellyn Park District  Glen Ellyn, IL  2013-14
Aquatic Center addition to existing Park District recreation center. Pool options range from 25 yard stretch pool with teaching pool to 50meter training and competition pool with teaching pool. Feasibility Study administered through the Glen Ellyn Park District but funded by the Glen Ellyn Aquatic Initiative, a not-for-profit 501c3 corporation formed to advocate for an aquatic center and aquatic programming in Glen Ellyn.

ISG services included a feasibility, design, programming, and financial analysis supported by ISG public presentations and Park District Board presentations. ISG and USAquatics also conducted an evaluation of the existing Park District outdoor aquatic center, including an analysis of the physical facilities and programming, determining necessary and optional renovations, repairs, and longevity.

Both studies have been completed and the project will be part of a funding referendum on the November 2014 ballot.

Project Team: ISG leader with support from HGA Architects and USAquatics.

Key Contacts
Dave Harris, Executive Director of Glen Ellyn Park District
Rob Pieper, Chairman, Glen Ellyn Aquatic Initiative
ISG AQUATIC CONSULTANT BIOS

Duane Proell
In his 40 year career in aquatics, Duane Proell has earned the respect of the entire aquatic industry as the leading aquatic facility director and aquatic management expert in the country. From 1989 through 2010 Duane directed the aquatic programs at the University of Minnesota, where he was the Associate Department Director of Recreational Sports for Aquatics, Special Events, Risk Management, and Event Marketing. Duane’s roll during this time expanded to include management of the overall recreational multi-sport complex. During his tenure at Minnesota he created and managed a total aquatic program extending from learn to swim classes and recreational activities and events to major national and international championship events. Duane’s management and programming expertise has created a business model at Minnesota that covers all facility operational, maintenance and upkeep costs and is the envy of aquatic facilities everywhere. Duane joined The Isaac Sports Group in 2010.

Duane’s leadership position in the industry includes his role as an educator. His mentoring of his facility staff and student interns has resulted in many of his staff assuming management positions at major aquatic, sport and recreation facilities around the country including the University of Louisville, University of Wisconsin, University of Iowa, Miami University (of Ohio), MIT, University of Michigan, University of Georgia along with dozens of community and YMCA aquatic facilities.

In 1993 Duane identified the need to create a professional organization of aquatic facility directors to address major business and management issues confronting aquatic facilities in the U.S. With this goal in mind Duane founded the Major Aquatic Facility Directors Association (MAFDA) to address industry issues. In its 21 years of existence the MAFDA has grown to 100 members and works closely with all national sport governing bodies, aquatic organizations and each other to improve operations of all aquatic facilities and to constantly work within the aquatic and business world to ensure the best possible events and programs that support the mission of aquatic sports and activities. Duane was Chairman of MAFDA from its inception through 2010. In 2011 MAFDA become CAFDA, the Competitive Aquatic Facility Directors Association as it continues to expand its reach to a wider range of aquatic facilities.

In Duane’s management career he has bid for, hosted and managed more major aquatic championship events than any other meet or facility director in the country, including USA Swimming, NCAA, USA Diving, US Masters Swimming and US Synchronized Swimming National and Regional Championships, Collegiate meets, High School championships and Special Olympic and Paralympic Championships.

Duane has received several awards for aquatic excellence, including the Outstanding Aquatic Achievement Award from the National Spa and Pool Institute and the Copper Top Award given by the Greater Minneapolis Convention and Visitors Association. He also received the Adaptive Swimming Service Award from United States Swimming in 2004. Duane’s career includes numerous presentations at conferences, conventions and symposiums including Athletic Business, National Intramural Recreational Sports Association (NIRSA), National Spa and Pool Institute and NIRSA Aquatic Symposium in the areas of management models, facility funding, fundraising, programming, construction, risk management and legal liability. Duane has also consulted with many Universities and community organizations about facility development and successful cost effective and safe operation and management.

Throughout his career, Duane has held several teaching, coaching, and aquatic positions. Prior to coming to the University of Minnesota he was Aquatic Director at the Campbell County School Aquatic Center in Gillette, Wyoming. Duane is a 1972 graduate of Minnesota State University – Mankato. Duane is married to Cindy, an elementary physical education teacher in the Hopkins School District Specializing in adaptive Aquatics and Special Olympic aquatic programs.
**Stu Isaac-President and Co-Founder**

ISG is led by Stuart Isaac who brings 40 years of experience in aquatics, sports marketing and sports organization to the company. Stu’s expertise and strengths build on his creative approach to integrating design, programming, marketing and sales while building partnerships among facilities, communities, businesses and organizations. His unique experience and relationships in all phases of aquatics, from corporations, sport governing bodies and community organizations to teams, events, coaches and athletes provide an integrated overview of the market and the industry essential for effective strategies, analysis, design and execution. His years in the corporate sector also bring management and financial expertise to ISG and its clients.

From 1983 to 2009 Stu worked for the Speedo Division of Warnaco Swimwear, Inc., managing sports marketing and team sales. He was the Senior Vice President of Team Sales and Sports Marketing from 2000-2009. During Stu’s tenure at Speedo he was instrumental in elevating Speedo to one of the most widely recognized and respected brand names in the sports world. His broad areas of expertise and wide ranging relationships led to an extensive role with Speedo including the following:

- Managed all sports sponsorships and partnerships
  - National Team and National Governing Body relationships, sponsorship and promotion
  - Team sponsorships, including university, club, high school, YMCA and rec teams
  - Athlete sponsorships and endorsements
  - Facility and Aquatic Center sponsorships and partnership programs
  - Event management and sponsorship
  - Professional coach organizations
  - Aquatic Fitness and multi-sport initiatives
- Developed and managed Speedo’s Olympic programs
  - Attended eight Olympic Games in his role with Speedo, including both summer and winter Games
  - Developed and managed Speedo Olympic licensing programs in 2000 and 2004
- Developed and managed Speedo’s relationships with sport National Governing Bodies
  - Worked with over a dozen USA sport National Governing Bodies
  - Developed relationships with numerous National Governing Bodies outside the USA
  - Worked with several International Sports Federations
  - Working with other sponsors on cross promotions and synergistic programs to maximize return on investment
- Managed Speedo licensing programs both as licensor and licensee
- Managed Speedo’s Team sales network
- Worked directly on Speedo’s technical product development and managed launch of technical product to the market

As the founder and President of the Isaac Sports Group, Stu has created a consulting firm building on his unique broad based experience and aquatic and Olympic sports network. His leadership and active involvement with all clients focuses on quality personal engagement with each client and stakeholder to identify needs, goals and objectives of the project or the organization and develop specific analysis, strategic development, design concepts and action
plan for the successful execution of the project or campaign to achieve the clients goals and objectives in the most cost-effective manner.

Prior to his 26 years with Speedo Stu was involved in all aspects of swimming, as an All-American swimmer at the University of Michigan and USA National Team member, an athlete representative to the AAU (The predecessor to USA Swimming), a regular contributor to Swimming World Magazine and from 1975-1983, the Head Women’s Swimming Coach at the University of Michigan.
AGENDA DESCRIPTION:

Update and possible action on the ESCenterCal LLC (CenterCal") proposal to enter into a Due Diligence and Ground Lease Agreement (“Agreement”) to lease the driving range portion of the Lakes Golf Course for the purpose of developing a Top Golf facility. (Fiscal Impact: none associated with this agenda item.)

RECOMMENDED COUNCIL ACTION:

1. Provide public direction regarding how Council would like to proceed regarding the Agreement; or
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

August 5, 2014, November 5, 2013 and March 18, 2014 Staff Reports

FISCAL IMPACT: $

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PREPARED BY: Greg Carpenter, City Manager

REVIEWED BY: Mark D. Hensley, City Attorney

APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:

This item was presented to the City Council at their meeting of August 5, 2014. At that time, staff provided background including the fact that the City Council had approved the Agreement on November 5, 2013 and subsequently approved minor amendments to the Agreement as well as a reimbursement agreement on March 18, 2014. Staff reported that Center Cal has not signed and returned the Agreement to the City which could be interpreted as a rejection of the Agreement.

City Council was provided options including: (1) directing staff to formally notify Centercal that Centercal’s failure to timely sign the Agreement is considered by the Council to be a rejection of the Agreement and that Council no longer desires to proceed with the Agreement; (2) publicly discussing what steps the Council may wish to take regarding the project and inform Centercal of such and set a deadline for executing the Agreement or an amended Agreement (3) returning to closed session to determine if there is a different lease price and payment terms that Council is desirous of negotiating with Centercal or (4) take other action regarding the Agreement.
Regarding further closed session discussion, Council was informed that due to a previous commitment letter to Deborah Geist to not have further closed session discussions regarding the Agreement without first following a process of providing Ms. Geist 30 days written notice that the Council will be holding a public session meeting to consider rescinding its commitment to not have further closed session discussions regarding the Agreement. The Council would then need to meet thirty or more days later and consider a public agenda item which, if passed, would rescind the prior commitment made by Council and the Council could then schedule a closed session meeting to discuss different lease payments or payment terms. If the Council does rescind the letter it would restore Ms. Geist’s rights, if any, to commence a legal action for alleged Brown Act violations.

Following Discussion, the City Council directed staff to: 1) Pending further direction from the Council, to not proceed with execution of the Draft Agreement should Top Golf execute and return the document to the City; 2) Place the item on the August 19 City Council meeting for the purpose of discussing the financial aspects of the proposed transaction and potentially give staff direction how to proceed at that time; and, 2) Notify Ms. Geist that the City may be considering a public agenda item to schedule a closed session meeting to potentially discuss the financial aspects of the transaction.
AGENDA DESCRIPTION:

Update and possible action on the ESCenterCal LLC (CenterCal”) proposal to enter into a Due Diligence and Ground Lease Agreement (“Agreement”) to lease the driving range portion of the Lakes Golf Course for the purpose of developing a Top Golf facility. CenterCal has not executed the Agreement approved by the Council at its March 18, 2014 meeting and staff is requesting Council direction regarding how to proceed regarding the Lakes Golf Course. (Fiscal Impact: none associated with this agenda item.)

RECOMMENDED COUNCIL ACTION:

1. Direct staff to notify CenterCal its failure to timely execute the Agreement is being accepted as rejection of the Agreement; or
2. Provide public direction regarding how Council would like to proceed regarding the Agreement; or
3. Provide thirty day notice to Debra Geist under the Brown Act (Government Code Section 54960.2) that Council intends to meet to consider rescinding its commitment to not have further closed session meeting regarding the Agreement for purposes of holding discussions in closed session to discuss different lease payments or terms of payment under the Agreement. (Ms. Geist had sent correspondences to the City alleging various Brown Act violations regarding the closed session negotiations regarding the Agreement); and/or
4. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

November 5, 2013 and March 18, 2014 Staff Reports

FISCAL IMPACT: $

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PREPARED BY: Greg Carpenter, City Manager
REVIEWED BY: Mark D. Hensley, City Attorney
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:

Following over a year of discussions, negotiations and consideration by the City, on November 5, 2013, the City Council approved the Agreement between the City and CenterCal. The Agreement sets forth a list of conditions to be met during the due diligence period. Once these conditions are met and potentially reviewed by the Planning Commission and reviewed and approved by the Council, the ground lease portion of the Agreement to become effective.

Following the initial approval of the Agreement, CenterCal requested several modifications to
the original agreement, and the City asked CenterCal to enter into a reimbursement agreement that would allow the City to be compensated for its expenses associated with processing the land use approvals and other expenses related to due diligence. The revised Agreement and the reimbursement agreement were approved by the City Council on March 18, 2014. The City’s understanding at that time was that CenterCal would and the City would sign the agreement and begin the 12-month due diligence period.

To date, CenterCal has not signed and returned the Agreement to the City which could be interpreted as a rejection of the Agreement. While staff and CenterCal have had periodic discussions regarding various elements of the proposal, such has not resulted in CenterCal executing the Agreement.

Staff believes that CenterCal has probably not executed the Agreement given the change of the Council in April or for other business reasons as some of the approvals that are ultimately necessary for approval for the project are discretionary Council approvals. There is significant expense to CenterCal associated with proceeding with the due diligence requirements. There were never any guarantees offered by the City that the project would ultimately be approved as the City cannot provide such guarantees. The due diligence was intended to provide significant information to both parties so determinations could be made as to whether to proceed with the project or not.

At this point City Council options include: (1) directing staff to formally notify CenterCal that CenterCal’s failure to timely sign the Agreement is considered by the Council to be a rejection of the Agreement and that Council no longer desires to proceed with the Agreement; (2) publicly discussing what steps the Council may wish to take regarding the project and inform CenterCal of such and set a deadline for executing the Agreement or an amended Agreement (3) returning to closed session to determine if there is a different lease price and payment terms that Council is desirous of negotiating with CenterCal (however, before the Council can return to closed session it must follow the procedure outlined below); or (4) take other action regarding the Agreement. In order to appropriately plan for the future of the facility, and prioritize workload, staff is requesting City Council direction on how to proceed with the project.

Regarding further closed session discussion, Debra Geist issued a couple of letters to the City Council prior to the November 5, 2013, Council Meeting that contained numerous allegations of Brown Act violations regarding the closed session real property negotiations meetings that were held regarding the Agreement. The Council on November 5, 2013, issued an unconditional commitment letter to Deborah Geist to not have further closed session discussions regarding the Agreement. This decision was made because the negotiations had been concluded and while the Council did not commit any Brown Act violations (see staff report from November 5, 2013 which responded to the substance of Ms. Geist’s allegations), issuing the letter avoided unnecessary and potentially significant legal expenses. Accordingly, if the Council wants to potentially return to closed session to discuss different lease payments and/or payment terms, it must first give Ms. Geist 30 days written notice that the Council will be holding a public session meeting to consider rescinding its commitment to not have further closed session discussions regarding the Agreement. The Council would then need to meet thirty or more days later and consider a public agenda item which if passed would rescind the
prior commitment made by Council and the Council could then schedule a closed session meeting to discuss different lease payments or payment terms. If the Council does rescind the letter it would restore Ms. Geist’s rights, if any, to commence a legal action for alleged Brown Act violations.
EL SEGUNDO CITY COUNCIL

MEETING DATE: November 5, 2013

AGENDA STATEMENT

AGENDA DESCRIPTION:

Consideration and possible action to authorize the Mayor to execute a letter in response to a "cease and desist" letters received on October 1, 2013 and October 17, 2013 from Debra Geist alleging various violations of the Ralph M. Brown Act relating to City's negotiations to lease out a portion of "the Lakes" golf course. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:

1. Receive and file the letters dated October 1, 2013 and October 15, 2013 alleging various violations of the Ralph M. Brown Act;
2. Authorize the Mayor to execute the draft response letter;
3. Take such additional, related, action that may be desirable.

ATTACHED SUPPORTING DOCUMENTS:

1. Letter dated October 15, 2013 (received October 17, 2013);

FISCAL IMPACT: N/A

Amount Budgeted: N/A
Additional Appropriation: N/A
Account Number(s): N/A

ORIGINATED BY: Mark D. Hensley, City Attorney
Karl H. Berger, Assistant City Attorney

BACKGROUND AND DISCUSSION:

On October 1, 2013 and October 17, 2013, the City Clerk's office received letters alleging that the City Council violated various provisions of the Ralph M. Brown Act when it considered the future of "the Lakes" municipal golf course (see attached Exhibit A — the letters are identical except for with respect to the dates set forth on the letters). These are referred to as the "October 2013 Letters."

As the City Council is aware — and is quite public — the City was approached by two private companies in 2012 regarding a proposal for the Lakes municipal golf course. In general, the proposal is for Centercal, LLC to make various improvements to the golf course and the driving range; for Top Golf to operate the golf course; and for the City to receive a significant increase in rent over a period of potentially fifty years. The details of this deal is set forth in the due diligence and lease agreement that is being considered by the City Council as a separate agenda item for November 5, 2013.

Since first being approached by these companies, the City Council undertook a number of actions to not only negotiate potential deal points to implement a proposal (as set forth in the
draft lease agreement), but also to solicit public input and dialogue regarding the desirability of undertaking such an arrangement. Such activities include, without limitation:

- Public meetings by the City Council and Golf Course Subcommittee in August 2012 regarding the Lakes including a Powerpoint presentation regarding the proposal and direction from the City Council to seek public input.

- Meetings in September 2012 between City staff and various community organizations including the El Segundo Chamber of Commerce and Kiwanis Club.

- Multiple meetings before the City’s Recreation and Parks Commission in September and December 2012.


- Posting the Powerpoint® presentation, draft schematics, and other matters on the City’s website (elsegundo.org/news/displaynews.asp?NewsID=1149&TargetID=1).

- Posting all disclosable public communications regarding the Lakes matter on the City’s website (www.elsegundo.org/depts/cityclerk/documents.asp).

Moreover, these proposals were widely publicized in the media and on various social networks (e.g., Facebook). And, as a result, there was significant public participation in the process including regular public comment during City Council meetings.

The October 2013 Letters do not acknowledge the City Council’s effort to solicit public input regarding the Lakes or the widespread public interest in the subject. Rather, the October 2013 Letters allege that the City Council violated the Brown Act when it discussed the matter in closed session on several occasions in 2012 and 2013.

As you are aware, the California Legislature enacted the Ralph M. Brown Act (Government Code1 §§ 54950-54963) in 1953. The Legislature adopted the Brown Act to ensure that deliberations and actions of local public agencies are performed at meetings open to the public and free from any veil of secrecy.2 To further this overall goal, the Brown Act requires that the City’s meetings be properly noticed and generally open to the public.

There are certain exceptions to the general requirement that all meetings be held in public. These are referred to as “closed session” matters. One of these is the ability for the City Council to meet

“with its negotiator prior to the purchase, sale, exchange, or lease of real property by or for the local agency to grant authority to its negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease.”3

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1 Further references to an unspecified code are to the Government Code.
2 § 54950.
3 § 54956.8 (emphasis added).
The October 2013 Letters makes various complaints regarding the City Council exercising its ability to discuss price and terms of leasing the Lakes during closed session. In summary, these allegations are: (1) failure to appoint real property negotiators in open session as required by the Brown Act; (2) incorrect agenda descriptions as to closed session items; and (3) discussing items in closed session beyond the scope of what the Brown Act allows.

The October 2013 Letters is the first step needed to file a lawsuit against the City for alleged violations of the Brown Act. In sum, the law requires a persons seeking to enforce the Brown Act to first send a “cease and desist” letter to a public agency within nine months of the alleged violations before filing a lawsuit. Upon receiving a “cease and desist” letter, the public agency has thirty days within which to consider the matter and, if it chooses, respond to it. “With an unconditional commitment to cease, desist from, and not repeat the past action that is alleged to violate” the Brown Act. Such a response must be approved by the legislative body in open session and must be substantially in a form required by law. If the legislative body opts to undertake such a response, it removes the ability of a person to file a lawsuit.

As noted more completely in the draft letter attached to this staff report, several of the alleged violations occurred more than nine months ago and are therefore time-barred from litigation. Moreover, all of the closed session agenda descriptions correctly identified the City’s real property negotiators and described what was being discussed. Most importantly, however, the City Council has not yet committed to taking any action – the draft lease agreement properly contemplated during closed session is a separate agenda item for this meeting. And, as set forth in that draft agreement, there are multiple matters that must be resolved – in open session – before the City (or any other party) is obligated to undertake any real property transaction.

However, in order to avoid potentially unnecessary and costly litigation, it is recommended that the City Council authorize the Mayor to execute the draft letter attached to this staff report (Exhibit B). As may be read, the draft letter constitutes the City Council’s “unconditional commitment” not to undertake the actions identified by the October 2013 Letters. Under the Brown Act it is specifically recognized that sending this type of response is not an admission of guilt and it cannot be used against the City in any future legal proceedings. Given that this matter, as described above, has been a very public process and since the draft agreement is on the agenda for public consideration by the Council, it seems very prudent to simply agree, without admitting fault or that such occurred, to not undertake any further alleged action that violates the Brown Act. This will ensure that the City avoids the need to defend against a lawsuit alleging that the City Council violated the Brown Act.

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4 § 54960.2.
5 The City Council may also provide such a response after thirty days, and even during litigation, which would cause a lawsuit to be dismissed. However, the court could under such circumstances award attorneys fees and costs (§ 54960.2(b)).
6 § 54960.2(c).
7 Id.
8 Id.
Exhibit A

October 1, 2013 and October 15, 2013 Letters
Via Personal Delivery

Hon. Bill Fisher, Mayor
Mr. Carl Jacobson, Mayor Pro Tem
Ms. Suzanne Fuentes
Mr. Dave Atkinson
Ms. Marle Fellhauer

City Council
City of El Segundo
350 Main Street,
El Segundo, CA 90245

Re: Demand to Cease and Desist from Practices Violating the Ralph M. Brown Act

Mr. Fisher and Members of the El Segundo City Council:

This notice is to caution you that the El Segundo City Council (the “ESCC”) has violated the Ralph M. Brown Act (California Government Code Sec. 54950 et seq.), which mandates open and publicized meetings of local government at which the public may be present and comment on relevant matters. ESCC is abusing the “safe harbor” provisions of Government Code Section 54956.8, which allow a limited exception to the general mandate of open meetings only "to grant authority to its negotiator regarding the price and terms of payment for... (a real property lease)." The specific violations are as follows:

1. Conducting Closed Sessions On The Proposed Lease of The Lakes Prior to a Public Hearing

On three separate occasions, June 19, 2012, June 25, 2012 and June 17, 2012, the ESCC conducted closed sessions for the stated purpose of discussions with Greg Carpenter, City Manager, concerning The Lakes, a municipal golf course owned by the City of El Segundo. Although the stated purpose of such meetings, as noted on the relevant Agendas, was “discussion with Real Property Negotiator”, ESCC had not yet conducted a public session as required by Government Code Section 54956.8 as follows:

However, prior to the closed session, the legislative body of the local agency shall hold an open and public session in which it identifies the real property...which the negotiations may concern and the person or persons with whom its negotiator may negotiate.

Additionally, the relevant Agendas fail to identify the persons or entities Mr. Carpenter would negotiate with. These meetings patently fall outside the “safe harbor” and are illegal.

2. Conducting Closed Sessions with Top Golf on Related Issues

On two separate occasions, February 5, 2013, February 19, 2013, the ESCC conducted closed sessions with Mr. Carpenter relating to Top Golf and Centercal Properties as “negotiating parties.” However, the proposed lease is with Centercal only. The City of El Segundo will have no contractual privity with Top Golf, who will sublet from Centercal to operate a golf entertainment business at The Lakes. ESCC was not negotiating a real property lease with Top Golf but rather consulting with Top Golf regarding lease issues. The Brown Act mandates that ESCC conduct any such consultations in public meeting because the “safe harbor” provision pertains only to the proposed lessee on price and terms of payment. Consultations with other parties on “related issues” or “background issues” are outside the scope of the exception. See, Shapiro v. City Council of San Diego, 96 Cal. App. 4th 904 (2002).

3. Conducting Serial Closed Sessions on Matters Outside Payment and Terms of Payment

On eight separate occasions, February 5, 2013, February 19, 2013, May 7, 2013, August 6, 2013, August 20, 2013, September 3, 2013, September 17, 2013, and October 1, 2013, the ESCC conducted closed sessions with Mr. Carpenter relating to the lease with Centercal Properties as the negotiating party. The number of closed sessions alone is excessive and proves that the ESCC has trespassed beyond the “safe harbor” of price and terms of payment. This situation is analogous to Shapiro v. City Council of San Diego.
96 Cal. App. 4th 904 (2002), where the Court of Appeal held that the San Diego Council had violated the Brown Act in including discussion of a variety of "related issues" in a series of closed session held to consult with its agent in real property negotiations concerning a large redevelopment project to create a new baseball park. The Fourth District faulted the San Diego Council's expansive interpretation of the "safe harbor" as follows:

We believe the City Council's view that no detailed disclosures should be required before closed sessions may be held to discuss a complex overall real estate based transaction is inconsistent with the express statutory requirements of section 54946.8.

The Fourth District stressed that the "safe harbor" must be narrowly and not expansively construed as follows:

If we were to accept the City's interpretation of the Brown Act in this respect, we would be turning the Brown Act on its head, by narrowly construing the open meeting requirements and broadly construing the statutory exceptions to it. That would be incorrect. We do not denigrate the important consideration of confidentiality in negotiations. However, we believe that in this case, the City Council is attempting to use the Brown Act as a shield against public disclosure of its consideration of important public policy issues, of the type that are inevitably raised whenever such a large public redevelopment real estate based transaction is contemplated. The important policy consideration of the Brown Act, however, must be enforced, even where particular transactions do not fit neatly within its statutory categories.

Id. at 924. Here, as in Shapiro, ESCC is using closed sessions to shield important development considerations from public view. The sheer number of closed sessions, in contrast to the single open session on the proposed lease, proves that ESCC is shirking its duty to conduct open sessions on matters of public interest that will substantially impact The Lakes future. Indeed, ESCC has disclosed relatively nothing in open sessions regarding its relationship with Centercal, Centercal's relationship with Top Golf, proposed physical changes to the golf course, proposed physical changes to the driving range, price increases, public programs, changes to the liquor license and more. Members of the public are demanding to be heard on these issues but have been relegated to bystanders in a closed process zealously guarded by ESCC against its public responsibilities under the Brown Act.

4. Substantively Misleading Agenda Description

On August 21, 2012, the ESCC conducted a single public session on the proposed lease of The Lakes which generally describes the Agenda as a direction to staff as follows:

Consideration and possible action to direct staff to take steps necessary to seek input from various City Committees regarding a potential agreement with Centercal Properties, LLC for enhancing the driving range and dining facilities at The Lakes Golf Course which would be operated by Top Golf. The agreement would be negotiated by the City Manager and City Attorney and presented for review and potential approval by the City Council at a future date.

This description is inaccurate because it states that the ESCC was to direct staff regarding future action when, in fact, the ESCC contemplated and took immediate action to direct Mr. Carpenter to enter into negotiations with Centercal regarding a lease of The Lakes. While the Brown Act requirements for agenda item descriptions are quite lenient, this item just fails to describe the action taken by ESCC to immediately enter into a proposed lease. It's just wrong. The significance of the misdescription is magnified by the fact that this was the only open discussion on the proposed lease and therefore, it was imperative that the ESCC accurately convey notice to the public of what ESCC intended to do. Without such clear notice, those members of the public who might well have attended the meeting to address a proposed decision immediately to proceed with lease negotiations were misled into believing that there would be adequate opportunities to do so later, at meetings of either the "City Committees," the City Council or both. The ESCC failed its duties under the Brown Act and should be enjoined from proceeding further absent a material cure.
The El Segundo City Council has thirty days from receipt of this letter to provide me with an unconditional commitment to cease, desist from, and not repeat the practices noted above, compliant with Government Code Section 54960.2, subdivision (c). Its failure to do so will entitle me to file an action for declaratory judgment and injunctive relief and for attorney’s fees and costs.

Respectfully,

[Signature]

Debra V. Geist
(310) 499 7751
ctgeist@verizon.net
October 15, 2013

Via U.S. Mail

Tracy Sherrill Weaver
City Clerk
City of El Segundo
350 Main Street,
El Segundo, CA 90245

Hon. Bill Fisher, Mayor
Mr. Carl Jacobson, Mayor Pro Tem
Ms. Suzanne Fuentes
Mr. Dave Atkinson
Ms. Marie Fellhauer

Re: Demand to Cease and Desist from Practices Violating the Ralph M. Brown Act

Mr. Fisher and Members of the El Segundo City Council:

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1. Conducting Closed Sessions On The Proposed Lease of The Lakes Prior To A Public Hearing

On three separate occasions, June 19, 2012, June 26, 2012 and July 17, 2012, the ESCC conducted closed sessions for the stated purpose of discussions with Greg Carpenter, City Manager, concerning The Lakes, a municipal golf course owned by the City of El Segundo. Although the stated purpose of such meetings, as noted on the relevant Agendas, was "discussion with Real Property Negotiator", ESCC had not yet conducted a public session as required by Government Code Section 54956.8 as follows:

However, prior to the closed session, the legislative body of the local agency shall hold an open and public session in which it identifies the real property... which the negotiations may concern and the person or persons with whom its negotiator may negotiate.

Additionally, the relevant Agendas fail to identify the persons or entities Mr. Carpenter would negotiate with. These meetings patently fall outside the "safe harbor" and are illegal.

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sessions with Mr. Carpenter relating to the lease with Centercal Properties as the negotiating party. The number of closed sessions alone is excessive and proves that the ESCC has trespassed beyond the “safe harbor” of price and terms of payment. This situation is analogous to Shapiro v. City Council of San Diego, 96 Cal. App. 4th 904 (2002), where the Court of Appeal held that the San Diego Council had violated the Brown Act in including discussion of a variety of “related issues” in a series of closed session held to consult with its agent in real property negotiations concerning a large redevelopment project to create a new baseball park. The Fourth District faulted the San Diego Council’s expansive interpretation of the “safe harbor as follows:

We believe the City Council’s view that no detailed disclosures should be required before closed sessions may be held to discuss a complex overall real estate based transaction is inconsistent with the express statutory requirements of section 54946.8

The Fourth District stressed that the “safe harbor” must be narrowly and not expansively construed as follows:

If we were to accept the City’s interpretation of the Brown Act in this respect, we would be turning the Brown Act on its head, by narrowly construing the open meeting requirements and broadly construing the statutory exceptions to it. That would be incorrect. We do not denigrate the important consideration of confidentiality in negotiations. However, we believe that in this case, the City Council is attempting to use the Brown Act as a shield against public disclosure of its consideration of important public policy issues, of the type that are inevitably raised whenever such a large public redevelopment real estate based transaction is contemplated. The important policy consideration of the Brown Act, however, must be enforced, even where particular transactions do not fit neatly within its statutory categories.

Id. at 924. Here, as in Shapiro, ESCC is using closed sessions to shield important development considerations from public view. The sheer number of closed sessions, in contrast to the single open session on the proposed lease, proves that ESCC is shirking its duty to conduct open sessions on matters of public interest that will substantially impact The Lakes future. Indeed, ESCC has disclosed relatively nothing in open sessions regarding its relationship with Centercal, Centercal’s relationship with Top Golf, proposed physical changes to the golf course, proposed physical changes to the driving range, price increases, public programs, changes to the liquor license and more. Members of the public are demanding to be heard on these issues but have been relegated to bystanders in a closed process zealously guarded by ESCC against its public responsibilities under the Brown Act.

4. Substantively Misleading Agenda Description

On August 21, 2012, the ESCC conducted a single public session on the proposed lease of The Lakes which generally describes the Agenda as a direction to staff as follows:

Consideration and possible action to direct staff to take steps necessary to seek input from various City Committees regarding a potential agreement with Centercal Properties, LLC for enhancing the driving range and dining facilities at The Lakes Golf Course which would be operated by Top Golf. The agreement would be negotiated by the City Manager and City Attorney and presented for review and potential approval by the City Council at a future date.

This description is inaccurate because it states that the ESCC was to direct staff regarding future action when, in fact, the ESCC contemplated and took immediate action to direct Mr. Carpenter to enter into negotiations with Centercal regarding a lease of The Lakes. While the Brown Act requirements for agenda item descriptions are quite lenient, this item just fails to describe the action taken by ESCC to immediately enter into a proposed lease. It’s just wrong. The significance of the misdescription is magnified by the fact that this was the only open discussion on the proposed lease and therefore, it was imperative that the ESCC accurately convey notice to the public of what ESCC intended to do. Without such clear notice, those members of the public who might well have attended the meeting to address a proposed decision immediately to proceed with lease negotiations were misled into believing that there would be adequate opportunities to do so later, at meetings of either the “City Committees,” the City Council or both. The ESCC failed its duties under the Brown Act and should be enjoined from proceeding further absent a material cure.
The El Segundo City Council has thirty days from receipt of this letter to provide me with an unconditional commitment to cease, desist from, and not repeat the practices noted above, compliant with Government Code Section 54960.2, subdivision (c). Its failure to do so will entitle me to file an action for declaratory judgment and injunctive relief and for attorney's fees and costs.

Respectfully,

Debra V. Geist
(310) 489 7751
citegeist@verizon.net
Exhibit B

Draft Response Letter
October 30, 2013

Debra V. Geist
121 16th St
Manhattan Beach, CA 90266

Re: Letter dated October 15, 2013

Dear Ms. Geist:

Thank you for your letter dated October 15, 2013 (received by the City on October 17, 2013). As you are aware, that letter (the "October 15th Letter") alleges that the City Council violated the Ralph M. Brown Act and constitutes a "cease and desist" letter in accordance with Government Code § 54960.2.

Specifically, the October 15th letter accuses the City Council of violating the Brown Act on the following dates: June 19, 2012; June 25, 2012; July 17, 2012; August 21, 2012; October 1, 2012; February 5, 2013; February 19, 2013; May 7, 2013; August 6, 2013; August 20, 2013; September 3, 2013; September 17, 2013; and October 1, 2013. In sum, the October 15th letter alleges that the City Council's actions relating to the municipal golf course known as "the Lakes" violated the Brown Act as follows: (1) failure to appoint real property negotiators in open session; (2) incorrect agenda descriptions as to closed session items; and (3) discussing items in closed session beyond the scope of statutory authority. In short, the City Council disagrees with the October 15th letter for several different reasons.

First, as to alleged violations occurring in 2012, these matters are time-barred pursuant to Government Code § 54960.2(a)(2). That section requires actions to be undertaken within nine months of the alleged violation.

Second, (as stated in the October 15th letter at p.2) the City Council (at the latest) did appoint real property negotiators in open session on August 21, 2012 pursuant to Agenda Item No. F9:

"Direct the City Manager and City Attorney to negotiate terms

350 Main Street, El Segundo, California 90245-3813
Phone (310) 524-2300 Fax (310) 640-0489"
of a [sic] agreement with Centercal Properties, LLC for a new TopGolf facility to be located at The Lakes in place of the existing driving range."

Moreover, the City Manager was identified on every agenda as the property negotiator for these negotiations. The City Manager has general authority pursuant to El Segundo Municipal Code § 1-5A-7 to "exercise general supervision over all public buildings, public parks and all other public property which is under the control and jurisdiction of the city council." The City Council believes this would include (at a minimum) initial negotiations regarding potentially leasing the Lakes. As previously noted, however, these matters are time barred in any event.

Third, as explained below, it is plain that the City Council's considerations regarding the Lakes were (and are) quite public. Even a cursory glance at the City's webpage, staff reports, and other public outreach documents demonstrate that the City Council sought (and continues to seek) public input regarding what should happen with the municipal golf course. Allegations, therefore, that the City Council was misleading or has somehow attempted to avoid transparency as to the Lakes matter cannot be reconciled with the City's efforts at encouraging public discourse regarding this important matter.

As you know, the City Council is considering whether to lease a portion of the Lakes municipal golf course to a private company or companies. As part of this process, the City is engaged in an extensive public outreach program seeking public participation. Among other things, the City undertook the following actions:

- August 21, 2012: the City Council heard a presentation regarding the Lakes during open session and then directed the City Manager, or designee, to seek public input regarding a potential agreement with Centercal and Top Golf.
- August 29, 2012: the City Council's Golf Course Subcommittee met in public to discuss the matter.
- September 13, 2012: City staff made a presentation to the El Segundo Chamber of Commerce.
- September 18, 2012: City staff met at the El Segundo Public Library with golf industry stakeholders.
- September 19, 2012: City staff made a presentation to the City's Recreation and Parks Commission during its regular meeting.
- September 25, 2012: City staff made a presentation to the Kiwanis Club.
- October 3, 2012: City staff provided a progress update to the City Council's Golf Course Subcommittee.
October 4, 2012: City staff made a presentation at the Rotary Club meeting.

October 11, 2012: a presentation regarding the matter was made to the City's Planning Commission during its regular meeting.

October 11, 2012: City staff made a presentation to the City's Economic Development Advisory Council.

November 18, 2012: the El Segundo Chamber of Commerce voted to endorse/support the Top Golf matter.

December 5, 2012: the City Council's Golf Course Subcommittee reviewed the matter.

December 19, 2012: the Recreation and Parks Commission reviewed the findings and analysis.

Between October and November 2012, City staff met with most business oriented hotels within the City of El Segundo.

The City posted the Powerpoint® presentation, draft schematics, and other matters on the City's website (elsegundo.org/news/displaynews.asp?NewsID=1149&TargetID=1).

The City has posted and (continues to post) all disclosable public communications regarding the Lakes matter on the City's website (www.elsegundo.org/depts/cityclerk/documents.asp).

Such proactive actions are in addition to the multiple opportunities taken by interested citizens to provide public comment to the City Council during its regular meetings. This matter is also being extensively scrutinized by media coverage (see e.g., www.easyreadernews.com/74699/residents-assail-topgolf/; www.dailybreeze.com/20121105/local-golfers-balk-at-proposed-changes-to-the-lakes-in-el-segundo-course) and various social media outlets.

Based upon the foregoing, the City Council respectfully disagrees with the allegations set forth in the October 15th Letter as to purported violations of the Brown Act. Moreover, as you can see from the Due Diligence and Lease Agreement ("Agreement") that the Council will consider approving at its November 5, 2013 regular meeting, the alleged Brown Act violations set forth in the October 15th Letter are without merit. There are twelve specific conditions precedent that must be accomplished before a leasehold interest could be created. Accordingly, the City is not committed to entering into the draft Agreement since there are numerous issues that must be resolved in public meetings before the Planning Commission and City Council before any leasehold could be established. Such matters include review and potential approval of a conceptual plan for the golf course and the driving range improvements; review and potential approval of
a recommended action under the California Environmental Quality Act; review and potential approval of the land use entitlements that would be needed to allow for the uses contemplated by the draft Agreement; and many other items that identified in the draft Agreement.

However, in an abundance of caution, to avoid unnecessary litigation, and without admitting any violation of the Ralph M. Brown Act, the El Segundo City Council unconditionally commits that it will cease, desist from, and not repeat the actions challenged in the October 15th Letter and briefly described above.

Note that the El Segundo City Council may rescind this commitment only by a majority vote of its membership taken in open session at a regular meeting and noticed on its posted agenda as “Rescission of Brown Act Commitment.” You will be provided with written notice, sent by any means or media you provide in response to this message, to whatever address or addresses you specify, of any intention to consider rescinding this commitment at least 30 days before any such regular meeting. In the event that this commitment is rescinded, you will have the right to commence legal action pursuant to Government Code § 54960(a). That notice will be delivered to you by the same means as this commitment, or may be mailed to an address that you have designated in writing.

Very truly yours,

Bill Fisher,
Mayor
EL SEGUNDO CITY COUNCIL
AGENDA STATEMENT
MEETING DATE: March 18, 2014
AGENDA HEADING: Unfinished Business

AGENDA DESCRIPTION:
Approval of an amended Due Diligence and Ground Lease Agreement to include a “shared principles” document and Reimbursement Agreement with ES CenterCal, LLC (“ES CenterCal”) to lease the driving range portion of The Lakes Golf Course for the purpose of developing a TopGolf facility consisting of a driving range, restaurant, bar and lounge and event facilities. (Fiscal Impact: $425,000 annual ground lease with 10% increases compounded each five years; Reimbursement Agreement to be funded by a $367,500 Developer Reimbursed Trust Fund)

RECOMMENDED COUNCIL ACTION:
1. Approve the amended Due Diligence and Ground Lease Agreement and direct the City Manager to enter into a Reimbursement Agreement that requires ES CenterCal to pay the costs associated with the various due diligence and land use entitlement costs;
2. Authorize the City Manager to execute a Professional Service Agreement for CEQA review services related to the Due Diligence and Ground Lease Agreement approved as to form by the City Attorney in an amount not to exceed $257,500; and/or;
3. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Staff Report to City Council, dated November 5, 2013
2. Amended Due Diligence and Ground Lease
   a. Amendments to Construction and Operational Guarantees
   b. TopGolf “Shared Principles” document
3. Reimbursement Agreement for environmental review services for the Centercal/TopGolf Project.

FISCAL IMPACT: $367,500

Amount Budgeted: N/A
Additional Appropriation: $367,500
Account Number(s): Developer Reimbursed Trust Fund to be established for this project

ORIGINATED BY: Ted Shove, Economic Development Analyst
REVIEWED BY: Sam Lee, Director of Planning and Building Safety
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
In November 2013, City Council approved a proposed Due Diligence and Ground Lease Agreement by and between the City of El Segundo and ES CenterCal, LLC (“Lease”) to lease...
the driving range portion of The Lakes Golf Course for the purpose of developing a TopGolf facility consisting of a driving range, restaurant, bar and lounge and event facilities. The Lease has not been executed for a couple of reasons. First, the Council directed that the “shared principals” document (Exhibit “I”) be incorporated into the Lease and it was acknowledged that these changes might necessitate the Lease coming back to the Council for approval. Additionally, ES CenterCal and 30 West Pershing and CenterCal, LLC (“Guarantors”) have requested some changes to Lease and the Guaranties. Finally, the staff has been negotiating the terms of agreement with ES Centercal for purposes of requiring ES Centercal to fund the various conditions that must be met for the Lease to potentially become effective.

The “shared principals” document generally provided for the driving range to continue to be available for use by youth groups, school sports teams, and golf professionals and their students and that the golf course improvements be built to certain standards. The availability of the driving range to these various groups is addressed in the changes set forth in Sections 11.3 and 11.4 of the Lease. Exhibit D, which has not been changed since the November 2013 City Council Meeting, sets for the development standards for the golf course.

As stated above, ES CenterCal and the Guarantors also requested some changes to the Lease language which is highlighted in the attached revised Lease. Some of the changes are just formatting or typographical changes. The more substantive change to the Lease is in Section 22.3.10 which deals with the potential of a change in the lessee and guarantor after the improvements to the golf course and driving range have been completed. The proposed change reduces the required net worth of the guarantor from $20 million to $10 million. Staff is comfortable with this change given that the improvements will have been completed. The Guarantors also requested a change to Section 15 of the Guaranties. The language in this provision provided that to the extent that there are any inconsistencies between the Lease and the Guaranties with regard to the obligations of the guarantors, that the provision that provides the greatest protection to the City would be applicable. The Guarantors do not find this language acceptable and have requested that this language be amended to provide that the Guarantors will honor provisions that are expressly in the Lease and not in the Guaranty and are applicable to the Guarantor. The City Attorney’s Office prefers the original language as it offers a greater level of protection for the City but does not believe that the language suggested by the Guarantors is unreasonable.

The City and ES CenterCal have also been negotiating a reimbursement agreement to cover the costs of various conditions precedent to the Lease (for example, financial review of the Guarantors, negotiations with SCE and Chevron, CEQA review, preparation of land use entitlement documents, etc.). Staff is seeking Council approval of the attached Reimbursement Agreement which estimates that the total costs of processing the conditions precedents at $367,500. ES CenterCal, LLC has requested a “Not to Exceed” clause within the Reimbursement Agreement. Should total environmental consultant review services and City administrative costs exceed the agreed upon amount, the City will cease processing the conditions precedent unless and until ES CenterCal agrees to pay amounts in excess of the currently estimated costs.
Finally, staff is seeking Council approval to enter into a contract for preparation of the necessary environmental review for the Lease pursuant to the California Environmental Quality Act (CEQA). The total estimated costs for environmental review services include $257,500 for an environmental review consultant (of which $75,000 was included for traffic engineering and parking analysis costs).
If you would like to view the March 18, 2014 City Council Agenda

Item #C1

Staff Report Attachments;

<CLICK HERE>

Any questions, please contact the City Clerk’s Office, 310-524-2307.
If you would like to view Public Communications received related to:

2014-08-19 City Council Agenda ITEM #5

Please go to the City Website: www.elsegundo.org, Departments, City Clerk, Documents

<CLICK HERE>

Any questions, please contact the City Clerk’s Office, 310-524-2307.
AGENDA DESCRIPTION:
Report and possible action on the FY 2014-15 Budget related to funding of school library services and crossing guards (Fiscal Impact: Budget savings or additional expense depending on City Council direction.)

RECOMMENDED COUNCIL ACTION:
1. Provide Direction related to the level of school funding for staffing of School Libraries and Crossing Guards for FY 14-15; or
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

FISCAL IMPACT: $

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PREPARED BY: Greg Carpenter, City Manager
REVIEWED BY: Suzanne Fuentes, Mayor
APPROVED BY: 

BACKGROUND & DISCUSSION:
The topic of funding provided by the City to the El Segundo Unified School District has been discussed during the Strategic Planning Sessions held this past Spring and Summer as the City addresses preparation of the FY 2014-15 Budget and various methods for dealing with the projected deficit. The direction provided by the City Council to staff for the purposes of preparing the final budget included:

- Elimination of the annual direct financial contribution of $250,000
- Reduction of the School Library staffing expense by 50% (from ($130,100* to $65,050)
- Reduction of the Crossing Guard contract expense by 50% (from $80,000 to $40,000)
  *The City had previously budgeted $190,000 for this program but has reduced the days/hours of staffing in recent years.

Regarding the last two items, the City Council indicated that the City School Affairs Subcommittee (Consisting of Mayor Fuentes, Mayor Pro-tem Jacobson, School Board President Gabel and School Board Member Layne) should discuss options for sharing of costs for the next year at their meeting of August 6, 2014.

The City School Affairs Subcommittee had a productive conversation of the financial challenges facing
each agency and the appreciation of what each agency has done, and continue to do to support their individual missions and the overall quality of life in the City. The District asked the City to explore cost savings in areas other than the school library or crossing guards such as reduced police support or cable television coverage.

The City members of the Subcommittee felt that the suggested reductions did not necessarily result in direct cost savings or would have other community impacts. The City members instead asked what the District could do to share current or future costs associated with the school libraries and crossing guards. The District reported that they have already adopted a budget (based on their fiscal year that begins on July 1) and have not accounted for this expense. Further, the District reports that their financial reserves are at the minimum level required by statute and they would be out of compliance if they were to spend from reserves this budget year.

As an alternative, the District representatives are willing to bring an option to the full School Board for discussion wherein the District will pay the full staffing costs in their next budget (beginning July 1, 2015). Further the district would work with the City to reduce the number of crossing guards and the overall cost by 50%. Assuming these changes are implemented, the City could reduce expenses in FY 2014-15 by approximately $53,000 (40,000 for crossing guards and $13,000/1 month of school library staffing cost) and the FY 2015-16 savings would be approximately $170,000 (40,000 for crossing guards and $130,000 for school library staffing).
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**TOTAL WARRANTS** $1,209,157.89

**STATE OF CALIFORNIA**  
**COUNTY OF LOS ANGELES**  
Information on actual expenditures is available in the Director of Administrative Services office in the City of El Segundo.

I certify as to the accuracy of the Demands and the availability of fund for payment thereof.

For Approval: Regular checks held for City council authorization to release.

**CODES:**

**R** = Computer generated checks for all non-emergency/urgency payments for materials, supplies and services in support of City Operations

**A** = Payroll and Employee Benefit checks

**B - F** = Computer generated Early Release disbursements and/or adjustments approved by the City Manager. Such as: payments for utility services, petty cash and employee travel expense reimbursements, various refunds, contract employee services consistent with current contractual agreements, instances where prompt payment discounts can be obtained or late payment penalties can be avoided or when a situation arises that the City Manager approves.

**H** = Handwritten Early Release disbursements and/or adjustments approved by the City Manager.

**FINANCE DIRECTOR**  
**DATE:** 8/12/14

**CITY MANAGER**  
**DATE:** 8/12/14
# CITY OF EL SEGUNDO
## PAYMENTS BY WIRE TRANSFER
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**DATE OF RATIFICATION: 07/29/14**

**TOTAL PAYMENTS BY WIRE:**

1,976,328.22

Certified as to the accuracy of the wire transfers by:

**Deputy City Treasurer II**

Date: 7/29/14

**Director of Finance**

Date: 8/12/14

**City Manager**

Date: 8/12/14

Information on actual expenditures is available in the City Treasurer's Office of the City of El Segundo.
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL  
TUESDAY, JULY 15, 2014 – 5:00 PM

5:00 P.M. SESSION

CALL TO ORDER – Mayor Fuentes at 5:00 PM

ROLL CALL

Mayor Fuentes - Present
Mayor Pro Tem Jacobson - Present
Council Member Atkinson - Present
Council Member Fellhauer - Present
Council Member Dugan - Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250.

SPECIAL ORDER OF BUSINESS:

Mayor Fuentes announced that Council would be meeting in closed session pursuant to the items listed on the Agenda.

CLOSED SESSION:

The City Council moved into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators; as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(d) (3): -3- matter

1. City of El Segundo vs. City of Los Angeles, et.al. LASC Case No. BS094279
2. Smith vs. City of El Segundo, WCAB Case No. ADJ9258793
3. Schrantz vs. City of El Segundo, WCAB Case No. ADJ8078838

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code §54956.9(d) (2) and (3): -0- matter.

Initiation of litigation pursuant to Government Code §54956.9(c): -0- matter.

DISCUSSION OF PERSONNEL MATTERS (Gov’t Code §54957): -0- matter

APPOINTMENT OF PUBLIC EMPLOYEE (Gov’t. Code § 54957): –0- matter

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -8- matters

1. Employee Organizations: Police Management Association; Police Officers Association; Police Support Services Employees Association; Fire Fighters Association; Supervisory and Professional Employees Association; City Employees Association; Executive Management Group (Unrepresented Group); Management/Confidential Group (Unrepresented Group)

   Agency Designated Representative: City Manager and Steve Filarsky

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov’t Code §54956.8): -0- matters

Adjourned at 6:55 PM
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, JULY 15, 2014 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER – Mayor Fuentes at 7:00 PM

INVOCATION – John Svendsen, Pastor, First Baptist Church

PLEDGE OF ALLEGIANCE – Council Member Atkinson

PRESENTATIONS

Presentation by Susan Munson, CEO of Certified Fixed Income Academy, presented Krista Binder, Thim Whiteside and Dino Marsocci a certificate for earning their Certified Fixed Income Practitioner (CFIP) Designation.

ROLL CALL

Mayor Fuentes – Present
Mayor Pro Tem Jacobson – Present
Council Member Atkinson – Present
Council Member Fellhauer – Present
Council Member Dugan – Present

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

Joe Camagong, Representative of Police Support Service Group, spoke concerning the last SPS and the City Council’s proposed budget for the FY 14/15 and how it will affect the Police Department.

Windell Phillips, Attorney for the City Employee Association, spoke concerning the City Council’s proposed budget for FY 14/15 and what it could mean to the employees of the City.

Jane Friedkin, resident, commented on changing the name of Sepulveda Blvd to Pacific Coast Highway. Mrs. Friedkin is not in favor of the name change. Ms. Friedkin also commented on the Fee Waiver item.

Gail Church, Executive Director of Tree Musketeers, commented on the Fee Waiver item on tonight’s agenda.
Lee Davis, resident, commented on agenda item #13 concerning the Wiseburn proposed pool for El Segundo. Mr. Davis is in favor of Option #2 on the Staff Report and encourages the Council to make an informed decision.

Mark Cervanik, resident, commented on agenda item #13 concerning the Wiseburn proposed pool for El Segundo. Encourages the Council to make an informed decision tonight.

Sam Pena, Consolidated Waste, the July 12th Shred Day was very successful. The day yielded over 11,000.00 lbs in paper.

CITY COUNCIL COMMENTS – (Related to Public Communications)

Council commented on Public Communications,

A. PROCEDURAL MOTIONS

Consideration of a motion to read all ordinances and resolutions on the Agenda by title only.

MOTION by Mayor Pro Tem Jacobson, SECONDED by Council Member Fellhauer to read all ordinances and resolutions on the agenda by title only. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0.

B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

C. UNFINISHED BUSINESS

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

1. Consideration and possible action to approve bylaws established for the Economic Development Advisory Council to provide greater clarity for the complexion of the political body and to establish rules and expectations for members appointed.
   (Fiscal Impact: None)

Drew Boyles, EDAC Chairman, gave a brief overview of establishing the bylaws for EDAC and answered questions from the Council.

Council Discussion

MOTION by Council Member Atkinson, SECONDED by Council Member Fellhauer to adopt the bylaws with one correction, the Secretary for EDAC will be appointed by the City Manager, not selected by EDAC. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0.
2. Consideration and possible action to approve the 2013-14 Economic Development Strategic Plan.  
   (Fiscal Impact: $185,000.00)

Drew Boyles, EDAC Chairman, gave a brief presentation.

Council Discussion

MOTION by Council Member Fellhauer, SECONDED by Council Member Atkinson to approve the 2013-14 Economic Development Strategic Plan. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0.

3. Consideration and possible action regarding future fee waivers in association with Special Event Permit applicants for non-profit organizations and individuals.  
   (Fiscal Impact: To Be Determined)

Meredith Petit, Recreation and Parks Director, gave a presentation.

Council Discussion

MOTION by Council Member Fellhauer, SECONDED by Council Member Atkinson to approve the recommendations from the Special Event Fee Waiver Sub-Committee. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0.

E. CONSENT AGENDA

All items listed are to be adopted by one motion without discussion and passed unanimously. If a call for discussion of an item is made, the item(s) will be considered individually under the next heading of business.

4. Approve Warrant Numbers 3001447 through 3001652 on Register No. 19 in the total amount of $948,454.22 and Wire Transfers from 06/16/2014 through 06/29/2014 in the total amount of $812,432.08. Authorized staff to release. Ratified Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.

5. Approve Regular City Council Meeting Minutes of July 1, 2014 and Special Closed Session Meeting Minutes of July 8, 2014.
6. Receive and file report regarding cleaning and repairing drywall and carpet as well as restoring furniture in the north portion of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code ("ESMC") §§ 1-7-12 and 1-7A-4. (Fiscal Impact: $37,000.00)

7. Receive and file report regarding the emergency repair to remove debris in the attic space of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code ("ESMC") §§ 1-7-12 and 1-7A-4. (Fiscal Impact: $82,354.00)

8. Authorize the City Manager to execute Agreement No. 4646, in a form approved by the City Attorney, with Audio Fidelity Communications Corp. (dba Whitlock) to move police video wall infrastructure from the Watch Commander’s Office to the Main Distribution Frame (MDF) room using funds from Citizen Option for Public Safety (COPS) Grant. (Fiscal Impact: $11,418.00)

9. Approve a contract with PCR Services Corporation to provide environmental review services for the Mattel Continental Grand Campus Specific Plan Project and authorized the City Manager to execute a Professional Service Agreement No. 4647 for environmental review services, in a form approved by the City Attorney, not to exceed $408,035.00. (Fiscal Impact: up to $408,035 Developer Reimbursed Trust Fund)

10. Award Contract No. 4648 to Spec Construction Co., Inc. for construction at twenty-seven (27) homes related to Project No. RSI 14-04 (Group 54 of the City’s Residential Sound Insulation Program) and authorized the City Manager to execute a contract in a form approved by the City Attorney. (Fiscal Impact: Not to exceed $622,764)

MOTION by Council Member Dugan, SECONDED by Council Member Fellhauer to approve the amended Consent Agenda items 4, 5, 6, 7, 8, 9, and 10. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0.

F. NEW BUSINESS

11. Consideration and possible action regarding a request from Broadway in the Park to waive fees for City resources and staff time associated with their theatre festival to be held on August 2 – 11, 2014 at the Recreation Park Softball Field. (Fiscal Impact: $2,751.66)

Council Discussion

MINUTES OF THE REGULAR CITY COUNCIL MEETING
July 15, 2014
PAGE NO. 6
MOTION by Council Member Dugan, SECONDED by Council Member Fellhauer to approve the request from Broadway in the Park to waive fees for City resources and staff time associated with their theatrical event in accordance with the City of El Segundo's Fee Waiver Policy. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0.

12. Consideration and possible action regarding a request from the El Segundo Rotary Club to waive fees for City resources and staff time associated with their Movie in the Park to be held on August 2, 2014 at Chevron Park.
(Fiscal Impact: $6,862.28)

Council Discussion

MOTION by Council Member Fellhauer, SECONDED by Council Member Atkinson approve the request from the El Segundo Rotary Club to waive fees for City resources and staff time associated with their Movie in the Park in accordance with the City of El Segundo's Fee Waiver Policy. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0.

13. Consideration and possible action regarding the design and program planning for the outdoor competition swimming pool to be constructed by the Wiseburn School District and operated by the City of El Segundo, including the utilization of the Aquatics Trust Fund for consulting services to assist in the decision making process.
(Fiscal Impact: $10,000.00 - $15,000.00)

Meredith Petit, Recreation and Parks Director, gave a presentation and answered questions.

Dr. Tom Johnstone, Superintendent of Wiseburn Unified School District, answered questions.

Council Discussion

MOTION by Council Member Fellhauer, SECONDED by Council Member Dugan to authorize the City Manager to enter into an agreement for consulting services, in a form approved by the City Attorney, for a Facility Program, Financial and Sustainability Analysis. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0.

14. A Status Report on the City's Residential Sound Insulation (RSI) Program, consideration and possible action to adopt policy changes to the City's RSI Program and discussion of the possible addition of one Construction Coordinator.
(Fiscal Impact: $120,000.00 annually, but no fiscal impact to the General Fund).

This item will be brought back at a later date.
G. REPORTS – CITY MANAGER – Thanked the departments involved in the 4th of July festivities.

H. REPORTS – CITY ATTORNEY - None

I. REPORTS – CITY CLERK - None

J. REPORTS – CITY TREASURER - None

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Fellhauer – Attended the Independent Cities Summer Seminar.

Council Member Atkinson – Mentioned Hyperion plant is energy free and produce their own energy.

Council Member Dugan – Mentioned a complaint from residents concerning the filming on Richmond Street.

Mayor Pro Tem Jacobson – Great 4th of July, thank you to all who made the event a success.

Mayor Fuentes – Thanked the staff involved in the 4th of July celebration, mentioned the Concert in the Park, also attended the Independent Cities Summer Seminar and mentioned Elevon.

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have receive value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

Jack Axelrod, resident, spoke on various items concerning the City.

Mary Kobus, former El Segundo Employee, commented on retirement benefits.

Dean Seligman, Rotary Club President, thanked the Council for fee waiver process and thanked them for supporting their event. Please attend the Movie in the Park on August 2, 2014.

Liz Garnholz, resident, commented on the possibility of renaming Sepulveda Blvd. to Pacific Coast Highway. Ms. Garnholz’s is not in favor.

Jane Friedkin, resident, loves that El Segundo is called “Mayberry” and asked that Council not put down the residents who do enjoy the name.
Council commented on Public Comments.

MEMORIALS – None

ADJOURNMENT at 8:59 PM

Tracy Weaver, City Clerk
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 5, 2014 – 5:00 PM

5:00 P.M. SESSION

CALL TO ORDER – Mayor Fuentes at 5:00 PM

ROLL CALL

Mayor Fuentes - Present
Mayor Pro Tem Jacobson - Present
Council Member Atkinson - Present
Council Member Fellhauer - Present
Council Member Dugan - Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250.

SPECIAL ORDER OF BUSINESS:

Mayor Fuentes announced that Council would be meeting in closed session pursuant to the items listed on the Agenda.

CLOSED SESSION:

The City Council moved into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators; as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(d) (3): -1- matter

1. City of El Segundo vs. City of Los Angeles, et.al. LASC Case No. BS094279

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(d) (2) and (3): -0- matter.

MINUTES OF THE REGULAR CITY COUNCIL MEETING
AUGUST 5, 2014
PAGE NO. 1
Initiation of litigation pursuant to Government Code §54956.9(c): -0- matter.

DISCUSSION OF PERSONNEL MATTERS (Gov't Code §54957): -1- matter (Request for unpaid leave pursuant to El Segundo Municipal Code Chapter 1-6-20)

1. Position/Title: Administrative Specialist

APPOINTMENT OF PUBLIC EMPLOYEE (Gov't. Code § 54957): -0- matter

PUBLIC EMPLOYEMENT (Gov't Code § 54957) -0- matter

CONFERENCE WITH CITY'S LABOR NEGOTIATOR (Gov't Code §54957.6): -8- matters

1. Employee Organizations: Police Management Association; Police Officers Association; Police Support Services Employees Association; Fire Fighters Association; Supervisory and Professional Employees Association; City Employees Association; Executive Management Group (Unrepresented Group); Management/Confidential Group (Unrepresented Group)

Agency Designated Representative: Steve Filarisky and City Manager

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov't Code §54956.8): -0- matters

Adjourned at 6:55 PM
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 5, 2014 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER – Mayor Fuentes at 7:00 PM

INVOCATION – Martin Hudson, Hill Top Community Church

PLEDGE OF ALLEGIANCE – Council Member Dugan

PRESENTATIONS

a. Commendation read by Mayor Fuentes and presented to Luc Robitaille, President of business operations, recognizing the Los Angeles King’s for winning the Stanley Cup Championship.

ROLL CALL

Mayor Fuentes - Present
Mayor Pro Tem Jacobson - Present
Council Member Atkinson - Present
Council Member Fellhauer - Present
Council Member Dugan - Present

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

Liz Garnholz, resident, commented on Agenda item #C2 (Top Golf).
Jane Friedkin, resident, urges the Council to provide a balanced budget without taxing the Senior Citizens and residents.
Dr. Antonio Mendez, resident, commented on the OpenGov portion of our City’s Website. Dr. Mendez would like the site clarified for the users.
Claudia Salberg, resident, commented on Top Golf.
Kendra Walther, resident, commented on the Library and Crossing Guards partnership with the City and ESUSD. Ms. Walther is mainly concerned about the Crossing Guards and the safety of the children.
Ron Swanson, resident, commented on the Top Golf item. Mr. Swanson encouraged the Council to move forward with the project.

MINUTES OF THE REGULAR CITY COUNCIL MEETING
AUGUST 5, 2014
PAGE NO. 3
Al Keahi, resident, stated EDAC will be launching their new advertising campaign which will lift and enhance the brand image of El Segundo. As for the Top Golf project, Mr. Keahi asked the Council if EDAC could serve as a forum to vet the process and eventually mediate for the Council in order to make an informed vote. Rupesh Bhakta, CenterCal Properties, LLC, gave an update on the Top Golf project. Andrew Walther, resident, commented on the Library and Crossing Guards partnership with the City and ESUSD.

CITY COUNCIL COMMENTS – (Related to Public Communications)

Council answered questions asked during the public communications.

A. PROCEDURAL MOTIONS

Consideration of a motion to read all ordinances and resolutions on the Agenda by title only.

MOTION by Mayor Pro Tem Jacobson, SECONDED by Council Member Fellhauer to read all ordinances and resolutions on the agenda by title only. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

1. Consideration and possible action to open a Public Hearing, consider testimony, and adopt a Resolution finding that the City conforms with the annual Congestion Management Program (CMP) and adopting the annual CMP Local Development Report, in accordance with California Government Code § 65089. (Fiscal Impact: None).

Mayor Fuentes stated this was the time and place to conduct a public hearing and adopt a resolution finding that the City conforms with the annual Congestion Management Program (CMP) and adopting the annual CMP Local Development Report, in accordance with California Government Code § 65089.

City Clerk Weaver stated that proper notice had been given in a timely manner and that no written communication has been received in the City Clerk’s office.

Mayor Fuentes opened the Public Hearing.

Kimberly Christensen, AICP, Planning Manager gave a presentation.

MOTION by Mayor Pro Tem Jacobson, SECONDED by Council Member Fellhauer to close the public hearing. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

Council Discussion
Mark Hensley, City Attorney, read by title only:

RESOLUTION NO. 4879

A RESOLUTION FINDING THE CITY TO BE IN CONFORMANCE WITH THE CONGESTION MANAGEMENT PROGRAM (CMP) AND ADOPTING THE CMP LOCAL DEVELOPMENT REPORT IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE § 65089.

MOTION by Council Member Fellhauer, SECONDED by Council Member Dugan to adopt Resolution No. 4879. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

C. UNFINISHED BUSINESS

2. Update and possible action on the ESCenterCal LLC (CenterCal") proposal to enter into a Due Diligence and Ground Lease Agreement ("Agreement") to lease the driving range portion of the Lakes Golf Course for the purpose of developing a Top Golf facility. CenterCal has not executed the Agreement approved by the Council at its March 18, 2014 meeting and staff is requesting Council direction regarding how to proceed regarding the Lakes Golf Course.
   (Fiscal Impact: none associated with this agenda item)

Greg Carpenter, City Manager, gave a brief update.

Mark Hensley, City Attorney, briefed the Council on the current situation and explained the process for taking this item back to closed session.

Council Discussion

MOTION by Council Member Dugan, SECONDED by Council Member Fellhauer directing staff not to finalize or sign an executed version of a contract from ESCenterCal LLC to lease the driving range portion of the Lakes Golf Course for the propose of developing a Top Golf facility. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

MOTION by Council Member Fellhauer, SECONDED by Council Member Atkinson to Provide thirty (30) day notice to Debra Geist under the Brown Act (Government Code Section 54960.2) that Council could possibly hold a closed session meeting regarding the Agreement with ESCenterCal LLC for purpose of discussion on different lease payments or terms of payment under the Agreement. MOTION PASSED BY VOICE VOTE. 4/1 YES: FELLHAUER, FUENTES, JACOBSON AND ATKINSON. NO: DUGAN.

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

MINUTES OF THE REGULAR CITY COUNCIL MEETING
AUGUST 5, 2014
PAGE NO. 5
E. CONSENT AGENDA

All items listed are to be adopted by one motion without discussion and passed unanimously. If a call for discussion of an item is made, the item(s) will be considered individually under the next heading of business.

3. Approve Warrant Numbers 3001653 through 3001895 on Register No. 20 in the total amount of $1,076,036.97 and Wire Transfers from 06/30/2014 through 07/13/2014 in the total amount of $4,431,603.54. Authorized staff to release Ratified Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.

4. Approve Special City Council Meeting Minutes (Strategic Planning Session) of June 26, 2014, Special City Council Meeting Minutes (Closed Session) of July 21, 2014 and Special City Council Meeting Minutes (Closed Session) of July 22, 2014.

5. Receive and file the report regarding the emergency repair to remove debris in the attic space of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code (“ESMC”)§ 1-7-12 and 1-7A-4. 
(Fiscal Impact: $82,354.00)

6. Receive and file the update report and approve a Maintenance Contract No. 4663, in a form approved by the City Attorney, with A & V Contractors, Inc. to perform remediation cleaning and repairs in City Hall as well as restoring furniture in the north portion of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code (“ESMC”) §§ 1-7-12 and 1-7A-4. 
(Fiscal Impact: $37,000.00)

7. PULLED BY STAFF

8. Accept as complete the Installation of American with Disabilities Act (ADA) Sidewalk Ramp Project, Community Development Block Grant (CDBG) Project 601608-13, Project No. PW 13-14, and authorize the City Clerk to file a Notice of Completion in the County Recorder’s Office. 
(Fiscal Impact: $42,500.00 in CDBG grant funds)

9. PULLED BY MAYOR FUENTES
10. Approve a budget appropriation of up to $396,000.00 to provide planning and environmental review services for the Smoky Hollow Specific Plan Update Project and authorize the City Manager to execute a Professional Service Agreement No. 4664 with MIG, Inc. for environmental review services, in a form approved by the City Attorney, not to exceed $396,000.00 (Fiscal Impact: up to $396,000.00 (from the General Plan Maintenance Fund)).

11. Adopt Resolution No. 4881 authorizing the destruction of identified records in accordance with the provisions of Section 34090 of the Government Code of the State of California. (Fiscal Impact: Not to exceed $1,000.00)

MOTION by Council Member Fellhauer, SECONDED by Council Member Dugan to approve the amended Consent Agenda items 3, 4, 5, 6, 8, 10 and 11. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0. **Mayor Pro Tem Abstained from voting on item #10 due to a conflict of interest. Therefore, the item passed with a 4/0 voice vote.

PULLED ITEMS:

9. Consideration and possible action regarding adoption of a Resolution appointing City Council Member Mike Dugan, Director of Finance Deborah Cullen, and Fiscal Service Manager Angelina Garcia, or designee to serve as board member, alternate board member, and substitute alternate board member on the Independent Cities Risk Management Association (ICRMA) governing board. (Fiscal Impact: none)

Council Discussion

MOTION by Mayor Pro Tem Jacobson, SECONDED by Council Member Atkinson to adopt Resolution No. 4880. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0.

F. NEW BUSINESS

12. A Status Report on the City's Residential Sound Insulation (RSI) Program and consideration and possible action to add a Construction Coordinator to the staff of the City's Residential Sound Insulation (RSI) Program. (Fiscal Impact: $120,000 annually, but no fiscal impact to the General Fund)

James O'Neill, Program Manager, gave a presentation and answered Council questions.

Council Discussion
MOTION by Mayor Pro Tem Jacobson, SECONDED by Council Member Dugan to approve the hiring of a Construction Coordinator to the staff of the City's Residential Sound Insulation (RSI) Program. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0.

G. REPORTS – CITY MANAGER - None
H. REPORTS – CITY ATTORNEY - None
I. REPORTS – CITY CLERK - None
J. REPORTS – CITY TREASURER - None
K. REPORTS – CITY COUNCIL MEMBERS

Council Member Fellhauer – None
Council Member Atkinson – None
Council Member Dugan - None
Mayor Pro Tem Jacobson – None

Mayor Fuentes – Attended the Movie in Park event, mentioned this weekend Broadway in the Park will be held, this Sunday is the last Concert in the Park and attended SBCOG in Sacramento last week as an advocate for the Southern California Regional Occupational Center (SCROC). Public Communications – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have receive value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

None

MEMORIALS – Lee Goodglick

ADJOURNMENT at 8:52 PM

______________________________
Tracy Weaver, City Clerk
SPECIAL MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 12, 2014, 6:00 P.M.

CALL TO ORDER – Mayor Fuentes at 6:02 PM

ROLL CALL

Mayor Fuentes               - Present
Mayor Pro Tem Jacobson     - Present
Council Member Atkinson    - Present
Council Member Fellhauer   - Present
Council Member Dugan       - Present

PUBLIC COMMUNICATIONS - (Related to City Business Only - 5 minute limit per person, 30 minute limit total). Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves before addressing the City Council. Failure to do so is a misdemeanor and punishable by a fine of $250.

SPECIAL ORDER OF BUSINESS:

Mayor Fuentes announced that Council would be meeting in closed session pursuant to the items listed on the Agenda.

CLOSED SESSION:

The City Council moved into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators as follows:

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -8- matters

1. Employee Organizations: Police Management Association; Police Officers Association; Police Support Services Employees Association; Fire Fighters Association; Supervisory and Professional Employees Association; Employees Association; Executive Management (unrepresented employees); Management/Confidential (unrepresented employees)

Agency Designated Representative: City Manager and Steve Filarsky

ADJOURNMENT at 8:25 PM

Tracy Weaver, City Clerk
EL SEGUNDO CITY COUNCIL
AGENDA STATEMENT

MEETING DATE: August 19, 2014
AGENDA HEADING: Consent Agenda

AGENDA DESCRIPTION:

Consideration and possible action to accept as complete the installation of sub-meters on
the City's Main Electrical Meter. Project No. PW 13-02 (Fiscal Impact: $29,000.00)

RECOMMENDED COUNCIL ACTION:

1. Accept the work as complete.
2. Authorize the City Clerk to file a Notice of Completion in the County Recorder's
   Office.
3. Alternatively, discuss and take other possible actions related to this item.

ATTACHED SUPPORTING DOCUMENTS:

Notice of Completion

FISCAL IMPACT: Included in Adopted Budget

Amount Budgeted: $29,000.00
Additional Appropriation: N/A
Account Number(s): 301-400-8203-8910 (Capital Improvement Fund: SCE Grant)

ORIGINATED BY: Nina Tarnay, Project Manager
REVIEWED BY: Stephanie Katsouleas, Public Works Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

On February 19, 2013, City Council adopted plans and specifications for installing sub-meters on
the City Hall Complex main meter and authorized staff to advertise the project for receipt of
construction bids. This project is part of the City's $485,000 grant awarded by Southern
California Edison in 2011 to implement energy efficiency initiatives in El Segundo. One
component of the grant is to track the energy consumption of our larger municipal buildings
using energy management software. Because the City Hall Complex buildings (Fire, Police, City
Hall) are all connected to the same meter but have very different uses and needs, using the
software to implement better energy controls would prove difficult without separating their
energy consumption data. Sub-metering is the simplest method to allow us to separately track
and analyze electricity consumption for the Police Department, Fire Department and City Hall
buildings.

The City initially awarded a contract to Integral Electric Engineering, Inc. (IEE) in the amount of
$11,900.00, but amended the award to $29,000.00, to cover the cost of more compatible
equipment recommended by Los Angeles County Public Works. The project was entirely...
funded by grants from Southern California Edison and the South Bay Cities Council of Governments. No general funds were expended for implementation of this project.

Construction began June 18, 2014 and was successfully completed by IEE on June 22, 2014. A final inspection of the installation work was performed and completed per the plans and specifications. The final project cost is $25,981.60. Staff recommends that City Council accept the work performed by IEE as complete and authorize the City Clerk to file a Notice of Completion with the County Recorder’s Office.

The final project cost for the construction contract is as follows:

**Final Accountings:**

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$25,981.76</td>
<td>Contract Amount</td>
</tr>
<tr>
<td>+ $ 3,018.24</td>
<td>Contingency Allocation</td>
</tr>
<tr>
<td>$29,000.00</td>
<td>Approved Budget</td>
</tr>
<tr>
<td>- $25,981.60</td>
<td>Final Project Amount</td>
</tr>
<tr>
<td>$3018.40</td>
<td>Unspent contingency</td>
</tr>
</tbody>
</table>
NOTICE OF COMPLETION OF CONSTRUCTION PROJECT

Project Name: Installation of sub-meters at the City's Main Electrical Meter

Project No.: 13-02  Contract No. 4412

Notice is hereby given pursuant to State of California Civil Code Section 3093 et seq that:

1. The undersigned is an officer of the owner of the interest stated below in the property hereinafter described.

2. The full name of the owner is: City of El Segundo

3. The full address of the owner is: City Hall, 350 Main Street, El Segundo, CA, 90245

4. The nature of the interest of the owner is: Public Facilities

5. A work of improvement on the property hereinafter described was field reviewed by the City Engineer on January 27, 2014. The work done was: Install sub-meters at the City's Main Electrical Meter

6. On August 19, 2014, City Council of the City of El Segundo accepted the work of this contract as being complete and directed the recording of this Notice of Completion in the Office of the County Recorder.

7. The name of the Contractor for such work of improvement was: Integral Electrical Engineering, Inc.

8. The property on which said work of improvement was completed is in the City of El Segundo, County of Los Angeles, State of California, and is described as follows: City Hall Campus

9. The street address of said property is: 350 Main Street, El Segundo, CA 90245.

Dated: ________________________________

Stephanie Katsouleas
Public Works Director

VERIFICATION

I, the undersigned, say: I am the Director of Public Works/City Engineer of the City El Segundo, the declarant of the foregoing Notice of Completion; I have read said Notice of Completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury the foregoing is true and correct.

Executed on _________________________, 2014 at El Segundo, California.

______________________________
Stephanie Katsouleas
Public Works Director
EL SEGUNDO CITY COUNCIL

AGENDA STATEMENT

MEETING DATE: August 19, 2014

AGENDA DESCRIPTION:
Consideration and possible action to authorize the City Manager to enter into an easement agreement with Southern California Edison (SCE) to install equipment upgrades in the south 400 block of Sepulveda Blvd. for improved service reliability in El Segundo. (Fiscal Impact: receipt of a one-time $2,000 easement fee)

RECOMMENDED COUNCIL ACTION:
1. Authorize the City Manager to enter into an easement agreement, in a form approved by the City Attorney, with Southern California Edison to install equipment upgrades at 400 S. Sepulveda Blvd. for improved service reliability in El Segundo.
2. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Location Map

FISCAL IMPACT: $2,000.00 Receipt of Easement Payment

<table>
<thead>
<tr>
<th>Amount Budgeted:</th>
<th>$0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Appropriation:</td>
<td>No</td>
</tr>
<tr>
<td>Account Number(s):</td>
<td>N/A</td>
</tr>
</tbody>
</table>

ORIGINATED BY: Stephanie Katsouleas, Public Works Director
REVIEWED BY: Stephanie Katsouleas, Public Works Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
Southern California Edison (SCE) is in the process of upgrading infrastructure within its service territory so that it can continue to provide reliable electrical service to its customers, which include El Segundo residents and businesses. One area recently identified as needing upgraded equipment includes a vault located in the 4th northbound lane of Sepulveda Blvd. between El Segundo Blvd. and Hughes Way. However, because the vault is not adequately sized to house additional electrical equipment, above ground space is needed to complete the upgrade. For these reasons, Edison would like to "purchase" permanent utility easement rights for a small 12’ x 3’ area immediately adjacent to the sidewalk on Sepulveda Blvd and on the west side of the golf course to install an above ground 6’ x 5½’ x 4’ capacitor bank.

As seen in photo on the next page, the proposed site is located 143 feet south of the golf course’s north property line and is occupied with minor greenscape. Staff has evaluated the site and confirmed that the installation proposed at this site would not negatively affect the golf course’s playing course. Additionally, both the City Attorney and Chevron have reviewed the request and confirmed that there are no conflicts with any deed restrictions for the proposed installation. Edison has offered the City $1,000.00 for the permanent easement based on a third party review.
of the 12’ x 3’ land value, but staff recommends a counter proposal sale price of $2,000.00 for the land and staff review.

Therefore, staff recommends that City Council authorize the City Manager to enter into a permanent utility lease agreement with Southern California Edison, in a form approved by the City Attorney, for a 12’ x 3’ area of land located at 400 S. Sepulveda Blvd.
EL SEGUNDO CITY COUNCIL

AGENDA STATEMENT

MEETING DATE: August 19, 2014

AGENDA DESCRIPTION:

Consideration and possible action to receive and file this report regarding cleaning and repairing drywall and carpet as well as restoring furniture in the north portion of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code ("ESMC")§ 1-7-12 and 1-7A-4. (Fiscal Impact: $37,000.00)

RECOMMENDED COUNCIL ACTION:

(1) Receive and file this report regarding cleaning and repairing drywall and carpet as well as restoring furniture in the north portion of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code ("ESMC")§ 1-7-12 and 1-7A-4; and/or.

(2) Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

None

FISCAL IMPACT: Included in Adopted Budget

Amount Budgeted: $37,000
Additional Appropriation: No.
Account Number(s): 405-400-0000-6215 (Facilities Maintenance Fund – Repair & Maintenance Acct.)

ORIGINATED BY: Stephanie Katsouleas, Director of Public Works
REVIEWED BY: Stephanie Katsouleas, Director of Public Works
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

Following failure of the previous contractor to secure the proper industrial certifications needed to commence the emergency repair work, on August 5, 2014 City Council approved a new emergency contract with A & V Contractors, Inc. (A & V) to clean and repair drywall and carpet as well as restore furniture in the north portion of City Hall (Human Resources, City Clerk’s office, server room). Damage to these areas was due to an improperly sealed drain and corresponding rain event which occurred during the City Hall roofing project. Contract documents are being executed at this time and staff expects the work to begin shortly.

Public Contracts Code § 22050(c) requires that the City Council receive updates at every regularly scheduled meeting until the emergency repair is completed. Therefore, staff also recommends that City Council receive and file this report on the status of the emergency repair to clean and repair drywall and carpet and restore furniture in the north portion of City Hall.
AGENDA DESCRIPTION:

Consideration and possible action to receive and file this report regarding the emergency repair to remove debris in the attic space of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code ("ESMC")§ 1-7-12 and 1-7A-4. (Fiscal Impact: $82,354.00)

RECOMMENDED COUNCIL ACTION:

(1) Receive and file this report regarding the emergency repair to remove debris in the attic space of City Hall without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code ("ESMC")§ 1-7-12 and 1-7A-4.

(2) Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

Map of Areas to be Cleaned

FISCAL IMPACT: Included in Adopted Budget

Amount Budgeted: $82,354.00
Additional Appropriation: No
Account Number(s): 405-400-0000-6215 (Facilities Maintenance: Repairs and Maintenance)

ORIGINATED BY: Stephanie Katsouleas, Director of Public Works
REVIEWED BY: Stephanie Katsouleas, Director of Public Works
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

Work to complete the attic cleaning emergency repair began on July 18 in the ISD Server Room and the Mayor’s office. Work will continue throughout other parts of the building until the entire work area is complete; please see attached map for scheduling detail. Staff is working with the contractor now to determine whether there are opportunities to advance the schedule.

Public Contracts Code § 22050 (c) requires that the City Council receive updates at every regularly scheduled meeting until the emergency repair is completed. Therefore, staff recommends that City Council receive and file this report on the status of the emergency repair to clean the attic space in City Hall.
Interstitial Space/Duct Cleaning Areas and Proposed Schedule 8/11/14

LEGEND

- **Not in Project Scope**
- **Completed**
- **Completed, add to final area**
- **Building Safety and Environmental Development Offices, 8/22-8/24** (6)
- **Business License and Public Works, 8/22-8/24** (10)
- **Hallways, 8/22-8/24**
- **Planning/Building Safety Counter and Lobby, 8/29-8/31** (3)
- **Building Safety Director and Planning Offices, 8/29-8/31** (9)

City Clerk’s Office and Hallway, 8/15-8/17 (4)

Only duct cleaning 8/15-8/17, remove from IS cleaning

Finance Dept., 8/22-8/24 (10)

9/5-9/7, 9/12-9/14 Rooftop Duct Cleaning and Missed Offices
AGENDA DESCRIPTION:

Consideration and possible action regarding approval of a Funding Agreement ("FA")
between the City of El Segundo and the Los Angeles County Metropolitan Transportation
Authority (Metro) for the receipt of $350,000 of Measure R grant funds for Park Place
Extension Project environmental review. Metro Project ID No. MR312.57 and FTIP #
LA0G321. (Fiscal Impact: Measure R Grant Revenue of $350,000.00)

RECOMMENDED COUNCIL ACTION:

1. Authorize the City Manager to execute a Funding Agreement with the Los Angeles
County Metropolitan Transportation Agency, in a formed approved by the City
Attorney, for the receipt of $350,000 in Measure R grant funds for Park Place
Extension Project environmental review.

2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

None

FISCAL IMPACT: $350,000 receipt of grant funding

<table>
<thead>
<tr>
<th>Amount Requested:</th>
<th>$0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Appropriation:</td>
<td>No</td>
</tr>
<tr>
<td>Account Number(s):</td>
<td>301-400-8203-6679</td>
</tr>
</tbody>
</table>

ORIGINATED BY: Stephanie Katsouleas, Public Works Director
REVIEWED BY: Stephanie Katsouleas, Public Works Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

In 2008, El Segundo secured a federal earmark of $750,000 to initiate design concepts and
evaluate the possible extension of Park Place between Nash Street and Sepulveda Blvd to
provide traffic congestion relief to both Sepulveda Blvd. and Rosecrans Ave. by offering an
alternate path of travel for area commuters. On March 20, 2013 the Federal Highway
Administration (FHWA) approved the encumbrance and the California Department of
Transportation (CalTrans) issued a Notice to Proceed (E-76) for preliminary design work for
extending Park Place. Total available funds for the project include the earmark ($750,000 less
Caltrans' $15,000 administration fee) plus the 20% match requirement ($150,000), for a total of
$935,000. The match funds are being provided by Federal Realty Investment Trust (Street
Retail, Inc.) through a separate reimbursement agreement with the City.
Using the earmark and developer contribution, on June 18, 2013, City Council awarded a $630,000 contract to NCM to complete a preferred design alternatives analysis to extend Park Place between Nash St. and Sepulveda Blvd. That work is near completion and expected to be presented to City Council in September.

Staff also applied for and received a $350,000 Measure R grant to move the project forward through environmental review. As you may recall, on January 18, 2011 City Council adopted a resolution and approved the list of El Segundo capital projects recommended for South Bay Highway Program (SBHP) funding, also known as Measure R. The one-half cent sales tax approved by the Los Angeles County voters in 2008 provides $906 million dollars over a 30-year period improve key transit corridors within the South Bay which have a nexus to state highways, including Sepulveda Blvd, I-405, I-110, I-105 and SR 91. Park Place meets the Measure R funding criteria and as such qualifies for funding consideration.

Staff anticipates that the $350,000 Measure R grant combined with the $255,000 balance remaining from the earmark and developer contribution should be enough to complete a full environmental review of the proposed alternatives.

Therefore, staff recommends that City Council authorize the City Manager to enter into a reimbursement agreement with Metro, a form approved by the City Attorney, for the receipt of $350,000 Measure R grant funds for the Park Place Extension Project environmental review.

The Measure R Highway Program is a cost-reimbursement program and it is subject to annual audit requirements by Metro.
AGENDA DESCRIPTION:
Consideration and possible action to accept as complete the City Hall heating ventilation and air conditioning system ("HVAC") Duct Emergency Repair Project, Project No. PW 14-05 (Fiscal Impact: $12,065.00)

RECOMMENDED COUNCIL ACTION:
1. Accept the work as complete.
2. Authorize the City Clerk to file a Notice of Completion in the County Recorder's Office.
3. Alternatively, discuss and take other possible actions related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Notice of Completion

FISCAL IMPACT: Within Adopted Budget

<table>
<thead>
<tr>
<th>Amount Budgeted:</th>
<th>$18,500</th>
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<tr>
<td>Additional Appropriation:</td>
<td>No</td>
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<tr>
<td>Account Number(s):</td>
<td>011-400-2601-6215 (Facilities Maintenance: Repairs and Maintenance)</td>
</tr>
</tbody>
</table>

ORIGINATED BY: Arianne Bola, Senior Engineer Associate
REVIEWS BY: Stephanie Katsouleas, Public Works Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

On May 6, 2014, City Council approved an emergency contract to complete the HVAC duct work emergency repair with UDC Corporation. The contractor began demolition work on June 11 and completed on June 22, 2014. A final inspection for UDC’s work has been performed and it was determined that the project was completed per the plans and specifications and to the satisfaction of the Public Works Department. The final project costs are as follows:

**Budget**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$9,675.00</td>
<td>HVAC Duct Repair and Replacement</td>
</tr>
<tr>
<td>+$2,390.00</td>
<td>Crossover ladder</td>
</tr>
<tr>
<td><strong>$12,065.00</strong></td>
<td><strong>Total Final Project Budget Cost</strong></td>
</tr>
</tbody>
</table>

The remaining $6,435 will be disencumbered and returned to the Facilities Maintenance Fund for future projects. Staff recommends that City Council accept the work performed by UDC Corporation as complete and authorize the City Clerk to file a Notice of Completion with the County Recorder’s Office.
NOTICE OF COMPLETION OF CONSTRUCTION PROJECT

Project Name: City Hall HVAC Duct Emergency Repair Project
Project No. : PW 14-05 Contract No. 4612

Notice is hereby given pursuant to State of California Civil Code Section 3093 et seq that:

1. The undersigned is an officer of the owner of the interest stated below in the property hereinafter described.

2. The full name of the owner is: City of El Segundo

3. The full address of the owner is: City Hall, 350 Main Street, El Segundo, CA, 90245

4. The nature of the interest of the owner is: Public Facilities

5. A work of improvement on the property hereinafter described was field reviewed by the City Engineer on July 11, 2014. The work done was: HVAC Ducts

6. On Sept. 2, 2014, City Council of the City of El Segundo accepted the work of this contract as being complete and directed the recording of this Notice of Completion in the Office of the County Recorder.

7. The name of the Contractor for such work of improvement was: UDC Corporation

8. The property on which said work of improvement was completed is in the City of El Segundo, County of Los Angeles, State of California, and is described as follows: HVAC Duct at City Hall

9. The street address of said property is: 350 Main St., El Segundo, CA 90245

Dated: ____________________________

Stephanie Katsouleas
Public Works Director

VERIFICATION

I, the undersigned, say: I am the Director of Public Works/City Engineer of the City El Segundo, the declarant of the foregoing Notice of Completion; I have read said Notice of Completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury the foregoing is true and correct.

Executed on ________________, 2014 at El Segundo, California.

Stephanie Katsouleas
Public Works Director
EL SEGUNDO CITY COUNCIL
AGENDA ITEM STATEMENT

AGENDA DESCRIPTION:
Discussion and possible action to reallocate Proposition C Funds to Public Works Projects and modify transportation services provided by Proposition A Funds. (Fiscal Impact: To Be Determined)

RECOMMENDED COUNCIL ACTION:
(1) Discuss transportation service modifications.
(2) Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS: None

FISCAL IMPACT: To Be Determined

| Amount Budgeted: | $0     
|-----------------|-------|
| Additional Appropriation: | N/A    
| Account Number(s): | N/A    |

ORIGINATED BY: Meredith Petit, Director of Recreation and Parks

REVIEWED BY: Greg Carpenter, City Manager

APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:
At the Strategic Planning Session on May 29, 2014, the City Council discussed increasing the allocation of Proposition C Funds to public works projects related to public transportation. If City Council elects to increase the annual allocation of Prop C Funds to public works projects, the transportation services that are currently funded by Prop C (Lunchtime Shuttle and Beach Cities Transit) would potentially be impacted. The City Council directed staff to present options for service modifications in which all transportation services would be funded from Proposition A to enable Proposition C Funds to be allocated to public works projects.

The annual allocation for Proposition A Funds from Los Angeles County for FY13/14 is approximately $280,000. If services that are currently funded by Proposition C are to be allocated from Proposition A in future years, it is necessary to modify transportation services to ensure funding for future years on the highest priority services. The estimated year end expenses for all transportation services total $396,350, as outlined below:

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dial-A-Ride</td>
<td>$107,500</td>
</tr>
<tr>
<td>Beach Shuttle</td>
<td>$29,600</td>
</tr>
<tr>
<td>Recreation Trips</td>
<td>$20,400</td>
</tr>
<tr>
<td>Administration</td>
<td>$38,250</td>
</tr>
<tr>
<td>MTA Bus Passes</td>
<td>$3,900</td>
</tr>
<tr>
<td>Beach Cities Transit (Prop C)</td>
<td>$24,000</td>
</tr>
<tr>
<td>Lunch Time Shuttle (Prop C)</td>
<td>$50,500</td>
</tr>
<tr>
<td>Vehicle Service Charges &amp; Fuel</td>
<td>$93,200</td>
</tr>
<tr>
<td>Reserves for Equipment Replacement</td>
<td>$29,000</td>
</tr>
<tr>
<td><strong>ALL TRANSPORTATION (est. Year End)</strong></td>
<td><strong>$396,350</strong></td>
</tr>
</tbody>
</table>
The following budgets for Prop C and Prop A illustrate the current services allocated to each fund and the annual expenditures as they relate to annual revenue:

### FY 2013-2014 PROPOSITION C BUDGET

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance, Oct 1, 2013</td>
<td>$336,938</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
</tr>
<tr>
<td>Proposition C</td>
<td>$236,000</td>
</tr>
<tr>
<td>Interest Income</td>
<td>$3,100</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$239,100</td>
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<tr>
<td><strong>Expenditures (Estimated Year End)</strong></td>
<td></td>
</tr>
<tr>
<td>Transfer to CIP - Public Works</td>
<td>$120,000</td>
</tr>
<tr>
<td>Beach Cities Transit (BCT)</td>
<td>$24,000</td>
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<tr>
<td>Lunch Time Shuttle (LTS)</td>
<td>$50,500</td>
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<tr>
<td>Administration</td>
<td>$22,180</td>
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<tr>
<td>Reserves for Equipment Replacement Fund</td>
<td>$4,600</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td>$221,280</td>
</tr>
<tr>
<td>Fund Balance, Sept 30, 2014</td>
<td>$354,758</td>
</tr>
</tbody>
</table>

### FY 2013-2014 PROPOSITION A BUDGET

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Budgetary Fund Balance, Oct 1, 2013</td>
<td>$266,773</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
</tr>
<tr>
<td>Proposition A</td>
<td>$280,000</td>
</tr>
<tr>
<td>Interest Income</td>
<td>$1,800</td>
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<tr>
<td>MTA Bus Sale Proceeds</td>
<td>$1,000</td>
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<tr>
<td><strong>Total Revenues</strong></td>
<td>$282,800</td>
</tr>
<tr>
<td><strong>Expenditures (Estimated Year End)</strong></td>
<td></td>
</tr>
<tr>
<td>Dial-A-Ride</td>
<td>$107,500</td>
</tr>
<tr>
<td>Beach Shuttle</td>
<td>$29,600</td>
</tr>
<tr>
<td>Recreation Trips</td>
<td>$20,400</td>
</tr>
<tr>
<td>Administration</td>
<td>$38,250</td>
</tr>
<tr>
<td>MTA Bus Passes</td>
<td>$3,900</td>
</tr>
<tr>
<td>Beach Cities Transit (Prop C)</td>
<td>-</td>
</tr>
<tr>
<td>Lunch Time Shuttle (Prop C)</td>
<td>-</td>
</tr>
<tr>
<td>Vehicle Service Charges &amp; Fuel</td>
<td>$93,200</td>
</tr>
<tr>
<td>Reserves for Equipment Replacement</td>
<td>$24,325</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td>$317,175</td>
</tr>
<tr>
<td>Fund Balance, Sept. 30, 2014</td>
<td>$232,398</td>
</tr>
</tbody>
</table>
If Proposition C was allocated to exclusively fund public works projects, and to enable Proposition A to fund the highest priority transportation services, staff recommends reviewing the following service modifications:

(1) Reduce or Eliminate the Lunchtime Shuttle Program
   - Annual Cost = approximately $60,000 ($50,000 for part-time salaries and $10,000 for vehicle maintenance and fuel)
   - Annual Boardings = 13,000 (FY12/13)
   - One Boarding is each time a passenger takes a one-way ride so we assume the 13,000 boardings are actually 6,500 people riding both ways on the Lunchtime Shuttle. The original purpose of the LTS Program was to encourage daily commuters on the east side of town to visit Downtown El Segundo on their lunch break, however, the demands of the commuters have evolved with the new developments and establishments along Sepulveda Blvd. Other factors have contributed to reduced ridership such as time constraints and the route limitations.
   - The cost of operating each day of the week for a year would be approximately $12,000. For example, the service could be modified to operate fewer days per week, such as Thursdays and Fridays only for an annual cost of $24,000.

(2) Continue participation in Beach Cities Transit through the end of the current agreement (June 30, 2015) and re-evaluate annually
   - The current cost sharing allocation for the City of El Segundo is $27,000 for FY14/15. In past years it has been as high as $66,000. A cost-benefit analysis can be conducted annually prior to extending the agreement.

(3) Reduce or Eliminate Doctor Dial-A-Ride
   - The service currently operates Tuesdays and Thursdays with appointment times between 9:00am to 1:00pm. A reduction from four hours per day to three hours per day would be recommended (i.e. 8:30-11:30am), and would save about $1,800.
   - The elimination of the entire program would result in about $5,500 in total savings.

(4) Reduce miscellaneous Dial-A-Ride Shopping Trips
   - In addition to monthly Mall trips on the first Friday of each month, Dial-A-Ride Shopping Trips are offered about twice a week. A reduction to once per week for out-of-town shopping trips would reduce the budget by $7,000 per year.

(5) Collect passenger fares to off-set a portion of operating costs
   - Any passenger fares collected for transportation services would be deposited back to Prop A, offsetting a portion of the operating expenses. For example, if $12,000 was collected each year, the difference over the four-year forecast would be $48,000.

(6) Reduce Beach Shuttle operating days
   - The Beach Shuttle during Spring Break costs about $1,200 to operate.
   - Each day of the Summer costs about $2,500 for the length of the program. If the Beach Shuttle was reduced from 6 days per week (Monday through Saturday) to 5 days a week (Monday through Friday), the total cost savings for the summer program would be $2,500.

Proposition C Funds can be carried over for three years for capital projects. Currently, $120,000 per year is allocated to public works, yielding a three-year project accumulation of $360,000. If Council elects to increase the allocation of Proposition C funds to public works projects, staff recommends the following transportation service modifications to maximize the Proposition A Fund:
Recommendations as reflected in the Proposed Budgets:

- Eliminate Lunchtime Shuttle Program
- Continue BCT Program while the costs remain low. Re-evaluate annually.
- Reduce operating hours of Doctor Dial-A-Ride from 8 hours weekly to 6 hours weekly.
- Reduce out-of-city Dial-A-Ride Shopping Trips from two times weekly to one time weekly.
- Collect a nominal passenger fare for Dial-A-Ride and Beach Shuttle to help offset expenses.

Staff requests City Council direction to (a) determine the appropriate amount of Proposition C Funds to allocate to public works, (b) proceed with the proposed service modification recommendations, and/or (c) alter the proposed service modification recommendations.

<table>
<thead>
<tr>
<th>FY 2014-2015 PROPOSED PROP C BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance, Oct 1, 2014</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
</tr>
<tr>
<td>Proposition C</td>
</tr>
<tr>
<td>Interest Income</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
</tr>
<tr>
<td><strong>Expenditures (Estimated Year End)</strong></td>
</tr>
<tr>
<td>Transfer to CIP - Public Works</td>
</tr>
<tr>
<td>Beach Cities Transit (BCT)</td>
</tr>
<tr>
<td>Lunch Time Shuttle (LTS)</td>
</tr>
<tr>
<td>Administration</td>
</tr>
<tr>
<td>Equipment Replacement Fund</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
</tr>
<tr>
<td>Fund Balance, Sept 30, 2015</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 2014-2015 PROPOSED PROP A BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgetary Fund Balance, Oct 1, 2014</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
</tr>
<tr>
<td>Proposition A</td>
</tr>
<tr>
<td>Interest Income</td>
</tr>
<tr>
<td>MTA Bus Sale Proceeds</td>
</tr>
<tr>
<td>Passenger Fares (Proposed)</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
</tr>
<tr>
<td><strong>Expenditures (Estimated Year End)</strong></td>
</tr>
<tr>
<td>Dial-A-Ride</td>
</tr>
<tr>
<td>Beach Shuttle</td>
</tr>
<tr>
<td>Recreation Trips</td>
</tr>
<tr>
<td>Administration</td>
</tr>
<tr>
<td>MTA Bus Passes</td>
</tr>
<tr>
<td>Beach Cities Transit (Prop C)</td>
</tr>
<tr>
<td>Lunch Time Shuttle (Prop C)</td>
</tr>
<tr>
<td>Vehicle Service Charges &amp; Fuel</td>
</tr>
<tr>
<td>Reserves for Equipment</td>
</tr>
<tr>
<td>Replacement</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
</tr>
<tr>
<td>Fund Balance, Sept. 30, 2015</td>
</tr>
</tbody>
</table>
AGENDA DESCRIPTION:

Presentation of new Investment Portfolio Report
(Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:

1. Receive and File
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

Investment Portfolio Report – June, 2014

FISCAL IMPACT: $ None

<table>
<thead>
<tr>
<th>Amount Budgeted:</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Appropriation:</td>
<td>N/A</td>
</tr>
<tr>
<td>Account Number(s):</td>
<td>N/A</td>
</tr>
</tbody>
</table>

PREPARED BY: Dino Marsocci, Deputy City Treasurer II
REVIEWED BY: Crista Binder, Treasurer
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:

The Treasury Department presents the June, 2014 Investment Portfolio Report which provides a status of Treasury Investment activities and related economic indicators.

This report will be created and submitted to Council on a quarterly basis. The report will also be posted to the City’s web site under the Treasury Department.
August 4, 2014

From: Office of the City Treasurer

To: El Segundo City Council


Attached you will find the June, 2014 Investment Portfolio Report for the City of El Segundo.

The Treasury Department has created this report in an effort to provide additional information and transparency to the investments the City has made and how our portfolio is performing.

This report will be posted on the City’s web site as a link under the City Treasurer’s department.

Sincerely,

Crista Binder
City Treasurer
Date: August 19, 2014

From: Office of the City Treasurer

To: El Segundo City Council

RE: Investment Portfolio Report – As of June 30, 2014

**Introduction:**

This report will serve as a summary for the City of El Segundo’s Treasury Department investment reporting, compliance, investment environment and future plans; as well as subsidiary schedules which will support the Portfolio Summary and provide additional analysis of our investments.

**Investment Summary:**

The investments as of June 30, 2014 are as follows:

<table>
<thead>
<tr>
<th>Security Type</th>
<th>Cost/Book</th>
<th>Market value</th>
<th>Market % of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>13,934,412.50</td>
<td>13,846,883.90</td>
<td>19.57%</td>
</tr>
<tr>
<td>Corp. Bonds</td>
<td>3,299,057.77</td>
<td>3,276,432.50</td>
<td>4.63%</td>
</tr>
<tr>
<td>CD's</td>
<td>7,321,000.00</td>
<td>7,341,355.22</td>
<td>10.37%</td>
</tr>
<tr>
<td>Union Bank Trust</td>
<td>24,554,470.27</td>
<td>24,464,671.62</td>
<td>34.57%</td>
</tr>
<tr>
<td>LAIF Immediate</td>
<td>$26,566,056.78</td>
<td>$26,566,056.78</td>
<td>37.54%</td>
</tr>
<tr>
<td>LAIF - LAWAD</td>
<td>$19,739,664.11</td>
<td>$19,739,664.11</td>
<td>27.89%</td>
</tr>
<tr>
<td>LAIF Subtotal</td>
<td>$46,305,720.89</td>
<td>$46,305,720.89</td>
<td>65.43%</td>
</tr>
<tr>
<td><strong>Total Inv.</strong></td>
<td><strong>70,860,191.16</strong></td>
<td><strong>70,770,392.51</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>
The portfolio Breakdown by Short Term (< 1 year) and Long Term is:

<table>
<thead>
<tr>
<th></th>
<th>Short Term</th>
<th>Long Term</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Value (Market)</td>
<td>$47,548,380</td>
<td>$23,222,013</td>
<td>$70,770,393</td>
</tr>
<tr>
<td>Effective Yield</td>
<td>0.238%</td>
<td>0.956%</td>
<td>0.474%</td>
</tr>
<tr>
<td>Average Wtd. Maturity</td>
<td>6 Days</td>
<td>2.89 Years</td>
<td>0.96 Years</td>
</tr>
<tr>
<td>Benchmark Yield</td>
<td>0.02%</td>
<td>0.88%</td>
<td>0.11%</td>
</tr>
</tbody>
</table>

* Benchmark value is the Interpolated Treasury Yield to the Portfolio's Avg. Weighted Maturity

**Compliance:**

It is the intention of the City Treasurer’s office to ensure that our investments are in compliance with the maturity time limits and percentage allocation limits with all of our investments. The City is currently in compliance as demonstrated below:

**Partial List of Allowable Investment Instruments for Local Agencies**

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Maximum Maturity</th>
<th>Maximum Specified % of Portfolio</th>
<th>Minimum Quality Requirements</th>
<th>City of El Segundo Investments</th>
<th>In Compliance Y/N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Agency Bonds</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
<td>0.00%</td>
<td>Y</td>
</tr>
<tr>
<td>U. S Treasury Obligations</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
<td>0.00%</td>
<td>Y</td>
</tr>
<tr>
<td>US Agency Obligations</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
<td>19.57%</td>
<td>Y</td>
</tr>
<tr>
<td>Negotiable Certificates of Deposit</td>
<td>5 years</td>
<td>30%</td>
<td>None</td>
<td>10.37%</td>
<td>Y</td>
</tr>
<tr>
<td>Medium Term Notes</td>
<td>5 years</td>
<td>30%</td>
<td>&quot;A&quot; Rating</td>
<td>4.63%</td>
<td>Y</td>
</tr>
<tr>
<td>Local Agency Investment Fund (LAIF)</td>
<td>N/A</td>
<td>None</td>
<td>None</td>
<td>65.4%</td>
<td>Y</td>
</tr>
</tbody>
</table>

**Investment Environment:**

The current investment environment for the types of investments we are allowed to purchase is one of very low returns. Since security and liquidity are more important than rate of return in our policy, we are limited to very low risk investments which therefore have a lower interest rate. The Federal Reserve is currently keeping rates very low as it closely monitors the unemployment rate, inflation and other economic indicators. The general consensus among investment professionals is that rates will remain low until late 2015 or early 2016. The previous consensus was late 2015, but the lack of positive recent data has pushed out the dates of expected monetary policy change.
The graphs and charts below show some of the key interest rates on items we invest in. As rates are expected to rise over the next two years, we want to time our investments to take advantage of the increases as they occur.

**US Treasury Bonds Yield Curve as of 6/30/14**

**Composite Bond Rates (as of 7/17/14)**

<table>
<thead>
<tr>
<th>US Treasury Bonds</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Maturity</td>
<td>Yield</td>
<td>Yesterday</td>
<td>Last Week</td>
<td>Last Month</td>
</tr>
<tr>
<td>3 Month</td>
<td>0.02</td>
<td>0.02</td>
<td>0.01</td>
<td>0.02</td>
</tr>
<tr>
<td>6 Month</td>
<td>0.05</td>
<td>0.05</td>
<td>0.04</td>
<td>0.05</td>
</tr>
<tr>
<td>2 Year</td>
<td>0.47</td>
<td>0.48</td>
<td>0.45</td>
<td>0.47</td>
</tr>
<tr>
<td>3 Year</td>
<td>0.95</td>
<td>0.98</td>
<td>0.94</td>
<td>0.95</td>
</tr>
<tr>
<td>5 Year</td>
<td>1.65</td>
<td>1.69</td>
<td>1.65</td>
<td>1.75</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Municipal Bonds</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Maturity</td>
<td>Yield</td>
<td>Yesterday</td>
<td>Last Week</td>
<td>Last Month</td>
</tr>
<tr>
<td>2yr AA</td>
<td>0.40</td>
<td>0.40</td>
<td>0.44</td>
<td>0.48</td>
</tr>
<tr>
<td>2yr AAA</td>
<td>0.34</td>
<td>0.39</td>
<td>0.34</td>
<td>0.36</td>
</tr>
<tr>
<td>2yr A</td>
<td>0.57</td>
<td>0.57</td>
<td>0.57</td>
<td>0.67</td>
</tr>
<tr>
<td>5yr AAA</td>
<td>1.23</td>
<td>1.24</td>
<td>1.28</td>
<td>1.25</td>
</tr>
<tr>
<td>5yr AA</td>
<td>1.40</td>
<td>1.42</td>
<td>1.43</td>
<td>1.34</td>
</tr>
<tr>
<td>5yr A</td>
<td>1.54</td>
<td>1.62</td>
<td>1.46</td>
<td>1.42</td>
</tr>
</tbody>
</table>
Corporate Bonds

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Yield</th>
<th>Yesterday</th>
<th>Last Week</th>
<th>Last Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>2yr AA</td>
<td>0.56</td>
<td>0.55</td>
<td>0.52</td>
<td>0.65</td>
</tr>
<tr>
<td>2yr A</td>
<td>0.80</td>
<td>0.80</td>
<td>0.76</td>
<td>0.82</td>
</tr>
<tr>
<td>5yr AAA</td>
<td>1.83</td>
<td>1.86</td>
<td>1.80</td>
<td>1.86</td>
</tr>
<tr>
<td>5yr AA</td>
<td>2.03</td>
<td>2.04</td>
<td>2.01</td>
<td>2.08</td>
</tr>
<tr>
<td>5yr A</td>
<td>2.16</td>
<td>2.18</td>
<td>2.16</td>
<td>2.25</td>
</tr>
</tbody>
</table>


**Cash Flow Analysis:**

The chart below shows the historical cash flow for the last 12 months. We can see that the majority of our funds are received in the second quarter of the fiscal year, January thru March, primarily due to Business License Renewals and the annual Chevron Payment. We also receive Sales and UUT taxes during the first few months of the year as well.

Our investments will be purchased with the liquidity relative to our cash flow needs.
This chart shows the net change in Cash as related to the Cash Flow Analysis above. Some of the larger disbursements occur in the fourth quarter of the fiscal year, July thru September. During this period, we have significant payments to CalPERS for our Other Post-Employment Benefits, a payment to ICRMA for our citywide insurance premiums, and a large infrastructure payment for roadwork which was completed several years ago.

### Rolling 12 Month Net Change in Cash

**Additional Economic Indicators:**

**Economic Projections from June Meeting**

The Economic Indicators presented below are key items that the Federal Reserve will look at in deciding whether or not to change interest rates going forward.

The GDP, or Gross Domestic Product, represents the market value of all goods and services produced by the economy during the period measured, including personal consumption, government purchases, private inventories, paid-in construction costs and the foreign trade balance (exports are added, imports are subtracted). This is a key indicator the Federal Reserve will look at when deciding on interest rate changes. The target level for GDP is in the 2.5% to 3.5% range.

The Unemployment Rate shows the percentage of the labor force that is unemployed but seeking work. The target level for Unemployment is around 5.6%.

The PCE Inflation is the Personal Consumption Expenditures rate of inflation. This index is essentially a measure of goods and services targeted toward individuals and consumed by individuals. The long term inflation target is around 2% per year. Core PCE Inflation excludes items such as food and energy due to the nature of their potential price swings.
Fed Economic Projections (central tendencies as of June 2014)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Longer Run</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Change in real GDP</strong></td>
<td>2.1 to 2.3</td>
<td>3.0 to 3.2</td>
<td>2.5 to 3.0</td>
<td>2.1 to 2.3</td>
</tr>
<tr>
<td><strong>March projection</strong></td>
<td>2.8 to 3.0</td>
<td>3.0 to 3.2</td>
<td>2.5 to 3.0</td>
<td>2.2 to 2.3</td>
</tr>
<tr>
<td><strong>Unemployment rate</strong></td>
<td>6.0 to 6.1</td>
<td>5.4 to 5.7</td>
<td>5.1 to 5.5</td>
<td>5.2 to 5.5</td>
</tr>
<tr>
<td><strong>March projection</strong></td>
<td>6.1 to 6.3</td>
<td>5.6 to 5.9</td>
<td>5.2 to 5.6</td>
<td>5.2 to 5.6</td>
</tr>
<tr>
<td><strong>PCE inflation</strong></td>
<td>1.5 to 1.7</td>
<td>1.5 to 2.0</td>
<td>1.6 to 2.0</td>
<td>2.0</td>
</tr>
<tr>
<td><strong>March projection</strong></td>
<td>1.5 to 1.6</td>
<td>1.5 to 2.0</td>
<td>1.7 to 2.0</td>
<td>2.0</td>
</tr>
<tr>
<td><strong>Core PCE inflation</strong></td>
<td>1.5 to 1.6</td>
<td>1.6 to 2.0</td>
<td>1.7 to 2.0</td>
<td>--</td>
</tr>
<tr>
<td><strong>March projection</strong></td>
<td>1.4 to 1.6</td>
<td>1.7 to 2.0</td>
<td>1.8 to 2.0</td>
<td>--</td>
</tr>
</tbody>
</table>

Source: Federal Reserve


Unemployment

Investment Strategy:

It is the City and City Treasurer's policy to invest funds in accordance with the Investment Policy and to meet all legal requirements regarding the safeguarding of funds.

As a part of the City’s migration to a new banking structure, we have maintained a cash balance in order to offset our bank fees, and are now looking at our cash flow needs in order to determine which investments will maximize return while providing the proper level of liquidity.

The Liquidity Schedule provides an overview of when our current investments are due to mature. We will plan our future investments to coordinate with these maturities in order to ensure a liquidity balance to our portfolio. The Investments by Security Type schedule provides an additional breakdown of how our funds are presently allocated.

The Portfolio Summary for the month is included as an attachment to this report.
Additional Notes:

The City has funds of $208,029.62 which belong to the El Segundo Senior Citizens Housing Development Corporation and are a part of our LAIF balance. There are also LAWA RSI (Los Angeles World Airports Residential Sound Insulation) funds of $19,739,664.11 included in the City’s LAIF balances. The applicable interest for these accounts is accrued monthly and posted quarterly in the same manner as the regular City LAIF interest posting.
City of El Segundo
Investment Advisory Committee
Liquidity Schedule
As of: June 30, 2014

<table>
<thead>
<tr>
<th>Item</th>
<th>Availability</th>
<th>Market Value</th>
<th>Cumulative Balances</th>
<th>Cumulative % of Total</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in Bank</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chase</td>
<td>Immediate</td>
<td>$7,830,854.55</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union Bank</td>
<td>Immediate</td>
<td>$458,830.76</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Comerica Bank</td>
<td>Immediate</td>
<td>$76,710.68</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash in Bank - Total</td>
<td></td>
<td></td>
<td>$8,366,395.99</td>
<td>10.57%</td>
<td>10.57%</td>
</tr>
<tr>
<td>L.A.I.F. (State of California)</td>
<td>LAIF Immediate</td>
<td>$26,566,056.78</td>
<td>$34,932,452.77</td>
<td>44.14%</td>
<td>33.57%</td>
</tr>
<tr>
<td>L.A.I.F. - LAWA (Restricted)</td>
<td>LAIF Immediate</td>
<td>$19,739,664.11</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio Investments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 30 Days</td>
<td></td>
<td>$0.00</td>
<td>$54,672,116.88</td>
<td>69.09%</td>
<td>24.94%</td>
</tr>
<tr>
<td>31 to 90 Days</td>
<td></td>
<td>$495,331.68</td>
<td>$55,167,448.56</td>
<td>69.71%</td>
<td>0.63%</td>
</tr>
<tr>
<td>91 to 180 Days</td>
<td></td>
<td>$248,357.12</td>
<td>$55,415,805.68</td>
<td>70.03%</td>
<td>0.31%</td>
</tr>
<tr>
<td>181 to 365 Days</td>
<td></td>
<td>$498,970.00</td>
<td>$55,914,775.68</td>
<td>70.66%</td>
<td>0.63%</td>
</tr>
<tr>
<td>1 to 2 Years</td>
<td></td>
<td>$3,353,416.42</td>
<td>$59,268,192.10</td>
<td>74.89%</td>
<td>4.24%</td>
</tr>
<tr>
<td>2 to 3 Years</td>
<td></td>
<td>$5,266,795.67</td>
<td>$64,534,987.77</td>
<td>81.55%</td>
<td>6.66%</td>
</tr>
<tr>
<td>3 to 4 Years</td>
<td></td>
<td>$14,601,800.73</td>
<td>$79,136,788.50</td>
<td>100.00%</td>
<td>18.45%</td>
</tr>
<tr>
<td>4 to 5 Years</td>
<td></td>
<td>$0.00</td>
<td>$79,136,788.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td></td>
<td></td>
<td>$44,204,335.73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td></td>
<td>$79,136,788.50</td>
<td></td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Investment Portfolio subtotal $70,770,392.51

---

Investments by Maturity Date

![Investments by Maturity Date Chart](chart.png)

- Market Value

---

Page 10
City of El Segundo  
Investment Advisory Committee  
Investments by Security Type  
As of: June 30, 2014

<table>
<thead>
<tr>
<th>Item</th>
<th>Availability</th>
<th>Market Value</th>
<th>Cumulative Balances</th>
<th>% of Total</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in Bank</td>
<td>Immediate</td>
<td>$7,830,854.55</td>
<td>$8,366,395.99</td>
<td>10.57%</td>
<td>10.57%</td>
</tr>
<tr>
<td>Chase</td>
<td>Immediate</td>
<td>$458,830.76</td>
<td>$8,366,395.99</td>
<td>44.14%</td>
<td>33.57%</td>
</tr>
<tr>
<td>Union Bank</td>
<td>Immediate</td>
<td>$76,710.68</td>
<td>$8,366,395.99</td>
<td>44.14%</td>
<td>33.57%</td>
</tr>
<tr>
<td>Comerica Bank</td>
<td>Immediate</td>
<td></td>
<td>$8,366,395.99</td>
<td>44.14%</td>
<td>33.57%</td>
</tr>
<tr>
<td>L.A.I.F. (State of California)</td>
<td>LAIF Immediate</td>
<td>$26,566,056.78</td>
<td>$34,932,452.77</td>
<td>44.14%</td>
<td>33.57%</td>
</tr>
<tr>
<td>Cash in Bank - Total</td>
<td></td>
<td>$8,366,395.99</td>
<td>$8,366,395.99</td>
<td>44.14%</td>
<td>33.57%</td>
</tr>
<tr>
<td>L.A.I.F. - LAWA (Restricted)</td>
<td>LAIF Immediate</td>
<td>$19,739,664.11</td>
<td>$54,672,116.88</td>
<td>69.09%</td>
<td>24.94%</td>
</tr>
<tr>
<td>Portfolio Investments:</td>
<td>CD's</td>
<td>$7,341,355.22</td>
<td>$62,013,472.10</td>
<td>78.36%</td>
<td>9.28%</td>
</tr>
<tr>
<td></td>
<td>Gov't Obligations</td>
<td>$13,846,883.90</td>
<td>$75,860,356.00</td>
<td>95.86%</td>
<td>17.50%</td>
</tr>
<tr>
<td></td>
<td>Bonds</td>
<td>$3,276,432.50</td>
<td>$79,136,788.50</td>
<td>100.00%</td>
<td>4.14%</td>
</tr>
<tr>
<td>Subtotal</td>
<td></td>
<td>$44,204,335.73</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td>$79,136,788.50</td>
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<tr>
<td>Investment Portfolio subtotal</td>
<td></td>
<td>$70,770,392.51</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Investments by Security Type

- Cash Immediate
- L.A.I.F Immediate
- L.A.I.F - LAWA
- CD's
- Gov't Obligations
- Bonds
AGENDA DESCRIPTION:
Information regarding credit card fees and the City’s ability to charge a convenience fee.
(Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
1. Receive and file.
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
FY2012-13 Credit Card Fees by Department
FY2013-June 2014 Credit Card Fees by Department

FISCAL IMPACT: none
Amount Budgeted: N/A
Additional Appropriation: N/A
Account Number(s): N/A

ORIGINATED BY: Deborah Cullen, Director of Finance
REVIEWED BY: Crista Binder, Treasurer
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
On February 4, 2014, the El Segundo City Council requested staff to report back on the possibility of eliminating credit card fees.

The City of El Segundo implemented a merchant card program in FY2000-01 to accept credit card payments for Recreation and Parks programs. The program was expanded the following year to accept credit cards for water payments and the following year approved the acceptance of online payments. The City currently accepts credit card payments for all City services such as:
- Recreation & Parks programs
- Building Permits
- Water Fees
- Library fines
- Fire inspection fees
- Parking citations
- Business Licenses

The City incurs processing charges for providing customers the method of paying by credit card. The City utilizes two third party vendors to process our credit card payments, Active Network
and Tyler Technologies (Water only). Each company assesses the City a 3% fee on all credit card payments. This fee is collected by the third-party processor from the payment received prior to remitting funds to the City.

The credit card fees paid by the City’s General Fund in FY2012-13 were $58,261.40 and estimated at $85,000 for FY2013-14. The Water Fund in FY2012-13 paid $20,978.68 and estimated at $20,000 for FY2013-14. Attached is a breakdown of the fees charged for FY2013-14 and FY2014-15.

The City currently does allow our parking citation vendor, Duncan Solutions, to charge a $2.95 flat fee for every card transaction. Duncan Solutions manages the billing and collection of our parking citation program.

**CONVENIENCE FEES**

California State Government Code Section 6159(g) expressly authorizes a city to impose a fee on an applicant not to exceed the costs incurred by the city in providing the credit or debit card service. Visa and MasterCard prescribe the standards for the assessment of convenience fees on consumers. In addition, the Payment Card Industry (PCI) comprised of the major merchant card providers, prescribes standards for the protection of consumer card information. Each entity, retail, government or other that accepts credit card payments must adhere to these standards.

Per Government Finance Officers Association (GFOA), in a retail environment, a transaction fee is charged to the merchant whenever a customer makes a purchase using a credit card. Merchants are prohibited by the credit card companies from passing this transaction fee to the customer who uses the credit card, so merchants typically hide the fee in the price of the goods or services. This is how merchants cover the cost of providing the convenience to their customers to be able to use credit cards.

Based on the way fees are established, government entities are restricted from directly passing on the transaction fee to the consumer. Additionally, in 1993 Visa and MasterCard began enforcing their bylaws which prohibit passing along transaction fees to cardholders. Over the next several years, GFOA and other state and local agencies, entered into discussion with VISA and MasterCard concerning their policies for government-sector transactions. In 1996, Visa and MasterCard began allowing governments to charge a convenience fee to customers who pay by credit card on the Internet or through an automated phone system, “convenient method”. Recently, in November 2007, MasterCard decided to allow governments to charge a convenience fee to customers who pay by credit card in face-to-face transactions.

Credit card companies differ in their rules on when governments can pass on a convenience fee to their customers. Visa does not allow a convenience fee for face-to-face, nontax payments. This means that if a government accepts Visa cards, then it cannot charge a convenience fee on any credit card face-to-face transaction.

<table>
<thead>
<tr>
<th>Card Company</th>
<th>Over-the-Counter</th>
<th>Online (Internet)</th>
<th>Telephone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visa</td>
<td>Tax Payments Only</td>
<td>All</td>
<td>All</td>
</tr>
<tr>
<td>MasterCard</td>
<td>All</td>
<td>All</td>
<td>All</td>
</tr>
<tr>
<td>American Express</td>
<td>All</td>
<td>All</td>
<td>All</td>
</tr>
<tr>
<td>Discover</td>
<td>All</td>
<td>All</td>
<td>All</td>
</tr>
</tbody>
</table>
Many government entities contract with credit card processing companies or third-party processors to manage the receipt of credit card payments as well as collection of convenience fees. Though more expensive, it enables government entities to outsource the PCI compliance relative to securing cardholder information. In addition, these third-party processors are able to provide the infrastructure for processing the payments that isn’t necessarily supported internally.

**MERCHANT CARD PROGRAMS**

The requirements to implement a convenience fee program vary by credit card processing company. In addition, any program implementation that results in a fee would have to be approved by the governing body of that entity. Credit card companies assess fees to the merchant for accepting credit card payments. These fees are called Interchange Rates and vary by type of industry. Governments usually have the lowest interchange fees since they do not typically have the ability to recoup the costs of these fees unless through a convenience fee program.

Basic requirements of implementing a convenience fee program include the following:

- Participants must provide evidence of compliance with Payment Card Industry (PCI) Data Security Standards.
- Cardholders must be notified of the convenience fee at the time of payment and be given the opportunity to opt out of the sale.
- Payments and convenience fees must be processed under a merchant category code that is eligible.

As a best practice, the convenience fee should be charged as a separate and unique transaction from the payment for services. There are three methods for managing a convenience fee program.

1. Receipt and accept credit card information internally and collect the payment for services and convenience fee. This method is not recommended for the City of El Segundo as the government entity would be responsible for warehousing consumer credit card information and ensuring compliance with PCI standards.

2. Utilize the services of a credit card processing company. A credit card processing company manages the entire program including segregating the convenience fee transaction, working with customers to resolve disputes and directly depositing funds to the merchant’s financial institution usually within 24 hours. Credit card processing companies can also provide the newest technology to process transactions. They can collect the convenience fee and then remit 100% of the payment for services directly to the merchant.

3. Utilize a third-party processor to manage payment transactions. A third-party processor will manage the PCI compliance as well as work with a credit card processing company to settle transactions. They set up their own merchant accounts with the credit card processing company which may add costs and delay collection of funds. The City currently uses this method for managing credit card payments.

The implementation of a convenience fee program for the City of El Segundo would require the City to examine the existing method for processing credit card payments, including, but not limited to the following:

- Review contractual relationships with existing third-party processors to determine their capabilities of managing a convenience fee program.
• Review of the technology needs to upgrade existing point-of-sale systems and terminals in order to streamline any process that enables the City to collect a convenience fee with one transaction.
• Determine the cost of upgrading any technology to implement a convenience fee program.
• Determine the potential savings from directly utilizing a credit card processing company versus a third-party.
• Determine if setting a maximum charge amount for credit card transactions would offset the need to implement a convenience fee program. Currently, Visa and MasterCard do allow government agencies to set a maximum for accepting a credit card payment. The City could choose to require entities that pay over a certain amount to do so through alternate payment means such as wire transfer, ACH, check or cash.

CONCLUSION
The City of El Segundo is permitted by California State Code as well as payment card industry standards to implement a convenience fee program. The city should first consider alternate methods for streamlining the process to accept credit card payments including a limit on the amount that can be charged for a single transaction. For example, limiting payments to less than $5,000 could save the City an estimated $28,000 annually. This program would require notification to the consumer at the point-of-sale and online. Implementation of this program could be effective at the start of Fiscal Year 2014-15.

Attachment
### CITY OF EL SEGUNDO
### ACTIVE NETWORK AGENCY PAYMENT REPORT
### CREDIT CARD FEES ANALYSIS - FY 2013

#### Fiscal Year 2013

<table>
<thead>
<tr>
<th>Row Labels</th>
<th>Sum of Total Sale (excl. customer fee)</th>
<th>Sum of User Fee (Agency)</th>
<th>Sum of Agency Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clubhouse HPS</td>
<td>185,680.39</td>
<td>6,040.14</td>
<td>179,640.25</td>
</tr>
<tr>
<td>Fire HPS</td>
<td>60,641.00</td>
<td>1,819.23</td>
<td>58,821.77</td>
</tr>
<tr>
<td>Joslyn HPS</td>
<td>26,152.00</td>
<td>813.32</td>
<td>25,338.68</td>
</tr>
<tr>
<td>Library HPS</td>
<td>11,436.21</td>
<td>763.32</td>
<td>10,672.89</td>
</tr>
<tr>
<td>Parks HPS</td>
<td>42,596.13</td>
<td>1,920.92</td>
<td>40,675.21</td>
</tr>
<tr>
<td>Planning HPS</td>
<td>1,483,467.12</td>
<td>44,592.50</td>
<td>1,438,874.62</td>
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<tr>
<td>Web Payments</td>
<td>76,131.70</td>
<td>2,311.97</td>
<td>73,819.73</td>
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<tr>
<td><strong>Grand Total</strong></td>
<td><strong>1,886,104.55</strong></td>
<td><strong>58,261.40</strong></td>
<td><strong>1,827,843.15</strong></td>
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</table>

#### Fiscal Year 2013

<table>
<thead>
<tr>
<th>Row Labels</th>
<th>Sum of Total Sale (excl. customer fee)</th>
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<th>Sum of Agency Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clubhouse HPS</td>
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<td>6,040.14</td>
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<tr>
<td>Joslyn HPS</td>
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<td>813.32</td>
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</tr>
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<td>763.32</td>
<td>10,672.89</td>
</tr>
<tr>
<td>Parks HPS</td>
<td>42,596.13</td>
<td>1,920.92</td>
<td>40,675.21</td>
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<tr>
<td>Planning HPS</td>
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<td>Web Payments</td>
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<tr>
<td><strong>Grand Total</strong></td>
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<td><strong>36,971.75</strong></td>
<td><strong>1,139,477.79</strong></td>
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#### Fiscal Year 2013

<table>
<thead>
<tr>
<th>Row Labels</th>
<th>Sum of Total Sale (excl. customer fee)</th>
<th>Sum of User Fee (Agency)</th>
<th>Sum of Agency Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning HPS</td>
<td>709,655.01</td>
<td>21,289.65</td>
<td>688,365.36</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>709,655.01</strong></td>
<td><strong>21,289.65</strong></td>
<td><strong>688,365.36</strong></td>
</tr>
</tbody>
</table>

#### Fiscal Year 2013

<table>
<thead>
<tr>
<th>Row Labels</th>
<th>Count of Total Sale (excl. customer fee)</th>
<th>Count of User Fee (Agency)</th>
<th>Count of Agency Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning HPS</td>
<td>58</td>
<td>58</td>
<td>58</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>58</strong></td>
<td><strong>58</strong></td>
<td><strong>58</strong></td>
</tr>
</tbody>
</table>

### Credit Card Fees

![Credit Card Fees Graph]

| City Of El Segundo |
| Water Payments by Credit Card - PayPros System |
| 10/1/12 to 9/30/13 |

<table>
<thead>
<tr>
<th>Qty</th>
<th>Amount</th>
<th>Estimated Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>3,404</td>
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<tr>
<td>Greater $5,000.00</td>
<td>$383,914.69</td>
<td>$4,320.98</td>
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</tbody>
</table>

| % of Total | 0.24% | 20.60% | 20.60% |

P:/City Treasurer\Budget\2014 Credit Card Fees Analysis
CITY OF EL SEGUNDO
ACTIVE NETWORK AGENCY PAYMENT REPORT
CREDIT CARD FEES ANALYSIS - FY 2014 10/1/13 thru 6/30/14

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Cutoff</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row Labels</td>
<td>Sum of Total Sale (excl. customer fee)</td>
<td>Sum of User Fee (Agency)</td>
</tr>
<tr>
<td>Clubhouse HPS</td>
<td>158,103.29</td>
<td>5,025.52</td>
</tr>
<tr>
<td>Fire HPS</td>
<td>28,500.00</td>
<td>858.80</td>
</tr>
<tr>
<td>Joslyn HPS</td>
<td>21,148.00</td>
<td>710.30</td>
</tr>
<tr>
<td>Library HPS</td>
<td>8,423.96</td>
<td>599.25</td>
</tr>
<tr>
<td>Parks HPS</td>
<td>75,517.65</td>
<td>2,706.22</td>
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<td>Planning HPS</td>
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<td>Web Payments I</td>
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</tr>
<tr>
<td>Grand Total</td>
<td>2,062,238.20</td>
<td>63,118.94</td>
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<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Cutoff</th>
<th>2014</th>
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<tbody>
<tr>
<td>Row Labels</td>
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<td>Clubhouse HPS</td>
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<td>Library HPS</td>
<td>8,423.96</td>
<td>599.25</td>
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<tr>
<td>Parks HPS</td>
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<td>Grand Total</td>
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<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row Labels</td>
<td>Sum of Total Sale (excl. customer fee)</td>
<td>Sum of User Fee (Agency)</td>
</tr>
<tr>
<td>Planning HPS</td>
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</tr>
<tr>
<td>Grand Total</td>
<td>880,297.82</td>
<td>26,370.96</td>
</tr>
<tr>
<td>% of Total</td>
<td>42.7%</td>
<td>41.8%</td>
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</table>

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Cutoff</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row Labels</td>
<td>Count of Total Sale (excl. customer fee)</td>
<td>Count of User Fee (Agency)</td>
</tr>
<tr>
<td>Planning HPS</td>
<td>69</td>
<td>69</td>
</tr>
<tr>
<td>Grand Total</td>
<td>69</td>
<td>69</td>
</tr>
</tbody>
</table>

---

Credit Card Fees

City Of El Segundo
Water Payments by Credit Card - PayPros System
10/1/13 to 6/30/14

<table>
<thead>
<tr>
<th>Qty</th>
<th>Amount</th>
<th>Estimated Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,977</td>
<td>$688,696.10</td>
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<tr>
<td>Greater $5,000.00</td>
<td>3</td>
<td>$33,405.07</td>
</tr>
<tr>
<td>% of Total</td>
<td>0.10%</td>
<td>4.85%</td>
</tr>
</tbody>
</table>

P:\City Treasurer\Budget\2014 Credit Card Fees Analysis
AGENDA DESCRIPTION:
Discussion regarding the use of unmanned aerial devices, power model aircraft, drones, etc., within the City. Fiscal Impact: None

RECOMMENDED COUNCIL ACTION:
1. Discuss and consider restricting the use of unmanned aerial devices, power model aircrafts and drones within the City of El Segundo.

2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
N/A

FISCAL IMPACT: None
Amount Budgeted: None
Additional Appropriation: None
Account Number(s): N/A

ORIGINATED BY: Marie Fellhauer, Council Member
REVIEWED BY: Greg Carpenter, City Manager
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
Recent news sources have reported that the use of personal unmanned aerial devices and drones has grown significantly in the past months. Additionally, South Bay police agencies including the El Segundo Police Department have responded to calls for service regarding drones flying overhead, specifically citing privacy concerns and safety issues.

The City of Redondo Beach prohibits any person from flying a powered model aircraft or glider within their city, except for gliders of ten (10) ounces or less weight (§4-9.703). Further, the Redondo Beach Municipal Code states that no person shall operate a model aircraft with a willful or wanton disregard for the safety of persons or property (§4-9.707).

The City of El Segundo currently has no ordinance specific to the use of unmanned aerial devices or drones. Based on the lack of current regulations and concerns that have been raised recently by our major employers, I recommend that staff research the City’s ability to limit or restrict drone use and report back to City Council with a recommendation including a draft ordinance to restrict such devices if feasible.