AGENDA
EL SEGUNDO CITY COUNCIL
WEST CONFERENCE ROOM – 350 MAIN STREET

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

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

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

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

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

MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, JUNE 4, 2019 – 4:00 PM

4:00 P.M. SESSION

CALL TO ORDER

ROLL CALL

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

CLOSED SESSION:

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

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov't Code §54956.9(d)(1): -0- matters

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

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


DISCUSSION OF PERSONNEL MATTERS (Gov’t Code §54957): -1- matters

1. Performance Review
   Position: City Attorney

APPOINTMENT OF PUBLIC EMPLOYEE (Gov't. Code § 54957): -1- matter

PUBLIC EMPLOYMENT (Gov't Code § 54957) -1- matter

1. City Manager

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

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -5- matters

2
1. Employee Organizations: Police Management Association; Police Support Services Employees Association; Supervisory, Professional Employees Association; and Executive and Management/Confidential Employees (unrepresented groups).

   Agency Designated Representative: Irma Moisa Rodriguez, City Manager, Greg Carpenter and Human Resources Director, David Serrano.

2. Labor Negotiator: Gary Phillips
   Unrepresented Employee: City Manager Candidates
AGENDA
EL SEGUNDO CITY COUNCIL
COUNCIL CHAMBER –
350 MAIN STREET

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REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, JUNE 4, 2019 - 6:00 P.M.

6:00 P.M. SESSION

CALL TO ORDER

INVOCATION – Pastor George Lopez, The Bridge

PLEDGE OF ALLEGIANCE – Mayor Pro Tem Pirsztuk
PRESENTATIONS

a) Presentation – Police Chief Whalen to introduce new El Segundo Police Officers.

b) Presentation – Treasury Quarterly Report

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

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

1. Consideration and possible action to announce the appointment to the Planning Commission.
   (Fiscal impact: None)
   Recommendation – 1) Announce the appointee(s); 2) Alternatively, discuss and take other action related to this item.

E. NEW BUSINESS
2. Consideration and possible action regarding the City Council to receive and file the Comprehensive Annual Financial Report (CAFR) for fiscal year ending September 30, 2018.  
(Fiscal Impact: $0)  
Recommendation – 1) City Council receive and file the Comprehensive Annual Financial Report (CAFR) for fiscal year ending September 30, 2018 (attachment A); 2) Alternatively, discuss and take other action related to this item.

3. Consideration and possible action to adopt an ordinance amending Chapter 2 (Garbage and Rubbish) of Title 5 of the El Segundo Municipal Code in its entirety in order to meet current State mandated requirements.  
(Fiscal Impact: N/A)  
Recommendation – 1) City Council adopt an ordinance to amend Chapter 2 of Title 5 of the El Segundo Municipal Code in its entirety in order to meet current State mandated requirements; 2) Alternatively, discuss and take other possible actions related to this item.

F. 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. Warrant Numbers 3026128 through 3026251 and 9000948 through 9000948 on Register No. 16a in the total amount of $392,438.59 and Wire Transfers from 5/13/19 through 5/19/19 in the total amount of $569,907.13. Warrant Numbers 3026232 through 3026342 and 9000949 through 9000949 on Register No. 16b in the total amount of $660,268.29  
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.

5. Regular City Council Meeting Minutes of May 21, 2019 and Special City Council Meeting Minutes of May 22, 2019.  
Recommendation – 1) Approval
6. Consideration and possible action to approve an adjustment to the Fee Waiver Scorecard total and thereby increase the fee waiver percentage from 50% to 75% for the El Segundo Run for Education special event, organized by non-profit organization El Segundo Council of Parents and Teachers.  
(Fiscal Impact: Approximately $6000.00)  
Recommendation – 1) Approve the scorecard adjustment and thereby waive 75% of City fees associated with the El Segundo Run for Education; 2) Receive and file the updated 2018/2019 special event fee waiver list; 3) Alternatively, discuss and take other action related to this item.

7. Consideration and possible action to award a standard Public Works Contract to American Asphalt South, Inc., for the FY18/19 Slurry Seal Project, No. PW 19-19.  
(Fiscal Impact: $247,874.20)  
Recommendation – 1) Authorize the City Manager to execute a standard Public Works Contract, in a form approved by the City Attorney, with American Asphalt South, Inc. in the amount of $225,374.20; 2) Approve an additional project contingency of $22,500.00 for unseen conditions; 3) Alternatively, discuss and take other action related to this item.

8. Consideration and possible action regarding 1) Revoking Resolution 5147 providing for salary and benefit changes to Chapter 1A2.010 of the El Segundo Administrative Code; 2) Adoption of Resolution for City-paid salary and benefit changes including City Clerk and City Treasurer positions.  
(Fiscal Impact: $4,308 for FY 2018-19; $17,232 for FY 2019-20 as it relates to this adjusted action)  
Recommendation – 1) Approve the attached Management-Confidential Salary Resolution; 2) Alternatively, discuss and take other action related to this item.

9. Consideration and possible action regarding approval and adoption of 1) Amendment to contract between The Board of Administration California Public Employees’ Retirement system and the City Council of El Segundo; 2) Adoption of Urgency Ordinance related hereto.  
(Fiscal Impact: None as this item completes final actions on POA and FFA MOU changes.)  
Recommendation – 1) Adopt attached Amendment contract between The Board of Administration California Public Employees’ Retirement system and the City Council of El Segundo for POA; 2) Amendment to Contract between the Board of Administration California Public Employees’ Retirement System and the City Council of El Segundo for FFA; 3) Authorize Mayor or City Manager to sign amendment to contract; 4) Adoption of Urgency Ordinance; 5) Alternatively, discuss and take other action related to this item.
G. REPORTS – CITY MANAGER

H. REPORTS – CITY ATTORNEY

I. REPORTS – CITY CLERK

10. Consideration and possible action regarding Council consensus to cancel the Tuesday, July 2, 2019 City Council Meeting.
   (Fiscal Impact: None)
   Recommendation – 1) Approve cancellation of the July 2, 2019 City Council Meeting; 2) Alternatively, discuss and take other action related to this item.

J. REPORTS – CITY TREASURER

K. REPORTS – CITY COUNCIL MEMBERS

   Council Member Pimentel –

   Council Member Nicol –

   Council Member Brann –

   Mayor Pro Tem Pirsztuk –

   Mayor Boyles –

11. Consideration and possible action to temporarily suspend El Segundo Municipal Code Section 7-6-8 to allow adults over 21 years of age to bring and consume alcohol at Library Park on the days of the Summer Concerts in the Park events, Sundays, June 16, June 30, July 14 and July 28, 2019, from 3:00pm until 7:00pm.
   (Fiscal Impact: None)
   Recommendation – 1) Suspend El Segundo Municipal Code Section 7-6-8 to allow adults over 21 years of age to bring and consume alcohol at Library Park on the days of the Summer Concerts in the Park events, Sundays, June 16, June 30, July 14 and July 28, 2019, from 3:00pm until 7:00pm; 2) Alternatively, discuss and take other action related to this item.
12. Consideration and possible action to direct staff to prepare letters of opposition to various Assembly and Senate bills related to Housing and Accessory Dwelling Units.
(Fiscal Impact: None)
Recommendation – 1) Direct staff to prepare and send letters under the Mayor's name to oppose SB 330 (Skinner), AB 1279 (Bloom), AB 1763 (Chui), AB 68 (Ting), AB 881 (Bloom), and SB 13 (Wieckowski); 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: 5.29.19
TIME: 2:15 p.m.
NAME: (Tracy Weaver)
Presentation

Police Chief Whalen to introduce new El Segundo Police Officers.
AGENDA DESCRIPTION:
Presentation of Investment Portfolio Report and the Year in Review
(Fiscal Impact: None)

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

ATTACHED SUPPORTING DOCUMENTS:
Investment Portfolio Report – March, 2019

FISCAL IMPACT: None

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

STRATEGIC PLAN:

<table>
<thead>
<tr>
<th>Goal:</th>
<th>5</th>
<th>Champion Economic Development &amp; Fiscal Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective:</td>
<td>3</td>
<td>The City will maintain a stable, efficient, and transparent financial environment</td>
</tr>
</tbody>
</table>

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

BACKGROUND AND DISCUSSION:
The Treasury Department presents the March, 2019 Investment Portfolio Report, which provides a status of Treasury Investment activities and related economic indicators.

This report will be created and submitted to Council on a quarterly basis. The report will also be posted to the City’s web site under the Treasury Department.
City of El Segundo
Office of the City Treasurer

Date: June 4, 2019
From: Office of the City Treasurer
To: El Segundo City Council
RE: Investment Portfolio Report – As of March 31, 2019

Introduction:

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

Investment Summary:

The investments as of March 31, 2019 are as follows:

<table>
<thead>
<tr>
<th>Security Type</th>
<th>Cost</th>
<th>Market value</th>
<th>WAM</th>
<th>% Yield</th>
<th>Market % of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve Portfolio</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government</td>
<td>16,024,319.38</td>
<td>15,987,669.12</td>
<td>1.78</td>
<td>2.06%</td>
<td>17.66%</td>
</tr>
<tr>
<td>Municipal Bonds</td>
<td>546,362.50</td>
<td>557,823.85</td>
<td>3.17</td>
<td>3.08%</td>
<td>0.62%</td>
</tr>
<tr>
<td>Corp. Bonds</td>
<td>11,522,157.62</td>
<td>11,500,561.26</td>
<td>1.72</td>
<td>2.33%</td>
<td>12.71%</td>
</tr>
<tr>
<td>SUPRA's</td>
<td>1,980,113.00</td>
<td>1,980,655.00</td>
<td>1.39</td>
<td>2.05%</td>
<td>2.19%</td>
</tr>
<tr>
<td>CD's</td>
<td>17,104,700.20</td>
<td>17,023,957.35</td>
<td>2.12</td>
<td>2.25%</td>
<td>18.81%</td>
</tr>
<tr>
<td>Union Bank Trust</td>
<td>47,177,652.70</td>
<td>47,050,666.58</td>
<td>1.89</td>
<td>2.20%</td>
<td>51.99%</td>
</tr>
<tr>
<td>Liquidity Portfolio</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pacific Prem Bank CBD</td>
<td>-</td>
<td>-</td>
<td>1.00</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>CAMP - JPAP</td>
<td>25,685,893.02</td>
<td>25,685,893.02</td>
<td>1.00</td>
<td>2.61%</td>
<td>28.38%</td>
</tr>
<tr>
<td>LAIF Immediate</td>
<td>10,141,672.43</td>
<td>10,141,672.43</td>
<td>1.00</td>
<td>2.44%</td>
<td>11.21%</td>
</tr>
<tr>
<td>LAIF Sr. Housing</td>
<td>1,126,808.19</td>
<td>1,126,808.19</td>
<td>1.00</td>
<td>2.44%</td>
<td>1.25%</td>
</tr>
<tr>
<td>LAIF - LAWA</td>
<td>60,991.13</td>
<td>60,991.13</td>
<td>1.00</td>
<td>2.44%</td>
<td>0.07%</td>
</tr>
<tr>
<td>LAIF Subtotal</td>
<td>11,329,471.75</td>
<td>11,329,471.75</td>
<td>1.00</td>
<td>2.44%</td>
<td>12.52%</td>
</tr>
<tr>
<td>Total Invested</td>
<td>84,193,017.47</td>
<td>84,066,031.35</td>
<td>1.05</td>
<td>2.33%</td>
<td>92.88%</td>
</tr>
<tr>
<td>Trust Acct. Cash</td>
<td>1,010,793.51</td>
<td>1,010,793.51</td>
<td>1.00</td>
<td>0.00%</td>
<td>1.12%</td>
</tr>
<tr>
<td>Chase Bank - Cash</td>
<td>5,429,163.08</td>
<td>5,429,163.08</td>
<td>1.00</td>
<td>0.55%</td>
<td>6.00%</td>
</tr>
<tr>
<td>Total Portfolio</td>
<td>90,632,974.06</td>
<td>90,585,987.94</td>
<td></td>
<td>2.33%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>
The portfolio Breakdown by Short Term (< 1 year) and Long Term is:

<table>
<thead>
<tr>
<th></th>
<th>Short Term</th>
<th>Long Term</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Value (Market)</td>
<td>$50,312,248</td>
<td>$34,764,576</td>
<td>$85,076,825</td>
</tr>
<tr>
<td>Effective Yield</td>
<td>2.326%</td>
<td>2.344%</td>
<td>2.333%</td>
</tr>
<tr>
<td>Average Wtd. Maturity</td>
<td>37 Days</td>
<td>2.41 Years</td>
<td>1.05 Years</td>
</tr>
</tbody>
</table>

The interest income received during the period was:

<table>
<thead>
<tr>
<th>Month</th>
<th>Invested Cost</th>
<th>Interest</th>
<th>% Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>73,866,815</td>
<td>173,739.14</td>
<td>2.82%</td>
</tr>
<tr>
<td>February</td>
<td>76,644,722</td>
<td>150,424.97</td>
<td>2.36%</td>
</tr>
<tr>
<td>March</td>
<td>86,214,604</td>
<td>137,075.62</td>
<td>1.91%</td>
</tr>
<tr>
<td>Avg/Total*</td>
<td>78,908,714</td>
<td>461,239.73</td>
<td>2.34%</td>
</tr>
</tbody>
</table>

* Note: the monthly fluctuation is because interest on most bonds is paid semi-annually, with LAIF paid quarterly, and some investments paid monthly.

Compliance:

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

<table>
<thead>
<tr>
<th>Partial List of Allowable Investment Instruments for Local Agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Type</td>
</tr>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>Local Agency Bonds</td>
</tr>
<tr>
<td>U. S Treasury Obligations</td>
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<tr>
<td>US Agency Obligations</td>
</tr>
<tr>
<td>Negotiable Certificates of Deposit</td>
</tr>
<tr>
<td>Medium Term Notes</td>
</tr>
<tr>
<td>Collateralized Bank Deposits</td>
</tr>
<tr>
<td>Local Agency Investment Fund (LAIF)</td>
</tr>
<tr>
<td>SUPRA Nationals</td>
</tr>
<tr>
<td>Commercial Paper</td>
</tr>
<tr>
<td>Joint Powers Authority Pool</td>
</tr>
<tr>
<td>Investment Type</td>
</tr>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>Medium Term Notes</td>
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<td>Medium Term Notes</td>
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<td>Commercial Paper</td>
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<td>CD'S</td>
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<tr>
<td>Joint Powers Auth. Pool</td>
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<td>JPAP</td>
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</tbody>
</table>

City of El Segundo - Treasury Department
Continuing Education Tracking - As of March 31, 2019

<table>
<thead>
<tr>
<th>Requirement</th>
<th>YTD Hours</th>
<th>Excess/(Deficit)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasurer</td>
<td>5.00</td>
<td>14.60</td>
<td>9.60</td>
</tr>
<tr>
<td>Deputy City Treasurer II</td>
<td>5.00</td>
<td>16.60</td>
<td>11.60</td>
</tr>
<tr>
<td>Deputy City Treasurer I</td>
<td>5.00</td>
<td>11.00</td>
<td>6.00</td>
</tr>
</tbody>
</table>

**Investment Environment:**

During the first quarter of 2019, rates dropped sharply, and the yield curve remained inverted out to three years, with the five year up, but still below the one year Treasury. As of May 15th, the rates up to one year are about the same as they were at March 31st, with the one year thru five year rates about 4% lower than March 31st. The FOMC did not raise the Federal Funds Rate at the March meeting, and at this time the forecast is that the Fed may hold rates steady or even cut rates one time in 2019. The current expectation is for one cut or to hold steady for now, but this could change depending on the current economic data.

The graphs and charts below show some of the key interest rates on items we invest in. As rates are expected to rise over the next few years, we want to time our investments to take advantage of the increases as they occur.
Composite Bond Rates (as of 3/31/19)

US Treasury Bonds Rates

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Yield</th>
<th>Yesterday</th>
<th>Last Week</th>
<th>Last Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Month</td>
<td>2.40</td>
<td>2.43</td>
<td>2.46</td>
<td>2.45</td>
</tr>
<tr>
<td>6 Month</td>
<td>2.44</td>
<td>2.44</td>
<td>2.48</td>
<td>2.50</td>
</tr>
<tr>
<td>2 Year</td>
<td>2.27</td>
<td>2.23</td>
<td>2.31</td>
<td>2.52</td>
</tr>
<tr>
<td>3 Year</td>
<td>2.21</td>
<td>2.18</td>
<td>2.24</td>
<td>2.50</td>
</tr>
<tr>
<td>5 Year</td>
<td>2.23</td>
<td>2.20</td>
<td>2.24</td>
<td>2.52</td>
</tr>
</tbody>
</table>


Cash Flow Analysis:

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

Our investments will be purchased with the liquidity relative to our cash flow needs.
This chart shows the net change in Cash as related to the Cash Flow Analysis above. Some of the larger disbursements occur in the third and fourth quarters of the fiscal year. During Q-3, March to June, we have a significant payment to CalPers for our Other Post-Employment Benefits, and in Q-4, July-September, a payment to ICRMA for our citywide insurance premiums, a large payment to CalPers for the pension Unfunded Accrued Liability, and a large infrastructure payment for roadwork which was completed several years ago. We have added the prior year to highlight the changes that have occurred this year.

![Rolling 12 Month Net Change in Cash](chart)

**Additional Economic Indicators:**

*Economic Projections from September Meeting*

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

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

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

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

<table>
<thead>
<tr>
<th>Fed Economic Projections (central tendencies as of March 2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Variable</strong></td>
</tr>
<tr>
<td>Change in real GDP</td>
</tr>
<tr>
<td>December projection</td>
</tr>
<tr>
<td>Unemployment rate</td>
</tr>
<tr>
<td>December projection</td>
</tr>
<tr>
<td>PCE inflation</td>
</tr>
<tr>
<td>December projection</td>
</tr>
<tr>
<td>Core PCE inflation4</td>
</tr>
<tr>
<td>December projection</td>
</tr>
</tbody>
</table>

**Memo: Projected appropriate policy path**

<table>
<thead>
<tr>
<th>Federal funds rate</th>
<th><strong>2019</strong></th>
<th><strong>2020</strong></th>
<th><strong>2021</strong></th>
<th><strong>Longer run</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>December projection</td>
<td>2.6 - 3.1</td>
<td>2.9 - 3.4</td>
<td>2.6 - 3.1</td>
<td>2.5 - 3.0</td>
</tr>
</tbody>
</table>

**Unemployment**

![Unemployment Chart](http://data.bls.gov/cgi-bin/surveymost?bls)

**Source:** [http://data.bls.gov/cgi-bin/surveymost?bls](http://data.bls.gov/cgi-bin/surveymost?bls)
Inflation:

**Inflation Rates by Month**

![Inflation Rates by Month Chart](chart)


**Investment Strategy:**

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

In the past we maintained a higher cash balance at the bank in order to offset our bank fees since our Earnings Credit rate was higher than the LAIF rate. Now that the LAIF interest rate exceeds our Earnings Credit rate we have lowered our bank balance and invested more short term funds in LAIF. We will now pay bank fees but earn more interest income, and will continue to monitor our cash flow needs in order to determine which investments will maximize return while providing the proper level of liquidity.

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

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

**Additional Notes:**

The City has funds of $1,126,808.19 which belong to the El Segundo Senior Citizens Housing Fund and is now shown as its own LAIF balance. The applicable interest for this account is posted quarterly in the same manner as the regular City LAIF interest posting. We also have funds of $60,991.13 included in the City’s LAIF balances for LAWA RSI interest earned related to the prior program (Los Angeles World Airports Residential Sound Insulation).
In June of 2018 the City Council approved Resolution No. 5094 which now allows the City to invest in a Joint Powers Authority Pool with a maximum of 30% of the total portfolio. The City has established an account with the California Asset Management Program – CAMP, and continues to add to the account when possible.

The City of El Segundo utilizes the following Brokers/Dealers to conduct investment trades:

- Cantor Fitzgerald & Co.
- CastleOak Securities, L.P.
- Higgins Capital Management, Inc.
- Multi-Bank Securities, Inc.
- Mutual Securities, Inc.
- Vining Sparks IBG, L.P.
- Wells Fargo Securities, LLC
- Piper Jaffray & Co.
- Great Pacific Securities
# City of El Segundo
## Investment Advisory Committee
### Liquidity Schedule
#### As of: March 31, 2019

<table>
<thead>
<tr>
<th>Item</th>
<th>Availability</th>
<th>Par Value</th>
<th>Cumulative Balances</th>
<th>% of Total Assets</th>
<th>% of Total Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in Bank</td>
<td>Immediate</td>
<td>5,429,163.08</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chase</td>
<td>Immediate</td>
<td>1,010,793.51</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union Bank - Trust Account</td>
<td>Immediate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash in Bank - Total</td>
<td></td>
<td>$6,439,956.59</td>
<td>$6,439,956.59</td>
<td>7.09%</td>
<td>7.09%</td>
</tr>
<tr>
<td>L.A.I.F. (State of California) LAIF Immediate</td>
<td>10,141,672.43</td>
<td>$16,581,629.02</td>
<td></td>
<td>18.27%</td>
<td>11.17%</td>
</tr>
<tr>
<td>Cash Immediate</td>
<td></td>
<td>$16,581,629.02</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>L.A.I.F. - Senior Housing Fund</td>
<td>LAIF Immediate</td>
<td>1,126,808.19</td>
<td>$17,708,437.21</td>
<td>19.51%</td>
<td>1.24%</td>
</tr>
<tr>
<td>L.A.I.F. - LAWA (Restricted)</td>
<td>LAIF Immediate</td>
<td>60,991.13</td>
<td>$17,769,428.34</td>
<td>19.58%</td>
<td>0.07%</td>
</tr>
<tr>
<td>Pacific Prem Bank CBD</td>
<td></td>
<td></td>
<td>$17,769,428.34</td>
<td>19.58%</td>
<td>0.00%</td>
</tr>
<tr>
<td>CAMP - JPAP</td>
<td></td>
<td>$43,455,321.36</td>
<td></td>
<td>47.87%</td>
<td>28.30%</td>
</tr>
<tr>
<td>Portfolio Investments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 30 Days</td>
<td></td>
<td>$50,000.00</td>
<td>$18,269,428.34</td>
<td>20.13%</td>
<td>0.55%</td>
</tr>
<tr>
<td>31 to 90 Days</td>
<td></td>
<td>$22,494,428.34</td>
<td></td>
<td>24.78%</td>
<td>4.65%</td>
</tr>
<tr>
<td>91 to 180 Days</td>
<td></td>
<td>$25,864,428.34</td>
<td></td>
<td>28.49%</td>
<td>3.71%</td>
</tr>
<tr>
<td>181 to 365 Days</td>
<td></td>
<td>$30,094,428.34</td>
<td></td>
<td>33.15%</td>
<td>4.66%</td>
</tr>
<tr>
<td>1 to 2 Years</td>
<td></td>
<td>$44,687,428.34</td>
<td></td>
<td>49.23%</td>
<td>16.08%</td>
</tr>
<tr>
<td>2 to 3 Years</td>
<td></td>
<td>$53,852,428.34</td>
<td></td>
<td>59.33%</td>
<td>10.10%</td>
</tr>
<tr>
<td>3 to 4 Years</td>
<td></td>
<td>$60,782,428.34</td>
<td></td>
<td>66.96%</td>
<td>7.63%</td>
</tr>
<tr>
<td>4 to 5 Years</td>
<td></td>
<td>$65,085,428.34</td>
<td></td>
<td>71.70%</td>
<td>4.74%</td>
</tr>
<tr>
<td>Subtotal</td>
<td></td>
<td>$74,189,692.34</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td>$90,771,321.36</td>
<td></td>
<td>100.00%</td>
<td></td>
</tr>
</tbody>
</table>

Investment Portfolio subtotal $85,342,158.26

---

**Investments by Maturity Date**

[Graph showing investments by maturity date]
City of El Segundo  
Investment Advisory Committee  
Investments by Security Type  
As of: March 31, 2019

<table>
<thead>
<tr>
<th>Item</th>
<th>Availability</th>
<th>Market Value</th>
<th>Cumulative Balances</th>
<th>% of Total Assets</th>
<th>% of Total Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash in Bank</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chase</td>
<td>Immediate</td>
<td>5,429,163.08</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union Bank - Trust Account</td>
<td>Immediate</td>
<td>1,010,793.51</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash in Bank - Total</strong></td>
<td></td>
<td>$6,439,956.59</td>
<td>$6,439,956.59</td>
<td>7.12%</td>
<td>7.12%</td>
</tr>
<tr>
<td>L.A.I.F. (State of California)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LAIF Immediate</td>
<td>Immediate</td>
<td>10,141,672.43</td>
<td>$16,581,629.02</td>
<td>18.32%</td>
<td>11.21%</td>
</tr>
<tr>
<td><strong>L.A.I.F. (State of California) - LAIF Immediate</strong></td>
<td></td>
<td>1,126,808.19</td>
<td>$17,708,437.21</td>
<td>19.57%</td>
<td>1.25%</td>
</tr>
<tr>
<td>L.A.I.F. - LAWA (Restricted)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LAIF Immediate</td>
<td>Immediate</td>
<td>$17,769,428.34</td>
<td>$17,769,428.34</td>
<td>19.63%</td>
<td>0.07%</td>
</tr>
<tr>
<td><strong>Portfolio Investments:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAMP - JPAP</td>
<td></td>
<td>$43,455,321.36</td>
<td>$43,455,321.36</td>
<td>48.01%</td>
<td>28.38%</td>
</tr>
<tr>
<td>Govt Obligations</td>
<td></td>
<td>$34,793,385.69</td>
<td>$34,793,385.69</td>
<td>38.44%</td>
<td>18.81%</td>
</tr>
<tr>
<td>Municipal Bonds</td>
<td></td>
<td>$50,781,054.81</td>
<td>$50,781,054.81</td>
<td>56.11%</td>
<td>17.66%</td>
</tr>
<tr>
<td>SUPRA's</td>
<td></td>
<td>$51,338,878.66</td>
<td>$51,338,878.66</td>
<td>56.72%</td>
<td>0.62%</td>
</tr>
<tr>
<td>Bonds</td>
<td></td>
<td>$64,262,271.07</td>
<td>$64,262,271.07</td>
<td>71.00%</td>
<td>12.71%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td>$73,924,358.92</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td></td>
<td>$90,505,987.94</td>
<td></td>
<td></td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Investment Portfolio subtotal**          |              | $85,076,824.86   |                     |                   |                   |

### INVESTMENTS BY SECURITY TYPE

- **Cash Immediate**, $6,439,957
- **LAIF Immediate**, $10,141,672
- **L.A.I.F. - Senior Housing**, $1,126,808
- **LAIF - LAWA**, $60,991
- **Pacific Prem Bank CBD**, $0
- **CAMP - JPAP**, $25,685,893
- **CD's**, $17,023,957
- **Bonds**, $11,500,561
- **SUPRA's**, $1,980,655.00
- **Municipal Bonds**, $557,823.85
- **Gov't Obligations**, $15,987,669.12
AGENDA DESCRIPTION:

Consideration and possible action to announce the appointment to the Planning Commission.
(Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:

1. Announce the appointees; and/or,
2. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

FISCAL IMPACT: None

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

STRATEGIC PLAN:

Goal: 1 Enhance Customer Service Engagement
Objective: 1(b) The City engages in regular, intentional information gathering

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

BACKGROUND AND DISCUSSION:

<table>
<thead>
<tr>
<th>Committee/Commission and Board</th>
<th>Number of Openings</th>
<th>Appointee(s)</th>
<th>Term Expiration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning Commission</td>
<td>One</td>
<td>Carol Wingate</td>
<td>Full Term Expires June 30, 2023</td>
</tr>
</tbody>
</table>
2. Consideration and possible action regarding the City Council to receive and file the Comprehensive Annual Financial Report (CAFR) for fiscal year ending September 30, 2018.
   (Fiscal Impact: $0)

   Recommendation – 1) City Council receive and file the Comprehensive Annual Financial Report (CAFR) for fiscal year ending September 30, 2018 (attachment A); 2) Alternatively, discuss and take other action related to this item.
AGENDA DESCRIPTION:
Consideration and possible action regarding the City Council to receive and file the Comprehensive Annual Financial Report (CAFR) for fiscal year ending September 30, 2018. (Fiscal Impact: $0).

RECOMMENDED COUNCIL ACTION:
1) City Council receive and file the Comprehensive Annual Financial Report (CAFR) for fiscal year ending September 30, 2018 (attachment A).
2) Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
A) Fiscal Year (FY) 2017-18 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: Joseph Lillio, Director of Finance
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
The CAFR for FY ending September 30, 2018, is submitted to the City Council for review. A representative from the City's audit firm, The Pun Group 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 decreased $4,223,133. The decrease in net position is attributed to an increase in revenues and an increase in expenses in all governmental funds. A major contributing factor to the decrease in net position was the rising pension costs, PERS prepayment, and funding of the section 115 pension trust.

- In summary, the following contributing items have impacted the overall net position:
  
  o Utility user taxes (UUT) increased by $1.46 million due to higher demand for natural gas and cogenerated electric, as well as higher natural gas prices, the other UUT sources (water, electric, and phone) have been steadily declining over the last several years due to conservation efforts, more efficient building codes and appliances, as well as the State’s Cap and Trade Climate Change Law (AB 32) which had a negative impact on the utilities’ bottom line, which ultimately has a negative impact on UUT;
  
  o Property Taxes increased by $1.35 million due to reassessed values granted to properties changing ownership, continuous restorations and remodels that increase the assessed value, and the Prop. 13 CPI increase (maximum of 2%) applied to assessed values by the Assessor’s Office.
  
  o Transient occupancy taxes increased by $1 million primarily due to new hotels reporting for a full year;
  
  o Franchise taxes increased by $1 million due to higher demand for natural gas based commodities, as well as higher commodity prices associated with natural gas;
  
  o Business license taxes increased by $223 thousand primarily due to the annual CPI increase;
  
  o Sales Tax decreased by $1.25 million primarily due to the continued trend of retail sales moving from brick and mortar sites to online sales, negative audit adjustments which resulted in sales tax received by the City in error and now need to be paid back to the correct jurisdiction, as well as the State has moved to a new reporting system which has caused a three month delay in reconciling receipts. This reconciliation will be caught up in FY 2018-19 and the City will be made whole for approximately $700 thousand;
  
  o General government expenses increased by $4.2 million due to filled positions that were vacant in the previous year, a $1 million contribution to the section 115 pension trust, an additional pension payment of ~$600 thousand made to CalPERS for the miscellaneous (non-sworn) employees, and increases in contractual and professional services due to the increase in minimum wage and other inflationary pressures;
  
  o Public safety expenses increased by $1.9 million primarily due to the additional pension payment of $1.3 million made to CalPERS for the Public Safety (sworn) employees and having some previously vacant positions filled;
  
  o Public Works expenses increased by $900 thousand. This is mainly attributed to increases in contractual and professional services due to the increase in minimum
wage and other inflationary pressures, as well as having some previously vacant positions filled.

The following table reflects the change in net position from fiscal year 2017 to fiscal year 2018.

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Governmental Activities</th>
<th>Business/Enterprise Activities</th>
<th>Total Primary Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charges for services</td>
<td>$8,347,105</td>
<td>$8,502,348</td>
<td>$36,144,216</td>
</tr>
<tr>
<td>Operating grants and contributions</td>
<td>2,635,022</td>
<td>1,189,900</td>
<td>-</td>
</tr>
<tr>
<td>Capital grants and contributions</td>
<td>1,197,981</td>
<td>1,737,376</td>
<td>-</td>
</tr>
<tr>
<td>General revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>10,444,931</td>
<td>9,093,796</td>
<td>-</td>
</tr>
<tr>
<td>Transient Occupancy taxes</td>
<td>13,885,312</td>
<td>12,876,631</td>
<td>-</td>
</tr>
<tr>
<td>Sales taxes</td>
<td>10,951,267</td>
<td>12,201,208</td>
<td>-</td>
</tr>
<tr>
<td>Utility user taxes</td>
<td>6,536,876</td>
<td>5,079,447</td>
<td>-</td>
</tr>
<tr>
<td>Franchise taxes</td>
<td>3,823,851</td>
<td>2,866,533</td>
<td>-</td>
</tr>
<tr>
<td>Business license taxes</td>
<td>11,612,760</td>
<td>11,389,796</td>
<td>-</td>
</tr>
<tr>
<td>Other taxes</td>
<td>7,524,580</td>
<td>7,685,799</td>
<td>-</td>
</tr>
<tr>
<td>Motor vehicles in lieu</td>
<td>-</td>
<td>7,461</td>
<td>-</td>
</tr>
<tr>
<td>Use of money and property, unrestricted</td>
<td>760,598</td>
<td>532,728</td>
<td>176,212</td>
</tr>
<tr>
<td>Other</td>
<td>1,933,724</td>
<td>889,337</td>
<td>16,929</td>
</tr>
<tr>
<td>Total revenues</td>
<td>79,654,007</td>
<td>74,052,360</td>
<td>36,337,357</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td>19,112,705</td>
<td>14,869,930</td>
<td>-</td>
</tr>
<tr>
<td>Public safety</td>
<td>44,838,280</td>
<td>42,891,455</td>
<td>-</td>
</tr>
<tr>
<td>Public works</td>
<td>8,371,207</td>
<td>7,474,391</td>
<td>-</td>
</tr>
<tr>
<td>Community &amp; cultural</td>
<td>11,332,873</td>
<td>11,407,811</td>
<td>-</td>
</tr>
<tr>
<td>Interest on long-term debt</td>
<td>242,750</td>
<td>361,470</td>
<td>-</td>
</tr>
<tr>
<td>Water</td>
<td>-</td>
<td>-</td>
<td>27,821,053</td>
</tr>
<tr>
<td>Sewer</td>
<td>-</td>
<td>-</td>
<td>4,156,287</td>
</tr>
<tr>
<td>Golf Course</td>
<td>-</td>
<td>-</td>
<td>1,990,093</td>
</tr>
<tr>
<td>Total expenses</td>
<td>83,897,815</td>
<td>77,005,057</td>
<td>33,967,433</td>
</tr>
<tr>
<td>Excess (deficiency) before transfers</td>
<td>(4,243,808)</td>
<td>(2,952,697)</td>
<td>2,369,924</td>
</tr>
<tr>
<td>Transfers</td>
<td>20,675</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Increase (decrease) in net position</td>
<td>(4,223,133)</td>
<td>(2,952,697)</td>
<td>2,369,924</td>
</tr>
<tr>
<td>Net position at beginning of year (as restated due to implementation of GASB 75 in 2018 - OPEB obligations)</td>
<td>(27,271,505)</td>
<td>11,821,173</td>
<td>39,122,956</td>
</tr>
<tr>
<td>Net position at end of year</td>
<td>(31,494,638)</td>
<td>8,868,476</td>
<td>41,492,880</td>
</tr>
</tbody>
</table>
The cost of all governmental activities for the year was $83.9 million. The taxes that ultimately financed these activities were only $64.8 million and a portion of the costs were paid by those who directly benefited from the programs or by other governments ($8.4 million), organizations that subsidized certain programs with grants and contributions ($3.8 million), other miscellaneous revenues ($2.7 million), and unassigned fund balance ($4.2 million).

Overall, the City's governmental revenues totaled $79.7 million. Of these revenues, $12.2 million came from program revenues, property taxes of $10.4 million, transient occupancy tax of $13.9 million, sales and use taxes of $11 million, utility user taxes of $6.5 million, franchise taxes of $3.8 million, business license taxes of $11.6 million, and other revenues and taxes of $10.3 million.

CONCLUSION AND RECOMMENDATION

The Pun Group 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, 2018.

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.
AGENDA DESCRIPTION:

Consideration and possible action to adopt an ordinance amending Chapter 2 (Garbage and Rubbish) of Title 5 of the El Segundo Municipal Code in its entirety in order to meet current State mandated requirements. (Fiscal Impact: N/A)

RECOMMENDED COUNCIL ACTION:

1. City Council adopt the attached ordinance to amend Chapter 2 of Title 5 of the El Segundo Municipal Code in its entirety in order to meet current State mandated requirements; or,

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

ATTACHED SUPPORTING DOCUMENTS:

Proposed Ordinance

FISCAL IMPACT: N/A

- Amount Budgeted: $0
- Additional Appropriation: No
- Account Number(s): N/A

ORIGINATED BY: Ken Berkman, Public Works Director
REVIEWED BY: Mark Hensley, City Attorney
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

On May 1st, the City of El Segundo commenced a new solid waste and recycling program for single-family and duplex properties through an exclusive franchise agreement with EDCO Waste & Recycling Services (EDCO). However, the City does not currently have a franchise agreement with any waste haulers serving commercial entities, which includes residential properties of three or more units, nor does the El Segundo Municipal Code (Code) currently contain permitting or regulatory requirements for solid waste haulers that service commercial properties. There are over 20 licensed haulers currently providing such services in the City.

On January 24, 2019, the Department of Resources Recycling and Recovery (CalRecycle) issued a Compliance Order on the City due to inadequately implementing its Source Reduction and Recycling Element and California’s Mandatory Commercial Recycling Law. CalRecycle noted program “gaps” related to the commercial solid waste and recycling program, which is designed to keep solid waste from businesses out of the landfills. These included providing sufficiently detailed reports to show all reasonable and feasible efforts are being made to properly implement the program, and ensure monitoring, identification, and education/outreach activities are occurring in compliance with the Mandatory Commercial Recycling program.
This ordinance would establish a permitting and regulatory program for commercial and multi-family residential properties that will both help the City meet its obligations under the Compliance Order and advance the goals and purposes of all existing solid waste and recycling State regulations and AB1826’s organic waste recycling mandates, which is already part of the Code due to previous actions of the Council.

The Ordinance will properly establish rules and regulations related to three general sub-programs:

- Residential Solid Waste Collections (by Exclusive Franchise)
- Commercial and Multi-Family Solid Waste Collections (New City Permit Program)
- Organics (AB1826)

Staff recommends that the City Council introduce the ordinance and schedule second reading and adoption of the ordinance at the Council’s next regularly scheduled meeting. If adopted, the ordinance would take effect 30 days later.
ORDINANCE NO. _____

AN ORDINANCE AMENDING TITLE 5, CHAPTER 2 OF THE EL SEGUNDO MUNICIPAL CODE TO ESTABLISH COMPREHENSIVE REGULATIONS REGARDING SOLID WASTE MANAGEMENT AND ESTABLISHING A PERMIT PROCESS FOR, AND REGULATIONS GOVERNING, PROVIDERS OF SOLID WASTE COLLECTION AND TRANSPORTATION SERVICES TO COMMERCIAL PREMISES AND MULTI-FAMILY DWELLINGS

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

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

A. The storage, accumulation, collection and disposal of solid waste is a matter of great public concern in that the failure to properly control solid waste can create a public nuisance, lead to air pollution, fire hazards, illegal dumping, insect breeding and vermin infestation, and other problems adversely affecting the public health, safety and general welfare.

B. Comprehensive solid waste management is required for the City to comply with minimum diversion and other requirements of the California Integrated Waste Management Act.

C. Landfill gas is generated by the anaerobic decomposition of organic materials such as food, paper, wood, and green material. Fifty percent of landfill gas is methane, a GHG with a much shorter life, but much higher global warming potential than CO2 (methane is approximately 25 times more efficient at trapping heat than carbon dioxide over a 100-year time span).

D. Even with advanced methane landfill control systems, however, significant amounts of methane from landfills continue to escape into the atmosphere. According to the Air Resources Board's updated Scoping Plan, approximately eight million tons of CO2 equivalent are released annually by landfills. That number is expected to increase to 8.5 million tons of CO2 equivalent by 2020.

E. Recycling organics provides significant GHG emission reductions over landfilling. Composting and other organic processing technologies, including anaerobic digestion, reduce GHG emissions by avoiding the emissions that would be generated by the material's decomposition in a landfill. In the case of anaerobic digestion, the process produces methane from the organics in a controlled environment for use as a renewable fuel,
and results in climate benefits by both reducing GHGs from landfills, and displacing fossil fuels.

F. Recyclable organics accounts for about 40 percent of the material Californians dispose in landfills annually. Recycling organics can save businesses money by reducing disposal costs while supporting green jobs in the community.

G. AB 1826 (2014) imposes statewide organic recycling requirements that will help the State meet its goal to recycle 75 percent of its waste by 2020. The law requires that businesses arrange for recycling services for the following types of organics: food waste, green waste, landscape and pruning waste, nonhazardous wood paste, and food-soiled paper. Multi-family complexes (defined under the State law as a residential dwelling of five units or more) must arrange for recycling services for the same material with the exception of food waste and food-soiled paper.

H. A recyclable materials and organics collection and processing program is necessary for the City to achieve the diversion goals mandated by the Integrated Waste Management Act and the failure to comply with the statutory mandate exposes the City and its residents to substantial fines and additional costs. Source separation and the orderly collection of solid waste, recyclable materials, and organics is the most desirable and effective means of achieving these goals.

I. The City is committed to achieving diversion levels that exceed those prescribed by law. Mandatory residential and commercial recycling programs in other cities and counties in California, similar to the one implemented by this chapter, have proven successful in increasing the rates of diversion of solid waste from landfill.

J. The El Segundo Municipal Code does not currently contain permitting or regulatory requirements for solid waste haulers that service commercial premises and multi-family dwellings of more than two units. Approximately 24 businesses are currently providing such services in the City.

K. On January 24, 2019, the Department of Resources Recycling and Recovery (CalRecycle) issued a Compliance Order on the City due to inadequately implementing its Source Reduction and Recycling Element and California’s Mandatory Commercial Recycling Law. CalRecycle noted program “gaps” related to the commercial solid waste and recycling program, which is designed to keep solid waste from businesses out of the landfills. These included providing sufficiently detailed reports to show all reasonable and feasible efforts are being made to properly implement the program, and ensure monitoring, identification, and education/outreach
activities are occurring in compliance with the Mandatory Commercial Recycling program.

L. It is in the public interest to establish a permitting and regulatory scheme for commercial and multi-family residential properties that will ensure the City can meet or exceed its obligations mandated by CalRecycle and State law.

M. This ordinance would establish a permitting and regulatory scheme for commercial and multi-family residential properties that will both help the City meet its obligations under the Compliance Order and advance the goals and purposes of all existing solid waste and recycling State regulations and AB 1826’s organics recycling mandates.

SECTION 2: Chapter 2 of Title 5 of the El Segundo Municipal Code is amended in its entirety to read as follows:

"Chapter 2
SOLID WASTE MANAGEMENT

5-2-1: DEFINITIONS
5-2-2: EXCLUSIVE RIGHTS OF CITY; CITY RESPONSIBILITY
5-2-3: SOLID WASTE COLLECTION; COLLECTION AND PROCESSING OF ORGANICS AND RECYCLABLES--RESIDENTIAL
5-2-4: COLLECTION CARTS
5-2-5: COLLECTION BY FRANCHISEE
5-2-6: UNLAWFUL COLLECTION
5-2-7: CHARGES FOR SERVICE
5-2-8: BILLING AND PENALTIES
5-2-9: FAILURE TO PAY
5-2-10: SELF-HAULING
5-2-11: PLACEMENT IN CITY WASTE CONTAINERS PROHIBITED
5-2-12: BURNING VEGETATION
5-2-13: RECYCLING OF ORGANICS
5-2-14: SOLID WASTE COLLECTION; COLLECTION AND PROCESSING OF ORGANICS AND RECYCLABLES—COMMERCIAL AND MULTI-FAMILY
5-2-15: COMMERCIAL AND MULTIFAMILY SOLID WASTE COLLECTION AND TRANSPORTATION SERVICES

5-2-1: DEFINITIONS

For the purposes of this chapter, the following words and phrases are defined and shall be construed as hereinafter set out, unless it is apparent
from the context that they have a different meaning:

BUSINESS: A commercial or public entity, including, but not limited to, a firm, partnership, proprietorship, joint stock company, corporation, or association that is organized as a for profit or nonprofit entity.

CIVIC WASTE: All types of solid waste, recyclables and organics generated by the City, including: solid waste, recyclables, and organics placed in receptacles located in public areas, including but not limited to City public parks, parking lots, and right-of-ways, for collection of waste generated by the public; solid waste, recyclables and organics generated at City-owned facilities including but not limited to City Hall, the City Yard, fire stations, police station, library, recreation centers, etc.; and solid waste, recyclables and organics generated at City events.

COMMERCIAL PREMISES: Any commercial, industrial, or office enterprise that generates solid waste, green waste, organics, or recyclable materials. Commercial premises does not include civic waste or any State run school system.

ORGANICS: Food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food soiled paper waste that is mixed in with food waste.

RECYCLABLES: Material that can be reused or processed into a form suitable for reuse through reprocessing or remanufacture and includes paper, newsprint, printed matter, pasteboard, paper containers, cardboard, glass, aluminum, PET and other plastics, beverage containers, compostable materials, phone books, used motor oil and such other materials designated by the Public Works Director, or designated as recyclables by the California Department of Resources Recycling and Recovery (CalRecycle), or other agency with jurisdiction.

SOLID WASTE: All solid waste as defined in Public Resources Code section 40191 as may be amended from time to time.

PUBLIC WORKS DIRECTOR: Public Works Director or his/her designee.

5-2-2: EXCLUSIVE RIGHTS OF CITY; CITY RESPONSIBILITY

The City maintains exclusive authority to manage and regulate solid waste, including but not limited to regulations regarding the storage, collection, transportation, processing and disposal of solid waste. Such authority includes the right to determine the methods by which such regulation occurs, for example, through contract, permit, franchise, or another method. The City may enter into exclusive or non-exclusive
contracts or franchises for the collection and transportation of solid waste including recyclables and organics. No person, entity, organization or firm is authorized to collect such solid waste, organics or recyclables without authorization or permission from the City.

5-2-3: SOLID WASTE COLLECTION; COLLECTION AND PROCESSING OF ORGANICS AND RECYCLABLES—RESIDENTIAL

A. Mandatory Arrangements for Collection and Removal. The owner or occupant of each residential premises is required to contract with the City's franchisee for removal of all solid waste, organics, and recyclables accumulated on such premises and must pay for such removal at the rates established by the City Council. In the event the owner elects to have the occupant of its premises take responsibility for contracting with the franchisee for collection service and the occupant fails to make arrangements for collection or fails to pay for collection services provided by the franchisee, the responsibility to contract and pay for collection services shall become the owner's responsibility. No owner or occupant of a residential premises shall employ another, other than the franchisee, to collect solid waste, organics or recyclables generated on the residential premises. For purposes of this section, "residential premises" refers to one- and two-family dwelling units. If a property contains both commercial and residential premises, the owner or occupant of the residential component of the premises must independently contract with the franchisee for the collection and removal of solid waste, organics, and recyclables in accordance with this chapter.

B. Exceptions. An exception to the mandatory requirement of subparagraph A can be granted if the owner or occupant meets one of the following criteria:

1. The owner or occupant of the residential premises obtains a self-haul permit in accordance with this chapter and continually remains in compliance with its terms and conditions.

2. The owner or occupant demonstrates to the satisfaction of the Public Works Director or his/her designee that no solid waste of any kind is being generated on the premises. The occupant must consent to an on-site inspection of the premises by the Public Works Director in order to verify that no solid waste of any kind is being generated. If the circumstances that allowed the exception should change, the owner or occupant must immediately initiate regular solid waste, organics, and recyclables collection in
accordance with this section. The Public Works Director may require reauthorization of the exception periodically.

C. Nothing in this chapter limits the right of any owner or occupant of a residential premises to compost green waste or to donate or sell recyclables generated in or on their residential premises or to transport those recyclables to a recycling facility. A self-haul permit is not required for a generator to transport his or her recyclables to a recycling facility.

D. Ownership of Materials. Upon the placement of solid waste, organics or recyclables in a container for collection by the franchisee at the collection point, said materials become the property of franchisee.

E. Unlawful Disposal and Collection of Solid Waste, Organics or Recyclables.

1. No person may deposit solid waste or containers upon any street, alley, gutter or parkway, or upon any lot or vacant area or other public place or way other than as provided in this chapter.

2. No person shall tamper with, modify, scavenger from or deposit solid waste, organics, or recyclables in any solid waste, organics or recyclables container which has not been provided for his or her use, without the permission of the occupant of the premises where the container is located.

3. Except as otherwise authorized in this chapter, no person shall collect solid waste, organics or recyclables from residential premises within the City.

F. Obstruction of Franchisee Unlawful. It shall be unlawful for any person, their agents or employees to hinder, threaten, impede, or obstruct the franchisee in the performance of its duties.

5-2-4: COLLECTION CARTS

A. Solid Waste Carts. Occupants of residential premises receiving individual collection services must place solid waste in the solid waste carts provided by the franchisee.

B. Recyclables Carts. Occupants of residential premises shall separate recyclables from solid waste and organics and place recyclables in the recyclables carts provided by the franchisee. In the case where the occupant of the premises is not the owner, the owner is
responsible to instruct the occupant in proper separation and placement of recyclable materials from solid waste and organics.

C. Organics Carts. Occupants of residential premises shall separate organics from solid waste and recyclables and place organics in the organics carts provided by the franchisee. In the case where the occupant of the premises is not the owner, the owner is responsible to instruct the occupant in proper separation and placement of organics from solid waste and recyclables.

D. Filling of Carts and Containers. No occupant of either residential or commercial premises shall fill any cart or container with solid waste, organics or recyclables above the top of the cart or container so as to permit the contents of any container to be blown or otherwise strewn about.

E. Proper Placement of Carts for Collection. Carts used at any residential premises for the purpose of collection of solid waste, organics or recyclables shall be placed on the street against the curb in front of the premises occupied by the person depositing the same as directed by the franchisee, unless the owner or occupant has contracted with the franchisee for backyard service or roll-out service. Where no street curb exists, the carts shall be placed not more than two feet from the outside edge of the street nearest the property's entrance. When the premises are adjacent to a paved alley of sufficient width to allow easy passage of the collection trucks, the containers may be placed within two feet of the property line of the premises and must be readily accessible for collection from the alley.

F. Timing of Placement and Removal of Carts. Occupants shall not place carts at the curb for collection by franchisee at any time other than the days established by the franchisee for the collection of such solid waste, organics or recyclables, or earlier than 5:00 p.m. on the day preceding the day designated by the franchisee for collection. All carts shall be removed from the place of collection prior to 10:00 p.m. of the day the carts have been emptied and, whenever possible, stored in a location screened from public view.

G. Supervision and Cleaning of Carts. Each occupant of a residential premises shall maintain supervision over carts on their premises. Occupants shall maintain carts in a reasonably clean, sanitary condition.

H. Unauthorized Tampering and Removal of Contents. No person, other than the waste generator or any waste generator employee, or an officer or employee of the franchisee, or any person holding a City-
issued permit for the collection or disposal of solid waste, shall tamper or meddle with any cart or container or the contents thereof, or remove the contents of the cart or container, or remove the cart or container from the location where the same shall have been placed by the waste generator.

5-2-5: COLLECTION BY FRANCHISEE

Collection and removal of solid waste, organics and recyclables from residential premises by the franchisee shall be made in accordance with the terms and conditions of this chapter and the agreement between the City and the franchisee.

5-2-6: UNLAWFUL COLLECTION

A. Except as expressly provided in this section, it is unlawful for any person to collect or transport solid waste or organics within the City unless such person is a franchisee or holds a valid commercial/multi-family solid waste collection and transportation permit issued by the City. Additionally, it is unlawful for any person to collect or transport recyclables within the City unless such person is a franchisee, the holder of a valid commercial/multi-family solid waste collection and transportation permit issued by the City, or the recyclables collected are exempt under this section. If recyclables are hauled by other than the franchisee or a permittee, the City may require the generator to provide an affidavit demonstrating that no additional fees relating to the collection of recyclables have been charged.

B. It is unlawful for any person to permit, allow or enter into any agreement whatsoever for the collection or transportation of solid waste, organics or recyclables with any person who is not the franchisee or the holder of a valid commercial/multi-family solid waste collection and transportation permit, unless the collection and transportation is exempted under this section.

C. The collection and transportation of the following types of solid waste, organics and recyclables are exempted from the requirements of subsections A and B:

1. Green waste, landscape and pruning waste, or nonhazardous wood waste removed from a premises by a gardening, landscaping or tree trimming contractor as an incidental part of a total service offered by that contractor rather than as a transportation service and for no additional or separate fee.
2. Tree trimmings, clippings and all similar materials generated at parks and other City-maintained premises, which may be collected and transported by the City to the disposal site or processing facility.

3. Hazardous or dangerous materials; liquid and dry caustics; acids; biohazardous, flammable and explosive materials; insecticides; and similar substances.

4. Infectious medical waste (as defined in California Health and Safety Code Section 25117.5).

5. Byproducts of sewage treatment, including sludge, grit and screenings.

6. Recyclables which are source-separated at any premises by the waste generator and donated to youth, civic, or charitable organizations.

7. Source-separated recyclable materials which are transported by a generator who is recycling under the California Beverage Containers Recycling Litter Reduction Act (Public Resources Code Section 14500 et seq.).

8. Solid waste transported by a generator in accordance with a valid self-haul permit issued pursuant to this chapter.

9. Construction and demolition debris which is removed from any premises by the waste generator, using his/her/its own vehicles and which is transported personally by the owner or occupant of such premises, or by his or her employees.

10. Construction and demolition debris hauled by the property or business owner using their own vehicles and their own employees.

11. A licensed contractor removing items for reuse or recycling which is incidental to work performed at a project construction site and as defined under diversion requirements if the contractor (1) uses his or her own employees and vehicles for this purpose, and (2) maintains no bins or boxes at the site which are detachable from the vehicle.

5-2-7: CHARGES FOR SERVICE

From time to time, the City Council shall establish by resolution rates that franchisees may charge owners or occupants of one- and two-family dwelling units for the collection, processing and/or disposal of solid waste, organics and recyclables. Prior to adopting the resolution establishing the rate, the City Council shall hold a public hearing.

5-2-8: BILLING AND PENALTIES

Each owner or occupant receiving collection services from the franchisee shall be billed by the franchisee periodically in accordance with the rates established by the franchise agreement and approved by the City Council. If an owner or occupant fails, refuses or neglects to pay the bill, then a penalty may be added to the bill and the sum, together with any costs incurred by the franchisee, may be recovered by the franchisee as provided by law, including Government Code Section 54348. If an occupant fails to pay the bill, the owner shall be responsible for the payment.

5-2-9: FAILURE TO PAY

If there is no payment of a bill after 60 days or more, the franchisee shall undertake collection of the bill (including penalties and expenses of collection) for a period of one year from the invoice date. Franchisee shall make reasonable efforts to obtain payment through issuance of late payment notices, telephone requests for payment, and assistance from collection agencies (who shall make at least two attempts at collection). If the franchisee’s collection efforts for a one-year period fail, and franchisee can demonstrate to the City that it attempted on at least five occasions to solicit moneys due from each delinquent account, then the franchisee may assign its rights to collection (including penalties and expenses of collection) to the City. The City may then, at its discretion, initiate any collection procedures authorized by law, including those special assessment procedures authorized by Government Code Sections 38790.1 and 25831. If the City collects the delinquent amount, it shall pay the collected moneys to franchisee after deducting City’s administrative costs and costs of collection.

5-2-10: SELF-HAULING

A. Permit required. The person in charge of a residential premises may apply for and obtain a permit to self-haul, and shall not self-haul without a valid self-haul permit issued pursuant to this section unless otherwise expressly authorized in this chapter. Every person in charge of a residential premises who desires to self-haul in lieu of
making arrangements with the solid waste franchisee for solid waste handling services shall obtain a self-haul permit from the Public Works Director prior to commencing self-hauling. For purposes of this section, "residential premises" refers to one- and two-family dwelling units.

B. Term. A permit to self-haul shall be good for one calendar year, or such part of the calendar year that is remaining after the issuance of the permit. All self-haul permits shall expire on December 31, and may be renewed annually. Application for a renewal permit must be filed at least 60 calendar days prior to the expiration date of the permit to allow adequate time for processing, inspection and verifications required to issue the permit.

C. Issuance of permit. An applicant for a self-haul permit shall submit a completed application, on a form approved by the City’s Public Works Director, to the Public Works department. The Public Works Director shall determine whether the application is complete within five business days of the receipt of the application. If the Public Works Director finds the application incomplete, the applicant shall be given a list of information needed to complete the application.

Once an application for a self-haul permit is complete, the applicant shall produce the items listed in subsections (C)(1) through (7) below. The Public Works Director shall issue a self-haul permit within five working days of the production of all of the required items.

1. The applicant must produce for inspection the vehicle the applicant intends to use for self-hauling, and the vehicle must meet the following standards:

   a. The vehicle is capable of safely hauling a minimum of 32 gallons (4.3 cubic feet) of solid waste, recyclables and organics in a safe and sanitary manner so that such matter will not spill; and

   b. If the vehicle is not fully enclosed, the applicant must produce a tarp or other material, device or mechanism that is demonstrated to completely secure the materials being self-hauled;

2. The applicant must produce evidence that he or she owns or leases the vehicle produced for inspection or has a written agreement to use the vehicle for self-hauling with the vehicle’s owner or lessor;
3. The applicant must produce evidence that he or she has a valid California driver’s license to operate the vehicle produced for inspection and that the vehicle is registered in the State of California;

4. The applicant must provide the City with proof of automobile insurance for the vehicle;

5. The vehicle must be operational and meet all applicable Vehicle Code standards;

6. The applicant must provide the City with proof that the applicant has containers for the storage of solid waste, recyclables and organics on the applicant’s premises before the materials are hauled to a disposal facility; and

7. The applicant must not have any outstanding charges due to the City’s solid waste franchisee for solid waste handling services previously received at the premises for which the self-hauling permit application is being submitted; and

8. The applicant must pay the fee for a self-haul permit authorized by resolution of the City Council. The fee shall reflect the City’s reasonable costs of issuing and monitoring compliance with the permit. Permits issued between January 1 and March 31 shall pay 100 percent of the permit fee; permits issued between April 1 and June 30 shall pay 75 percent of the permit fee; permits issued between July 1 and September 30 shall pay 50 percent of the permit fee; permits issued between October 1 and December 31 shall pay 25 percent of the permit fee.

D. Appeal of denial. An applicant whose application for a self-haul permit has been denied may appeal that decision to the City Manager. The appeal must be made on a form approved by the Public Works Director. An appeal must be filed within 10 calendar days of the date the applicant was notified of the denial. The City Manager shall issue a written decision within 10 business days of the effective date of the appeal. The decision of the City Manager shall be final.

E. Operational Standards/Permit Conditions.

1. The permittee must dispose of solid waste weekly at a licensed or permitted landfill or disposal facility and shall procure and retain weekly receipts from such landfill or other disposal facility. Receipts shall be submitted to the City upon request. Failure to show proof of solid waste disposal for each week that a person is
permitted to self-haul shall constitute a public health and safety nuisance sufficient to permit City to revoke the permittee’s self-haul permit.

2. The permittee must notify the City of any change in the vehicle being used to haul solid waste by the permittee. The permittee must bring the new vehicle in for an inspection and demonstrate compliance with items (1) through (5) of subsection (C) of this section before the new vehicle is used to haul any solid waste under the permit.

3. The permittee must keep on file with the City copies of the current automobile insurance and registration for the vehicle used to self-haul and the permittee’s current California driver’s license.

4. The permittee must separate and bag solid waste, recyclables and organics. Recyclables must be disposed of at a licensed or permitted recycling center, materials recovery facility, or transfer station. Organics must be disposed of at a licensed or permitted composting facility, organics processing facility, or must be composted on the premises covered by the self-haul permit.

5. The permittee must maintain, on a rolling basis, original records showing, for the immediately preceding twelve months, the type and weight of all solid waste collected (categorized by solid waste, organics, and recyclables) and the disposal site, recycling facility, organics processing facility or other final destination of each load transported (categorized by solid waste, recyclables, and organics). Copies of these records must be submitted to the Public Works Director upon request.

6. The permittee must submit quarterly reports to the Public Works Director showing the type and weight of solid waste collected (categorized by solid waste, recyclables, and organics), the final destination of each type of waste, and the receipt number (provided by the final destination) for each load of solid waste, recyclables, and organics collected. All such reports must be submitted on a form approved by the Public Works Director.

7. The permittee is liable for any damages and cleanup costs resulting from any solid waste, recyclables or organics spills during the course of the permittee’s self-hauling activity.

F. Revocation of permit. The self-haul permit shall be subject to revocation if the permittee violates any provision of this chapter. A notice of revocation shall be mailed to the permittee informing him/her
that the self-haul permit is being revoked, identifying the violations of this chapter that have occurred, and informing the permittee that he or she has the right to dispute the revocation by an appeal to the City Manager. An appeal of a revocation must be filed within 10 calendar days of the mailing of notice of the revocation. A revocation appeal hearing will be scheduled within 10 business days of the date the City receives the request for an appeal. Revocation of the permit will be stayed upon filing of an appeal in accordance with this section. The stay will remain in place until a final decision is issued by the City Manager. The City Manager will issue a decision on the appeal within five business days of the hearing and provide the permittee written notice of the decision. The decision of the City Manager on the appeal shall be final. A person whose self-haul permit has been revoked pursuant to this subsection may not obtain another self-haul permit for one year from the date of the revocation.

5-2-11: PLACEMENT IN CITY WASTE CONTAINERS PROHIBITED

City solid waste, organics and recyclables containers are placed in City parks and other public areas for the use by the public to control trash, litter and garbage generated at their respective locations. Such containers are not to be used as disposal sites for trash or rubbish which is generated off site. It is unlawful for any person to place, dump, deposit, or throw away solid waste, organics or recyclables, or other refuse or debris of any kind or character whatsoever in City containers if such was generated at a location other than where the container is located.

5-2-12: BURNING VEGETATION

It is unlawful for any person to set fire to, ignite or burn any standing or uncut dry grass, weeds, brush or vegetation on any lot or premises within the City.

5-2-13: RECYCLING OF ORGANICS

A. Mandatory Recycling Services:

1. On and after April 1, 2016, a business or a multi-family residential dwelling that generates eight (8) cubic yards or more of organics per week must arrange for recycling services specifically for organics in the manner specified in subsection B of this section.

2. On and after January 1, 2017, a business or a multi-family residential dwelling that generates four (4) cubic yards or more of organics per week must arrange for recycling services specifically
for organics in the manner specified in subsection B of this section.

3. On and after January 1, 2019, a business or a multi-family residential dwelling that generates four (4) cubic yards or more of commercial solid waste, as defined in Public Resources Code section 42649.1, per week, must arrange for recycling services specifically for organics in the manner specified in subsection B of this section.

4. On or after January 1, 2020, if the department of resources recycling and recovery determines that statewide disposal of organic waste has not been reduced to fifty percent (50%) of the level of disposal during 2014, a business that generates two (2) cubic yards or more per week of commercial solid waste must arrange for the organics recycling services specified in subsection A3 of this section, unless the department determines that this requirement will not result in significant additional reductions of organics disposal.

5. For purposes of this section, "multi-family residential dwelling" means a dwelling of five units or more, including, without limitation, condominiums, apartments, and townhomes. The term does not include dwellings of four or fewer units.

B. Actions Required: A business or a multi-family residential dwelling subject to subsection A of this section must take at least one of the following actions:

1. Source separate organics from other waste and subscribe to a basic level of organics recycling service that includes collection and recycling of organics.

2. Recycle its organics on site or self-haul its own organics for recycling.

3. Subscribe to an organics recycling service that may include mixed waste processing that specifically recycles organics.

4. Sell or donate its recyclable organics to a person or entity authorized by law to receive such waste.

C. Food Waste Generated by Dwelling: Notwithstanding the foregoing, a multi-family residential dwelling is not required to arrange for the organics recycling services specified in subsection B of this section for food waste that is generated by the dwelling.
D. Recycling Services Required: Property management companies that contract for trash service for any commercial, institutional, or multi-family properties subject to this chapter are required to contract or otherwise make available recycling services to comply with this section.

E. Reports and Policy Compliance Required: Any business or multi-family residential dwelling subject to this chapter must:

1. Report to the City of El Segundo on an annual basis the action the business or dwelling has taken pursuant to subsection B of this section; the amount of commercial solid waste and organics that the business or dwelling generates per week; the amount of organics recycled per week, and any other information required by the City to comply with its State mandated reporting requirements.

2. Comply with the City's mandatory commercial organics recycling policy, adopted by the City Council and which may be amended by the City Manager.

F. Exemptions:

1. Any business or multi-family dwelling subject to this section may apply for an exemption from the requirements of this section. The City Manager or designee may grant either a temporary or permanent exemption for any of the following reasons:

   a. Lack of sufficient space in multi-family complexes or businesses to provide additional organic material recycling bins.

   b. The current implementation by a business of actions that result in the recycling of a significant portion of its organics.

   c. The business or group of businesses does not generate at least one-half \((\frac{1}{2})\) of a cubic yard of organics per week.

   d. Extraordinary and unforeseen events, in which case a temporary exemption only may be granted.

2. The City Manager's or designee's decision may be appealed to the City Council within ten (10) days of the decision. The City Council's decision shall be final.
G. Violation: Any violation of this section is punishable as an infraction pursuant to section 1-2-3 of this code. The City may enforce this section by administrative citation or any other remedy available to the City under law and it is within the discretion of the City to seek cumulative remedies.

H. Fees: The City Council may establish fees for its costs of enforcing this section by resolution.

5-2-14: SOLID WASTE COLLECTION; COLLECTION AND PROCESSING OF ORGANICS AND RECYCLABLES—COMMERCIAL AND MULTI-FAMILY

A. Mandatory Arrangements for Collection and Removal. The owner or occupant of each commercial and multi-family premises is required to make arrangements for the regular removal of all solid waste, organics, and recyclables accumulated on such premises. Effective January 1, 2020, no owner or occupant of a commercial or multi-family premises shall employ another, other than the holder of a permit issued pursuant to section 5-2-15, to collect solid waste, organics or recyclables generated on the premises. For purposes of this section, “multi-family premises” refers to a building containing three or more dwelling units designed or arranged for occupancy by three or more households living independently in which they may or may not share common entrances and/or other spaces. If a property contains both commercial and multi-family residential premises, the owners or occupants of the residential component of the premises must independently contract with a permittee for the collection and removal of solid waste, organics, and recyclables in accordance with this chapter.

5-2-15: COMMERCIAL AND MULTI-FAMILY SOLID WASTE COLLECTION AND TRANSPORTATION SERVICES

A. Permit Requirement. Effective January 1, 2020, no person shall collect solid waste from any commercial or multi-family premises in the City and transport it over the public streets or highways except under a valid permit issued pursuant to this section, unless an exemption set forth in this section applies. For purposes of this section, and unless otherwise specified, “multi-family premises” refers to a building containing three or more dwelling units designed or arranged for occupancy by three or more households living independently in which they may or may not share common entrances and/or other spaces.

B. Authorization; Limitations.
1. A permit issued pursuant to this section authorizes the permittee to collect specified types of solid waste from commercial and multi-family premises in the City and to transport it over the public streets and highways of the City, in accordance with the terms and conditions of the permit and this section.

2. A person may obtain a permit under this section to collect solid waste from within the City only to the extent that another person does not have an exclusive privilege or right to collect that solid waste from within the City pursuant to a franchise agreement.

3. A permit issued pursuant to this section does not authorize, and shall not be construed to authorize, the permittee to collect solid waste within the City when another person has an exclusive privilege or right to collect that solid waste within the City pursuant to a franchise agreement.

C. Exemptions. The requirement to obtain a permit under this section does not apply to any of the following:

1. The collection and transport of solid waste by the owner or occupant of the real property where the solid waste was generated.

2. The collection and transport of solid waste that is generated on real property in the course of a service provided to the owner or tenant of that property by a building contractor or landscape contractor, if the solid waste is collected and transported by the contractor.

3. The collection and transport of solid waste under a valid federal or State permit if the federal or State permit requirement preempts the permit requirement under this section.

4. The collection and transport of solid waste by the franchisee under a franchise agreement.

5. The collection and transport of solid waste generated at a publicly operated wastewater treatment facility.

D. Application. A person may apply for a commercial/multi-family solid waste collection and transportation permit by submitting an application to the Public Works Department and paying an application fee established by resolution of the City Council. The application must be
made using a form approved by the Public Works Director and include all of the following:

1. The full legal name, address and telephone number(s) of the applicant. If the applicant is a sole proprietor who will operate under a fictitious business name, the applicant must provide a copy of a valid fictitious business name statement for the business. If the applicant is a business entity, the applicant must provide written documentation that the entity may lawfully conduct business in the City.

2. Identification of all vehicles proposed to be used in the collection and transport of solid waste under the permit, including legible copies of valid California registration cards for each vehicle. If any of the vehicles is equipped to provide roll-off box services, that information must also be provided. The Public Works Director may require inspection of any such vehicles prior to issuing a permit or at any time during the life of the permit.

3. Proof of possession of a valid motor carrier identification number in good standing issued under California Vehicle Code section 34507.5, if applicable.

4. Identification of the types of solid waste, recyclables, and organics to be collected and transported.

5. Identification of the locations to which the solid waste, including recyclables and organics, will be transported.

6. A description of all services to be provided to a customer related to the collection and transport of solid waste (including recyclables and organics) for that customer.

E. Vehicle Inspections; Standards.

1. All vehicles proposed to be used for collection and transport of solid waste under a permit issued pursuant to this chapter shall be made available for inspection by the Public Works Director or his/her designee at a location within the City determined by the Public Works Director. The vehicle must be made available for inspection within two business days of the inspection request and at a location designated by the Public Works Director.

2. All vehicles proposed to be used for collection and transport of solid waste under the permit must comply with the following minimum standards:
a. The vehicle must be designed, constructed and configured for safe handling and to securely contain the type of solid waste proposed to be collected; and

b. The vehicle must be prominently marked with the name and telephone number of the applicant.

F. Permit Issuance; Grounds for Denial.

1. After receipt of an application, payment of a permit fee established by the City Council by resolution, and a valid certificate of liability insurance issued to the applicant that conforms to the coverage requirement set forth in this section, the Public Works Director shall issue a commercial/multi-family solid waste collection and transportation permit to the applicant unless any of the following grounds for denial exists:

a. Another person has an exclusive right or privilege to collect all of the types of solid waste described in Section 5-2-15(D)(4).

b. The application is incomplete or inaccurate.

c. A permit issued to the applicant under this section has been revoked within twelve months prior to the date of application.

d. The applicant has failed to pay an outstanding fine.

e. The Public Works Director determines that a vehicle proposed to be used in the collection and transport of solid waste pursuant to the permit does not conform to the minimum standards set forth in subparagraph (E) of this section.

2. The Public Works Director shall provide written notice to the applicant of any denial of a permit under this section and the reasons for the denial.

3. A permit issued pursuant to this section will include, without limitation:

a. The name of the permittee.

b. A list of all vehicles, by license place and vehicle identification numbers, that may be used pursuant to the permit.
c. Identification of the types of solid waste that may be collected and transported pursuant to the permit and the specific services that must be provided to customers in connection with the collection of specified types of solid waste.

d. The effective and expiration dates of the permit.

G. Permit Conditions; Responsibilities of Permittees. The following conditions/responsibilities apply to all commercial/multi-family solid waste collection and transportation permits/permittees:

1. The permittee must comply with all applicable laws and regulations.

2. A copy of the permit must be kept in each vehicle used for solid waste collection and transportation under the permit and produced upon request by any peace officer.

3. Each motorized vehicle used for solid waste collection or transportation under the permit must be marked with the name and telephone number of the permittee. Markings must be in sharp contrast to the background and of such size as to be readily visible during daylight hours from a distance of fifty feet. Markings must be applied to each sidewall of a motorized vehicle.

4. Each vehicle used for solid waste collection or transportation under the permit must be regularly maintained and cleaned. Each vehicle must be made available for inspection by the Public Works Director or his/her designee at a location within the City. The vehicle must be made available for inspection within two business days of the inspection request.

5. Each vehicle used for solid waste collection and transportation under the permit must carry proof of liability insurance coverage in the amounts required by this section.

6. Each container of one cubic yard or more that is used by the permittee in the course of operations under the permit must be marked with the name and telephone number of the permittee. All containers must be maintained in a clean and safe condition. For the purposes of this subsection, containers include trailers but do not include motorized vehicles.

7. The permittee must maintain, on a rolling basis, original records showing, for the immediately preceding twelve months, the type
and weight of all solid waste collected (categorized by solid waste, recyclables, and organics), the location where each load of waste was collected, and the final destination of each load collected (categorized by solid waste, recyclables, and organics). Copies of these records must be submitted to the Public Works Director upon request.

8. The permittee must submit quarterly reports to the Public Works Director stating the total number of customers serviced categorized by service type (solid waste, recycling, and organics); the customer list of premises/businesses from which each type of waste was collected; the level of service provided to each customer, including type and weight of solid waste collected (categorized by solid waste, recyclables, and organics); the number of containers; the frequency of service (number of days per week); and the final destination of each type of waste. All such reports must be submitted on a form approved by the Public Works Director. If a property contains both commercial and multi-family premises, and the permittee provides collection services to both, the permittee must independently track the solid waste, organics and recyclables generated by the commercial and multi-family components of the premises.

9. Each permittee shall be required to ensure that organics and recycling services are provided for all of its customers. Each permittee shall, at least once annually, provide educational and informational literature to its customers and the City describing the organics and recycling services to be provided, organics and recyclable materials to be recycled, instructions on how to participate, and instructions on how to properly separate recyclable materials and organics to maximize waste diversion.

10. The permittee must provide each commercial and multi-family premises it serves with the collection containers necessary to comply with, implement, and achieve State and local diversion and recycling goals, as applicable. This includes, without limitation, containers that allow for the source separation of solid waste, organics and recyclables.

11. Unless an exemption has been granted by the City, the permittee must provide each business and each multi-family residential dwelling of five units or more that it serves with the collection containers necessary to comply with, implement, and achieve state-mandated goals for the recycling of recyclables and organics including, without limitation, AB 341 and AB 1826. For purposes of this subsection, "business" means a commercial or
public entity, including, but not limited to, a firm, partnership, proprietorship, joint stock company, corporation, or association that is organized as a for-profit or nonprofit entity. With respect to the businesses and the multi-family residential dwellings of five units or more that it serves, the permittee must provide or arrange for organic waste recycling services consistent with all applicable State laws and regulations and must assist the City in providing related education and outreach to, and monitoring of, such businesses.

H. Insurance Requirements. At all times while doing business in the City, each permittee must have and maintain commercial general liability insurance coverage with limits no less than one million dollars per occurrence and one million dollars in the aggregate.

I. Revocation.

1. Grounds for Revocation. A permit issued pursuant to this section may be revoked by the Public Works Director in accordance with the procedures set forth herein if the Public Works Director determines that:

   a. The permittee has failed to comply with a term or condition of operation under the permit;
   
   b. The permittee’s conduct under the permit constitutes a nuisance; or
   
   c. During the permit period, the permittee collected and transported solid waste that another person had an exclusive right or privilege to collect and transport pursuant to a valid franchise agreement.

2. Notice. The Public Works Director will provide written notice of intent to revoke a permit to the permittee at the address provided on the permittee’s application. The notice will state all applicable grounds for the revocation and the permittee’s right to a hearing under this section.

3. Hearing. Within fifteen calendar days after the date of the notice of intent to revoke, the permittee may request a hearing before the Public Works Director by completing and submitting a written hearing request form. The hearing will be set for a date no sooner than twenty days and no later than forty-five days following the date of the written request for hearing.
4. Effective Date. If no hearing is timely requested, the revocation is effective fifteen days after the date of the notice of intent to revoke. If a hearing is held, the Public Works Director shall issue a written decision within ten days of the hearing. Notice of the written decision shall be provided to the permittee by regular mail at the address indicated on the permit and the notice shall be effective two business days after it is deposited in the United States Mail. The decision of the Public Works Director will become effective when the time to appeal to the City Council expires, unless an appeal to the City Council is timely filed.

5. Appeal of Revocation to the City Council. Any permittee whose permit is revoked under this section shall have the right, within ten calendar days after notice of the Public Works Director's decision is provided, to file a written appeal to the City Council. Any such appeal must be made on a form provided by the Public Works Director and must set forth the specific ground or grounds on which it is based. The City Council shall hold a hearing on the appeal within 45 days after its receipt by the City, or at a time thereafter agreed upon, and shall cause the appellant to be given at least ten days' written notice of such hearing. At the hearing, the appellant or its authorized representative will have the right to present evidence and a written or oral argument, or both, in support of its appeal. The determination of the City Council on the appeal shall be final.

J. Prohibitions.

1. No person shall engage the service of a person for compensation to collect solid waste from any commercial or multi-family premises in the City and transport it over a public street or highway in the City unless the person whose service is engaged possesses a valid permit issued under this section or is exempt from the permit requirement.

2. Unless specifically exempt from the permit requirement pursuant to this section, no person shall collect solid waste from any commercial or multi-family premises in the City and transport it over a public street or highway in the City without a valid permit issued under this section.

3. No person subject to the permit requirement in this section shall transport solid waste to any location other than:
a. A solid waste facility that is lawfully operated under all required State and local permits, registrations and enforcement agency notifications; or

b. A recycling facility that, as its principal function, receives wastes that have already been separated for recycling and are not intended for disposal, and is lawfully operated in accordance with all applicable laws and regulations.

c. An organics recycling facility that is lawfully operated in accordance with all applicable laws and regulations.”

SECTION 3: Environmental Review. This ordinance is exempt from environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., “CEQA”) and CEQA regulations (14 California Code of Regulations §§ 15000, et seq.) because it establishes rules and procedures to permit operation of existing facilities; consists only of minor revisions and clarifications to existing regulations and specification of procedures related thereto; and consists of actions taken to assure the maintenance, protection and enhancement of the environment. This ordinance, therefore, does not have the potential to cause significant effects on the environment. Consequently, it is categorically exempt from further CEQA review under 14 Cal. Code Regs. §§ 15301, 15305, and 15308. Furthermore, the City Council finds and determines that this ordinance is not subject to CEQA for the following reasons: (1) it will not result in a direct or reasonably foreseeable indirect physical change in the environment (14 Cal. Code Regs. § 15060(c)(2)), (2) there is no possibility that the ordinance may have a significant effect on the environment (14 Cal. Code Regs. § 15061(b)(3)), and (3) the ordinance does not constitute a “project” as defined in the CEQA Guidelines (14 Cal. Code Regs. § 15378).

SECTION 4: 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 5: Enforceability. Repeal of any provision of the ESMC 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 6: 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 the City ordinance to remain in full force and effect for all purposes.
SECTION 7:  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 8: 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 or original ordinances, make a note of the passage and adoption in the records of this meeting, and, within fifteen days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 9: This Ordinance will take effect on the 30th day following its final passage and adoption.

PASSED AND ADOPTED this _____ day of __________________, 2019

________________________
Drew Boyles, Mayor

ATTEST:

________________________
Tracy Sherrill Weaver, City Clerk

APPROVED AS TO FORM
MARK D. HENSLEY, City Attorney
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**Total Warrants:** $392,438.59

**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 payments for materials, supplies and services in support of City Operations.

**A** Payroll and employee benefit checks

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

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

**FINANCE DIRECTOR:**

**CITY MANAGER:**

**DATE:** 5-22-19
CITY OF EL SEGUNDO
PAYMENTS BY WIRE TRANSFER
5/13/19 THROUGH 5/19/19

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DATE OF RATIFICATION: 5/20/19
TOTAL PAYMENTS BY WIRE: 569,907.13

Certified as to the accuracy of the wire transfers by:

Deputy City Treasurer I
Date 5/21/19

Director of Finance
Date 5/22/19

City Manager
Date

Information on actual expenditures is available in the City Treasurer’s Office of the City of El Segundo.
CITY OF EL SEGUNDO
WARRANTS TOTALS BY FUND

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<td>TRAFFIC SAFETY FUND</td>
<td>-</td>
</tr>
<tr>
<td>106</td>
<td>STATE GAS TAX FUND</td>
<td>-</td>
</tr>
<tr>
<td>108</td>
<td>ASSOCIATED RECREATION ACTIVITIES FUND</td>
<td>-</td>
</tr>
<tr>
<td>109</td>
<td>ASSET FORFEITURE FUND</td>
<td>16,329.83</td>
</tr>
<tr>
<td>111</td>
<td>CONN DEVEL. BLOCK GRANT</td>
<td>-</td>
</tr>
<tr>
<td>112</td>
<td>PROP &quot;B&quot; TRANSPORTATION</td>
<td>-</td>
</tr>
<tr>
<td>114</td>
<td>PROP &quot;C&quot; TRANSPORTATION</td>
<td>-</td>
</tr>
<tr>
<td>115</td>
<td>AIR QUALITY INVESTMENT PROGRAM</td>
<td>-</td>
</tr>
<tr>
<td>116</td>
<td>HOME SOUN D INSTALLATION FUND</td>
<td>-</td>
</tr>
<tr>
<td>117</td>
<td>HYPERION MITIGATION FUND</td>
<td>456.67</td>
</tr>
<tr>
<td>118</td>
<td>TDX ARTICLE 3 - SB 621 BIKEWAY FUND</td>
<td>-</td>
</tr>
<tr>
<td>119</td>
<td>MTA GRANT</td>
<td>-</td>
</tr>
<tr>
<td>121</td>
<td>FEMA</td>
<td>-</td>
</tr>
<tr>
<td>120</td>
<td>C.O.P.A. FUND</td>
<td>-</td>
</tr>
<tr>
<td>122</td>
<td>LA W.A. FUND</td>
<td>-</td>
</tr>
<tr>
<td>123</td>
<td>PSAF PROPERTY TAX PUBLIC SAFETY</td>
<td>-</td>
</tr>
<tr>
<td>202</td>
<td>ASSESSMENT DISTRICT #73</td>
<td>-</td>
</tr>
<tr>
<td>301</td>
<td>CAPITAL IMPROVEMENT FUND</td>
<td>15,000.00</td>
</tr>
<tr>
<td>302</td>
<td>INFRASTRUCTURE REPLACEMENT FUND</td>
<td>-</td>
</tr>
<tr>
<td>405</td>
<td>FACILITIES MAINTENANCE</td>
<td>-</td>
</tr>
<tr>
<td>501</td>
<td>WATER UTILITY FUND</td>
<td>27,866.21</td>
</tr>
<tr>
<td>503</td>
<td>WASTEWATER FUND</td>
<td>262,028.15</td>
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<td>503</td>
<td>GOLF COURSE FUND</td>
<td>2,263.80</td>
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<td>503</td>
<td>EQUIPMENT REPLACEMENT</td>
<td>6,136.75</td>
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<td>602</td>
<td>LIABILITY INSURANCE</td>
<td>731.80</td>
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<td>603</td>
<td>WORKERS COMP. RESERVE/INSURANCE</td>
<td>10.77</td>
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<tr>
<td>701</td>
<td>RETIRED EMP. INSURANCE</td>
<td>-</td>
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<tr>
<td>702</td>
<td>EXPENDABLE TRUST FUND - DESEIVER FEES</td>
<td>5,200.00</td>
</tr>
<tr>
<td>703</td>
<td>EXPENDABLE TRUST FUND - OTHER</td>
<td>5,404.75</td>
</tr>
<tr>
<td>708</td>
<td>OUTSIDE SERVICES TRUST</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL WARRANTS</strong></td>
<td><strong>$ 660,205.29</strong></td>
<td></td>
</tr>
</tbody>
</table>

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Information on actual expenditures is available in the City Manager'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/urgency payments for materials, supplies, and services in support of City Operations
- **A** = Payroll and Employee Benefit checks
- **B - F** = Computer generated Early Release disbursements and/or adjustments approved by the City Manager. Such as: payments for utility services, petty cash and employee travel expense reimbursements, various refunds, contract employee services consistent with current contractual agreements, instances where prompt payment discounts can be obtained or late payment penalties can be avoided or when a situation arises that the City Manager approves.
- **H** = Handwritten Early Release disbursements and/or adjustments approved by the City Manager.

**FINANCE DIRECTOR**

**DATE:** 5/28/19

**CITY MANAGER**

**DATE:** 5/29/19
6:00 P.M. SESSION

CALL TO ORDER – Mayor Boyles at 6:00 PM

INVOCATION – Pastor Charles Brady, The Lutheran Church

PLEDGE OF ALLEGIANCE – Mayor Pro Tem Pirsztuk

PRESENTATIONS

a)  Presentation by Fire Chief Donovan, introducing the Fire Department’s first female Battalion Chief, Deena Lee.

b)  Proclamation read by Council Member Pimentel, proclaiming National Public Works Week, May 19-25, 2019. Ken Berkman, Public Works Director, accepted the Proclamation.

c)  Presentation by Police Chief, Michael Ishii with the Hawthorne Police Department, thanking the El Segundo Police Department for their response to a recent officer involved shooting.

Council Member Brann left dais 6:21pm returned 6:25pm

d)  Presentation by Mayor Boyles, recognizing and presenting Certificates to AYSO All Stars Region 92-U12 Girls Division.

ROLL CALL

Mayor Boyles - Present
Mayor Pro Tem Pirsztuk - Present
Council Member Brann - Present
Council Member Pimentel - Present
Council Member Nicol - Present

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

John Deering, Wiseburn resident, spoke in favor of micro mobility (dockless/shared bikes and scooters).

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.

MOTION by Council Member Brann, SECONDED by Mayor Pro Tem Pirsztuk 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 approval of an amendment to Environmental Assessment No. EA-1154, amendment to Specific Plan No. SP 16-01, amended and restated conditions of approval and a Second Amendment to Development Agreement No. DA 16-01, amending the requirement that the developer provide six affordable units for low, very low and extremely low qualified households within the residential development to increase the number of affordable units to eight and to allow the eight units to be purchased by qualified moderate income households. An Addendum to the Environmental Impact Report (EIR) for the development project was certified by the City Council on September 28, 2016. The requested revision to the affordable housing requirement does not introduce new significant environmental effects or substantially increase the severity of the environmental impacts that previously were identified and analyzed in the certified EIR Addendum. Additionally, the project does not include changed circumstances or new information, which were not known at the time the EIR was certified, that would require the preparation of a subsequent environmental analysis pursuant to CEQA Guidelines. (Applicant: DR Horton CA2, Inc.).
(Fiscal Impact: As part of the proposed amendment, the developer has agreed to provide the City an additional $100,000 for the City’s costs of administering the program for two additional units.)

MOTION by Council Member Nicol, SECONDED by Council Member Brann to continue the public hearing to the June 18, 2019 regular City Council meeting. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

C. UNFINISHED BUSINESS

2. Consideration and possible action to approve the City of El Segundo Communications Plan.
(Fiscal Impact: None)

Greg Carpenter, City Manager, introduced the item.

Mayor Pro Tem Pirsztuk left dais 6:33pm returned 6:38pm

Barbara Voss, Deputy City Manager and Kristin Bergevin, Communications Consultant, gave a presentation.
Council Discussion

MOTION by Mayor Boyles, SECONDED by Mayor Pro Tem Pirsztuk approving the City of El Segundo Communications Plan. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

E. NEW BUSINESS

3. Consideration and possible action to approve the purchase of emergency supplies for city facilities and disaster go-kits for city disaster service workers. (Fiscal Impact: $65,660.06)

Randal Collins, Emergency Manager, gave a presentation

Council Discussion

MOTION by Mayor Pro Tem Prisztuk, SECONDED by Council Member Pimentel approving the vendor and the purchase of emergency supplies for city facilities and disaster go-kits for city disaster service workers. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

4. Consideration and possible action regarding the City Council to receive and file the Comprehensive Annual Financial Report (CAFR) for fiscal year ending September 30, 2018. (Fiscal Impact: $0)

*Item pulled moved to the June 4, 2019 regular City Council meeting.*

F. 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.

5. Approve Warrant Numbers 3025846 through 3025936 and 9000908 through 9000908 on Register No. 14c in the total amount of $366,501.47 and Wire Transfers from 4/22/19 through 4/28/19 in the total amount of $452,806.88. Warrant Numbers 3025937 through 3026058 and 9000909 through 9000946 on Register No. 15a in the total amount of $486,486.32 and Wire Transfers from 4/29/19 through 5/5/19 in the total amount of $298,675.67. Warrant Numbers 3026059 through 3026127 and 9000947 through 9000947 on Register No. 15b in the total amount of $291,296.36 and Wire Transfers from 5/6/19 through 5/12/19 in the total amount of $3,147,781.82. Ratified Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.
6. Approve Regular City Council Meeting Minutes of May 7, 2019 and Special City Council Meeting Minutes of May 13, 2019.

7. Receive and file this report without objecting to the request to allow alcohol service at the expansion of an existing restaurant to serve beer and wine for on-site consumption. Brewport Tap House is located at 200 Main Street, within the Downtown Specific Plan area. EA 1241 AUP 19-01 Applicant: Kristian Krieger, Brewport Tap House. (Fiscal Impact: None)

8. Authorize the City Manager to amend the existing agreements with the following consultants for Fiscal Year FY 2018/19 by a total amount not to exceed $260,000: J Lee Engineering Amendment No. 4695H, JAS Pacific Amendment No. 3790S, and Hayer Consultants, Inc. Amendment No. 4907H. (Fiscal Impact: None)

9. Receive and file an informational report on the use of the Request for Proposal (RFP) process for the selection of Consultants for plan review, inspection, and supplemental services for the Department of Planning and Building Safety for Fiscal Year (FY) 2019-2020. (Fiscal Impact: None)

10. Consideration and possible action to approve a one-year renewal Agreement No. 5710, in a form approved by the City Attorney, with the City of Redondo Beach for operation of Beach Cities Transit (BCT) Line 109 for FY2019/2020 and authorize the Mayor to execute Transit Service Operation Agreement, in a form approved by the City Attorney. (Fiscal Impact: None)

11. Approve Resolution No. 5152 and Letter of Support for AB 1694, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy: territory: Dominguez Channel watershed and Santa Catalina Island. (Fiscal Impact: None)

12. Adopt Ordinance No. 1583 amending El Segundo Municipal Code Chapter 1-7C to increase the dollar limit for the administrative “no bid” award of Public Works Contracts in accordance with state law. (Fiscal Impact: None)

13. Accept the Pump Station #1 & #7 Modification work as complete, authorize the City Clerk to file a Notice of Completion with the County Recorder’s Office and authorize to increase the construction related contingencies from $324,895.00 to $787,911.13. Project No. PW 16-07. (Fiscal Impact: $4,036,861.13)
14. Authorize the City Manager to execute the unfunded annual liability (UAL) prepayment option to California Public Employees Retirement System (CalPERS) for the CalPERS Fiscal Year (FY) 2019-20, in the total amount of $9,071,054 resulting in a total savings of $323,073 to the City.  
(Fiscal Impact: savings of $323,073: $80,768 in FY 2018-19 and $242,305 in FY 2019-20)

15. Authorize the Fire Department to purchase public safety mobile and portable radios, accessories and required programming from the South Bay Regional Public Communications Authority to maintain emergency radio communications.  
(Fiscal Impact: $75,598.98)

16. Adopt Resolution No. 5153, recognizing the El Segundo Supervisory and Professional Employees Association (“ESSPEA” or “SPEA”) as exclusive representative of the Supervisory and Professional Employees bargaining unit, Decertify the California Teamsters, Public, Professional and Medical Union, Local 911 (“Local 911”) as the exclusive representative of that Unit, apply the Memorandum of Understanding with Local 911 to SPEA for the balance of its term for purposes of continuity and authorize labor negotiations with SPEA.  
(Fiscal Impact: There is no direct fiscal impact of this recognition of SPEA as exclusive representative of the City's Supervisory and Professional employees).

MOTION by Council Member Brann, SECONDED by Mayor Pro Tem Pirsztuk to approve Consent Agenda items 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, and 16.  MOTION PASSED BY UNANIMOUS VOICE VOTE.  5/0.

G. REPORTS – CITY MANAGER – Mentioned the meeting was a productive one, hitting on all Strategic Planning points and wished everyone a Happy Memorial Day Weekend.

H. REPORTS – CITY ATTORNEY – Passed

I. REPORTS – CITY CLERK – Passed

J. REPORTS – CITY TREASURER - Not Present

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Pimentel – Passed

Council Member Nicol – Thanked the Fire Department for successful Open House event.

Council Member Brann – Attended the Elderfest Event, mentioned the upcoming Mural dedication on May 29, 2019 at 3:00 PM in the Sue Carter Friends of the Library room, mentioned Main Street is looking noticeably different and hopes we
keep it looking good and awaiting the up lights on the trees and wished everyone a Happy Memorial Day weekend.

Mayor Pro Tem Pirsztuk – Thanked the Fire Department for a successful Open House Event and mentioned she would be attending the Medal of Valor Ceremony on Thursday, May 24, 2019 recognizing our both the Police and Fire Department for their service.

Mayor Boyles – Mentioned the City would be holding its first Table Top Exercise tomorrow, Wednesday, May 23, 2019.

17. Consideration and possible action for the Council to direct staff to develop ideas for programs that honor and celebrate El Segundo’s military veterans.  
   (Fiscal Impact: TBD)

Greg Carpenter, City Manager, introduced the item.

Council Discussion

MOTION by Mayor Boyles, SECONDED by Mayor Pro Pirsztuk directing staff to develop ideas for programs that honor and celebrate El Segundo’s military veterans.  
MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

18. Consideration and possible action to direct staff to prepare a letter of opposition to Senate Bill 50 by Senator Scott Wiener.  
   (Fiscal Impact: None with this action)

*Item removed until a later unknown date. The bill has been shelved at this time.*

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

Jack Axelrod, resident, spoke regarding military; Change the name of El Segundo; Remove the Air Force Base; Competition for a new city logo

MEMORIALS – None

Council returned to closed session at 7:27pm

ADJOURNMENT at 7:27 PM

Tracy Weaver, City Clerk
SPECIAL MEETING OF THE EL SEGUNDO CITY COUNCIL
WEDNESDAY, MAY 22, 2019
8:00AM TO 12:00 PM

"TABLE TOP EXERCISE" (MOCK DRILL)
EMERGENCY OPERATIONS EXERCISE

CALL TO ORDER – Randal Collins, Emergency Manager

ROLL CALL at 8:31am

Mayor Boyles - Present
Mayor Pro Tem Pirsztuk - Present
Council Member Brann - Absent
Council Member Pimentel - Present
Council Member Nicol - Present arrived at 8:41am

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

None

SPECIAL ORDERS OF BUSINESS:

1. The City of El Segundo Council Members and staff will be conducting a "Table Top Exercise" (Mock Drill) of the City’s Emergency Operations Plan. This is an exercise only.

   The agenda for the Table Top Exercise:
   
   8:00 am Call meeting to order
   8:05 to 8:15 Public Comments
   8:15 – 8:30 Introductions and Assignments
   8:30 – 9:45 EOP Draft Plan Review
   9:45 – 10:00 Break
   10:00 – 11:30 Table Top Exercise Discussion
   11:30 – 12:00 After Action Debrief and Reflections
   12:00 Conclusion

Emergency Management Coordinator, Randal A. Collins:

   Introduced exercise and reviewed agenda.
Introduced Groups participating in the table top exercise, as follows;
  - El Segundo Policy Group
  - El Segundo Multi-Agency Coordination (MAC) Group
  - El Segundo All-Hazards Incident Management (AHIMT) Team
  - El Segundo Field Level Organization
  - Other Community Stakeholders

Reviewed Draft Emergency Operation Plan

Exercise;
  - Reviewed Exercise purpose, format and rules, objectives and questions to consider
  - Introduced exercise and assignments
  - Executed exercise
  - Conducted reflection of exercise
  - Council and participating group consensus valuable exercise, requested additional exercised be conducted

Council and participating group consensus positive feedback regarding exercise and requested additional exercises be scheduled in the future.

2. Consideration and possible action to discuss the City of El Segundo Draft Emergency Operation Plan.
   (Fiscal Impact: N/A)

Discussion

Council and participating group consensus to receive and file the City of El Segundo Draft Emergency Operation Plan and provided feedback possible changes to the Draft Emergency Operation Plan

ADJOURNMENT at 12:00PM

______________________________
Tracy Weaver, City Clerk
AGENDA DESCRIPTION:

Consideration and possible action to approve an adjustment to the Fee Waiver Scorecard total and thereby increase the fee waiver percentage from 50% to 75% for the El Segundo Run for Education special event, organized by non-profit organization El Segundo Council of Parents and Teachers. (Fiscal Impact: approximately $6,000)

RECOMMENDED COUNCIL ACTION:

1. Approve the scorecard adjustment and thereby waive 75% of City fees associated with the El Segundo Run for Education; and,
2. Receive and file the updated 2018/2019 special event fee waiver list; and/or,
3. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

1. Revised Scorecard for Run for Education
2. Updated Special Event Fee Waiver List, 2019

FISCAL IMPACT: approximately $6,150

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

STRATEGIC PLAN:

| Goal: 5a | El Segundo promotes economic growth and vitality for businesses and the community |
| Objective: 2 | The City will maintain a stable, efficient, and transparent financial environment |

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

BACKGROUND & DISCUSSION:

On May 7, 2019, the race organizers and sponsors for the El Segundo Run for Education requested the City review the level of fee waivers granted to the event, citing a significant increase in costs would reduce the amount of proceeds to benefit the school programs that the fundraiser supports. Staff indicated that the Fee Waiver Policy was approaching its five-year mark and that it would be prudent to review all of the events on the fee waiver list and update the list with any new additions.

Staff has since met with the event organizers to review and update the scorecard used to determine the level of City subsidy. In the five years since the policy’s inception, the Run for Education has become a staple event within the community, is largely supported by many residents and businesses and is well-organized. The event has evolved to include a free health and wellness expo in conjunction with the
race. This year's race is reported to have had over 70% of the participants accounted for as El Segundo residents, ESUSD faculty and/or ESUSD students and families. The event targets its marketing to within the City and challenges each school with friendly competitions for highest participation among students and faculty. Additionally, the event no longer uses City-owned tables and chairs as it had in the past and future plans include engaging the local Downtown businesses for after-race discounts and specials. Based on these aforementioned event components, it is recommended that the scorecard be revised to a total 21 points, which would elevate the event into the 75% fee waiver level.

Since the policy was enacted in July of 2014, many events on the fee waiver list no longer occur within the City. Additionally, a few new events have applied for and been granted fee waivers using the scorecard and policy as guidance. Staff has reviewed the current list of events and confirmed that the scorecards are up-to-date and fee waiver levels are appropriate. Attached is an updated master list of special event fee waivers.
CITY OF EL SEGUNDO FEE WAIVER SCORECARD

EVENT NAME & DATE: El Segundo Run for Education (E.S. Council of PTAs)

<table>
<thead>
<tr>
<th>Category</th>
<th>Comments</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ORGANIZATION INFORMATION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of Organization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident / El Segundo Non-Profit</td>
<td>The El Segundo Council of Parents and Teachers is a stand-alone non-profit organization.</td>
<td>10</td>
</tr>
<tr>
<td>El Segundo School Org.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Resident Non-Profit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident Commercial</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Resident Commercial</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EVENT/PROGRAM INFORMATION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-fundraising</td>
<td>The event raises funds for El Segundo school students in coordination with ESUSD.</td>
<td>3</td>
</tr>
<tr>
<td>Fundraising for ES Org</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising for other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target Audience</td>
<td></td>
<td></td>
</tr>
<tr>
<td>El Segundo Residents</td>
<td>The event has reduced its outside marketing budget and now targets marketing efforts within the City almost exclusively. In 2019, over 70% of participants were affiliated with El Segundo schools.</td>
<td>4</td>
</tr>
<tr>
<td>General Public</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exclusive Use</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost to Participate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Free to attend</td>
<td>The event has two components, the race (which has a registration fee), and a free health and wellness expo open to everyone. Additionally, ESUSD faculty can participate in the race at no cost.</td>
<td>1</td>
</tr>
<tr>
<td>Fee charged</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CONSIDERATIONS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived Community Benefit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mostly Community</td>
<td>The race and the expo are accessible to persons of all ages and abilities. Businesses are encouraged to participate as vendors, sponsors and through after-race marketing opportunities.</td>
<td>5</td>
</tr>
<tr>
<td>Considerable Community</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balanced</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Considerably Individual</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mostly Individual</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impact</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Street Closure</td>
<td>The primary impacts to the community at large are the sound and street closures. The event no longer uses City-owned tables and chairs, so property wear and tear impacts are eliminated.</td>
<td>-2</td>
</tr>
<tr>
<td>Property Wear &amp; Tear</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sound Impact</td>
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<td></td>
</tr>
<tr>
<td>Other Considerations &amp;</td>
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<td></td>
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<tr>
<td>Recommendations</td>
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</table>

**TOTAL SCORE (out of 25)** 21

Total Amount Requested to be Waived 75%

Total Amount Waived
<table>
<thead>
<tr>
<th>2018/2019 EVENTS</th>
<th>SPONSORED BY</th>
<th>SCORE (out of 25)</th>
</tr>
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<tbody>
<tr>
<td><strong>Level I: Non-Fundraising/Free to Attend - 100% Fee Waiver</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Candy Cane Lane</td>
<td>Residents of E. Acacia Avenue</td>
<td>N/A</td>
</tr>
<tr>
<td>Holiday Parade</td>
<td>El Segundo Chamber of Commerce</td>
<td>N/A</td>
</tr>
<tr>
<td>Opening Day Parade</td>
<td>El Segundo Little League</td>
<td>N/A</td>
</tr>
<tr>
<td>Pancake Breakfast</td>
<td>El Segundo Police &amp; Fire Associations</td>
<td>N/A</td>
</tr>
<tr>
<td>Soap Box Derby</td>
<td>El Segundo Boys Scouts Association</td>
<td>N/A</td>
</tr>
<tr>
<td>Homecoming Parade</td>
<td>El Segundo High School</td>
<td>N/A</td>
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<tr>
<td><strong>Level II: 75% Fee Waiver (Scores 20-25)</strong></td>
<td></td>
<td></td>
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<tr>
<td>Church in the Park</td>
<td>The Bridge</td>
<td>23</td>
</tr>
<tr>
<td>Movie in the Park</td>
<td>El Segundo Rotary Club</td>
<td>21</td>
</tr>
<tr>
<td>Run for Education 5K &amp; 10K</td>
<td>El Segundo PTA</td>
<td>21</td>
</tr>
<tr>
<td>Main Street Car Show</td>
<td>El Segundo Police Officers Association / El Segundo Chamber</td>
<td>20</td>
</tr>
<tr>
<td>The Fair on Richmond Street</td>
<td>El Segundo Kiwanis Club</td>
<td>20</td>
</tr>
<tr>
<td><strong>Level III: 50% Fee Waiver (Scores 16-19)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Level IV: 25% Fee Waiver (Scores 11-15)</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
AGENDA DESCRIPTION:
Consideration and possible action to award a standard Public Works Contract to American Asphalt South, Inc., for the FY18/19 Slurry Seal Project, No. PW 19-19 (Fiscal Impact: $247,874.20)

RECOMMENDED COUNCIL ACTION:
1. Authorize the City Manager to execute a standard Public Works Contract in a form as approved by the City Attorney with American Asphalt South, Inc. in the amount of $225,374.20;
2. Approve an additional project contingency of $22,500.00 for unforeseen conditions; or,
3. Alternatively, discuss and take other possible actions related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Location Map

FISCAL IMPACT: Included in Adopted Budget
Amount Budgeted: $500,000
Additional Appropriation: N/A
Account Number(s): 106-400-8203-8943 (Gas Tax Local Streets Rehab.)

STRATEGIC PLAN:
Goal: 4 Develop Quality Infrastructure and Technology
Objective: (a) El Segundo’s physical infrastructure supports an appealing, safe, and effective City

ORIGINATED BY: Arianne Bola, Senior Engineer Associate
REVIEWED BY: Ken Berkman, Public Works Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
The Public Works Department administers a slurry sealing program as a preventative measure to extend the life of pavement Citywide. The slurry sealing process consists of the application of a thin asphalt slurry layer on existing asphalt pavement to prevent water intrusion. It is a less intensive and less costly method than re-paving (overlays), which is typically used on pavements that are in fair to poor condition, as opposed to slurry sealing used on roadways in reasonably good condition.
On April 16, 2019, City Council adopted the plans and specifications for the FY18/19 Slurry Seal Project, No. PW 19-19, and authorized staff to advertise the project for construction bids. The location of the streets to be slurry sealed are shown on the map attached to this report, and comprises the area south of Mariposa Avenue, east of Sheldon Street, west of PCH and north of Franklin Avenue.

On May 14, 2019, the City Clerk received and opened one (1) bid from American Asphalt South, Inc. in an amount of $225,374.20, which is below the engineer’s estimate of $280,000.

Staff reviewed the Contractor’s bid package and confirmed it is a responsive and responsible bid; checked the Contractor’s license status and references and found them to have satisfactorily completed similar projects for other public agencies; and was satisfied with work they have done in the past for the City.

Staff respectfully recommends that City Council authorize the City Manager to execute a standard Public Works Contract in a form approved by the City Attorney with American Asphalt South, Inc. in the amount of $225,374.20, and approve an additional $22,500.00 for construction-related contingencies.

This slurry seal project will commence after the completion of the paving project, also slated for this summer, to minimize public impacts.
EL SEGUNDO CITY COUNCIL
AGENDA STATEMENT

MEETING DATE: June 4, 2019
AGENDA HEADING: Consent Agenda

AGENDA DESCRIPTION:
Consideration and possible action regarding 1) Revoking Resolution 5147 providing for salary and benefit changes to Chapter 1A2.010 of the El Segundo Administrative Code; 2) Adoption of Resolution for City-paid salary and benefit changes including City Clerk and City Treasurer positions. (Fiscal Impact: $4,308 for FY 2018-19; $17,232 for FY 2019-20 as it relates to this adjusted action).

RECOMMENDED COUNCIL ACTION:
1. Approve the attached Management-Confidential Salary Resolution.
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Proposed Revised Management-Confidential Salary Resolution


STRATEGIC PLAN:
Goal: 1. Develop as a choice employer and workforce
Objective: 1 Fairness, balanced approach, build trust, competitive total compensation

ORIGINATED BY: Leslie Campbell, Human Resources Analyst
REVIEWED BY: David Serrano, Director of Human Resources
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
The City Council approved salary and benefit increases for Management-Confidential employees, including the Executive Series employees on May 7, 2019, which provides a monthly Flex Benefit of $718.00 per month, in addition to $782.00 per month for Public Employees Medical and Hospital Care Act (PEMCHA) allocation. The elected positions of City Clerk and City Treasurer are included in this group for coverage, but were omitted from Resolution No. 5147 in error. As with employees currently in the Executive Management Series, this change will be effective July 1, 2019.

It is recommended the City: 1) revoke Resolution 5147; and, 2) adopt the revised resolution attached which includes the positions of City Clerk and City Treasurer regarding the Total Monthly Contribution of Flex Benefit and employer paid medical contributions approved by Council on May 7, 2019 for employees in the Executive Series.
RESOLUTION NO. _____

A RESOLUTION PROVIDING FOR SALARY AND BENEFIT CHANGES TO CHAPTER 1A2 (MANAGEMENT-CONFIDENTIAL SERIES) OF THE EL SEGUNDO ADMINISTRATIVE CODE

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

SECTION 1: Section 1A2.010 of the Administrative Code, entitled “Basic Salary Schedule,” shall be effective the first full pay-period following adoption of this Resolution, and is amended as follows:

A. Executive Management Series: as per the table below, except Elected City Clerk and Elected City Treasurer whose salaries are affixed by City Council via separate action and resolution, but are included for benefits as outlined in Section 4(A) below.

<table>
<thead>
<tr>
<th>Position Title</th>
<th>Minimum Salary Range/month</th>
<th>Maximum Salary Range/month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deputy City Manager</td>
<td>$11,821.71</td>
<td>$14,186.05</td>
</tr>
<tr>
<td>Chief of Police</td>
<td>$17,620.73</td>
<td>$21,737.72</td>
</tr>
<tr>
<td>Fire Chief</td>
<td>$16,760.14</td>
<td>$20,112.17</td>
</tr>
<tr>
<td>Director of Finance</td>
<td>$13,414.80</td>
<td>$16,097.76</td>
</tr>
<tr>
<td>Director of Human Resources</td>
<td>$13,116.91</td>
<td>$15,740.29</td>
</tr>
<tr>
<td>Director of Information Systems</td>
<td>$13,414.80</td>
<td>$16,097.76</td>
</tr>
<tr>
<td>Director of Library Services</td>
<td>$11,499.30</td>
<td>$14,186.05</td>
</tr>
<tr>
<td>Director of Planning, Building &amp; Safety</td>
<td>$13,414.80</td>
<td>$16,097.76</td>
</tr>
<tr>
<td>Director of Public Works</td>
<td>$13,414.80</td>
<td>$16,097.76</td>
</tr>
<tr>
<td>Director of Recreation &amp; Parks</td>
<td>$12,542.73</td>
<td>$15,015.28</td>
</tr>
<tr>
<td>City Clerk - ELECTED</td>
<td>Set by City Council</td>
<td>Set by City Council</td>
</tr>
<tr>
<td>City Treasurer - ELECTED</td>
<td>Set by City Council</td>
<td>Set by City Council</td>
</tr>
</tbody>
</table>

B. Management – Confidential: as per the tables shown below,

1. Management Series:

<table>
<thead>
<tr>
<th>Title</th>
<th>Min. Salary Range/month</th>
<th>Max Salary Range/month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Manager</td>
<td>$10,070.98</td>
<td>$12,085.18</td>
</tr>
<tr>
<td>Assistant City Engineer</td>
<td>$10,521.52</td>
<td>$12,625.83</td>
</tr>
<tr>
<td>Battalion Chief</td>
<td>$1,3041.06</td>
<td>$15,649.27</td>
</tr>
<tr>
<td>Building Safety Manager</td>
<td>$11,236.58</td>
<td>$13,483.89</td>
</tr>
<tr>
<td>City Engineer (At-Will)</td>
<td>$11,943.54</td>
<td>$14,332.25</td>
</tr>
<tr>
<td>Community Cable Program Manager</td>
<td>$10,070.98</td>
<td>$12,085.18</td>
</tr>
<tr>
<td>Deputy City Clerk II</td>
<td>$6,859.26</td>
<td>$8,231.11</td>
</tr>
<tr>
<td>Deputy City Treasurer II</td>
<td>$7,635.47</td>
<td>$9,162.56</td>
</tr>
<tr>
<td>Finance Manager</td>
<td>$10,292.33</td>
<td>$12,350.80</td>
</tr>
<tr>
<td>Title</td>
<td>Min. Salary Range/mo:</td>
<td>Max Salary Range/mo:</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-----------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>General Services Manager</td>
<td>$10,233.12</td>
<td>$12,279.74</td>
</tr>
<tr>
<td>Human Resources Manager</td>
<td>$10,070.98</td>
<td>$12,085.18</td>
</tr>
<tr>
<td>Information Systems Manager</td>
<td>$10,753.00</td>
<td>$12,903.60</td>
</tr>
<tr>
<td>Librarian II</td>
<td>$7,274.57</td>
<td>$8,729.48</td>
</tr>
<tr>
<td>Park Maintenance Superintendent</td>
<td>$9,437.67</td>
<td>$11,325.20</td>
</tr>
<tr>
<td>Planning Manager</td>
<td>$11,236.58</td>
<td>$13,483.89</td>
</tr>
<tr>
<td>Recreation Superintendent</td>
<td>$9,854.65</td>
<td>$11,825.58</td>
</tr>
<tr>
<td>Revenue Manager</td>
<td>$10,070.98</td>
<td>$12,085.18</td>
</tr>
<tr>
<td>Senior Librarian</td>
<td>$7,796.33</td>
<td>$9,355.60</td>
</tr>
</tbody>
</table>

2. Confidential Series:

<table>
<thead>
<tr>
<th>Title</th>
<th>Min. Salary Range/mo:</th>
<th>Max Salary Range/mo:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountant</td>
<td>$6,614.09</td>
<td>$7,936.91</td>
</tr>
<tr>
<td>Deputy City Clerk I</td>
<td>$6,104.99</td>
<td>$7,325.99</td>
</tr>
<tr>
<td>Executive Assistant</td>
<td>$6,582.92</td>
<td>$7,899.51</td>
</tr>
<tr>
<td>Human Resources Analyst</td>
<td>$7,030.31</td>
<td>$8,436.37</td>
</tr>
<tr>
<td>Human Resources Assistant</td>
<td>$5,127.76</td>
<td>$6,153.32</td>
</tr>
<tr>
<td>Management Analyst</td>
<td>$7,176.04</td>
<td>$8,611.25</td>
</tr>
<tr>
<td>Payroll Accountant</td>
<td>$6,614.09</td>
<td>$7,936.91</td>
</tr>
<tr>
<td>Principal Civil Engineer (At-Will)</td>
<td>$10,070.98</td>
<td>$12,085.18</td>
</tr>
<tr>
<td>Senior Civil Engineer (At-Will)</td>
<td>$9,437.67</td>
<td>$11,325.20</td>
</tr>
<tr>
<td>Senior Executive Assistant (At-Will)</td>
<td>$7,176.04</td>
<td>$8,611.25</td>
</tr>
<tr>
<td>Senior Human Resources</td>
<td>$7,796.33</td>
<td>$9,355.60</td>
</tr>
<tr>
<td>Senior Management Analyst</td>
<td>$7,796.33</td>
<td>$9,355.60</td>
</tr>
</tbody>
</table>

C. City Manager shall be authorized to make individual salary adjustments for all Staff included in part A, B, or C, above, subject to the approved maximum salary range or maximum salary step above.

SECTION 2: Section 1A2.060 of the Administrative Code, entitled, "Evaluation by City Manager – Department Heads is amended as follows:

A. Employees within the Management-Confidential group (including Executive Management Series; Management Series; and the Confidential Employee Series), hereinafter referred to as "covered employees," shall be evaluated based upon criteria established by the City Manager.

SECTION 3: Section 1A2.070 of the Administrative Code, entitled, "Salary Increases based upon Performance" is amended to include the following:

A. Covered employees may be evaluated immediately upon adoption of this resolution and may receive an appropriate salary increase at the discretion of the reviewing authority, subject to an employee evaluation.
B. Salary increase shall be based upon performance evaluation, and shall not exceed the maximum salary range identified in 1A2.010 (table outlined in Section 1 above, as may be amended from time to time).

C. All other provisions of Section 1A2.070 shall remain in effect, including annual employee evaluation requirements.

SECTION 4: Section 1A2.105 of the Administrative Code entitled, “Flexible Benefit Plan, is amended as follows:

1. Section 1A2.105 (A) – Flexible Benefit amount is amended as follows:

   A. Executive Management Series: effective July 1, 2019, all positions listed in Section 1 (A) above (and as may be amended thereafter), shall be eligible to participate in the City’s Flexible Benefit Plan, as per table below:

<table>
<thead>
<tr>
<th>Health City Contribution per month</th>
<th>Flex Benefit – City Contribution per month</th>
<th>City Contribution Monthly total:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$782</td>
<td>$718.00</td>
<td>$1,500.00</td>
</tr>
</tbody>
</table>

   B. Management –Confidential Series: effective July 1, 2019, all positions listed in Section 1 (B) and (C) above, and as may be created thereafter, shall be eligible to participate in the City’s Flexible Benefit Plan as per the table below:

<table>
<thead>
<tr>
<th>Health City Contribution per month</th>
<th>Flex Benefit – City Contribution per month</th>
<th>City Contribution Monthly total:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$585.00</td>
<td>$915.00</td>
<td>$1,500.00</td>
</tr>
</tbody>
</table>

2. Section 1A2.105 (B) – City contribution to medical premium shall be amended as follows:

   A. Executive Management Series: effective July 1, 2019, all positions listed in Section 1 (A) above, and as may be created thereafter within this Series, shall be eligible to participate in the City’s Health Benefit Plan as per the table below:

<table>
<thead>
<tr>
<th>Health City Contribution per month</th>
<th>Flex Benefit – City Contribution per month</th>
<th>City Contribution Monthly total:</th>
</tr>
</thead>
</table>
$782.00 | $718.00 | $1,500.00

B. Management – Confidential Series: effective July 1, 2019, all positions listed in Section 1 (B) and (C) above, and as may be created thereafter within this Series, shall be eligible to participate in the City’s Health Benefit Plan as per the table below:

<table>
<thead>
<tr>
<th>Health City Contribution per month</th>
<th>Flex Benefit – City Contribution per month</th>
<th>City Contribution Monthly total:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$585.00</td>
<td>$915.00</td>
<td>$1,500.00</td>
</tr>
</tbody>
</table>

C. Employees covered by Section 4(A) and 4(B) shall not be entitled to cash out any excess monies that are not allocated to purchasing any of the specified benefits within the City’s portfolio. The employee shall be responsible for any and all out-of-pocket costs in excess of the City’s monthly contribution.

SECTION 5: Section 1A2.153 of the Administrative Code entitled, “PERS member contribution is amended as follows:

A. Effective July 1, 2019, the CalPERS Classic Members in the Miscellaneous Classifications in Executive, and Management-Confidential Series shall pay a total employee contribution of 8%; 7% shall be the member contribution, and 1% shall be employee-paid cost-sharing of the City’s contribution under Gov. Code section 20516(a). CalPERS New Members in the Miscellaneous Classifications in Executive, and Management-Confidential Series shall pay 50% of normal cost. The salary for the Miscellaneous Classifications shall increase by 1%, and such increase is included and reflected within the salary table in Section 1.

B. Effective July 1, 2019, CalPERS Classic Members in the Safety Classifications in Executive, and Management-Confidential Series shall pay a total employee contribution of 12%; 9% shall be the member contribution, and 3% shall be the employee-paid cost-sharing of the City’s contribution under Gov. Code section 20516(a). CalPERS New Members in the Safety Classifications in Executive, and Management-Confidential Series shall pay 50% of normal cost. The salary for Safety Classifications in Executive, and Management-Confidential Series shall increase by 3%, and such increase is included and reflected within the salary table in Section 1.

SECTION 6: The City shall eliminate the Computer Loan Program for all employees within the Executive, Management-Confidential series, effective upon adoption of this resolution.
SECTION 7: This resolution shall empower City staff to take all effective actions to put in place and to implement all changes consistent with the actions mentioned herein, including those necessary and proper to implementation of City Council action herein.

SECTION 8: The City Clerk will certify to the passage and adoption of this resolution; enter the same in the book of original resolutions of said City, and will make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City, in the minutes of the meeting at which the same is passed and adopted.

SECTION 9: This resolution will remain in effect until superseded by subsequent resolution.

SECTION 10: This resolution will become effective immediately upon adoption, and where specifically indicated within this resolution.

PASSED AND ADOPTED this 4th day of June, 2019

Drew Boyles, Mayor

ATTEST

Tracey Weaver, City Clerk

APPROVED AS TO FORM
Mark D. Hensley, City Attorney

By: Mark. D. Hensley, City Attorney
AGENDA DESCRIPTION:
Consideration and possible action regarding approval and adoption of 1) Amendment to contract between The Board of Administration California Public Employees’ Retirement system and the City Council of El Segundo; 2) Adoption of Urgency Ordinance related hereto. (Fiscal Impact: None as this item completes final actions on POA and FFA MOU changes.

RECOMMENDED COUNCIL ACTION:
1. Adopt attached Amendment contract between The Board of Administration California Public Employees’ Retirement system and the City Council of El Segundo for POA;
2. Amendment to Contract between the Board of Administration California Public Employees’ Retirement System and the City Council of El Segundo for FFA;
3. Authorize Mayor or City Manager to sign amendment to contract.
4. Adoption of Urgency Ordinance
5. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Amendment to Contract between the Board of Administration California Public Employees’ Retirement System and the City Council of El Segundo for POA;
2. Amendment to Contract between the Board of Administration California Public Employees’ Retirement System and the City Council of El Segundo for FFA;
3. Urgency Ordinance Approving an Amendment To An Agreement With The California Public Employees Retirement Systems (CalPERS)
4. Copy of Certification of Governing Body’s Action
5. Copy of Resolution 5129

FISCAL IMPACT: NONE

Amount Budgeted: None
Additional Appropriation: None
Account Number(s): 001-400-XXXX-XXXX

STRATEGIC PLAN:
Goal: 1 Develop as a choice employer and workforce
Objective: 1 Fairness, balanced approach, build trust, competitive total compensation,

ORIGINATED BY: Lauren Daniels, Human Resources Manager
REVIEWED BY: David Serrano, Director of Human Resources
APPROVED BY: Greg Carpenter, City Manager
BACKGROUND AND DISCUSSION:

After a meet and confer, pursuant to Section 350 et seq. of the California Government Code (MMBA), for purposes of reaching a labor agreement, the City signed labor agreements with the Police Officers’ Association (POA) and Firefighter Association (FFA). Resolution No. 5129 was approved and adopted on February 19, 2019, which changed Section 20516 (Employee Sharing Additional Cost) to an additional 3% for classic local police members in the El Segundo Police Officers’ Association (POA) (for a total of 12%) and an additional 3% for classic fire members in the El Segundo Firefighters’ Association (FFA) (for a total of 12%). Additionally, the City conducted a first reading of an ordinance approving an amendment to an agreement with the California Public Employees Retirement System, and adopted a Resolution of Intention to amend the contract with CalPERS.

During the interim period, as required by CalPERS, the employees affected by this change were required to conduct a poll or vote on this item. The POA and FFA members submitted their votes to the City Clerk’s office on April 9, 2019. For POA, there are 43 members eligible to vote, with 34 vote approving this change, and no votes disapproving. For FFA, there are 39 eligible members, with 15 votes approving this change, and no votes disapproving.

At this time, City Council is requested to adopt the Urgency Ordinance, in an effort to finalize this provision of the MOU with the POA and FFA. The Urgency Ordinance is attached. The attached Amendments (one for POA and another for FFA) outlines the specific updates to the City’s Contract with the Board of Administration California Public Employees’ Retirement System and the City Council of the City of El Segundo and it is recommended City Council finalize all actions on this item.

The Urgency Ordinance, Resolution and Contract Amendments as attached, contain all essential changes/amendments.
California
Public Employees' Retirement System

AMENDMENT TO CONTRACT
Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of El Segundo


A. Paragraphs 1 through 18 are hereby stricken from said contract as executed effective January 9, 2016, and hereby replaced by the following paragraphs numbered 1 through 18 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for classic local miscellaneous members entering membership in the miscellaneous classification on or prior to December 30, 2012, age 60 for classic local miscellaneous members entering membership for the first time in the miscellaneous classification after December 30, 2012, age 62 for new local miscellaneous members, age 50 for classic local police members entering membership in the police classification on or prior to October 6, 2012, age 55 for classic local fire members and for those classic local police members entering membership for the first time in the police classification after October 6, 2012 and age 57 for new local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after October 1, 1943 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:

   (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.

   (b) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.

   (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:

a. Local Fire Fighters (herein referred to as local safety members);
b. Local Police Officers (herein referred to as local safety members);
c. Employees other than local safety members (herein referred to as local miscellaneous members).

5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

**NO ADDITIONAL EXCLUSIONS**

6. Prior to January 1, 1975, those members who were hired by Public Agency on a temporary and/or seasonal basis not to exceed 6 months were excluded from PERS membership by contract. Government Code Section 20336 superseded this contract provision by providing that any such temporary and/or seasonal employees are excluded from PERS membership subsequent to January 1, 1975. Legislation repealed and replaced said Section with Government Code Section 20305 effective July 1, 1994.

7. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member entering membership in the miscellaneous classification on or prior to December 30, 2012 shall be determined in accordance with Section 21354 of said Retirement Law subject to the reduction provided therein for service on and after July 1, 1956, the effective date of Social Security coverage, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).

8. The percentage of final compensation to be provided for each year of credited current service as a classic local miscellaneous member entering membership for the first time with this agency in the miscellaneous classification after December 30, 2012 shall be determined in accordance with Section 21353 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 60 Modified).

9. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Supplemental to Federal Social Security).

10. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local fire member shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55 Full).
11. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local police member entering membership in the police classification on or prior to October 6, 2012 shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).

12. The percentage of final compensation to be provided for each year of credited current service as a classic local police member entering membership for the first time with this agency in the police classification after October 6, 2012 shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55 Full).

13. The percentage of final compensation to be provided for each year of credited prior and current service as a new local safety member shall be determined in accordance with Section 7522.25(d) of said Retirement Law (2.7% at age 57, Full).

14. Public Agency elected and elects to be subject to the following optional provisions:

a. Sections 21624 and 21626 (Post-Retirement Survivor Allowance) for local safety members only.

b. Section 21571 (Basic Level of 1959 Survivor Benefits) for local miscellaneous members only.

c. Section 21222.1 (One-Time 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.

d. Section 21222.2 (One-Time 5% Increase - 1971). Legislation repealed said Section effective January 1, 1980.

e. Section 21024 (Military Service Credit as Public Service).

f. Section 20042 (One-Year Final Compensation) for classic members only.

g. Section 21574 (Fourth Level of 1959 Survivor Benefits) for local safety members only.

h. Section 21548 (Pre-Retirement Option 2W Death Benefit).

i. Section 20903 (Two Years Additional Service Credit).

j. Section 20516 (Employees Sharing Cost of Additional Benefits):

Section 21363.1 (3% @ 55 Full and Modified formula) for classic local fire members from and after October 6, 2012 and until December 13, 2014.
The employee cost sharing contributions are 3%. The maximum employee cost sharing contribution is the normal cost plus the increase in the accrued liability due to the benefit improvement amortized over 20 years. In no event shall the employee cost sharing contribution attributable to the unfunded liability remain in effect beyond May 19, 2021. Thereafter, in any given contribution year, the maximum employee cost sharing contribution cannot exceed 2.591% of payroll.

k. Section 20475 (Different Level of Benefits): Section 21363.1 (3% @ 55 Full formula) is applicable to classic local police members entering membership for the first time with this agency in the police classification after October 6, 2012.

Section 21353 (2% @ 60 Modified formula) is applicable to classic local miscellaneous members entering membership for the first time with this agency in the miscellaneous classification after December 30, 2012.

l. Section 20516 (Employees Sharing Additional Cost):

From and after December 13, 2014 and until January 9, 2016, 3% for classic local fire members in the Supervisory and Professional Employees Association, and the Unrepresented Fire Management Group.

From and after the effective date of this amendment to contract, 3% for classic local police members in the El Segundo Police Officers' Association;

From and after the effective date of this amendment to contract, 3% for classic local fire members in the El Segundo Firefighters' Association.

The portion of the employer's contribution that the member agrees to contribute from his or her compensation, over and above the member's normal contribution ("Cost Sharing Percentage"), shall not exceed the Employer Normal Cost Rate, as that rate is defined in the CalPERS Actuarial Valuation for the relevant fiscal year. If the Cost Sharing Percentage will exceed the relevant Employer Normal Cost Rate, the Cost Sharing Percentage shall automatically be reduced to an amount equal to, and not to exceed, the Employer Normal Cost Rate for the relevant fiscal year.

15. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.

16. Public Agency shall also contribute to said Retirement System as follows:
a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local safety members.

b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.

c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

17. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

18. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of ________________, ____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BY
ARNITA PAIGE, CHIEF
PENSION CONTRACTS AND PREFUNDING PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF EL SEGUNDO
BY
PRESIDING OFFICER

Witness Date

Attest:

Clerk

AMENDMENT CalPERS ID #2657082556 PERS-CON-702A
AMENDMENT TO CONTRACT
Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of El Segundo


A. Paragraphs 1 through 18 are hereby stricken from said contract as executed effective January 9, 2016, and hereby replaced by the following paragraphs numbered 1 through 18 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for classic local miscellaneous members entering membership in the miscellaneous classification on or prior to December 30, 2012, age 60 for classic local miscellaneous members entering membership for the first time in the miscellaneous classification after December 30, 2012, age 62 for new local miscellaneous members, age 50 for classic local police members entering membership in the police classification on or prior to October 6, 2012, age 55 for classic local fire members and for those classic local police members entering membership for the first time in the police classification after October 6, 2012 and age 57 for new local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after October 1, 1943 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:

   (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.

   (b) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.

   (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
   
a. Local Fire Fighters (herein referred to as local safety members);
   
b. Local Police Officers (herein referred to as local safety members);
   
c. Employees other than local safety members (herein referred to as local miscellaneous members).

5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

   **NO ADDITIONAL EXCLUSIONS**

6. Prior to January 1, 1975, those members who were hired by Public Agency on a temporary and/or seasonal basis not to exceed 6 months were excluded from PERS membership by contract. Government Code Section 20336 superseded this contract provision by providing that any such temporary and/or seasonal employees are excluded from PERS membership subsequent to January 1, 1975. Legislation repealed and replaced said Section with Government Code Section 20305 effective July 1, 1994.

7. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member entering membership in the miscellaneous classification on or prior to December 30, 2012 shall be determined in accordance with Section 21354 of said Retirement Law subject to the reduction provided therein for service on and after July 1, 1956, the effective date of Social Security coverage, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).

8. The percentage of final compensation to be provided for each year of credited current service as a classic local miscellaneous member entering membership for the first time with this agency in the miscellaneous classification after December 30, 2012 shall be determined in accordance with Section 21353 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 60 Modified).

9. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Supplemental to Federal Social Security).

10. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local fire member shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55 Full).
11. The percentage of final compensation to be provided for each year of
credited prior and current service as a classic local police member
entering membership in the police classification on or prior to October 6,
2012 shall be determined in accordance with Section 21362.2 of said
Retirement Law (3% at age 50 Full).

12. The percentage of final compensation to be provided for each year of
credited current service as a classic local police member entering
membership for the first time with this agency in the police classification
after October 6, 2012 shall be determined in accordance with Section
21363.1 of said Retirement Law (3% at age 55 Full).

13. The percentage of final compensation to be provided for each year of
credited prior and current service as a new local safety member shall be
determined in accordance with Section 7522.25(d) of said Retirement Law
(2.7% at age 57, Full).

14. Public Agency elected and elects to be subject to the following optional
provisions:

a. Sections 21624 and 21626 (Post-Retirement Survivor Allowance)
   for local safety members only.

b. Section 21571 (Basic Level of 1959 Survivor Benefits) for local
   miscellaneous members only.

c. Section 21222.1 (One-Time 5% Increase - 1970). Legislation
   repealed said Section effective January 1, 1980.

d. Section 21222.2 (One-Time 5% Increase - 1971). Legislation
   repealed said Section effective January 1, 1980.

e. Section 21024 (Military Service Credit as Public Service).

f. Section 20042 (One-Year Final Compensation) for classic
   members only.

g. Section 21574 (Fourth Level of 1959 Survivor Benefits) for local
   safety members only.

h. Section 21548 (Pre-Retirement Option 2W Death Benefit).

i. Section 20903 (Two Years Additional Service Credit).

j. Section 20516 (Employees Sharing Cost of Additional Benefits):
   Section 21363.1 (3% @ 55 Full and Modified formula) for classic
   local fire members from and after October 6, 2012 and until
   December 13, 2014.
The employee cost sharing contributions are 3%. The maximum employee cost sharing contribution is the normal cost plus the increase in the accrued liability due to the benefit improvement amortized over 20 years. In no event shall the employee cost sharing contribution attributable to the unfunded liability remain in effect beyond May 19, 2021. Thereafter, in any given contribution year, the maximum employee cost sharing contribution cannot exceed 2.591% of payroll.

k. Section 20475 (Different Level of Benefits): Section 21363.1 (3% @ 55 Full formula) is applicable to classic local police members entering membership for the first time with this agency in the police classification after October 6, 2012.

Section 21353 (2% @ 60 Modified formula) is applicable to classic local miscellaneous members entering membership for the first time with this agency in the miscellaneous classification after December 30, 2012.

l. Section 20516 (Employees Sharing Additional Cost):

From and after December 13, 2014 and until January 9, 2016, 3% for classic local fire members in the Supervisory and Professional Employees Association, and the Unrepresented Fire Management Group.

From and after the effective date of this amendment to contract, 3% for classic local police members in the El Segundo Police Officers’ Association;

From and after the effective date of this amendment to contract, 3% for classic local fire members in the El Segundo Firefighters’ Association.

The portion of the employer’s contribution that the member agrees to contribute from his or her compensation, over and above the member’s normal contribution (“Cost Sharing Percentage”), shall not exceed the Employer Normal Cost Rate, as that rate is defined in the CalPERS Actuarial Valuation for the relevant fiscal year. If the Cost Sharing Percentage will exceed the relevant Employer Normal Cost Rate, the Cost Sharing Percentage shall automatically be reduced to an amount equal to, and not to exceed, the Employer Normal Cost Rate for the relevant fiscal year.

15. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.

16. Public Agency shall also contribute to said Retirement System as follows:
a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local safety members.

b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.

c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

17. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

18. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the ____ day of ________________, ____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY
ARNITA PAIGE, CHIEF
PENSION CONTRACTS AND PREFUNDING
PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF EL SEGUNDO

BY
PRESIDING OFFICER

Witness Date

Attest:

Clerk

AMENDMENT CalPERS ID #2657082556 PERS-CON-702A
ORDINANCE NO. __________

AN URGENCY ORDINANCE ADOPTED IN ACCORDANCE WITH GOVERNMENT CODE § 36937(B) APPROVING AN AMENDMENT TO AN AGREEMENT WITH THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM.

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

SECTION 1: The City Council finds and determines it is in the public interest to adopt this ordinance on an urgency basis for the purpose of preserving the public welfare.

SECTION 2: The Amendment attached as Exhibit “A,” and incorporated by reference, is approved. The City Manager, or designee, is authorized to execute the Amendment and all ancillary documents required to implement the Amendment.

SECTION 3: 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 4: 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 fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 5: This Ordinance will become effective immediately upon adoption pursuant to Government Code § 36937(b) for the immediate preservation of the public peace, health, safety, and welfare. Accordingly, this Ordinance is adopted by a four-fifths vote.

PASSED AND ADOPTED this 4th day of June, 2019.

__________________________
Drew Boyles, Mayor
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 Urgency Ordinance No. 1498 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 19th day of February, 2019, 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
CERTIFICATION OF GOVERNING BODY'S ACTION

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the

City Council

(governing body)

City of El Segundo

(public agency)

on February 19, 2019, Resolution No. 5129.

(date)

Clerk/Secretary

Title

DEPUTY CITY CLERK II

PERS-CON-12 (rev. 8/1/2016)
CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 7507

I hereby certify that in accordance with Section 7507 of the Government Code the future annual costs as determined by the California Public Employees’ Retirement System for the increase or change in retirement Benefit(s) have been made public at a public meeting of the City Council of the City of El Segundo on February 19, 2019, which is at least two weeks prior to the adoption of the Resolution / Ordinance.

Adoption of the retirement benefit increase or change will not be placed on the consent calendar.

Municipal Secretary

Date March 7, 2019
CERTIFICATION OF EMPLOYEE ELECTION

I hereby certify that the following employees of the City of El Segundo have expressed their approval or disapproval of said agency's intention to amend its contract to provide Section 20516 (Employees Sharing Additional Cost) of 3% for classic local police members in the El Segundo Police Officers' Association and 3% for classic local fire members in the El Segundo Firefighters' Association on the basis described in the Resolution of Intention adopted by said agency's governing body on February 19, 2019, in such manner as to permit each employee to separately and secretly express his choice and that the outcome of such election was as follows:

<table>
<thead>
<tr>
<th>Number of employees eligible to vote</th>
<th>Number of votes approving said participation</th>
<th>Number of votes disapproving said participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Police Officers as defined in Govt. Code Section 20425</td>
<td>43</td>
<td>31</td>
</tr>
<tr>
<td>Local Fire Fighters as defined in Govt. Code Section 20433</td>
<td>39</td>
<td>15</td>
</tr>
</tbody>
</table>

Clerk or Secretary

04. 09. 2019

Date

(Amendment)
PERS-CON-15 (Rev. 3/8/2016 rc)
RESOLUTION NO. 5129

RESOLUTION OF INTENTION TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM AND THE CITY COUNCIL CITY OF EL SEGUNDO

SECTION 1: Recitals:

A. The Public Employees’ Retirement Law permits the participation of public agencies and their employees in the Public Employees’ Retirement System by the execution of a contract and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

B. One of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notices of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

C. The following is a statement of the proposed change:

To provide Section 20516 (Employees Sharing Additional Cost) of an additional 3% for classic local police members in the El Segundo Police Officers’ Association (for total of 12%), and an additional 3% for classic local fire members in the El Segundo Firefighters’ Association (for a total of 12%).

SECTION 2: BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees’ Retirement System, a copy of said amendment being attached hereto, as Exhibit "A" and by this reference made a part hereof.

PASSED AND ADOPTED RESOLUTION No. 5129 this 19th day of February, 2019.

Drew Boyles, Mayor

Tracy Weaver, City Clerk

APPROVED AS TO FORM:

Mark D. Hensley, City Attorney
AGENDA DESCRIPTION:
Consideration and possible action regarding Council consensus to cancel the Tuesday, July 2, 2019 City Council Meeting.
(Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
1. Approve cancellation of the July 2, 2019 City Council Meeting;
2. Alternatively discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

FISCAL IMPACT: No
Amount Budgeted: N/A
Additional Appropriation: N/A
Account Number(s): N/A

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

Objective: 2 City services are convenient, efficient and user-friendly for all residents, businesses and visitors.

ORIGINATED BY: Tracy Weaver, City Clerk
REVIEWED BY: Tracy Weaver, City Clerk
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
In the past, the City Council has cancelled the first meeting in July due to conflicts in schedules arising due to the 4th of July holiday.

It is therefore requested that Council approve the cancellation of the July 2, 2019 regularly scheduled meeting.
EL SEGUNDO CITY COUNCIL

AGENDA ITEM STATEMENT

MEETING DATE: June 4, 2019

AGENDA HEADING: Mayor Boyles

AGENDA DESCRIPTION:

Consideration and possible action to temporarily suspend El Segundo Municipal Code Section 7-6-8 to allow adults over 21 years of age to bring and consume alcohol at Library Park on the days of the Summer Concerts in the Park events, Sundays, June 16, June 30, July 14 and July 28, 2019, from 3:00pm until 7:00pm. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:

1. Suspend El Segundo Municipal Code Section 7-6-8 to allow adults over 21 years of age to bring and consume alcohol at Library Park on the days of the Summer Concerts in the Park events, Sundays, June 16, June 30, July 14 and July 28, 2019, from 3:00pm until 7:00pm; or,
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS: None

FISCAL IMPACT: None

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

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

BACKGROUND & DISCUSSION:

The City of El Segundo Recreation and Parks Department proudly presents an annual series of Concerts in the Park each summer, consisting of four family-friendly concerts in Library Park on Sunday evenings throughout June and July. Each event begins at 4:00pm with activities and food vendors and the concert begins around 4:30pm. Live entertainment varies from music styles of tribute bands, classic rock, beach music, oldies, and other popular decades and genres. Bands typically play two 45-minute sets and conclude around 6:30pm.

Many of the concert goers walk to the event from the adjacent neighborhoods and many families come early to enjoy games and picnics at the park. El Segundo Municipal Code Section 7-6-8 states that it is unlawful to drink any alcoholic beverage or possess an open container of any alcoholic beverage upon any public street, alley, sidewalk, pathway, parking lot, park, beach, or other public property. The California Business and Professions Code Section 25620(a) also prohibits the possession of an open container, however the City can take action to enact an exception within the code which states "this section does not apply where the possession is within the premises located in a park or other public place for which a license has been issued." Consumption is allowed under State law if the muni code is suspended. Currently, Recreation and Parks staff is directed to remind spectators that alcohol is not permitted and to report any unruly or intoxicated behavior to the police department. Staff reports no major incidents having occurred as a result of alcohol consumption at Concerts in the Park.

The City of Manhattan Beach hosts similar concerts in Polliwog Park weekly during the summer and for many years has allowed spectators over 21 years of age to bring and consume alcohol on the day of the event. To ensure the safety of our guests, City staff would recommend that appropriate liability insurance coverage was in place and proper police personnel is assigned.
AGENDA DESCRIPTION:
Consideration and possible action to direct staff to prepare letters of opposition to various Assembly and Senate bills related to Housing and Accessory Dwelling Units. (Fiscal Impact: None with this action)

RECOMMENDED COUNCIL ACTION:
1. Direct staff to prepare and send letters under the Mayor's name to oppose SB 330 (Skinner), AB 1279 (Bloom), AB 1763 (Chui), AB 68 (Ting), AB 881 (Bloom), and SB 13 (Wieckowski).
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>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Appropriation:</td>
<td>N/A</td>
</tr>
<tr>
<td>Account Number(s):</td>
<td>N/A</td>
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</table>

STRATEGIC PLAN:

<table>
<thead>
<tr>
<th>Goal:</th>
<th>2. Support Community Safety and Preparedness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective:</td>
<td>El Segundo is a safe and prepared community</td>
</tr>
</tbody>
</table>

ORIGINATED BY: Greg Carpenter, City Manager
REVIEWED BY:
APPROVED BY: Drew Boyles, Mayor

BACKGROUND AND DISCUSSION

There are a number of legislative bills going through the various committees that are of significant concern to local jurisdictions. Here is a summary of the bills that would be most impactful to El Segundo if passed.

SB 330 (Skinner) Housing Crisis Act of 2019—Third reading in Senate
Declares a statewide housing crisis and for a 5-year period would prohibit the City from imposing more than 0.5 parking spaces per unit for new residential units.

AB 1279 (Bloom) High Resource Areas—Third reading in Assembly
Requires HCD to determine high-resource areas, which are areas of high opportunity and low residential density. Within these areas certain levels of residential development would be
permitted by-right. In single family zones it would allow up to 4 units within the development envelope of a single family home. In commercial zones on lots greater than half an acre, up to 100 units can be built if at least 25 percent are affordable.

AB 1763 (Chui) Density Bonus. Affordable Housing—Passed Assembly, in Senate committees Increases the minimum density bonus to 80 percent for projects that are 100 percent affordable. There are also provisions for unlimited density, but these do not apply to El Segundo.

AB 68 (Ting) Accessory Dwelling Units—Passed Assembly, in Senate committees Amends the ADU statutes to prohibit minimum lot sizes, a 60-day approval period, and prohibits requiring owner-occupancy.

AB 881 (Bloom) Accessory Dwelling Units—In Assembly committees Also prohibits requiring owner-occupancy, expands ADUs to multi-family residential lots and within existing garages.

SB 13 (Wieckowski) Accessory Dwelling Units—Passed Senate, in Assembly Makes a number of significant changes to Accessory Dwelling Unit (ADU) law for a 5-year period. The bill prohibits impact fees for smaller ADUs, limits fees for larger ones, gives more power to HCD to make findings related to a local jurisdiction’s ordinance concerning whether or not it complies with statutes, and in the cases where HCD determines that it does not, may refer the matter to the Attorney General. The bill also modifies size restrictions and redefines accessory structures as any structure on the same lot as a single family home.

CONCLUSION:

These bills have a potential to have significant impact to our city. They could establish state standards and remove local control over land use in our residential and commercial areas. This will greatly impact our neighborhoods and city’s financial viability by increasing levels of service and reducing our revenues. Staff is seeking direction to prepare a letters of opposition to the state.