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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.

MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, JUNE 20, 2017 – 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:

1. Consideration and possible action to interview candidates for the Planning Commission, Library Board of Trustees, Environmental Committee, Senior Citizen Housing Corporation Board and Capital Improvement Program Advisory Committee. (Fiscal Impact: None)
   Recommendation – 1) Interview candidates; 2) Announce appointments at the 7:00 PM, July 18, 2017 City Council meeting, if any; 3) Alternatively, discuss and take other action related to this item.

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)(1): -1- matters

1. Kartsen v. City of El Segundo, LASC Case No. BC617434

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(d)(2): -2- matters.


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

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

CONFERENCE WITH CITY'S LABOR NEGOTIATOR (Gov't Code §54957.6): -3- matters

1. Employee Organizations: Police Management Association; Supervisory, Professional Employees Association and City Employee Association.

Agency Designated Representative: Steve Filarsky and City Manager, Greg Carpenter

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov't Code §54956.8): -0- matters
AGENDA DESCRIPTION:
Consideration and Possible action to interview candidates for the Planning Commission and Capital Improvement Program Advisory Committee. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
1. Interview candidates.
2. Announce appointments at the 7:00 p.m., July 5, 2017 City Council meeting, if any
3. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Application of candidates

FISCAL IMPACT: Included in Adopted Budget

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

ORIGINATED BY: Mishia Jennings, Executive Assistant

REVIEWED BY:

APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
Planning Commission – one position available
Capital Improvement Program Advisory Committee – one position available

<table>
<thead>
<tr>
<th>Candidate</th>
<th>Applying to: CCBs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Michal Clements (5:00 pm)</td>
<td>Planning Commission</td>
</tr>
<tr>
<td>2. Lance Giroux (5:10 pm)</td>
<td>Planning Commission</td>
</tr>
<tr>
<td>3. Jerome Scott (5:20 pm)</td>
<td>CIPAC – 1st choice (Incumbent), Planning Commission – 2nd choice</td>
</tr>
<tr>
<td>4. Paul Rayburn (5:30 pm)</td>
<td>Planning Commission</td>
</tr>
<tr>
<td>5. Benjamin Gunter (5:40 pm)</td>
<td>Planning Commission</td>
</tr>
<tr>
<td>6. Jay Hoeschler (5:50 pm)</td>
<td>Planning Commission (phone interview) 310-779-1271</td>
</tr>
<tr>
<td>7. Richard Walker (6:00 pm)</td>
<td>Planning Commission (phone interview) 310-804-0477</td>
</tr>
<tr>
<td>8. Marjolein Oakley (6:10 pm)</td>
<td>Planning Commission</td>
</tr>
</tbody>
</table>
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REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, JUNE 20, 2017 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER

INVOCATION – Father Alexei Smith, St. Andrew Russian Greek Catholic Church

PLEDGE OF ALLEGIANCE – Mayor Pro Tem Boyles
PRESENTATIONS

a) Proclamation – The month of July 2017 as Parks Make Life Better! Month

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)

C. UNFINISHED BUSINESS
1. Consideration and possible action regarding Environmental Assessment No. EA-1177, Zone Text Amendment No. ZTA 16-06 regarding Accessory Dwelling Units (ADUs) in Residential Zones. Adopting this Ordinance is statutorily exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§15000, et seq.), because it involves the adoption of an ordinance regarding accessory dwelling units in a single-family or multifamily residential zone to implement the provisions of Government Code Section 65852.2 as set forth in Section 21080.17 of the Public Resources Code, pursuant to CEQA Guidelines §15282(h). (Applicant: City of El Segundo) (Fiscal Impact: None)

Recommendation – 1) Introduce an Ordinance (Zone Text Amendment No. ZTA 16-06) regarding ADUs in Residential Zones; 2) Authorize the Director of Planning and Building Safety to release covenants currently recorded on accessory structures for those owners who apply to the City to convert such structures into accessory dwelling units; 3) Schedule second reading and adoption of the Ordinance for July 5, 2017; 4) Alternatively, discuss and take other action related to this item.

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

2. Consideration and possible action to announce the appointments to the Recreation and Parks Commission.  
(Fiscal Impact: None)

Recommendation – 1) Announce the appointees to the Recreation and Parks Commission; 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.

3. Warrant Numbers 3016745 through 3016908 on Register No. 17 in the total amount of $846,946.72 and Wire Transfers from 5/29/17 through 6/11/17 in the total amount of $1,833,926.97.

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

5. Consideration and possible action to approve an amendment #1 to the original agreement with Steve Koester dba Environmental Compliance Services to provide temporary consultant services for the Fire Department and its Certified Unified Program Agency (CUPA) program.
   (Fiscal Impact: $110,000.00)
   Recommendation – 1) Authorize the City Manager to sign the Amendment to the Professional Services Agreement, in a form approved by the City Attorney, with Steve Koester dba Koester Environmental Compliance Services; 2) Authorize an additional appropriation of $100,000 to 126-400-3205-6214; 3) Authorize an increase of the blanket purchase order by $100,000 for Steve Koester dba Koester Environmental Compliance Services to enable the Fire Department to receive the services provided by Steve Koester dba Environmental Compliance Services; 4) Alternatively, discuss and take other possible action related to this item.

6. Consideration and possible action regarding authorizing the City Manager to pre-pay the City's Fiscal Year 2017-18 annual unfunded liability contribution (UAL) to California Public Employees Retirement System (CalPERS).
   (Fiscal Impact: $ savings of $258,464: $64,616 for fiscal year (FY) 2016-17 and $193,848 in FY 2017-18)
   Recommendation – 1) Authorize City Manager to execute the annual unfunded liability (UAL) prepayment option to CalPERS in the total amount of $7,019,291 resulting in a total savings of $258,464 to the City; 2) Alternatively, discuss and take other action related to this item.

7. Consideration and possible action regarding adoption of a Resolution appointing City Council Member, Mike Dugan, Director of Finance, Joseph Lilio, and Director of Human Resources, Lynn Lindberg, to serve as board member, alternate board member, and substitute alternate board member, respectively, on the Independent Cities Risk Management Association (ICRMA) governing board.
   (Fiscal Impact: None)
   Recommendation – 1) Adopt attached resolution appointing City Council Member, Mike Dugan, Director of Finance, Joseph Lilio, and Director of Human Resources, Lynn Lindberg, to serve as board member, alternate board member, and substitute alternate board member, respectively; 2) Alternatively, discuss and take other action related to this item.
8. Consideration and possible action to award a professional services contract to Revenue & Cost Specialists, LLC for the cost allocation and City-wide user fee study.
   (Fiscal Impact: $38,850.00)
   Recommendation – 1) Authorize the City Manager to execute a standard professional services agreement, in a form approved by the City Attorney, with Revenue & Cost Specialists, LLC in an amount not to exceed of $38,850 for the cost allocation and City-wide user fee study for the City of El Segundo; 2) Alternatively, discuss and take other action related to this item.

9. Consideration and possible action to receive an informational report on the Strategic Plan’s Key Performance Indicators (KPIs) for the month of May 2017.
   (Fiscal Impact: None)
   Recommendation – 1) Receive and file an informational report on May KPIs; 2) Alternatively, discuss and take other action related to this item.

10. Consideration and possible action 1) Adoption of a Resolution establishing the basic monthly salary range for Information /Systems Director.
    (Fiscal Impact: $225,700.00)
    Recommendation – 1) Adopt the Resolution establishing the Basic Monthly Salary Range for the job classification of Information Systems Director (At-Will); 2) Alternatively, discuss and take other action related to this item.

F. NEW BUSINESS

11. Consideration and possible action to adopt a resolution to increase the number of Recreation and Parks Commissioners from five to seven.
    (Fiscal Impact: $1,200 per fiscal year)
    Recommendation – 1) Discuss and provide direction to staff; 2) Alternatively, discuss and take other action related to this item.

12. Consideration and possible action to receive and file a report regarding the release of a Request for Proposal (RFP) for Professional Audit Services for the City of El Segundo.
    (Fiscal Impact: Unknown)
    Recommendation – 1) Receive and file information regarding the release of a RFP to conduct professional audit services for the City of El Segundo; 2) Alternatively, discuss and take other action related to this item.
   (Fiscal Impact: $0)
   Recommendation – 1) City Council receive and file the Comprehensive Annual Financial Report (CAFR) for year ending September 30, 2016 (attachment A); 2) Alternatively, 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

K. REPORTS – CITY COUNCIL MEMBERS

   Council Member Brann –

14. Consideration and possible action to replace/modernize the City logo to reflect most elements of the Centennial Logo.
   (Fiscal Impact: Can be mitigate over time)
   Recommendation – 1) Support the replacement/modernization of the City logo and direct staff to implement use of the new City logo; 2) Alternatively, discuss and take other action related to this item.

   Council Member Pirsztuk –

   Council Member Dugan –

   Mayor Pro Tem Boyles –

   Mayor Fuentes –
15. Consideration and possible action to discuss an invitation extended to Mayor Fuentes to participate in a diplomatic trade mission to The People’s Republic of China.
(Fiscal Impact: None)
Recommendation – 1) City Council to discuss and approve; 2) Alternatively, discuss and take other action related to this item.

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MEMORIALS –

CLOSED SESSION

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REPORT OF ACTION TAKEN IN CLOSED SESSION (if required)

ADJOURNMENT

POSTED:
DATE: 1-14-17
TIME: 9:20 pm
NAME: [Handwritten name]
WHEREAS, Parks and Recreation makes lives and communities better now and in the future; and

WHEREAS, it is established through statewide public opinion research, 98% of California households visit a local park at least once a year; two in three households visit a park once a month; 50% of households participate in an organized recreation program; and most park use is with family and friends; and

WHEREAS, residents value recreation as it provides positive alternatives for children and youth to reduce crime and mischief especially during non-school hours; it promotes the arts, it increases social connections; aids in therapy; and promotes lifelong learning; and

WHEREAS, residents value their parks for access to outdoor spaces for children and adults to play and be active; exercise and group sports; and

WHEREAS, parks provide access to the serenity and the inspiration of nature and outdoor spaces as well as preserve and protect the historic, natural and cultural resources in our community; and

WHEREAS, the residents of the City of El Segundo, including children, youth, families, adults, seniors, businesses, community organizations, and visitors benefit from the wide range of parks, trails, open space, sports fields, tennis courts, facilities and programs including the open space of Recreation Park, summer camps, aquatics and sports programs provided by the City of El Segundo Recreation and Parks Department; and

WHEREAS, the City of El Segundo urges all its residents to recognize that parks and recreation enriches the lives of its residents and visitors as well as adding value to the community's homes and neighborhoods; and

WHEREAS, July is celebrated across the nation as Parks and Recreation Month,

NOW, THEREFORE, on this 20th day of June, 2017, the Mayor and the Members the City Council of the City of El Segundo, California hereby proclaims the month of July 2017 as Parks Make Life Better!® Month and in doing so, urges all its citizens to use and enjoy its parks, trails, open space, facilities, and recreation opportunities.

Mayor Suzanne Fuentes
Mayor Pro Tem Drew Boyles
Council Member Michael Dugan
Council Member Carol Pirsztuk
Council Member Don Brann
AGENDA DESCRIPTION:
Consideration and possible action regarding Environmental Assessment No. EA-1177, Zone Text Amendment No. ZTA 16-06 regarding Accessory Dwelling Units (ADUs) in Residential Zones. Adopting this Ordinance is statutorily exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§15000, et seq.), because it involves the adoption of an ordinance regarding accessory dwelling units in a single-family or multifamily residential zone to implement the provisions of Government Code Section 65852.2 as set forth in Section 21080.17 of the Public Resources Code, pursuant to CEQA Guidelines §15282(h). (Applicant: City of El Segundo).

RECOMMENDED COUNCIL ACTION:
1. Introduce an Ordinance (Zone Text Amendment No. ZTA 16-06) regarding ADUs in Residential Zones;
2. Authorize the Director of Planning and Building Safety to release covenants currently recorded on accessory structures for those owners who apply to the City to convert such structures into accessory dwelling units;
3. Schedule second reading and adoption of the Ordinance for July 5, 2017;
4. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Proposed Ordinance (strike-out/underline version)

FISCAL IMPACT: None.

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

STRATEGIC PLAN:
Goal: None (State mandate)
Objective: Not applicable

PREPARED BY: Paul Samaras, Principal Planner
REVIEWED BY: Gregg McClain, Planning Manager
Sam Lee, Planning and Building Safety Director
APPROVED BY: Greg Carpenter, City Manager
INTRODUCTION:

The proposed zone text amendment would amend several sections of the El Segundo Municipal Code (ESMC) to regulate accessory dwelling units (ADU) in the R-1 (Single-Family Residential) and R-2 (Two-Family Residential) zones. City staff initiated this amendment to address changes in state law, specifically California Government Code Section 65852.2 as amended by Assembly Bill (AB) 2299 and Senate Bill (SB) 1069 approved on September 27, 2016 and effective January 1, 2017.

BACKGROUND AND DISCUSSION:

On June 6, 2017, the City Council held a public hearing and considered a draft ordinance pertaining to the regulation of accessory dwelling units. After taking public testimony, the City Council closed the public hearing, discussed the item and gave staff direction to modify the draft ordinance for the purpose of introducing it at its meeting on June 20, 2017. The City Council directed staff to make the following changes:

1. Allow new construction of detached accessory dwelling units without limiting such units to additions to the primary dwelling and to detached garages; and
2. Increase the maximum size limit for detached accessory dwelling units to 1,200.

Staff has made the above changes to the draft ordinance and is presenting the revised version for the City Council’s consideration. If introduced and adopted at second reading, the Ordinance will take effect 30 days after adoption.

In addition, the City’s code states that accessory structures may only be constructed if a covenant is recorded on the property stating that the accessory structure may not be used as a dwelling unit. Several residents with such covenants recorded on their properties have inquired about converting their accessory structures into accessory dwelling units. Because such a conversion would require the covenant to be released, staff seeks the City Council’s direction regarding such covenants.

ENVIRONMENTAL REVIEW:

This action is statutorily exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§15000, et seq.), because it involves the adoption of an ordinance regarding accessory dwelling units in a single-family or multifamily residential zone to implement the provisions of Government Code Sections 65852.1 and 65852.2 as set forth in Section 21080.17 of the Public Resources Code, pursuant to CEQA Guidelines §15282(h).

RECOMMENDATION:

Planning staff recommends that the Council:

1. Introduce an Ordinance (Zone Text Amendment No. ZTA 16-06) regarding Accessory Dwelling Units in Residential Zones;
2. Authorize the Director of Planning and Building Safety to release covenants currently recorded on accessory structures for those owners who apply to the City to convert such structures into accessory dwelling units;
3. Schedule second reading and adoption of the Ordinance for July 5, 2017;
4. Alternatively, discuss and take other possible action related to this item.
ORDINANCE NO. ___

AN ORDINANCE AMENDING TITLES 8 AND 15 OF THE EL SEGUNDO MUNICIPAL CODE RELATED TO ACCESSORY DWELLING UNITS

The City Council of the City of El Segundo does ordain as follows:

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

A. On February 15, 2005, the City Council adopted Ordinance No. 1381 which added article E to El Segundo Municipal Code (ESMC) chapter 15-4 which provided for the creation of second dwelling units; the ordinance limited the location of second dwelling units to the R-1 zone and applied certain development standards as permitted by law;

B. The location of second dwelling units was limited in Ordinance No. 1381 based on certain findings made by the City Council at the time. In particular, the City Council found that traffic volumes were already increasing, resulting in numerous intersections then at less-than-desired levels of service. It was found that the small residential area of the City was not prepared to handle the relatively higher density and the expected impacts related to street parking;

C. In recent years, there has been considerable discussion throughout the state regarding a housing shortage in California, which is associated with rising housing costs and a shortage of affordable housing options, and increased homelessness. Accessory dwelling units by their nature are considered to be affordable units which will help to alleviate some of the lack of affordability in housing markets;

D. On September 27, 2016, Assembly Bill No. 2299 and Senate Bill No. 1069 were both approved. These bills amended Government Code Section 65852.2 to facilitate the development of accessory dwelling units (formerly termed "second dwelling units");

E. On November 29, 2016, staff initiated an application for Environmental Assessment No. EA-1177 and Zone Text Amendment No. ZTA 16-06 to amend the City's regulations affecting accessory dwelling units to ensure conformity with the State's changes to Government Code Section 65852.2;

F. The City reviewed the project's environmental impacts under the California Environmental Quality Act (California Public Resources Code §§21000, et seq., CEQA) and the regulations promulgated thereunder (14 California Code of Regulations §§15000, et seq., CEQA Guidelines), and the City's Environmental Guidelines (City Council Resolution No. 3805, adopted March 16, 1993);
G. The Planning and Building Safety Department scheduled the public hearing regarding the application before the Planning Commission for March 9, 2017;

H. On March 9, March 23, and April 27, 2017, the Planning Commission held a public hearing to receive public testimony and other evidence regarding the proposed amendment, including information provided by City staff and public testimony;

I. On May 11, 2017, the Planning Commission received further testimony and other evidence regarding the proposed amendment and adopted Resolution No. 2809 recommending the City Council approve Environmental Assessment No. EA-1177 and Zone Text Amendment No. ZTA 16-06;

J. On June 6, 2017, the City Council held a public hearing, considered the Planning Commission’s recommendation, and information provided by City staff and public testimony regarding this Ordinance;

K. The City Council finds that the conditions that were cited in Ordinance No. 1381 that existed in the City at the time (i.e., increased traffic, relatively high density of housing in a small area, and intense on-street parking) continue to exist within the City, so it is appropriate to limit the location of accessory dwelling units to certain areas within the City as described by this ordinance and pursuant to Government Code section 65852.2(a)(1)(A);

L. The City Council further finds that the prospect of garages being converted into accessory dwelling units would exacerbate the City’s existing on-street parking problems since converting garages into accessory dwelling units displaces both the required parking for the primary dwelling as well as adding street parking demand related to the tenants of the accessory dwelling units;

M. This Ordinance and its findings are made based upon the entire administrative record including the Planning Commission’s recommendation, testimony and evidence presented to the City Council at its June 6, 2017 hearing, and the staff report submitted by the Planning and Building Safety Department; and

SECTION 2: Factual Findings and Conclusions. The City Council finds that implementing the proposed ordinance would result in the following:

A. Facilitate the development of accessory dwelling units in the Single-Family Residential (R-1) and Two-Family (R-2) zones;

B. Accessory dwelling units will be permitted on real property that cannot consist of more than one lot;
C. Accessory dwelling units will be permitted only on lots that contain at least an existing single-family dwelling, or will be constructed in conjunction with a single-family dwelling;

D. Accessory dwelling units will not be allowed to be sold separately from a primary dwelling;

E. Accessory dwelling units or the primary dwelling units on a lot will be required to be owner-occupied;

F. Accessory dwelling units will be restricted to the height and setback standards applicable to all other accessory structures in their respective zones;

G. Accessory dwelling units within existing primary dwellings and detached accessory dwelling units will be restricted to a maximum size of 1,200 square feet. All accessory dwelling units are subject to the total floor area ratio limitation applicable to the lot;

H. Accessory dwelling units will be required to be compatible in architectural design with the primary dwelling on a lot;

I. In accordance with Government Code Section 65852.2(d), 100 percent of residential lots that are eligible for an accessory dwelling unit within the City are within half of a mile of public transit and are, therefore, not required to provide parking for the accessory unit;

J. Accessory dwelling units will be required to comply with applicable building, health and fire codes, except where explicitly exempted by Government Code Section 65852.2; and

K. Conversions of garages and carports required under the provisions of ESMC Title 15 will be prohibited.

SECTION 3: General Plan Findings. As required under Government Code Section 65860, the ESMC amendments proposed by the Ordinance are consistent with the El Segundo General Plan as follows:

A. The proposed zone text amendment is in conformity with the Land Use Element goals, objectives and policies. Specifically, the zone text amendment is consistent with Land Use Element Goal LU3 and Objectives LU3-1 and LU3-2 in that the amendment will: a) facilitate the development of accessory dwelling units in the City's R-1 and R-2 zones as required by Section 65852.2 of the Government Code; and b) will protect single family residential uses and preserve the City's low-medium residential nature through the use of development standards, such as limits to the area, height, and setbacks for accessory dwelling units. These limits will ensure accessory dwelling units remain secondary and subordinate to primary
dwellings on a property and will reduce potential negative impacts on surrounding properties; and

B. The proposed zone text amendment is consistent with the Housing Element goals, objectives and policies. Specifically, the zone text amendment is consistent with Goal No. 4 to remove governmental constraints on housing development, in that it will remove the location restrictions, lot size, and parking requirements for accessory dwelling units. In addition, the zone text amendment is consistent with the goal of assisting in the production of affordable housing and Program No. 3 in that it will facilitate the development of accessory units on R-1 zoned lots. Further, the zone text amendment is consistent with Program No. 6 to facilitate development on underutilized sites and on small lots, particularly on small lots in the R-2 zone through the elimination of parking requirements for accessory dwelling units.

SECTION 4: Zone Text Amendment Findings. In accordance with ESMC Chapter 15-26 and based on the findings set forth in Section 2, the proposed zone text amendment is consistent with and necessary to carry out the general purpose of ESMC Title 15 as follows:

A. It is consistent with the purpose of the ESMC, which is to serve the public health, safety, and general welfare and to provide the economic and social advantages resulting from an orderly planned use of land resources. In addition, it is consistent with the purpose of the R-1 and R-2 zones to promote development of single-family and two-family homes within a safe and healthy environmental for existing and future residents, in that accessory dwelling units will conform to the height and setback standards applicable to accessory structures, will be compatible architecturally with primary dwellings, and meet all applicable building, health, and fire codes; and

B. It is necessary to facilitate the development process and ensure the orderly development of accessory dwelling units on properties in the R-1 and R-2 zones that are compatible with surrounding properties and consistent with the goals, policies, and objectives of the General Plan as set forth in Section 4 above.

SECTION 5: Environmental Assessment. Because of the facts set forth in Section 2, the proposed zone text amendment is statutorily exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§15000, et seq.), because it involves the adoption of an ordinance regarding accessory dwelling units in a single-family or multifamily residential zone to implement the provisions of section 65852.2 of the Government Code as set forth in section 21080.17 of the Public Resources Code, pursuant to CEQA Guidelines section 15282(h).
SECTION 6: ESMC Section 8-5A-2 (Preferential Parking Zones; Definitions) is amended as follows (strike-through is language proposed to be deleted, and underlined is language proposed to be added):

8-5A-2: DEFINITIONS.

For the purpose of this Article, certain words and phrases are defined as follows:

DWELLING UNIT: Any self-contained house, apartment, stock cooperative, or-condominium or accessory dwelling unit occupied solely for residential purposes.

PREFERENTIAL PARKING ZONE: A residential area with streets and boundaries designated by the City Council wherein vehicles displaying a permit shall be exempt from parking restrictions established by this Article.

RESIDENT: Any person who lives in a dwelling unit located in a preferential parking zone.

VISITOR: A person visiting residents living in a dwelling unit in a preferential parking zone.

SECTION 7: ESMC Section 15-1-6 (Definitions) is amended as follows:

15-1-6: DEFINITIONS:

The following words and phrases, when used in this Title, shall have the meanings respectively ascribed to them in this Chapter:

ACCESSORY DWELLING UNIT: An attached or a detached residential dwelling unit which provides complete independent living facilities for one or more persons. The unit shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family dwelling is situated. The term "accessory dwelling unit" includes:
(A) An efficiency unit, as defined in Section 17958.1 of the Health and Safety Code.
(B) A manufactured home, as defined in Section 18007 of the Health and Safety Code.

SECOND DWELLING UNIT: Independent living facilities of limited size (based upon lot coverage, which includes the size of the second dwelling unit as well as the primary dwelling unit on the parcel) that provides permanent provisions for living, sleeping, eating, cooking and sanitation located on the same parcel as a single-family dwelling and either attached
or detached from the single-family dwelling but share no common interior passageways.

SECTION 8: ESMC Section 15-4B-2 (Two-Family Residential (R-2) zone: Permitted uses) is amended as follows:

15-4B-2: PERMITTED USES:

A. Any use permitted in the R-1 zone.

B. A two-family dwelling, duplex, or two (2) one-family dwellings.

C. A three-family or a four-family dwelling when the side lot line of the lot upon which it is located forms a common boundary with a lot or lots zoned for C-RS, C-2, C-3, CO, MU-N, MU-S, M-1 or M-2, but in no case shall the property used for the three-family or four-family dwelling consist of more than one lot, exceed a density of twelve (12) units per acre, or have less than three thousand five hundred (3,500) square feet of lot area per unit.

D. Other similar uses approved by the director of planning and building safety, as provided by chapter 22 of this title.

SECTION 9: ESMC Section 15-4B-3 (Two-Family Residential (R-2) zone: Permitted Accessory uses) is amended as follows:

15-4B-3: PERMITTED ACCESSORY USES:

A. Any use customarily incidental to a permitted use.

B. Detached accessory buildings and structures, including private garages.

C. An accessory dwelling unit, pursuant to Article 15-4E of this title.

D. Playhouses.

E. Other similar uses approved by the director of planning and building safety, as provided by chapter 22 of this title.
SECTION 10:  ESMC Article 15-4E (Second Dwelling Units) is deleted in its entirety and replaced with the following:

ARTICLE E. ACCESSORY DWELLING UNITS

15-4E-1: PURPOSE; FINDINGS.
15-4E-2: GENERAL REQUIREMENTS.
15-4E-3: DEVELOPMENT STANDARDS.
15-4E-4: PLAN REVIEW PROCESS; FEES.

This Article is adopted pursuant to Government Code Section 65852.2, as amended by Assembly Bill No. 2299 (effective January 1, 2017), for the purpose of implementing the City’s regulation of accessory dwelling units.

Pursuant to Government Code Section 65852.2(a), this Article designates areas within the City where accessory dwellings are permitted. Because accessory dwelling units tend to increase the volume of vehicle traffic within the city, on-street parking, noise, and other adverse impacts, this Article restricts the location of accessory dwelling units within single-family residential zones. Increased traffic not only impacts existing public infrastructure, such as streets and intersections, but degrades air quality, increases noise, and can introduce pollutants into the city’s storm drains. Further, the increased density of housing within the city’s jurisdiction impacts public health and safety, and the public welfare by increasing the demand for public services.

15-4E-2: GENERAL REQUIREMENTS.

A. Definition of “Existing.” For purposes of this Article and defining an allowable space or structure that can be converted to an accessory dwelling unit, the term “existing” means dwellings or structures that:

1. Lawfully existed on the parcel as of January 1, 2017 or were the subject of a building permit duly issued before January 1, 2017; and

2. Can be made safely habitable under local building codes at the determination of the building official.

B. Locations. Accessory dwelling units are permitted by right throughout the R-1 zone and in the R-2 zone on lots that are less than 4,000 square feet. Accessory dwelling units may be i) contained within the existing space of a single-family residence and/or attached to a single-family residence, ii) within the existing space of an existing accessory structure, such as a pool house, studio or similar structure with four walls and a roof (but not including garages), or iii) detached from the single-family
residence, subject to the requirements and development standards in this Code and state law.

C. The real property proposed for the accessory dwelling unit may not consist of more than one lot.

D. The lot must contain an existing single-family dwelling. An accessory dwelling unit may only be constructed in conjunction with a single-family dwelling.

E. Separate Sale Prohibited. Accessory dwelling units may not be sold separately from a primary dwelling.

F. Owner Occupancy Required. The primary dwelling unit or the accessory dwelling unit must be the primary residence of the property owner of the lot. If none of the units on the lot are occupied by the owner as the owner’s primary residence, the accessory dwelling unit will automatically be deemed a nonhabitable space which may not be used as a dwelling and may not be rented.

G. Covenant Required. Before the city issues a building permit for an accessory dwelling unit, the property owner must record with the county recorder a covenant running with the land stating that the accessory dwelling unit cannot be used in violation of this chapter. The covenant must be approved by the Director of Planning and Building Safety and approved as to form by the City Attorney.

H. Release of Covenant. In the event a covenant was previously recorded for a permitted accessory structure restricting the structure as non-habitable pursuant to Section 15-4A-6(H) of this Code, before the city issues a building permit for an accessory dwelling unit, the property owner must record a release of such covenant with the county recorder, in a form approved by the Director of Planning and Building Safety and the City Attorney.

I. Garage Conversions Prohibited. Garages and carports required under this Title do not constitute “an existing accessory structure,” as used in this Article, and any conversion of such a garage or carport to an accessory dwelling unit is expressly prohibited.

15-4E-3: DEVELOPMENT STANDARDS.

Accessory Dwelling Units must meet the development standards applicable to accessory structures in the R-1 and R-2 zones and the following standards:

A. Height: Same as structures in the R-1 and R-2 zones.
B. **Setbacks:**
   1. Attached to and/or within a primary dwelling: same as primary dwellings in the R-1 and R-2 zones.
   2. Detached from a primary dwelling: same as detached accessory structures in the R-1 and R-2 zones.
   3. Exception: No setback shall apply to a non-required portion of an existing garage or carport that is converted to an accessory dwelling unit.

C. **Building area:**
   1. Attached to a primary dwelling and/or within the primary dwelling: Maximum of 49 percent of the total floor area of the combined dwellings, or 1,200 square feet, whichever is less.
   2. Detached: Maximum of 1,200 square feet.
   3. The total area of the primary dwelling and the accessory dwelling unit may not exceed the maximum permitted floor area of the lot.

D. **Density:** One accessory dwelling unit per lot. In all cases, accessory dwelling units are only permitted on lots with a single primary residence. Properties developed with more than one unit are not permitted to also have an accessory dwelling unit.

E. **Architectural Design:** Each unit, whether attached or detached, must be architecturally compatible with the primary dwelling.

F. **Parking:** No parking spaces are required for accessory dwelling units within one half mile of a transit stop.

G. **Separate Entrance:** If the accessory dwelling unit is attached to or within the primary dwelling, it must have independent exterior access from the primary dwelling. Such independent exterior access may not be an entrance facing the front yard. An independent and separate entrance to the accessory dwelling unit must be located on the side or at the rear of the primary dwelling.

H. The accessory dwelling unit must comply with applicable building, health and fire codes except where explicitly exempted by Government Code Section 65852.2. Fire sprinklers for accessory dwelling units are required only when they are required for the primary dwelling on the lot.

**15-4E-4: APPLICATION PROCESS; FEES,**

A. Pursuant to Government Code section 65852.2, any application for a building permit to create an accessory dwelling unit that conforms to this Article and is otherwise complete shall be ministerially approved within 120 days of application.
B. The applicant must pay any applicable fees, including but not limited to development impact fees imposed pursuant to Chapter 27A of this title, in an amount set by city council resolution.

SECTION 11: CONSTRUCTION. This ordinance must be broadly construed in order to achieve the purposes stated in this ordinance. It is the City Council's intent that the provisions of this ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this ordinance.

SECTION 12: ENFORCEABILITY. Repeal of any provision of the El Segundo Municipal Code does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this ordinance.

SECTION 13: VALIDITY OF PREVIOUS CODE SECTIONS. If this entire ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the ESMC or other city ordinance by this ordinance will be rendered void and cause such previous ESMC provision or other ordinance to remain in full force and effect for all purposes.

SECTION 14: SEVERABILITY. If any part of this ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this ordinance are severable.

SECTION 15: The City Clerk is directed to certify the passage and adoption of this ordinance; cause it to be entered into the City of El Segundo's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within 15 days after the passage and adoption of this ordinance, cause it to be published or posted in accordance with California law.

SECTION 16: The City Clerk is further directed to submit a copy of this ordinance to the Department of Housing and Community Development within 60 days after adoption.

SECTION 17: This Ordinance will become effective on the thirty-first day following its passage and adoption.

PASSED AND ADOPTED this ___ day of ____________, 2017.

Suzanne Fuentes, Mayor

ATTEST:

STATE OF CALIFORNIA

) 10
I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Ordinance No. ___ was duly introduced by said City Council at a regular meeting held on the ___ day of ___________, 2017, and was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the ___ day of ___________, 2017, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

________________________
Tracy Weaver, City Clerk

APPROVED AS TO FORM:

________________________
Mark D. Hensley, City Attorney
EL SEGUNDO CITY COUNCIL

AGENDA STATEMENT: Committees, Commissions and Boards

AGENDA DESCRIPTION:
Consideration and possible action to announce the appointments to the Recreation and Parks Commission. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
1. Announce the appointees to the Recreation and Parks Commission;
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
None

FISCAL IMPACT: Included in Adopted Budget

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ORIGINATED BY: Mishia Jennings, Executive Assistant
REVIEWED BY: 
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

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TOTAL WARRANTS $846,946.72

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES  
Information on actual expenditures is available in the Director of Finance's 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/urgent payments for materials, supplies and
services in support of City Operations

A = Payroll and Employee Benefit checks

B = 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
may 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 \[Signature\]  
DATE: \[01-12-17\]

CITY MANAGER \[Signature\]  
DATE: \[01-13-17\]
CITY OF EL SEGUNDO  
PAYMENTS BY WIRE TRANSFER  
5/29/17 THROUGH 6/11/17

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**DATE OF RATIFICATION: 6/8/17**  
**TOTAL PAYMENTS BY WIRE:**  
1,833,926.97

Certified as to the accuracy of the wire transfers by:

Deputy City Treasurer II  
Date

Director of Finance  
Date

City Manager  
Date

Information on actual expenditures is available in the City Treasurer's Office of the City of El Segundo.
MEETING OF THE EL SEGUNDO CITY COUNCIL  
TUESDAY, JUNE 6, 2017 – 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 Boyles - Present
Council Member Dugan - Present
Council Member Brann - Present
Council Member Pirzhtuk - Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) None

SPECIAL ORDER OF BUSINESS:

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

1. Consideration and possible action to interview candidates for the Recreation and Parks Commission.
   (Fiscal Impact: None)

Council interviewed candidates for the Recreation and Parks Commission. David Lubs and Bob Motta were chosen to a full term ending May 30, 2021. The Mayor will announce the appointments at the 7:00 PM meeting on June 20, 2017.

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)(1)): -0- matters

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

MINUTES OF THE REGULAR COUNCIL MEETING 
JUNE 6, 2017 
PAGE NO. 1

29
Significant exposure to litigation pursuant to Government Code §54956.9(d)(2): -1- matters.

1. POA dispute concerning the EPMC


DISCUSSION OF PERSONNEL MATTERS (Gov't Code §54957): -0- matters

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

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

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov't Code §54957.6): -3- matters

1. Employee Organizations: Police Management Association; Supervisory, Professional Employees Association and City Employee Association.

   Agency Designated Representative: Steve Filarsky and City Manager, Greg Carpenter

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

Adjourned at 6:50 PM
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, JUNE 6, 2017 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER – Mayor Fuentes at 7:04 PM

INVOCATION – Pastor Rob McKenna, The Bridge Church

PLEDGE OF ALLEGIANCE – Major Scotty Autin and Family

PRESENTATIONS

a) Proclamation read by Mayor Fuentes, presented to Staff Sergeant Brett Williams and Sergeant First Class Steven Navarette, celebrating the 242nd Anniversary of the United States Army.

Recessed at 7:11 PM to celebrate the Army’s Anniversary with refreshments in the City Hall lobby.

Returned at 7:22 PM

b) Presentation – Chief Mitch Tavera introduced the two newest Police Officers to the El Segundo Police Department, Robert Glaza and Jeremy Glunt.

ROLL CALL

Mayor Fuentes - Present
Mayor Pro Tem Boyles - Present
Council Member Dugan - Present
Council Member Brann - Present
Council Member Pirsztuk - Present

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total)

Ron Werner, Manhattan Beach resident, spoke in opposition of item #C2, regarding TopGolf.
Tom Courtney, Manhattan Beach resident, spoke in opposition of item #C2, regarding TopGolf.
Marc Magid, resident, spoke in opposition of item #C2, regarding TopGolf.
Don Kales, Westchester resident, spoke in opposition of item #C2, regarding TopGolf.
Dave Atkinson, resident, spoke in favor of item #C2, regarding TopGolf.
Paul Wilder, Westchester resident, commented on the El Segundo Post Office and his concerns with the service he has received lately.
Casey Newton, resident, spoke in favor of item #E13, concerning the Corporate Games.
James Fuentes, resident, reiterated Mr. Wilder's position and concern's regarding the El Segundo Post Office.

CITY COUNCIL COMMENTS – (Related to Public Communications)

Council commented on the Public Communications

A. PROCEDURAL MOTIONS

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

MOTION by Council Member Brann, SECONDED by Council Member Dugan 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 regarding Environmental Assessment No. EA-1177, Zone Text Amendment No. ZTA 16-06 regarding Accessory Dwelling Units (ADUs) in Residential Zones. Adopting this Ordinance is statutorily exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§15000, et seq.), because it involves the adoption of an ordinance regarding accessory dwelling units in a single-family or multifamily residential zone to implement the provisions of Government Code Section 65852.2 as set forth in Section 21080.17 of the Public Resources Code, pursuant to CEQA Guidelines §15282(h). (Applicant: City of El Segundo).
   (Fiscal Impact: None)

Mayor Fuentes stated this was the time and place to conduct a public hearing and receive public testimony regarding Environmental Assessment No. EA-1177, Zone Text Amendment No. ZTA 16-06 regarding Accessory Dwelling Units (ADUs) in Residential Zones. Adopting this Ordinance is statutorily exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§21000, et seq., “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§15000, et seq.), because it involves the adoption of an ordinance regarding accessory dwelling units in a single-family or multifamily residential zone to implement the provisions of Government Code Section 65852.2 as set forth in Section 21080.17 of the Public Resources Code, pursuant to CEQA Guidelines §15282(h). (Applicant: City of El Segundo).

Clerk Weaver stated that proper notice had been given in a timely manner and that written communication had been received in the City Clerk's office.
Greg Carpenter, City Manager, introduced the item.

Gregg McClain, Planning Manager gave a presentation and answered questions.

Public Comment:

Maxine Walsleben, resident, commented in favor of the Accessory Dwelling Units (ADU's).
Casey Newton, resident, asked questions concerning the timing of the ADUs
Herbert Walsleben, resident, commented in favor of the ADUs
Cristina Biggerstaff, resident, concerned with setback restrictions and the proposed guidelines by the Planning Commission for the ADUs.
Kimberly Cole, resident, commented in favor of the ADUs
Dave Atkinson, resident, presented the legislation for the ADUs and expressed his concerns with the proposed guidelines by the Planning Commission.
Jim Stone, resident, commented in favor of the ADUs

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

Council Discussion

Council directed staff to make the following amendments to the proposed Ordinance; allow accessory dwelling units on all R-1 lots, whether detached or attached and allow the dwellings to be the maximum 1200 square feet.

The proposed amendments to the Ordinance, requested by Council, will be brought back to the June 20, 2017 City Council Meeting for introduction.

Recessed at 8:41 PM

Returned at 8:55 PM

C. UNFINISHED BUSINESS

2. Consideration and possible action to approve Amendment No. 2, 4924-1B to the Lease with CenterCal regarding use of the City's driving range as a Top Golf facility. The purpose of the Amendment is to extend some of the due diligence and performance deadlines that must be completed before CenterCal's leasehold interest takes effect.
   (Fiscal Impact: $48,950.00)

Greg Carpenter, City Manager, introduced the item.

Mark Hensley, City Attorney, reported and answered Council's questions on the item.
Council Discussion

MOTION by Council Member Pirsztuk, SECONDED by Mayor Pro Tem Boyles to approve Amendment No. 2 Lease Agreement with CenterCal. MOTION PASSED BY VOICE VOTE. 3/2 Yes: Boyles, Dugan, Pirsztuk No: Brann, Fuentes

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

3. Consideration and possible action to receive and file an annual report of the Library Board of Trustees.
   (Fiscal Impact: None)

Greg Carpenter, City Manager, introduced the item.

Penny Armstrong, Library Board of Trustees Chairperson, gave the annual report.

Council Discussion

Receive and file an annual report of the Library Board of Trustees.

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 3016461 through 3016744 on Register No. 16 in the total amount of $3,026,342.78 and Wire Transfers from 5/8/17 through 5/28/17 in the total amount of $3,549,134.14. Ratified Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.

5. Approve the Regular City Council Meeting Minutes of May 16, 2017.

6. Approve a change order in the contract with Letner Roofing Co., amendment no. 5196A for $533,000.00 to complete the Police Station Roof Replacement Project and authorize an additional contingency of $67,000.00 for unforeseen conditions. Project No. PW 15-18.
   (Fiscal Impact: $600,000.00)

7. PULLED BY COUNCIL MEMBER BRANN

8. Authorize the City Manager to execute a standard Public Works Contract, No. 5343 in a form approved by the City Attorney, with Stephen Doreck Equipment Rentals, Inc. in the amount of $680,745.00 for the Center Street Water Main Improvement Project from Pine Ave. to El Segundo Blvd., Project No. PW 17-22
and authorize an additional $102,110.00 for construction related contingencies and authorize the City Manager to execute a standard Public Works Professional Services Agreement, No. 5344 in a form as approved by the City Attorney, with AKM Consulting Engineers, Inc. in the amount of $78,145.00 for construction inspection and testing services, and authorize an additional $10,000.00 for construction related contingencies. 
(Fiscal Impact: $871,000.00)

(Fiscal Impact: $48,950.00)

10. **PULLED BY COUNCIL MEMBER**

11. Authorize the City Manager to execute professional services agreements with Prosum No. 5346 and Dynette No. 5347 in a combined overall amount not to exceed $150,000 to provide project management and technical/helpdesk support for various information systems projects including, but not limited to, the implementation of a Recreation and Parks Management system, information systems Fiber Expansion project, and the Finance Cashiering system. 
(Fiscal Impact: $150,000.00)

12. Approve the 30-day extension for the provisional appointment of Acting Recreation Supervisor per El Segundo Municipal Code Section 1-6-13(c). 
(Fiscal Impact: None)

13. **PULLED BY COUNCIL MEMBER BRANN**

14. Authorize the acceptance of an additional $100,000 in grant funds from the UASI 2015 grant program, authorize the City Manager to sign an Amendment, No. 5000A, to the Sub-Recipient Agreement #5000 with the City of Los Angeles, who will serve as the grant administrator for the grant, following a Request For Proposal (RFP), authorize the City Manager to execute an agreement, No. 5348, in a form approved by the City Attorney, between the City of El Segundo and Michael T. Little, serving as a consultant of the Regional Training Group and authorize and approve additional appropriation to expense account 124-400-3785-6214. 
(Fiscal Impact: $100,000.00)

**MOTION** by Mayor Pro Tem Boyles, **SECONDED** by Council Member Dugan to approve Consent Agenda items 4, 5, 6, 8, 9, 11, 12 and 14. **MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0**

**PULLED ITEMS:**
Greg Carpenter, City Manager and Council Member Pirsztuk recused themselves from
the discussion of item #E7 due to a possible conflict of interest.
7. Consideration and possible action regarding adoption of Addendum No. 1 to an
approved Mitigated Negative Declaration and approval of Environmental
Assessment No. EA-1184 and Specific Plan Amendment No. SPA 17-01 to
amend the Downtown Specific Plan as follows: 1) remove the requirement that
upper-floor residential occupants must also be commercial tenants or owners of
the business below; 2) establish a new parking requirement for new residential
units; and 3) miscellaneous cleanup. (Applicant: Bill Ruane)
(Fiscal Impact: None)

Council Discussion

MOTION by Council Member Brann, SECONDED by Council Member Dugan to waive
the second reading and adopt Ordinance No. 1549 regarding Environmental
Assessment No. EA-1184 and Specific Plan Amendment No. SPA 17-01 to amend the
Downtown Specific Plan as follows: 1) remove the requirement that upper-floor
residential occupants must also be commercial tenants or owners of the business
below; 2) establish a new parking requirement for new residential units; 3)
miscellaneous cleanup. MOTION PASSED BY VOICE VOTE. 3/1 Yes: Boyles, Brann,
Dugan No: Fuentes

10. Consideration and possible action to award a Standard Works Contract No. 5345
to FieldTurf USA, Inc. for the El Segundo Athletic Fields Turf Replacement
Project, Project No. PW 17-10.
(Fiscal Impact: $1,142,440.20)

Council Discussion

Lufan Xu, City Engineer, Mark Hensley, City Attorney, and Ken Berkman, Public Works
Director answered questions.

MOTION by Council Member Pirsztuk, SECONDED by Mayor Pro Tem Boyles to award
a Standard Works Contract to FieldTurf USA, Inc. for the El Segundo Athletic Fields
Turf Replacement Project, Project No. PW 17-10. MOTION PASSED BY VOICE
VOTE. 4/1 Yes: Boyles, Brann, Fuentes, Pirsztuk No: Dugan

13. Consideration and possible action regarding sponsorship of the El Segundo
Corporate Games.
(Fiscal Impact: Approximately $540.00 in fee waivers for use of the Richmond
Field)

Council Discussion

Barbara Voss, Economic Development Manager, answered Council questions.
MOTION by Council Member Brann, SECONDED by Council Member Dugan to approve the request to co-sponsor the El Segundo Corporate Games along with OMNI Consulting. MOTION PASSED BY VOICE VOTE. 4/1 Yes: Boyles, Brann, Dugan, Fuentes No: Pirsztkuk

F. NEW BUSINESS

G. REPORTS – CITY MANAGER – Reported on the roadway construction taking place on Vista Del Mar, Pershing Dr., Culver Blvd. and Jefferson Blvd initiated by the communities of Playa Del Rey and Westchester. Ken Berkman, Public Works Director, attended a town hall meeting this evening on the project and reported back to Council on his findings.

H. REPORTS – CITY ATTORNEY – Commented on SB649 bill that is moving forward and expected to pass, expects to present the Drone Ordinance in the next month or so and reported the attorney’s office is working with the Planning staff on the development agreement for the Plaza El Segundo in order to help broaden the uses with the brick and mortar issues facing the country.

I. REPORTS – CITY CLERK – Announced she will miss the June 20, 2017 due to her daughter’s graduation from college.

J. REPORTS – CITY TREASURER – Not present

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Brann – Reported on the CalPers Ad-Hoc Committee’s recent meeting.

Council Member Pirsztkuk – Congratulated Center Street School on a successful Ice Cream Social and thanked the Police Department for scooping ice cream, congratulated all the graduates in El Segundo and thanked those who attended and participated in the joint Technology Committee Meeting.

Council Member Dugan – Attended a tour at the Hyperion Plant on May 18, 2017 and found it to be a worthwhile and educational tour and mentioned the facility welcomes schools to tour the plant as well.

Mayor Pro Tem Boyles – Congratulated Beto Moreno on his recent promotion to supervisor in Public Works department, attended the recent Beauty and the Beach Clean Up sponsored by El Segundo Kiwanis and El Segundo Power, LLC held on June 5, 2017, mentioned regular meetings with Edison and the DWP concerning ongoing issues in El Segundo, attended the joint Technology Committee meeting and thanked the members of the committee, as well as City staff and stated he will attend the Governance, Transparency and Labor Relations Policy Committee meeting in Sacramento on Friday, the committee is sponsored by the California League of Cities.
Mayor Fuentes – Attending the Regional Coyote meeting at the South Bay City Council of Governments in Torrance, attended the Los Angeles Air Force base Change of Command, mentioned Richmond Street School Third Graders visited City Hall, mentioned State Senator Ben Allen invited her to attend a trade mission in China, sponsored by the China's People Association for Friendship and would like this item to be agenized for discussion and approval.

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) None

Council will go back into Closed Session

MEMORIALS – None

ADJOURNMENT at 11:00 PM

Tracy Weaver, City Clerk
AGENDA DESCRIPTION:
Consideration and possible action to approve an amendment #1 to the original agreement with Steve Koester dba Environmental Compliance Services to provide temporary consultant services for the Fire Department and its Certified Unified Program Agency (CUPA) program (Fiscal Impact: $110,000).

RECOMMENDED COUNCIL ACTION:

1. Authorize the City Manager to sign the Amendment to the Professional Services Agreement, in a form approved by the City Attorney, with Steve Koester dba Koester Environmental Compliance Services;
2. Authorize an additional appropriation of $100,000 to 126-400-3205-6214.
3. Authorize an increase of the blanket purchase order by $100,000 for Steve Koester dba Koester Environmental Compliance Services to enable the Fire Department to receive the services provided by Steve Koester dba Environmental Compliance Services;
4. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Amendment #1 to Agreement 5169

FISCAL IMPACT: $100,000 (over two fiscal years)

<table>
<thead>
<tr>
<th>Amount Budgeted:</th>
<th>$110,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Appropriation:</td>
<td>$100,000</td>
</tr>
<tr>
<td>Account Number(s):</td>
<td>$110,000 (Fire: 126-400-3205-6214)</td>
</tr>
</tbody>
</table>

STRATEGIC PLAN:

<table>
<thead>
<tr>
<th>Goal:</th>
<th>2</th>
<th>Support Community Safety &amp; Preparedness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective:</td>
<td>1</td>
<td>The City of El Segundo is a safe and prepared City. The City has a proactive approach to risk and crime that is outcome focused</td>
</tr>
</tbody>
</table>

ORIGINATED BY: Carol Lynn Anderson, Senior Management Analyst
REVIEWED BY: Christopher Donovan, Fire Chief
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

The California Environmental Protection Agency (Cal-EPA) has certified the City of El Segundo to implement the Cal-EPA Unified Program elements for hazardous material storage handling and waste regulations as it relates to hazardous materials within the business community. Certified Unified Program Agencies (CUPA), as they are called, are given authority to require permits,
inspect facilities, issue violations and perform enforcement to improve environmental quality and protect public safety. Businesses that fall under the CUPA program, based on type and/or quantity of hazardous materials stored on site, pay annual special permit fees that are used to manage the program.

On July 19, 2016 the Fire Department entered into an agreement with Koester Environmental Compliance to provide the specialized skill set required to run the Certified Unified Program Agencies (CUPA) program until such time the City could hire a new Environmental Safety Manager. The Department has monitored the work progress and is anticipating the need for additional services with Koester Environmental Services until such time the new Environmental Safety Manager is hired in July 2017 and remaining Cal-EPA audit findings are resolved. The Department anticipates an overlap in fiscal years to address these issues.

Given permit fees are collected to manage the CUPA program, all costs for this temporary service agreement will be paid through CUPA funds with no impact to the general fund. The fire department is recommending the City Council approve an extension to the term of the agreement for six months beginning July 18, 2017 through December 31, 2017. Staff request that the City Council authorize the City Manager to sign the Amendment, in a form approved by the City Attorney. Likewise, the El Segundo Fire Department requests the City Council authorize an additional appropriation of funds to the CUPA professional services account and increase the blanket purchase order to Koester Environmental Compliance Services not exceed $210,000 for the life of the agreement.
FIRST AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF EL SEGUNDO AND
STEVE KOESTER dba
KOESTER ENVIRONMENTAL COMPLIANCE SERVICES

This First Amendment is entered into this 06th day of June, 2017, by and between the CITY OF EL SEGUNDO, a municipal corporation and general law city ("CITY") and STEVE KOESTER dba KOESTER ENVIRONMENTAL COMPLIANCE SERVICES ("CONSULTANT").

1. The term of the Agreement is extended from July 18, 2017 to December 31, 2017.

2. The parties also desire to amend the Agreement to increase the total amount of the Agreement by $100,000, so that the total, not-to-exceed amount of the Agreement is $210,000.

3. This Amendment may be executed in any number or counterparts, each of which will be an original, but all of which together constitutes one instrument executed on the same date.

4. Except as modified by this Amendment, all other terms and conditions of Agreement No. 5169 remain the same.

[Signatures on next page]
IN WITNESS WHEREOF the parties hereto have executed this Amendment the day and year first hereinabove written.

CITY OF EL SEGUNDO

Greg Carpenter,
City Manager

KOESTER ENVIRONMENTAL COMPLIANCE SERVICES

Steve Koester
President & Principal Environmental Scientist

ATTEST:

Tracy Weaver,
City Clerk

APPROVED AS TO FORM:

Mark D. Hensley,
City Attorney

Taxpayer ID No. ________________
AGENDA DESCRIPTION:
Consideration and possible action regarding authorizing the City Manager to pre-pay the City’s Fiscal Year 2017-18 annual unfunded liability contribution (UAL) to California Public Employees Retirement System (CalPERS). (Fiscal Impact: savings of $258,464: $64,616 for fiscal year (FY) 2016-17 and $193,848 in FY 2017-18)

RECOMMENDED COUNCIL ACTION:
1. Authorize City Manager to execute the annual unfunded liability (UAL) prepayment option to CalPERS in the total amount of $7,019,291 resulting in a total savings of $258,464 to the City.
2. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Exhibit 1 - Public Safety required contribution.
2. Exhibit 2 - Miscellaneous required contribution.

FISCAL IMPACT: None

Amount Budgeted: $7,019,291 ($1,755,000 in FY 2016-17 for July-September and the difference of $5,264,291 will be budgeted in FY 2017-18)

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

STRATEGIC PLAN:
Goal: 5(b) Champion Economic Development and Fiscal Sustainability:
   El Segundo approaches its work in a financially disciplined and responsible way
Objective: 2 The City will maintain a stable, efficient, and transparent financial environment

ORIGINATED BY: Joseph Lillio, Director of Finance
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
CalPERS provides member cities with a discount for prepayment of their annual unfunded liability contribution (UAL). The UAL is the employer annual payment toward the unfunded pension liability as measured on the actuarial valuation date. CalPERS is providing a discount
rate in the amount of 3.55% towards the City of El Segundo’s (the “City”) UAL of $7,277,755, resulting in a savings of $258,464 for a total discounted payment due of $7,019,291. The prepayment of the UAL must be made between July 1 and July 15, 2017. Attached for reference is the CalPERS required contributions statement for both Public Safety (Exhibit 1) and Miscellaneous (Exhibit 2). Also, table 1 below depicts the difference in paying the UAL on a monthly basis at the full rate versus the prepayment lump sum at the discounted rate.

<table>
<thead>
<tr>
<th>CalPERS Plan</th>
<th>FY 2017-18 Annual Unfunded Liability Contribution (if paid in monthly installments)</th>
<th>Prepayment of Annual Unfunded Liability Contribution</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety</td>
<td>$5,517,777</td>
<td>$5,321,817</td>
<td>-$195,960</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$1,759,978</td>
<td>$1,697,474</td>
<td>-$62,504</td>
</tr>
<tr>
<td>Total</td>
<td>$7,277,755</td>
<td>$7,019,291</td>
<td>-$258,464</td>
</tr>
</tbody>
</table>

The City’s current overall internal investment portfolio is currently earning an annualized return of 1.09% (as of April 2017). The City’s portfolio return of 1.09% is significantly lower than the return CalPERS is applying (3.55%) towards the City’s prepayment; resulting in a more effective use of City funds.

Staff recommends prepaying the UAL payment in the amount of $7,019,291, resulting in a direct savings of $258,464 to the City.
August 2016

SAFETY PLAN OF THE CITY OF EL SEGUNDO (CalPERS ID: 2657082556)  
Annual Valuation Report as of June 30, 2015

Dear Employer,

As an attachment to this letter, you will find a copy of the June 30, 2015 actuarial valuation report of your pension plan. Your 2015 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your CalPERS staff actuary, whose signature appears in the "Actuarial Certification" section on page 1, is available to discuss the report with you after August 31, 2016.

Future Contributions

The exhibit below displays the minimum employer contributions for Fiscal Year 2017-18 and projected contributions for Fiscal Year 2018-19, before any cost sharing. The projected contributions for Fiscal Year 2018-19 are based on the most recent information available, including an estimate of the Investment return for Fiscal Year 2015-16, namely 0.0 percent. For a projection of employer contributions beyond Fiscal Year 2018-19, please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This 5-year projection of future employer contributions supersedes any previous projections we have provided. The "Risk Analysis" section of the valuation report also contains estimated employer contributions in future years under a variety of investment return scenarios.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Employer Normal Cost Rate</th>
<th>Employer Payment of Unfunded Liability</th>
<th>Employee PEPRA Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td>19.011%</td>
<td>5,517,777</td>
<td>10.75%</td>
</tr>
<tr>
<td>2018-19 (projected)</td>
<td>19.0%</td>
<td>6,305,188</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Member contributions other than cost sharing (whether paid by the employer or the employee) are in addition to the above. The employer contributions in this report do not reflect any cost sharing arrangement you may have with your employees.

The estimates for Fiscal Year 2018-19 also assume that there are no future contract amendments and no liability gains or losses (such as larger than expected pay increases, more retirements than expected, etc.). This is a very important assumption because these gains and losses do occur and can have a significant impact on required contributions. These gains and losses cannot be predicted in advance so the projected employer contributions are just estimates. The actual required employer contributions for Fiscal Year 2018-19 will be provided in next year's report.
### Required Contributions

<table>
<thead>
<tr>
<th>Required Employer Contribution</th>
<th>Fiscal Year</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer Normal Cost Rate</td>
<td></td>
<td>19.011%</td>
</tr>
<tr>
<td><em>Plus Either</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1) Monthly Employer Dollar UAL Payment</td>
<td>$</td>
<td>459,815</td>
</tr>
<tr>
<td>Or</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) Annual UAL Prepayment Option</td>
<td>$</td>
<td>5,321,817</td>
</tr>
</tbody>
</table>

**Required PEPRA Member Contribution Rate**

10.75%

The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars). Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change. §20572 of the Public Employees' Retirement Law assesses interest at an annual rate of 10 percent if a contracting agency fails to remit the required contributions when due. For additional detail regarding the determination of the required contribution for PEPRA members, see Appendix D. Required member contributions for Classic members can be found in Appendix B.

<table>
<thead>
<tr>
<th>Normal Cost Contribution as a Percentage of Payroll</th>
<th>Fiscal Year</th>
<th>2016-17</th>
<th>Fiscal Year</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Normal Cost</td>
<td></td>
<td>27.792%</td>
<td></td>
<td>28.028%</td>
</tr>
<tr>
<td>Employee Contribution&lt;sup&gt;1&lt;/sup&gt;</td>
<td></td>
<td>9.024%</td>
<td></td>
<td>9.017%</td>
</tr>
<tr>
<td>Employer Normal Cost</td>
<td></td>
<td>18.768%</td>
<td></td>
<td>19.011%</td>
</tr>
</tbody>
</table>

| Projected Annual Payroll for Contribution Year | $ | 15,889,207 | $ | 15,317,650 |

<table>
<thead>
<tr>
<th>Estimated Employer Contributions Based On Projected Payroll</th>
<th>Fiscal Year</th>
<th>2016-17</th>
<th>Fiscal Year</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Normal Cost</td>
<td>$</td>
<td>4,415,929</td>
<td>$</td>
<td>4,293,232</td>
</tr>
<tr>
<td>Employee Contribution&lt;sup&gt;1&lt;/sup&gt;</td>
<td></td>
<td>1,433,842</td>
<td></td>
<td>1,381,193</td>
</tr>
<tr>
<td>Employer Normal Cost</td>
<td></td>
<td>2,982,087</td>
<td></td>
<td>2,912,039</td>
</tr>
<tr>
<td>Unfunded Liability Contribution</td>
<td></td>
<td>4,958,179</td>
<td></td>
<td>5,517,777</td>
</tr>
<tr>
<td>Estimated Total Employer Contribution&lt;sup&gt;2&lt;/sup&gt;</td>
<td>$</td>
<td>7,940,266</td>
<td>$</td>
<td>8,429,816</td>
</tr>
</tbody>
</table>

<sup>1</sup> For classic members, this is the percentage specified in the Public Employees Retirement Law, net of any reduction from the use of a modified formula or other factors. For PEPRA members, the member contribution rate is based on 50 percent of the normal cost. A development of PEPRA member contribution rates can be found in Appendix D. Employee cost sharing is not shown in this report.

<sup>2</sup> As a percentage of projected payroll the UAL contribution for Fiscal Year 2017-18 is 36.022 percent for an estimated total employer contribution rate of 55.033 percent. As determined in the June 30, 2014 valuation, the Fiscal Year 2016-17 UAL contribution is 31.205 percent for a total employer contribution rate of 49.973 percent.
August 2016

MISCELLANEOUS PLAN OF THE CITY OF EL SEGUNDO (CalPERS ID: 2657082556)  
Annual Valuation Report as of June 30, 2015

Dear Employer,

As an attachment to this letter, you will find a copy of the June 30, 2015 actuarial valuation report of your pension plan. Your 2015 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your CalPERS staff actuary, whose signature appears in the "Actuarial Certification" section on page 1, is available to discuss the report with you after August 31, 2016.

Future Contributions

The exhibit below displays the minimum employer contributions for Fiscal Year 2017-18 and projected contributions for Fiscal Year 2018-19, before any cost sharing. The projected contributions for Fiscal Year 2018-19 are based on the most recent information available, including an estimate of the investment return for Fiscal Year 2015-16, namely 0.0 percent. For a projection of employer contributions beyond Fiscal Year 2018-19, please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This 5-year projection of future employer contributions supersedes any previous projections we have provided. The "Risk Analysis" section of the valuation report also contains estimated employer contributions in future years under a variety of investment return scenarios.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Employer Normal Cost Rate</th>
<th>Employer Payment of Unfunded Liability</th>
<th>Employee PEPRA Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td>7.840%</td>
<td>$1,759,978</td>
<td>6.25%</td>
</tr>
<tr>
<td>2018-19 (projected)</td>
<td>7.8%</td>
<td>$2,092,440</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Member contributions other than cost sharing (whether paid by the employer or the employee) are in addition to the above. **The employer contributions in this report do not reflect any cost sharing arrangement you may have with your employees.**

The estimates for Fiscal Year 2018-19 also assume that there are no future contract amendments and no liability gains or losses (such as larger than expected pay increases, more retirements than expected, etc.). This is a very important assumption because these gains and losses do occur and can have a significant impact on required contributions. These gains and losses cannot be predicted in advance so the projected employer contributions are just estimates. The actual required employer contributions for Fiscal Year 2018-19 will be provided in next year's report.
Required Contributions

<table>
<thead>
<tr>
<th>Required Employer Contribution</th>
<th>Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer Normal Cost Rate</td>
<td>7.840%</td>
</tr>
<tr>
<td><em>Plus Either</em></td>
<td></td>
</tr>
<tr>
<td>1) Monthly Employer Dollar UAL Payment</td>
<td>$146,665</td>
</tr>
<tr>
<td><em>Or</em></td>
<td></td>
</tr>
<tr>
<td>2) Annual UAL Prepayment Option</td>
<td>$1,697,474</td>
</tr>
</tbody>
</table>

Required PEPRA Member Contribution Rate 6.25%

The total minimum required employer contribution is the _sum_ of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) _plus_ the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars). Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change. §20572 of the Public Employees' Retirement Law assesses interest at an annual rate of 10 percent if a contracting agency fails to remit the required contributions when due. For additional detail regarding the determination of the required contribution for PEPRA members, see Appendix D. Required member contributions for Classic members can be found in Appendix B.

<table>
<thead>
<tr>
<th>Normal Cost Contribution as a Percentage of Payroll</th>
<th>Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016-17</td>
</tr>
<tr>
<td>Total Normal Cost</td>
<td>14.892%</td>
</tr>
<tr>
<td>Employee Contribution¹</td>
<td>6.822%</td>
</tr>
<tr>
<td>Employer Normal Cost</td>
<td>8.070%</td>
</tr>
<tr>
<td>Projected Annual Payroll for Contribution Year</td>
<td>$13,928,645</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Estimated Employer Contributions Based On Projected Payroll</th>
<th>Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016-17</td>
</tr>
<tr>
<td>Total Normal Cost</td>
<td>$2,074,255</td>
</tr>
<tr>
<td>Employee Contribution¹</td>
<td>950,212</td>
</tr>
<tr>
<td>Employer Normal Cost</td>
<td>1,124,043</td>
</tr>
<tr>
<td>Unfunded Liability Contribution</td>
<td>1,532,188</td>
</tr>
<tr>
<td>Estimated Total Employer Contribution²</td>
<td>$2,656,231</td>
</tr>
</tbody>
</table>

¹ For classic members, this is the percentage specified in the Public Employees Retirement Law, net of any reduction from the use of a modified formula or other factors. For PEPRA members, the member contribution rate is based on 50 percent of the normal cost. A development of PEPRA member contribution rates can be found in Appendix D. Employee cost sharing is not shown in this report.

² As a percentage of projected payroll the UAL contribution for Fiscal Year 2017-18 is 12.778 percent for an estimated total employer contribution rate of 20.618 percent. As determined in the June 30, 2014 valuation, the Fiscal Year 2016-17 UAL contribution is 11.000 percent for a total employer contribution rate of 19.070 percent.
AGENDA DESCRIPTION:
Consideration and possible action regarding adoption of a Resolution appointing City Council Member, Mike Dugan, Director of Finance, Joseph Lillio, and Director of Human Resources, Lynn Lindberg, to serve as board member, alternate board member, and substitute alternate board member, respectively, on the Independent Cities Risk Management Association (ICRMA) governing board. (Fiscal Impact: none)

RECOMMENDED COUNCIL ACTION:
1) Adopt attached resolution appointing City Council Member, Mike Dugan, Director of Finance, Joseph Lillio, and Director of Human Resources, Lynn Lindberg, to serve as board member, alternate board member, and substitute alternate board member, respectively; and
2) Alternatively discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1) Resolution to appoint specific representatives to ICRMA.

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

STRATEGIC PLAN:
- Goal: 1 Enhance Customer Service and Engagement
- Objective: 1 City operations are unified and integrated

ORIGINATED BY: Joseph Lillio, Director of Finance
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
ICRMA is a not-for-profit Joint Powers Authority directed by a Governing Board consisting of one representative from each Member City. There are currently eighteen active member municipalities. The Governing Board directs the activities of the pools, programs and outside administrators to the advantage of its membership. The Governing Board meets as required to take action and/or approve recommendations from the Administrative and Claims Committees. Members are encouraged to participate on the Governing Board, Executive Committee, Claims Committee, and other committees. All meetings are open to members and the public, as are public sessions of the Administrative and Claims Committee meetings.

7
On a day-to-day basis, ICRMA is managed by a professional administrative staff to provide immediate assistance with risk management, risk transfer, claims, litigation, return-to-work issues, and education.

In addition, ICRMA contracts with several key providers for its various risk programs and consulting services. These providers are reviewed by the Governing Board.

The City of El Segundo ("City") is a member city of ICRMA. The City participates in the following insurance/risk pool programs: general liability, property program, worker’s compensation program, and cyber program.

The bylaws of ICRMA require that the Governing Board shall be comprised of one representative from each member. In addition to the delegate representative, who may be a legislative member, an alternate and substitute alternate may be appointed, either of whom may vote in absence of the delegate representative. If the member chooses to designate an alternate or substitute alternate, other than a legislative member, the person(s) designated shall hold one of the following positions, or their equivalent: City Administrator/Manager, Assistant or Deputy City Administrator/Manager, Assistant to City Manager, City Attorney, Assistant City Attorney, Financial Officer (Director of Finance or Finance Manager), Risk Manager, Human Resources Director/Manager, or Administrative Services Director. Also, the resolution should appoint by name, rather than by title, per ICRMA general counsel.
RESOLUTION NO. ________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL SEGUNDO APPOINTING A DELEGATE, ALTERNATE, AND SUBSTITUTE ALTERNATE TO THE GOVERNING BOARD OF THE INDEPENDENT CITIES RISK MANAGEMENT AUTHORITY (ICRMA).

WHEREAS, the City of El Segundo ("City") is a member of the Independent Cities Risk Management Authority ("ICRMA"), a joint powers authority created pursuant to the provisions of the California Government Code; and

WHEREAS, ICRMA provides a Liability Program, Workers' Compensation Program, Property Program, and other coverage programs for its members; and

WHEREAS, the Joint Powers Agreement provides that the Governing Board of the Authority shall be comprised of one representative from each member; and

WHEREAS, the city council of each member may select and change any of its representatives by filing a resolution with ICRMA; and

WHEREAS, the city council may appoint legislative member(s) or staff member(s) to serve on the Governing Board; and

WHEREAS staff members shall have one of the following positions, or equivalent: City Attorney, Assistant City Attorney, Financial Officer, City Administrator/Manager, Assistant/Deputy City Administrator/Manager, Assistant to City Manager, Risk Manager, Human Resources Director/Manager, or Administrative Services Director; and

WHEREAS, City desires to designate its representative(s) to the ICRMA Governing Board;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of El Segundo does hereby find, determine and declare as follows:

SECTION 1. That City Council Member, Mike Dugan, is hereby appointed to serve as a delegate on the ICRMA Governing Board.

SECTION 2. That Director of Finance, Joseph Lillio, is hereby appointed as the alternate, to serve on the ICRMA Governing Board in the absence of the primary member noted in Section 1 above.

SECTION 3. That Director of Human Resources, Lynn Lindberg, is hereby appointed as the substitute alternate, to serve on the ICRMA Governing Board in the
absence of the primary member noted in Section 1 above and in the absence of the alternate member noted in Section 2 above.

SECTION 4. That the individuals designated by this City Council as the City's delegate, alternate, and substitute alternate to the ICRMA Governing Board are hereby confirmed and designated as the City's delegates for all purposes of representing the City's interests and exercising the authority of the City with respect to all matters delegated to the Governing Board and signing all amendments as are contemplated to be approved by the Governing Board.

RESOLVED, that a certified copy of this Resolution shall be provided to the Executive Director of ICRMA.

PASSED, APPROVED, AND ADOPTED this 20th day of June, 2017.

__________________________________
Mayor Suzanne Fuentes, City of El Segundo

ATTEST:

__________________________________
Tracy Weaver, City Clerk, City of El Segundo
EL SEGUNDO CITY COUNCIL  
AGENDA ITEM STATEMENT  

AGENDA DESCRIPTION:  
Consideration and possible action to award a professional services contract to Revenue & Cost Specialists, LLC for the cost allocation and City-wide user fee study. (Fiscal Impact: $38,850)  

RECOMMENDED COUNCIL ACTION:  
1. Authorize the City Manager to execute a standard professional services agreement, in a form approved by the City Attorney, with Revenue & Cost Specialists, LLC in an amount not to exceed of $38,850 for the cost allocation and City-wide user fee study for the City of El Segundo.  
2. Alternatively, discuss and take other action related to this item.  

ATTACHED SUPPORTING DOCUMENTS:  
N/A  

FISCAL IMPACT:  
Amount Budgeted: $38,850  
Additional Appropriation: N/A  
Account Number(s): From Account: 001-400-2901-4101/Full-time Salaries (-$38,850)  
To Account: 001-400-2504-6214/Professional & Technical ($38,850)  

STRATEGIC PLAN:  
Goal: 5(b) Champion Economic Development and Fiscal Sustainability:  
El Segundo approaches its work in a financially disciplined and responsible way  
Objective: 2 The City will maintain a stable, efficient, and transparent financial environment  

PREPARED BY: Joseph Lillio, Director of Finance  
APPROVED BY: Greg Carpenter, City Manager  

DISCUSSION:  
On April 27, 2017, the Finance Department issued a request for proposals (RFP) for the development of a Cost Allocation Plan and Master (User) Fee Study. The City proactively sent the RFP to six vendors who specialize in the area of developing cost allocation and fee studies for municipalities. In addition, the City posted the RFP on the City’s home webpage under “Latest News” and under the “Procurement/RFP/Bids” section of the City website. A total of three proposals were received by the proposal due date of May 25. An internal panel of three raters independently rated the three proposals. The raters consisted of the Director of Finance, the Revenue Manager and the Finance Manager.  

Proposals were independently rated on the following criteria:  
- Thoroughness and understanding of the tasks to be completed.  
- Staff expertise and overall experience of personnel assigned to the work.  
- Time required to accomplish the requested services.
- Responsiveness to requirements of the project.
- Recent public sector experience, preferably in a municipal setting, conducting similar studies.
- Cost (to be used in the event the top two proposals are rated equally and the cost will be used as a tie-breaking decision only)

After independently rating the firms, the internal panel met and discussed the results. As a result of the rating process, Revenue & Cost Specialists, LLC (RCS) was selected. RCS is well qualified for the project, and has recently worked on similar projects with the cities of Corona, Diamond Bar, Hermosa Beach, Lancaster, and Santa Clarita. RCS submitted a total bid of $37,000 for the cost allocation and City-wide user fee study. Staff is requesting a project contingency of 5%, or $1,850, for any additional costs not included in the comprehensive bid response that may arise during the course of this project. **The total project cost will be an amount not to exceed $38,850 ($37,000 bid response plus $1,850 for a 5% project contingency).**

The Master Fee Study will identify the total cost of providing each City service at the appropriate activity level in a manner that is consistent with all applicable laws, statutes, rules and regulations governing the collection of fees, and rates for charges by public entities, including meeting the requirements of Propositions 26 and 218. The firm will gather information by conducting staff interviews with those providing the end user services, and compile data to identify the total cost of providing each City service at the appropriate activity level. At the conclusion of this portion of the project, RCS will deliver a report that compares the City of El Segundo’s fees and the fees of other South Bay Area cities. In addition, they will provide a draft report on findings and recommendations to facilitate an understanding of the methodologies, issues, percent of cost recovery and recommendations resulting from the update. The intent is to develop a City-wide comprehensive master fee schedule. The master fee schedule will be continually maintained by the Finance Department and updated on an annual basis for City Council’s review and approval of any changes to the structure and rate of the fees.

Another part of the project will be development of a cost allocation plan for the City. This will result in the City having a full cost allocation plan, as well as a cost allocation plan that meets the requirements of the federal Office of Management and Budget (OMB) Circular A-87. This is a key requirement to enable the City to fully recover its indirect and overhead costs from federal grants and some State grants. The cost allocation plan will provide a justification to support internal and external rates and/or percentages charged by departments for cost recovery. As part of this work, RCS will also develop fully burdened hourly rates for employees, based on each position’s direct cost, including fringe benefits and overhead rates.

Below is a proposed timeline of the key dates for the project:

| Staff’s recommendation to City Council/Contract approved by City Council: | June 20, 2017 |
| Work Begins | July/August 2017 |
| Preliminary report to staff | December 2017 |
| Presentation to City Council | January 2018 |
| Completion of project | February 2018 |
| Public Hearing/Adoption of fees by City Council | March/April 2018 |
Cost Allocation and City-wide Fee Study RFP Results:

<table>
<thead>
<tr>
<th>Consultant</th>
<th>Proposal Complete</th>
<th>Total Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Accounting Partners, LLC</td>
<td>Yes</td>
<td>$51,260</td>
</tr>
<tr>
<td>MGT of America Consulting, LLC</td>
<td>Yes</td>
<td>$54,215</td>
</tr>
<tr>
<td>Revenue &amp; Cost Specialists, LLC</td>
<td>Yes</td>
<td>$37,000</td>
</tr>
</tbody>
</table>
AGENDA DESCRIPTION:
Informational report on the Strategic Plan’s Key Performance Indicators (KPIs) for the month of May 2017. (Fiscal Impact: none)

RECOMMENDED COUNCIL ACTION:
1. Receive and file an informational report on May KPIs.
2. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Exhibit A - Key Performance Indicator results for the month of May 2017
2. Exhibit B – ESPD Performance Metrics for April 2017

STRATEGIC PLAN:
Goal: 5(b) Champion Economic Development and Fiscal Sustainability:
El Segundo approaches its work in a financially disciplined and responsible way

Objective: 2 The City will maintain a stable, efficient, and transparent financial environment

FISCAL IMPACT: $ (0)
Amount Budgeted: $0
Additional Appropriation: N/A

PREPARED BY: Joseph Lillio, Finance Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:
The Mayor and City Council, the City Manager, and City staff worked diligently to develop a three-year Strategic Plan. The mission, "Provide a great place to live, work and visit," serves as the foundation for the City's five major goals. These goals are:

1. Enhance Customer Service and Engagement;
2. Support Community Safety and Preparedness;
3. Develop as a Choice Employer and Workforce;
4. Develop Quality Infrastructure and Technology; and

Identifying these goals enables the City to align its efforts and resources to accomplish the goals and achieve positive progress for the community of El Segundo. This plan sets the course for the City of El Segundo to ensure the City’s mission is accomplished.
The three-year Strategic Plan is a living document and should not be considered static by any means. The strategic plan features a framework that can be adjusted based on the current needs of the community. The goals, objectives, activities, and key performance indicators (KPIs) will be reviewed annually and Council can modify these if necessary. Also, on a quarterly basis the City will provide updates on the progress and performance of the work plan and monthly updates on the KPIs. As such, the plan may be modified to ensure that stated goals are aligned with the needs of the community.

This is the fourth monthly report to City Council on the KPIs. The monthly reporting on the City-wide performance indicators is part of the approved strategic plan and falls under the strategic goal of “Enhance Customer Service and Engagement”. The strategic objective under this goal is “the City is transparent regarding services and performance”. Finally, the related strategic activity is “report City-wide performance indicators”. As staff presents the monthly KPIs to Council, the KPI measurements can be modified per Council’s direction.

Furthermore, with the adoption of the 3-year strategic plan, the strategic planning and budgeting process are now linked to assure that the City’s budget reflects City Council and community priorities. With the development and implementation of the strategic plan, the City of El Segundo reaffirms its commitment to continue to provide exceptional services and programs to its community.
## Exhibit A - Key Performance Indicators for the Month of May

### Enhance Customer Service and Engagement

**Goal 1(a): El Segundo provides unparalleled service to internal and external customers**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>KPIs</th>
<th>1st Quarter Average</th>
<th>May</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
</table>
| 1) City operations are unified and integrated | - Cross-training and cross-communication  
- Enhance collaborative capacity Citywide (e.g., teleconferencing) | Average workdays to process plan check reviews & the number of plan checks per FTE (P&B5) | 3-month average:  
Building: 36.3 plan checks - 12.9 days to review  
Electrical: 13 plan checks - 15.1 days to review  
Mechanical: 10 plan checks - 16.8 days to review  
Plumbing: 6 plan checks - 12.2 days to review  
Grading: 1 plan check 13 days to review  
Monthly average of 65 total plan checks & an average of 8 FTEs = 8.1 per FTE | Electrical: 17 plan checks - 16.6 days to review  
Mechanical: 7 plan checks - 18.0 days to review  
Plumbing: 6 plan checks - 20.3 days to review  
Grading: 1 plan check 24 days to review | | | |
| 2) City services are convenient, efficient and user friendly for all residents and businesses | - Build a business center for the development team and customers | | | | | |
| | - Replace, streamline and optimize website with mobile app and robust intranet | | | | | |
## Key Performance Indicators for the Month of May

### Enhance Customer Service and Engagement

**Goal 1(a): El Segundo provides unparalleled service to internal and external customers**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>KPIs</th>
<th>1st Quarter Average</th>
<th>May</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Provide online business transactions for residents and business community <strong>E-file and Online Plan Check, online permitting (all business areas), Online business license renewal, new application process, payments. Online T.O.T. reporting and payment remittance</strong></td>
<td><strong>Average workdays to process film permits &amp; the number of film permits per FTE (Finance)</strong></td>
<td>Monthly average of 4 permits reviewed for an average of 48 hours turnaround</td>
<td>3 permits reviewed for an average of 48 hours turnaround</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) City services are convenient, efficient and user-friendly for all residents and businesses</td>
<td><strong>Provide a user-friendly digital file cabinet for public to access online</strong></td>
<td><strong>Monthly report on Resident/Business satisfaction survey s (CM)</strong></td>
<td>N/A - To be developed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Provide GIS software access to basic property information and relevant documents</strong></td>
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<tr>
<td></td>
<td><strong>Create a citizens’ training academy</strong></td>
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<td></td>
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<tr>
<td></td>
<td><strong>Expand Library hours, search access, programs, etc.</strong></td>
<td><strong>Turnaround time to process all City contracts &amp; the number of contracts processed per FTE (City Clerk)</strong></td>
<td>Monthly average of 7.1 days to process an average of 23 agreements, by .75 FTE</td>
<td>Average 4.3 days to process 30 agreements by .75 FTE</td>
<td></td>
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</tr>
<tr>
<td></td>
<td><strong>Expand Parks &amp; Rec programs to (a) meet the customer demand of affordable, safe, and fun programs for youth</strong></td>
<td><strong>Employee satisfaction survey s. (I-R.) (to be developed)</strong></td>
<td>N/A - To be developed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Implement year-long festivities and celebration of the City's Centennial</strong></td>
<td></td>
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<tr>
<td></td>
<td><strong>Amend codes in response to issues discovered by staff and customers</strong></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

2|Page
# Key Performance Indicators for the Month of May

## Enhance Customer Service and Engagement

**Goal 1(b): El Segundo’s engagement with the community ensures excellences – it understands and exceeds customer expectations.**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>KPIs</th>
<th>1st Quarter Average</th>
<th>May</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
<tbody>
<tr>
<td>3) The City is transparent regarding services and performance</td>
<td>• Report Citywide performance indicators</td>
<td>- Quarterly status report to City Council on the strategic work plan (Finance)</td>
<td>To be reported on May 16 to City Council</td>
<td></td>
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<tr>
<td></td>
<td>• Assess customer satisfaction via</td>
<td>- Monthly report on Resident/Business satisfaction surveys (Finance)</td>
<td>N/A - To be developed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>o Annual resident and business surveys</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td></td>
<td>o Post service or event questionnaires</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>o Personal outreach throughout year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4) The City engages in regular, intentional information gathering</td>
<td>• Number of Library card holders, library visitors, number of circulation of materials, &amp; attendance at programs (Library)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5) City communication is comprehensive and integrated</td>
<td>• Provide inter-departmental tours and brief overview of services provided</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Expand use of social media as communication tool</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>• Expand use of E-newsletters as communication tool</td>
<td></td>
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</tr>
</tbody>
</table>

**Quarter results (Jan-March):**
- Enrollment in Park/Rec programs & General Fund cost per attendee (Rec/Park): 1,056
  - 5
  - 1,371
- Aquatics Programs (direct program costs only):
  - Swim: 1901 attendance @ cost of $28.38/attendee
  - attendees @ cost of $11.37/attendee
  - attendees @ cost of $24.06/attendee
- Transportation Services (Direct program costs only):
  - Dial-A-Ride: 1,229 riders @ a cost of $77/riders
  - Lunchtime Shuttle: 1,204 riders @ a cost of $3.06/riders
  - Dial-A-Ride: 39 riders @ a cost of $45.43/riders

---

*Class*

*Special Events =*

*Home delivered meals =*

*Lap*

*Swinnastics - 499*

*Recreation Swim - 602*

*Doctor*
# Key Performance Indicators for the Month of May

## Support Community Safety and Preparedness

### Goal 2: El Segundo is a safe and prepared city

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>KPIs</th>
<th>1st Quarter Average</th>
<th>May</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Ensure equipment, systems and staffing remain up to date with standards and local needs (e.g., high-density construction and increased service demands, changed crime rates, State laws and funding)</td>
<td>- Monthly report on Crime Statistics (P.D.)&lt;br&gt;- Monthly report on Priority 1 response times &amp; number of Priority 1 responses per FTE (P.D.)</td>
<td>Reported monthly</td>
<td>See attached &quot;Exhibit B&quot;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Institute proactive plans to mitigate hazards within the City with community involvement</td>
<td>- Number of CERT members trained annually &amp; the number of labor hours by staff (F.D.)&lt;br&gt;- Average total response time for Fire &amp; EMS calls and the number of FTEs responding per call (FD)</td>
<td>Monthly average of 9 Members Trained &amp; 60 labor hours of training conducted by FD Staff</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Ensure redundancies are in place</td>
<td>- Number of total service calls at 24 patrol FTEs = 119.8 service calls per FTE</td>
<td>2,876 service calls per Sworn Patrol FTE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Prepare via planning, training and mock activities</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1) The City has a proactive approach to risk and crime that is outcome focused</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>- Ensure ordinances are current with new/emerging risks</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
## Key Performance Indicators for the Month of May

<table>
<thead>
<tr>
<th>2) Proactive communication and community engagement</th>
<th>* Inform owners re retro-fit for earthquakes</th>
<th>* Citizen surveys &amp; questionnaires (CM)</th>
<th>N/A - To be developed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>* Use social media to keep community &amp; staff informed &amp; engaged</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Develop as a Choice Employer and Work Force

### Goal 3(a): El Segundo is a City employer of choice and consistently hires for the future

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>KPIs</th>
<th>1st Quarter Average</th>
<th>May</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) The City has a strong culture of customer service, employee retention, and internal feedback</td>
<td>* Institute a wellness program to enhance wellbeing and morale</td>
<td>* Average time to fill recruitments &amp; the number of recruitments filled per H.R. FTE</td>
<td>Monthly average: 96 Days &amp; 11 recruitments filled</td>
<td>10 F/T - 8 Regular @ 84,13 Avg. Days to Fill and 2 Police Trainees @ 233 Avg. Days to Fill; Plus 10 P/T (Library, Police, Parks/Rec)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>* Institute a formal Employee Recognition Program</td>
<td>* Number of vacancies (H.R.)</td>
<td>Average of 33 vacancies per month</td>
<td>29 F/T; 6 P/T</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>* Quarterly turnover percentage (H.R.)</td>
<td>Monthly average of 1.6 FTEs &amp; 2 PTEs</td>
<td>2 P/T; 5 P/T</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) The City provides a competitive environment and nimble hiring/on-boarding process for its employees</td>
<td>* Ensure process excellence to attract qualified applicants</td>
<td>* Applicant surveys &amp; the total number of surveys received per recruitment (H.R.) (to be developed)</td>
<td>N/A - To be developed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3) The City has a comprehensive, intentional plan for staff development, training and succession</td>
<td>* Train employees to effectively and efficiently perform their jobs</td>
<td>* Number of internal promotions (H.R.)</td>
<td>Average of 1 per month</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>* Develop employees so they are prepared to progress in the organization</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>* Develop employees to be able to fill critical vacancies from within</td>
<td></td>
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</tr>
</tbody>
</table>
### Key Performance Indicators for the Month of May

#### Develop as a Choice Employer and Work Force

**Goal 3(b): The El Segundo workforce is inspired, world-class, engaged – increasing stability and innovation**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>KPIs</th>
<th>1st Quarter Average</th>
<th>May</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
<tbody>
<tr>
<td>4) The City has a culture of innovation, trust and efficiency</td>
<td>Each department will develop plans for advancing these items</td>
<td>Annual Employee satisfaction surveys (H.R.) (to be developed)</td>
<td>N/A - To be developed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5) City Staff enjoy mastery, autonomy and purpose in their work – pride</td>
<td>Department leaders as a group will develop plans for reinforcing these items</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

#### Develop Quality Infrastructure & Technology

**Goal 4(a): El Segundo’s physical infrastructure supports an appealing, safe, and effective City**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>KPIs</th>
<th>1st Quarter Average</th>
<th>May</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) The City optimizes its physical resources</td>
<td>Regularly assess Citywide facility needs meet safety standards and best practices</td>
<td>Quarterly report on status of capital improvement plan implementation (PW)</td>
<td>Verbal presentation provided by Director of PW</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Identify funding and commit to future infrastructure needs</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Coordinate multi-agency CIP</td>
<td>Monthly report on number of potholes &amp; sidewalk repairs completed &amp; the number of labor hours spent per repair (PW)</td>
<td>Average: 243 Potholes, 23 Sidewalk Grinding/AC Repairs, 21 skim patches, 1.3 Digouts - 158 labor hours</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Maintain park equipment and fixtures to meet safety standards and best practices</td>
<td></td>
<td>25 potholes, 220 Sidewalk Grinds/Hot Mix, 8 Skim patches - 290 labor hours</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Enhance trimming schedule to mitigate risk</td>
<td></td>
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</tr>
</tbody>
</table>
### Key Performance Indicators for the Month of May

#### Develop Quality Infrastructure & Technology

**Goal 4(b): El Segundo's technology supports effective, efficient, and proactive operations**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>KPIs</th>
<th>1st Quarter Average</th>
<th>May</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
<tbody>
<tr>
<td>2) The City has an integrated focus on technology</td>
<td>• Improve efficiency and effectiveness of staffing and leave replacement, with safety focus</td>
<td>• Status update of IS master plan implementation (IS)</td>
<td>Under Technology Committee review</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3) The City has an effective structure to meet the technology needs of the City and its constituents</td>
<td>• Use the full potential of software</td>
<td>• Number of online transactions conducted from residents, businesses and employees (City-wide/Finance to report)</td>
<td>Water bill: 485 online payments made</td>
<td>Water Bill: 525 online payments made</td>
<td>Employees: 319 online timesheets submitted</td>
<td>Employees: 312 online timesheets submitted</td>
</tr>
</tbody>
</table>
Key Performance Indicators for the Month of May

**Develop Quality Infrastructure & Technology**

Goal 4(b): El Segundo’s technology supports effective, efficient, and proactive operations

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>KPIs</th>
<th>1st Quarter Average</th>
<th>May</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
</table>
| 4) The City invests in systems as necessary in order to add citizen value, provide access to information that is easily available, engage residents in civic participation, and provide mass notification | - Use mobile app to allow residents to easily report ROW problems and issues  
- Implement paperless: Payroll, Purchasing & A/P  
- Scan historical documents  
- Develop an updated and user friendly website that is easily navigated; communicating City’s ability to meet citizen and business service expectations; attracts new business; and is feature-rich  
- Expand Library access to Internet  
- Agenda Management System(s)  
- Replace Online classes & reservations system (CLASS)  
- Plan and implement self-checkout  
- Wi-Fi in all critical City facilities  
- Purchase equipment and systems | - Monthly analytical analysis of City website traffic: number of visitors (hits), what webpage was most viewed, and how many inquiries were made from community via web tools (IS - pending implementation of new website)  
- Monthly reporting of Total IS tickets, closed tickets, and hours spent resolving tickets | Monthly Average: 296 IS tickets issued, 273 Closed Tickets, 335 hours spent resolving tickets | IS tickets issued: 277  
Closed tickets: 266  
Number of Hours spent resolving tickets: 309 |
Key Performance Indicators for the Month of May

**Champion Economic Development & Fiscal Sustainability**

**Goal 5(a): El Segundo promotes community engagement and economic vitality**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>KPIs</th>
<th>1st Quarter Average</th>
<th>May</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Implement a comprehensive economic development strategy to ensure the City encourages a vibrant business climate that is accessible, user-friendly and welcoming to all residents, businesses and visitors</td>
<td>Advocate and promote local arts</td>
<td>Tracking of economic indicators and tax revenue annually (Econ Dev)</td>
<td>N/A - part of annual report</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Promote business attraction and retention</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Use events strategically</td>
<td></td>
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<tr>
<td></td>
<td>Actively communicate, advertise and engage in Public Relations</td>
<td>Business retention/attraction/satisfaction surveys (Econ Dev)</td>
<td>N/A - To be developed</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Champion Economic Development & Fiscal Sustainability**

**Goal 5(b): El Segundo approaches its work in a financially disciplined and responsible way**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>KPIs</th>
<th>1st Quarter Average</th>
<th>May</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
<tbody>
<tr>
<td>2) The City will maintain a structurally balanced budget with appropriate reserve levels</td>
<td>Annual adoption of a structurally balanced budget</td>
<td>Monthly OpenGov status reports on budget versus actuals (accessed via City website) (Finance)</td>
<td>Each month has been uploaded</td>
<td>May Uploaded</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Develop revenue streams and reserve fund to keep infrastructure advancing</td>
<td></td>
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</tr>
<tr>
<td>3) The City will maintain a stable, efficient, and transparent financial environment</td>
<td>Review and refine the budget / strategic plan process</td>
<td>Quarterly status report to City Council on the strategic work plan progress (Finance)</td>
<td>Quarterly report presented to City Council on May 16</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Develop a comprehensive master fee schedule and cost recovery policy to support City needs</td>
<td></td>
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<tr>
<td></td>
<td>Review of Business License Tax</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Annual review of financial policies</td>
<td>Annual percent of costs recovered for services provided (Finance)</td>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Quarterly Investment policy compliance (Treasury)</td>
<td>Quarterly Investment policy compliance (Treasury)</td>
<td>Fully in Compliance</td>
<td>Fully in Compliance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ESP Dynamic Performance Metrics

Monthly Report - April 2017

<table>
<thead>
<tr>
<th>CRIME TYPE</th>
<th># of Crimes El Segundo</th>
<th>Percent Change From Previous Year (YTD)</th>
<th>Culv</th>
<th>Gar</th>
<th>Haw</th>
<th>HBch</th>
<th>MBch</th>
<th>Ing</th>
<th>PV</th>
<th>RBch</th>
<th>Torr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homicide</td>
<td>0</td>
<td>0%</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Rape</td>
<td>0</td>
<td>100%</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Robbery</td>
<td>2</td>
<td>-27%</td>
<td>12</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Aggravated Assault</td>
<td>2</td>
<td>57%</td>
<td>16</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Burglary</td>
<td>16</td>
<td>18%</td>
<td>22</td>
<td>11</td>
<td>28</td>
<td>28</td>
<td>28</td>
<td>28</td>
<td>28</td>
<td>28</td>
<td>28</td>
</tr>
<tr>
<td>Theft / Larceny</td>
<td>35</td>
<td>-14%</td>
<td>65</td>
<td>31</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td>Vehicle Theft</td>
<td>13</td>
<td>46%</td>
<td>34</td>
<td>3</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Arson</td>
<td>0</td>
<td>-100%</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Total Part 1</td>
<td>68</td>
<td>0%</td>
<td>150</td>
<td>0</td>
<td>48</td>
<td>87</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PRIORITY TYPE</th>
<th># of Calls El Segundo</th>
<th>Response Times (Dispatch to Onscene)</th>
<th>All RCC Agencies -- # of Calls / Response Times (Dispatch to Onscene)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority E</td>
<td>3</td>
<td>1:06</td>
<td>77 calls / 2:54 minutes</td>
</tr>
<tr>
<td>Priority 1</td>
<td>175</td>
<td>4:03</td>
<td>1894 calls / 5:35 minutes</td>
</tr>
<tr>
<td>Total</td>
<td>178</td>
<td>4:01</td>
<td>1971 calls / 5:29 minutes</td>
</tr>
</tbody>
</table>

POSITION

Entry - Police Officer 105 applications, 32 self-scheduled to test, and 13 for the Pellet B,
Pre-Service / Lateral No laterals tested in April, But 2 Pre-service candidates did
Police Service Officer Waiting on date for HR, they know we are 1 down.
Police Assistant In Process Received 88 applications, written test the 11th, and Oral Test the 26th
Police Cadet 1 book is done (Melgoza) and is being read by Captains
IS Specialist Waiting for approval to fill 1 vacancy held up in grievance procedures

DATE

<table>
<thead>
<tr>
<th>DATE</th>
<th>SPECIAL ENFORCEMENT, EDUCATION &amp; MEETINGS, AUDITS &amp; INSPECTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>4/1/2017</td>
<td>Child Restraint Seat Traffic - Special Enforcement Detail</td>
</tr>
<tr>
<td>4/6/2017</td>
<td>Transient Identification - Assistance Detail - Community Lead Officers</td>
</tr>
<tr>
<td>4/6/2017</td>
<td>South Bay Police Commanders Meeting</td>
</tr>
<tr>
<td>4/11/2017</td>
<td>Disaster Council Meeting - City EOC</td>
</tr>
<tr>
<td>4/15/2017</td>
<td>Regional Special Enforcement Detail - Alcohol Beverage Control (ABC) Violations - Grant Funded</td>
</tr>
<tr>
<td>4/17/2017</td>
<td>LASD Academy &quot;Colors Run&quot;</td>
</tr>
<tr>
<td>4/18 - 19/2017</td>
<td>Child Restraint Seat Traffic - Special Enforcement Detail</td>
</tr>
<tr>
<td>4/19/2017</td>
<td>Traffic Special Enforcement - Speeding on Grand Ave.</td>
</tr>
<tr>
<td>4/27/2017</td>
<td>Industrial Security Breakfast Meeting</td>
</tr>
<tr>
<td>4/29/2017</td>
<td>Prescription Drug Take-Back Program</td>
</tr>
</tbody>
</table>

P: SUPER: ESPD MONTHLY METRICS
AGENDA DESCRIPTION:
Consideration and possible action regarding 1) Adoption of a Resolution establishing the basic monthly salary range for Information /Systems Director. (Fiscal Impact $225,700).

RECOMMENDED COUNCIL ACTION:
1. Adopt the Resolution establishing the Basic Monthly Salary Range for the job classification of Information Systems Director (At-Will).
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Salary Analysis (Exhibits A, B, and C)
2. Resolution establishing the Basic Monthly Salary for Information Systems Director.

FISCAL IMPACT: N/A

<table>
<thead>
<tr>
<th>Amount Budgeted:</th>
<th>$225,700</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Appropriation:</td>
<td>N/A</td>
</tr>
<tr>
<td>Account Number(s):</td>
<td></td>
</tr>
</tbody>
</table>

STRATEGIC PLAN:

<table>
<thead>
<tr>
<th>Goal:</th>
<th>5</th>
<th>Engage Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective:</td>
<td>The City will develop and optimize its use of an infrastructure for technology.</td>
<td></td>
</tr>
</tbody>
</table>

ORIGINATED BY: Lynn Lindberg, Human Resource Director
REVIEWED BY: Lynn Lindberg, Human Resource Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
At its regular meeting on December 20, 2016, City Council approved the creation of the new at-will classification of Information Systems Director which will serve as Department Head over the newly created Information Systems Department. At that time Council requested staff compile additional salary data in order to determine the appropriate base salary schedule for this new class. Subsequently staff presented and discussed additional salary data at the January 17, 2017 Council meeting. Council approved Ordinance No. 1546 amending Sect. 1-6-3 by adding the new Information Systems Department and Sections 1-6-4 and 1-6-5 by adding the position of Information Systems Director. Council also requested that staff research and provide salary data from similar sized private organizations (200-300) in the El Segundo or reasonably surrounding locales. The resulting information is summarized below.
In exploring similar private sector organizations residing in the City of El Segundo, staff determined that there were less than 7 such entities and difficulty in attempting to obtain private salary information. Subsequently Staff explored other means that might allow them to obtain private sector information in the parameters desired and were able to do so via a custom request through PayScale a salary survey provider located in the City of El Segundo (Exhibit C). The average size of compared organizations was 250 employees with location parameters including Los Angeles, Long Beach, Glendale and other reasonable related California Metropolitan Areas. A total of 262 company profiles were included in the profile. The survey findings indicated that the average base salary was $132,502 at the 50th percentile and $153,454 at the 75th percentile. Further, the majority of organizations surveyed also include other compensation in the form of Bonuses and Profit Sharing. The average bonus amount was $10,394 at the 50th percentile and $16,620 at the 75th percentile. The average profit sharing amount was $6,6069 at the 50th percentile and $11,143 at the 75th percentile. Cumulatively, the average total compensation (base + bonus + profit sharing) was $136,936 at the 50th percentile and $162,381 at the 75th percentile. Other popular benefits provided, such as 401k with and without matching funds were also identified as frequent total comp components but detailed averages and amounts were not available. In addition, the survey identified certain professional certifications such as Microsoft Certified Systems Engineer (MCSE), Project Management Professionals (PMP), and Microsoft Certified Professional (MCP) which influenced additional increases in base pay.

At the prior December 20, 2016 and January 17, 2017 staff presented a twofold analysis consisting of internal equity and external equities using the survey cities in accordance to eh Administrative Code, Chapter 1A-6.250, Annual Salary Scale Report. The first part of the analysis consisted of internal equity amongst the Executive groups. The external equities take into consideration the survey of cities identified in the Administrative Code that currently employ an Information Systems Director or a similar position with the general scope of responsibilities (Exhibit A). Staff also presented their finding of the public sector Analysis and benchmarking against similar positions in surrounding city governments per the Administrative Code against the proposed 64D salary range. The comparison analysis indicated that the proposed 64D range minimum salary base is 3.45% above the average and the maximum 64D salary base is 8.51% below the average.

As a result of these surveys the recommendation and discussion was to place the Information Systems Director position in the salary range 64D along with the Director of Finance, Planning & Building Safety and Public Works. The option and analysis of placement at the range of 63D was also discussed.

Additional efforts were made to explore private sector salaries in for-profit firms as well as exploring current job market postings and related salaries (Exhibit B).

Summary
This new at-will classification will report directly to the City Manager and will be part of the Executive Management group. The Director will be responsible for organizing and leading this new department, acting as the staff liaison to the Technology Committee, implementing the Information Systems Strategic Plan, and generally modernizing the City’s use and integration for technology in order to become more efficient and responsive. Based on the cumulative aforementioned salary survey analysis and comparisons, as well as the most recent targeted private sector analysis provided by PayScale for similar size organizations, staff is recommending that the salary range be established at the existing salary grade of 64D which has a monthly salary range of $12,074.53 - $14,443.71 (Annually $144,844 - $173,323). The selected candidate will be placed at a step within this range based on qualifications and experience.
## Exhibit A

### Public Sector

**Information Systems Director Salary Survey**

<table>
<thead>
<tr>
<th>City</th>
<th>Position Title</th>
<th>Minimum Base</th>
<th>Maximum Base</th>
<th>Median</th>
<th>Span of Control</th>
<th>IS Salary &amp; Benefits Budget</th>
<th>IS Director Salary &amp; Benefits Budget</th>
<th>Total City Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inglewood</td>
<td>Information Technology &amp; Communications Director</td>
<td>$8,651</td>
<td>$14,954</td>
<td>$11,803</td>
<td>17.5</td>
<td>$2,265,614</td>
<td>$129,464</td>
<td>808</td>
</tr>
<tr>
<td>Redondo Beach</td>
<td>Information Technology Director</td>
<td>$8,691</td>
<td>$12,291</td>
<td>$10,491</td>
<td>7.0</td>
<td>$1,140,023</td>
<td>$162,860</td>
<td>893</td>
</tr>
<tr>
<td>Torrance</td>
<td>Information Technology Director</td>
<td>$11,721</td>
<td>$16,175</td>
<td>$13,948</td>
<td>40.5</td>
<td>$6,221,849</td>
<td>$153,626</td>
<td>2001</td>
</tr>
<tr>
<td>Culver City</td>
<td>Chief Information Officer</td>
<td>$12,707</td>
<td>$15,510</td>
<td>$14,108</td>
<td>18.5</td>
<td>$2,971,984</td>
<td>$160,648</td>
<td>860</td>
</tr>
<tr>
<td>Manhattan Beach</td>
<td>Director of Information Technology</td>
<td>$13,054</td>
<td>$17,013</td>
<td>$15,034</td>
<td>9.0</td>
<td>$1,344,028</td>
<td>$149,336</td>
<td>504</td>
</tr>
<tr>
<td>Santa Monica</td>
<td>Chief Information Officer</td>
<td>$15,213</td>
<td>$18,782</td>
<td>$16,998</td>
<td>40.0</td>
<td>$7,388,177</td>
<td>$150,779</td>
<td>2946</td>
</tr>
</tbody>
</table>

**Average**

<table>
<thead>
<tr>
<th></th>
<th>Minimum Base</th>
<th>Maximum Base</th>
<th>Median</th>
<th>Span of Control</th>
<th>IS Salary &amp; Benefits Budget</th>
<th>IS Director Salary &amp; Benefits Budget</th>
<th>Total City Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$11,673</td>
<td>$15,787</td>
<td>$13,730</td>
<td>23.6</td>
<td>$3,555,279</td>
<td>$151,119</td>
<td>1335</td>
</tr>
</tbody>
</table>

**PROPOSED EL SEGUNDO (64D) - OPTION A**

<table>
<thead>
<tr>
<th></th>
<th>Minimum Base</th>
<th>Maximum Base</th>
<th>Median</th>
<th>Span of Control</th>
<th>IS Salary &amp; Benefits Budget</th>
<th>IS Director Salary &amp; Benefits Budget</th>
<th>Total City Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Differential</td>
<td>3.45%</td>
<td>-8.51%</td>
<td>-3.43%</td>
<td>-66.42%</td>
<td>-1.25%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**PROPOSED EL SEGUNDO (63D) - OPTION B**

<table>
<thead>
<tr>
<th></th>
<th>Minimum Base</th>
<th>Maximum Base</th>
<th>Median</th>
<th>Span of Control</th>
<th>IS Salary &amp; Benefits Budget</th>
<th>IS Director Salary &amp; Benefits Budget</th>
<th>Total City Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Differential</td>
<td>1.14%</td>
<td>-10.58%</td>
<td>-5.59%</td>
<td>-66.42%</td>
<td>-1.25%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Exhibit B

### Private Sector

**Information Systems Director Salary Survey**

<table>
<thead>
<tr>
<th>Website Source/ Company</th>
<th>Position Title</th>
<th>Minimum Monthly Base Salary</th>
<th>Maximum Monthly Base Salary</th>
<th>Median Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payscale.com</td>
<td>IT Director</td>
<td>$6,538</td>
<td>$15,049</td>
<td>$10,794</td>
</tr>
<tr>
<td>Payscale.com</td>
<td>Chief Information Officer</td>
<td>$9,696</td>
<td>$23,176</td>
<td>$16,436</td>
</tr>
<tr>
<td>Payscale.com</td>
<td>Director of Information Technology Service</td>
<td>$6,896</td>
<td>$13,790</td>
<td>$10,343</td>
</tr>
<tr>
<td>Glassdoor.com</td>
<td>Los Angeles Area IT Director</td>
<td>$10,583</td>
<td>$16,667</td>
<td>$13,625</td>
</tr>
<tr>
<td>Salary.com</td>
<td>IT Director</td>
<td>$12,093</td>
<td>$21,150</td>
<td>$16,621</td>
</tr>
<tr>
<td>W Promote</td>
<td>IT/IS Director</td>
<td>$9,167</td>
<td>$12,500</td>
<td>$10,833</td>
</tr>
<tr>
<td>NBC Universal*</td>
<td>IT Director</td>
<td>$11,333</td>
<td>$18,417</td>
<td>$14,875</td>
</tr>
<tr>
<td>Sony Pictures+</td>
<td>Director IT</td>
<td>$12,500</td>
<td>$16,833</td>
<td>$14,867</td>
</tr>
<tr>
<td>Edmunds.com*</td>
<td>Director IT</td>
<td>$12,333</td>
<td>$14,000</td>
<td>$13,167</td>
</tr>
<tr>
<td>Mattel*</td>
<td>IT Director</td>
<td>$12,750</td>
<td>$14,583</td>
<td>$13,667</td>
</tr>
<tr>
<td>DirectTV*</td>
<td>IT Director</td>
<td>$12,417</td>
<td>$14,500</td>
<td>$13,458</td>
</tr>
<tr>
<td>King's Hawaiian*</td>
<td>IT Director</td>
<td>$14,000</td>
<td>$17,083</td>
<td>$15,542</td>
</tr>
<tr>
<td>Kaiser Permanente*</td>
<td>IT Director</td>
<td>$17,000</td>
<td>$18,500</td>
<td>$17,750</td>
</tr>
</tbody>
</table>

**Average**

<table>
<thead>
<tr>
<th></th>
<th>Minimum Base</th>
<th>Maximum Base</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$11,331</td>
<td>$16,634</td>
<td>$13,983</td>
</tr>
</tbody>
</table>

**PROPOSED EL SEGUNDO (64D) - OPTION A**

<table>
<thead>
<tr>
<th></th>
<th>Minimum Base</th>
<th>Maximum Base</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$12,075</td>
<td>$14,444</td>
<td>$13,260</td>
</tr>
</tbody>
</table>

**PROPOSED EL SEGUNDO (63D) - OPTION B**

<table>
<thead>
<tr>
<th></th>
<th>Minimum Base</th>
<th>Maximum Base</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$11,806</td>
<td>$14,118</td>
<td>$12,962</td>
</tr>
</tbody>
</table>

*Sourced from Salary.com
### Exhibit C
Private Sector Targeted Salary Survey – Organizations with 250-300 Employees
(Los Angeles, Long Beach, Glendale and other reasonable related California Metropolitan Arcas)

<table>
<thead>
<tr>
<th>Base Salary</th>
<th>Bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>10th</strong></td>
<td><strong>10th</strong></td>
</tr>
<tr>
<td>$94,051</td>
<td>$94,051</td>
</tr>
<tr>
<td><strong>25th</strong></td>
<td><strong>25th</strong></td>
</tr>
<tr>
<td>$112,084</td>
<td>$112,084</td>
</tr>
<tr>
<td><strong>50th</strong></td>
<td><strong>50th</strong></td>
</tr>
<tr>
<td>$132,235</td>
<td>$132,235</td>
</tr>
<tr>
<td><strong>75th</strong></td>
<td><strong>75th</strong></td>
</tr>
<tr>
<td>$153,454</td>
<td>$153,454</td>
</tr>
<tr>
<td><strong>90th</strong></td>
<td><strong>90th</strong></td>
</tr>
<tr>
<td>$174,100</td>
<td>$174,100</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>Average</strong></td>
</tr>
<tr>
<td>$132,502</td>
<td>$132,502</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profit Sharing</th>
<th>Total Cash Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>10th</strong></td>
<td><strong>10th</strong></td>
</tr>
<tr>
<td>$1,601.00</td>
<td>$94,194</td>
</tr>
<tr>
<td><strong>25th</strong></td>
<td><strong>25th</strong></td>
</tr>
<tr>
<td>$3,145.00</td>
<td>$113,814</td>
</tr>
<tr>
<td><strong>50th</strong></td>
<td><strong>50th</strong></td>
</tr>
<tr>
<td>$6,069.00</td>
<td>$136,936</td>
</tr>
<tr>
<td><strong>75th</strong></td>
<td><strong>75th</strong></td>
</tr>
<tr>
<td>$11,143.00</td>
<td>$162,381</td>
</tr>
<tr>
<td><strong>90th</strong></td>
<td><strong>90th</strong></td>
</tr>
<tr>
<td>$18,864.00</td>
<td>$187,967</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>Average</strong></td>
</tr>
<tr>
<td>$6,607.00</td>
<td>$137,517</td>
</tr>
</tbody>
</table>

Sourced from PayScale Inc.
RESOLUTION NO. __________

A RESOLUTION ESTABLISHING A BASIC MONTHLY SALARY FOR THE JOB CLASSIFICATION OF INFORMATION SYSTEMS DIRECTOR

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

Section 1: The City Council approves the following basic monthly salary range:

<table>
<thead>
<tr>
<th>Step A</th>
<th>Step B</th>
<th>Step C</th>
<th>Step D</th>
<th>Step E</th>
</tr>
</thead>
<tbody>
<tr>
<td>$12,074.53</td>
<td>$12,624.21</td>
<td>$13,201.37</td>
<td>$13,807.39</td>
<td>$14,443.71</td>
</tr>
</tbody>
</table>

Information Systems Director
Range 64D

Section 2: The City Clerk is directed to certify the adoption of this Resolution; record this Resolution in the book of the City’s resolutions; and make a minute of the adoption of the Resolution in the City Council’s records and the minutes of this meeting.

Section 3: This Resolution will become effective upon the date of adoption.

PASSED AND ADOPTED this __20th_ day of __June__, 2017
EL SEGUNDO CITY COUNCIL
AGENDA ITEM STATEMENT

MEETING DATE: June 20, 2016
AGENDA HEADING: New Business

AGENDA DESCRIPTION:
Consideration and possible action to adopt a resolution to increase the number of Recreation and Parks Commissioners from five to seven. (Fiscal Impact: $1,200 per fiscal year)

RECOMMENDED COUNCIL ACTION:
1. Discuss and provide direction to staff; and/or,
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Draft Resolution

FISCAL IMPACT: $1,200 per fiscal year

<table>
<thead>
<tr>
<th>Amount Budgeted:</th>
<th>$3,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Appropriation:</td>
<td>N/A</td>
</tr>
<tr>
<td>Account Number(s):</td>
<td>001-400-5101-6263</td>
</tr>
</tbody>
</table>

STRATEGIC PLAN:

<table>
<thead>
<tr>
<th>Goal:</th>
<th>1</th>
<th>Enhance Customer Service and Engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective:</td>
<td>2</td>
<td>El Segundo’s engagement with the community ensures excellence</td>
</tr>
</tbody>
</table>

PREPARED BY: Meredith Petit, Recreation and Parks Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:
The Recreation and Parks Commission was established on March 23, 1938 by Resolution #448. The Commission acts as an advisory capacity to the City Council in all matters pertaining to parks, recreation, parkways and street trees. The Commission is comprised of five members appointed by City Council for staggered four-year terms. Additionally, Resolution #4460, dated March 7, 2006, adopted a $50 stipend per meeting per Commissioner.

Recently, the City Council filled two vacancies on the Recreation and Parks Commission through an interview selection process. There were seven applicants interested in serving on the Commission with varying degrees of experience and interests. As a result of the demonstrated community interest, the City Council desires to discuss the value in increasing the number of available seats from five to seven. If this action is taken, the fiscal impact would be $1,200 annually, or $300 for the remainder of Fiscal Year 2016/2017; however, additional appropriations are not needed and the expense can be absorbed in the current budget due to anticipated savings from Commissioner absences and/or cancelled meetings earlier in the year.

Should the City Council vote to increase the Recreation and Parks Commission to seven members, a new resolution must be adopted (draft is attached).
RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL SEGUNDO INCREASING THE NUMBER OF THE RECREATION AND PARKS COMMISSION MEMBERS FROM FIVE TO SEVEN

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

SECTION 1: Recitals:

A. In 1938, the City Council created a Recreation and Parks Commission which would be comprised of five members who are City residents appointed by the City Council;

B. The Commission advises the City Council in all matters pertaining to parks, recreation, parkways and street trees in the City;

C. Due to increased community interest in the Commission, the City Council desires to allow more opportunities for residents to serve on the Commission by increasing the Commission’s membership from five to seven members.

SECTION 2: Number of Commission Members. Effective as of June 20, 2017, the Commission shall have seven members appointed by the City Council to serve at the discretion of the City Council. The terms of members shall remain four years; however, the terms of the two additional initial members may be shortened so that the terms are staggered.

SECTION 3: Except as modified by this resolution, all other resolutions governing the Commission, including but not limited to Resolutions Nos. 448, 1618 and 4460, remain in effect.

SECTION 4: Authorization. The City Manager or designee is hereby directed and authorized to take an administrative steps necessary to effectuate the increased membership of the Commission.

SECTION 5: 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 minutes of this meeting.

SECTION 6: This Resolution will become effective immediately upon adoption and remain effective unless superseded by a subsequent resolution.

PASSED, APPROVED AND ADOPTED this 20th day of June, 2017.
I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution No. ___ was duly passed, approved and adopted by said City Council at a regular meeting held on the 20th day of June, 2017, approved and signed by the Mayor, and attested to by the City Clerk, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

______________________________
Tracy Weaver, City Clerk

APPROVED AS TO FORM:

______________________________
Mark D. Hensley, City Attorney
AGENDA DESCRIPTION:

Receive and file a report regarding the release of a Request for Proposal (RFP) for Professional Audit Services for the City of El Segundo. (Fiscal Impact: unknown)

RECOMMENDED COUNCIL ACTION:

1. Receive and file information regarding the release of a RFP to conduct professional audit services for the City of El Segundo.
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

N/A

FISCAL IMPACT:

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

STRATEGIC PLAN:

Goal: 5(b) Champion Economic Development and Fiscal Sustainability:

El Segundo approaches its work in a financially disciplined and responsible way

Objective: 2 The City will maintain a stable, efficient, and transparent financial environment

PREPARED BY: Joseph Lillio, Director of Finance
APPROVED BY: Greg Carpenter, City Manager

DISCUSSION:

Staff is preparing to issue a Request for Proposal for professional audit services. The City of El Segundo (the “City”) is accepting proposals from qualified certified public accountant firms for comprehensive financial audit services of the City’s financial statements in compliance with Government Accounting Standards Board (GASB) pronouncements for the fiscal years ending September 30, 2017, 2018, and 2019 with the option for two subsequent fiscal years. The prospective respondents must be qualified certified public accountant firms licensed by the State of California.

The City has been utilizing the audit services of Davis Farr, LLP since 2008. Davis Farr, LLP was previously doing business as Mayer, Hoffman, Mccann, PC from 2008-2014. In 2015, the former directors of the Irvine office of Mayer, Hoffman, Mccann formed a new firm, Davis Farr LLP. Auditing and accounting best practices, as well as California State law, necessitate municipalities to conduct a RFP at least every five years for professional audit services.
The City desires the respondents to the RFP to address the following services:

- An independent auditor’s opinion for the Comprehensive Annual Financial Report (CAFR) on the City’s financial position and fair presentation of the financial position in conformity with Generally Accepted Accounting Principles (GAAP).
- Audit the governmental activities, business-type activities and remaining fund information and respective changes in financial position and cash flows in conformity with (GAAP)
- A report on the City’s internal control over financial reporting and tests of compliance with laws, regulations, contracts and grant agreement and any other matters deemed necessary and material.
- A report on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards.
- A report on compliance with requirements applicable to each major program and internal control over compliance with OMB Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance).
- A report on compliance with general requirements for both major and non-major federal financial assistance programs.
- An agreed upon procedures report on the annual calculation of the City’s GANN Limit (Appropriations Limit).

Below is a proposed timeline of the key dates for the project:

- RFP released: June 15, 2017
- Deadline for receiving questions: June 29, 2017
- Proposals due by 5:00pm PST July 13, 2017
- Interviews (if necessary): July 17-20, 2017
- Staff’s recommendation to City Council/ Contract approved by City Council: August 1, 2017
- Interim Field Work Begins August/September 2017
- Final Field Work December 2017
- Issue CAFR and final audit reports January/February 2018
- Present CAFR and audit results to City Council March 2018

Funding for the audit services is budgeted each year in the Finance Department budget. The annual cost of the current audit services provided by Davis Farr LLP is approximately $59,000.
AGENDA DESCRIPTION:
City Council receive and file the Comprehensive Annual Financial Report for year ending September 30, 2016. (Fiscal Impact: $0).

RECOMMENDED COUNCIL ACTION:
1) City Council receive and file the Comprehensive Annual Financial Report (CAFR) for year ending September 30, 2016 (attachment A).
2) Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
A) Fiscal Year (FY) 2015-16 CAFR
B) Auditor’s communication in relation to the calculation of the appropriations limit

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

STRATEGIC PLAN:
Goal: 5(b) Champion Economic Development and Fiscal Sustainability:
El Segundo approaches its work in a financially disciplined and responsible way
Objective: 2 The City will maintain a stable, efficient, and transparent financial environment

ORIGINATED BY: Dave Davis, Finance Manager
REVIEWED BY: Joseph Lillio, Director of Finance
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
The CAFR for FY ending September 30, 2016, is submitted to the City Council for review. A representative from the District’s audit firm, Davis Farr LLP, will be providing a brief presentation on the audit and will be available to answer questions.

Overview of the Financial Statements
This annual report consists of four parts — management’s discussion and analysis (MD&A - current portion), the basic financial statements, optional combining statements for non-major governmental funds, and required supplementary information. The MD&A discussion and analysis are intended to serve as an introduction to the City’s basic financial statements. The City’s basic financial statements are comprised of three components: 1) government-wide financial statements 2) fund financial statements and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements.

The City’s net position from governmental activities increased $2,365,772 from the prior fiscal year. The increase in net position is attributed to the increase in revenues and the decrease in expenses in all governmental funds. The main factors contributing to the increase in net position are:

- Transient occupancy taxes increased by $2.2 million primarily due to the passage of Measure B, increasing in the tax rate from 8% to 12%;
- Sales taxes increased by $647 thousand primarily due to increased retail activity;
- Business license taxes increased by $1.0 million primarily due to the collection of delinquent taxes and assessment of late penalties;
- Other miscellaneous revenues increased by $583 thousand primarily due to developer contributions and SB 90 reimbursements;
- Utility user taxes decreased by $1.7 million due to a decrease in demand for electricity and gas;
- Franchise taxes decreased by $608 thousand due to a decrease in demand for electricity and gas;
- Charges for services decreased by $1.6 million due to a decrease in planning related projects;
- General government expenses decreased by $1.84 million due to vacant positions resulting in lower salaries and benefits expense;

The cost of all governmental activities for the year was $67.0 million. The taxes that ultimately financed these activities were $55.3 million and a portion of the costs were paid by those who directly benefited from the programs ($8.0 million) or by other governments and organizations that subsidized certain programs with grants and contributions ($4.0 million).

Overall, the City’s revenues from governmental activities were $69.3 million; with program revenues totaling $12.0 million and general revenues totaling $57.3 million. Program revenues resulted from charges for services at $8 million, operating grants and contributions at $1.8 million and capital grants and contributions at $2.2 million. The general revenues consist of: sales and use taxes of $12.1 million, $11.9 million were paid with business license taxes, property taxes of $8.9 million, transient occupancy tax of $7.6 million, utility user taxes of $5.4 million, franchise taxes of $3.1 million, and other revenues and taxes of $8.4 million.
CITY OF EL SEGUNDO / CALIFORNIA

EL SEGUNDO

CENTENNIAL

1917-2017

Comprehensive Annual Financial Report
YEAR ENDED SEPTEMBER 30, 2016

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The following table (table 1) reflects the change in net position from fiscal year 2015 to fiscal year 2016.

The decrease in year-over-year total revenues and total expenditures is the result of no current year activity in the Residential Sound Insulation (RSI) Program compared to the prior year with an active RSI program.

Table 1: Summary of the government-wide statement of activities

<table>
<thead>
<tr>
<th>Revenues</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Program revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>7,989,129</td>
<td>9,584,957</td>
<td>34,200,192</td>
<td>34,811,219</td>
<td>42,189,321</td>
</tr>
<tr>
<td>Operating grants and contributions</td>
<td>1,808,463</td>
<td>2,052,527</td>
<td></td>
<td></td>
<td>1,808,463</td>
</tr>
<tr>
<td>Capital grants and contributions</td>
<td>2,174,898</td>
<td>14,487,783</td>
<td></td>
<td></td>
<td>2,174,898</td>
</tr>
<tr>
<td>General revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>8,884,423</td>
<td>8,380,084</td>
<td></td>
<td></td>
<td>8,884,423</td>
</tr>
<tr>
<td>Transient Occupancy taxes</td>
<td>7,597,007</td>
<td>5,423,972</td>
<td></td>
<td></td>
<td>7,597,007</td>
</tr>
<tr>
<td>Sales taxes</td>
<td>12,089,552</td>
<td>11,442,632</td>
<td></td>
<td></td>
<td>12,089,552</td>
</tr>
<tr>
<td>Utility user taxes</td>
<td>5,446,357</td>
<td>7,174,962</td>
<td></td>
<td></td>
<td>5,446,357</td>
</tr>
<tr>
<td>Franchise taxes</td>
<td>3,063,819</td>
<td>3,672,611</td>
<td></td>
<td></td>
<td>3,063,819</td>
</tr>
<tr>
<td>Business license taxes</td>
<td>11,891,597</td>
<td>10,879,547</td>
<td></td>
<td></td>
<td>11,891,597</td>
</tr>
<tr>
<td>Other taxes</td>
<td>6,329,160</td>
<td>6,038,013</td>
<td></td>
<td></td>
<td>6,329,160</td>
</tr>
<tr>
<td>Use of money and property, unrestricted</td>
<td>646,338</td>
<td>331,238</td>
<td>222,348</td>
<td>254,662</td>
<td>868,686</td>
</tr>
<tr>
<td>Other</td>
<td>1,396,608</td>
<td>813,211</td>
<td>23,755</td>
<td>19,730</td>
<td>1,420,363</td>
</tr>
<tr>
<td>Total revenues</td>
<td>69,317,351</td>
<td>80,281,537</td>
<td>34,446,295</td>
<td>35,085,611</td>
<td>102,763,646</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>14,165,449</td>
<td>14,984,299</td>
<td></td>
<td></td>
<td>14,165,449</td>
</tr>
<tr>
<td>Public safety</td>
<td>35,612,565</td>
<td>41,422,188</td>
<td></td>
<td></td>
<td>35,612,565</td>
</tr>
<tr>
<td>Public works</td>
<td>7,440,438</td>
<td>9,150,452</td>
<td></td>
<td></td>
<td>7,440,438</td>
</tr>
<tr>
<td>Community &amp; cultural</td>
<td>9,298,275</td>
<td>21,038,253</td>
<td></td>
<td></td>
<td>9,298,275</td>
</tr>
<tr>
<td>Interest on long-term debt</td>
<td>441,712</td>
<td>457,994</td>
<td></td>
<td></td>
<td>441,712</td>
</tr>
<tr>
<td>Water</td>
<td>-</td>
<td>-</td>
<td>25,454,732</td>
<td>25,035,801</td>
<td>25,454,732</td>
</tr>
<tr>
<td>Sewer</td>
<td>-</td>
<td>-</td>
<td>3,517,640</td>
<td>3,484,104</td>
<td>3,517,640</td>
</tr>
<tr>
<td>Golf Course</td>
<td>-</td>
<td>-</td>
<td>2,136,456</td>
<td>2,190,195</td>
<td>2,136,456</td>
</tr>
<tr>
<td>Total expenses</td>
<td>66,958,439</td>
<td>87,053,186</td>
<td>31,108,828</td>
<td>30,710,100</td>
<td>98,067,267</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Excess (deficiency) before transfers</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfers</td>
<td>2,358,912</td>
<td>(6,771,649)</td>
<td>3,337,467</td>
<td>4,375,511</td>
<td>5,696,379</td>
</tr>
<tr>
<td>Increase (decrease) in net assets</td>
<td>2,358,912</td>
<td>(6,771,649)</td>
<td>3,337,467</td>
<td>4,375,511</td>
<td>5,696,379</td>
</tr>
</tbody>
</table>

Net position at beginning of year (as restated) 9,455,401 16,744,710 34,905,279 30,579,768 44,360,680 47,274,478

Net position at end of year $11,814,313 $9,973,061 38,242,746 34,905,279 50,057,059 44,878,340
Single Audit Report
The Federal government, through the Office of Management and Budget (OMB) Circular No. A-133, requires a Single Audit Report for those recipients of Federal funds of $750,000 or greater. The City did not exceed this threshold during FY 2015-16 and is therefore not required to submit a single audit report.

CONCLUSION AND RECOMMENDATION
Davis Farr LLP completed the audit of the City and issued an unqualified ("clean") opinion on the City’s financial statements for the year ending September 30, 2016.

Copies of the audit will be provided to the City Council Members with their agenda packages. Other interested individuals may obtain a copy of the audit from the Finance Department or through the City's website at www.ELSEGUNDO.org.
INDEPENDENT ACCOUNTANTS' REPORT ON AGREED UPON PROCEDURES
APPLIED TO APPROPRIATIONS LIMIT WORKSHEETS

Honorable Mayor and City Council
City of El Segundo, California

We have applied the procedures enumerated below to the appropriations limit worksheets prepared by the City of El Segundo, California (City) for the year ended September 30, 2016. These procedures, which were agreed to by the City and the League of California Cities (as presented in the League publication entitled Article XIIIIB Appropriations Limitation Uniform Guidelines) were performed solely to assist the City in meeting the requirements of Section 1.5 of Article XIIIIB of the California Constitution. The City's management is responsible for maintaining the appropriations limit records and its calculations.

This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and the results of those procedures were as follows:

1. We obtained the worksheets referred to above and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of the City Council.

   \textbf{Results:} No exceptions were noted as a result of our procedures.

2. We recalculated the mathematical computations reflected in the City worksheets.

   \textbf{Results:} No exceptions were noted as a result of our procedures.

3. We compared the current year information used to determine the current year limit and compared it to worksheets prepared by the City and to information provided by the State Department of Finance.

   \textbf{Results:} No exceptions were noted as a result of our procedures.
4. We compared the amount of the prior year appropriations limit presented in the worksheets to the amount adopted by the City Council for the prior year.

   **Results:** No exceptions were noted as a result of our procedures.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the worksheets referred to above. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by the League publication entitled *Article XllIB Appropriations Limitation Uniform Guidelines*.

This report is intended solely for the information and use of the City of El Segundo, California, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

   

   Irvine, California  
   May 11, 2017
AGENDA DESCRIPTION:
Consideration and possible action to replace/modernize the City Logo to reflect most elements of the Centennial Logo. (Fiscal Impact: Can be mitigated over time)

RECOMMENDED COUNCIL ACTION:
1. Support the replacement/modernization of the City Logo and direct staff to implement use of the new City Logo; and/or,
2. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

FISCAL IMPACT: None

<table>
<thead>
<tr>
<th>Amount Budgeted:</th>
<th>$0</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>

STRATEGIC PLAN:

<table>
<thead>
<tr>
<th>Goal:</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective:</td>
<td>To modernize the City Logo as the current is dated</td>
</tr>
</tbody>
</table>

ORIGINATED BY: Mishia Jennings, Executive Assistant

REVIEWED BY: Councilmember Dr. Don Brann

APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

The City unveiled its Centennial Logo in January, 2017 and it has been well received among the community. The new logo has relevant and current features in it that pertain to this city. The word “centennial” will be removed with all other elements of the new logo to stay as is.

The new logo could be phased in to reduce cost over the next several years. I request the City Council’s support to direct staff to implement use of the new City Logo.
AGENDA DESCRIPTION:

Consideration and possible action to discuss an invitation extended to Mayor Fuentes to participate in a diplomatic trade mission to The People’s Republic of China. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:

1. City Council to discuss and approve;
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

None

FISCAL IMPACT:

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

PREPARED BY: Mishia Jennings, Executive Assistant
REVIEWED BY: Suzanne Fuentes, Mayor
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:

Senator Ben Allen extended an invitation to Mayor Fuentes to participate in a diplomatic trade mission to The People’s Republic of China. The purpose of the trip is to diplomatically represent local interests and provide unique opportunities to secure and maintain investment for our local communities. California State Treasurer John Chiang is leading the delegation. The Mission is to take place July 25, 2017 to August 5, 2017, all expenses are paid by China People’s Association for Friendship with Foreign Countries. The delegation is scheduled to meet with governance and business leaders in Beijing, Qingdao, Nanjing, Fuzhou, Taiyuan, Ziamen and Guangzhou.