



AGENDA

EL SEGUNDO CITY COUNCIL
REGULAR MEETING
TUESDAY, OCTOBER 18, 2022

4:00 PM CLOSED SESSION
6:00 PM OPEN SESSION

CITY COUNCIL CHAMBER
350 MAIN STREET, EL SEGUNDO, CA 90245

Drew Boyles, Mayor
Chris Pimentel, Mayor Pro Tem
Carol Pirsztuk, Council Member
Scot Nicol, Council Member
Lance Giroux, Council Member

Tracy Weaver, City Clerk
Matthew Robinson, City Treasurer

Executive Team

Darrell George, City Manager
Barbara Voss, Deputy City Manager
Jaime Bermudez, Police Chief
Michael Allen, Community Development Dir.
Jose Calderon, IT Director
Aly Mancini, Recreation, Parks & Library Dir.

Mark Hensley, City Attorney
Joe Lillio, Chief Financial Officer
Deena Lee, Fire Chief
Rebecca Redyk, HR Director
Elias Sassoon, Public Works Dir.

MISSION STATEMENT:

“Provide a great place to live, work, and visit.”

VISION STATEMENT:

“Be a global innovation leader where big ideas take off while maintaining our unique small-town character.”

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 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, members of 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.

Those wishing to address the City Council are requested to complete and submit to the City Clerk a "Speaker Card" located at the Council Chamber entrance. You are not required to provide personal information in order to speak, except to the extent necessary for the City Clerk to call upon you, properly record your name in meeting minutes and to provide contact information for later staff follow-up, if appropriate.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at 310-524-2305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

4:00 PM CLOSED 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 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 City Council to take action on any item not on the agenda. City Council and/or City Manager will respond to comments after Public Communications is closed.*

SPECIAL ORDERS OF BUSINESS

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

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (GOV’T CODE §54956.9(D)(1): -1- MATTER(S)

Breck Slover (Retired Fire Fighter) v. City of El Segundo, Workers Compensation Appeals Board Case No. ADJ12808178

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to Government Code §54956.9(c): -1- matter.

PUBLIC EMPLOYMENT (GOV’T CODE § 54957) -2- MATTER(S)

City Manager and City Attorney
Performance Evaluations

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (GOV’T CODE §54957.6): -4- MATTER(S)

Employee Organizations: Fire Fighters Association (FFA), Police Officers Association (POA), and Supervisory Professional Employee Association (SPEA), and Professional Support Services Employee Association (PSSEA).

Representative: Irma Moisa Rodriguez, City Manager, Darrell George, and Human Resources Director, Rebecca Redyk.

6:00 PM – CONVENE OPEN SESSION – CALL TO ORDER / ROLL CALL

INVOCATION – Pastor Rob McKenna, The Bridge

PLEDGE OF ALLEGIANCE – Council Member Pirsztuk

SPECIAL PRESENTATIONS

1. Recognition of Kite, a Gilead Company on the Five-Year Anniversary of FDA Approval to Produce Cell Therapies to Cure Cancer
2. Recognition of Nicole Pesqueira for Graduating from All American Leadership Academy
3. Introduction of Jose Calderon, New Information Technology Services Director

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 MANAGER FOLLOW-UP COMMENTS – (Related to Public Communications)

Hyperion Water Reclamation Plant Update
Richmond Street Outdoor Dining

A. PROCEDURAL MOTIONS

Read All Ordinances and Resolutions on the Agenda by Title Only

Recommendation -

Approval

B. CONSENT

4. City Council Meeting Minutes

Recommendation -

1. Approve regular City Council meeting minutes for October 4, 2022.
2. Alternatively, discuss and take other action related to this item.

5. Warrant Demand Register for September 19, 2022 through October 2, 2022

Recommendation -

1. Ratify payroll and employee benefit checks; checks released early due to contracts or agreements; emergency disbursements and/or adjustments; and, wire transfers.
2. Approve Warrant Demand Register numbers 6B and 7A: warrant numbers 3042548 through 3042705, and 9002664.

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

6. **Amendment to Agreement with Dennis Grubb and Associates, LLC**

Recommendation -

1. Approve an amendment to agreement No. 6379 with Dennis Grubb and Associates, LLC to increase the total contract amount from \$50,000 to \$150,000 for fire prevention plan check services.
2. Authorize the City Manager to execute the amended agreement (No. 6379B).
3. Alternatively, discuss and take other action related to this item.

7. **Notice of Completion of Sidewalk Construction Project for 400 West Mariposa Avenue and 300 West Pine Avenue**

Recommendation -

1. Accept the construction of Sidewalk Project at 400 W. Mariposa Avenue and 300 W. Pine Avenue, Project No. PW 21-07, by Gentry General Engineering as complete; and
2. Authorize the City Clerk to file a Notice of Completion with the County Recorder's Office.
3. Alternatively, discuss and take other action related to this item.

8. **Second Reading of Ordinance Adding Chapter 13-33 to the El Segundo Municipal Code to Establish a Regulatory Program Allowing for Reasonable City Cost Recovery for Excessive False Alarms Responses**

Recommendation -

1. Waive the second reading and adopt the Ordinance adding Chapter 13-33 to the El Segundo Municipal Code.
2. Alternatively, discuss and take other action related to this item.

9. **Resolution Allowing Continued Teleconferenced Public Meetings**

Recommendation -

1. Approve the proposed resolution to continue the City's utilization of relaxed teleconferencing requirements under the Brown Act.
2. Alternatively, discuss and take other action related to this item.

C. PUBLIC HEARINGS

10. **Public Hearing on the Bargaining Impasse Between the City of El Segundo and the El Segundo Firefighters' Association Regarding the Potential Impacts of the Brownout (Temporary Suspension) of Engine Number 32**

Recommendation -

1. Conduct a public hearing on the bargaining impasse between the City of El Segundo and the El Segundo Firefighters' Association over the potential impacts of the Brownout of Engine Number 32.
2. Adopt a resolution Authorizing the Implementation of the Terms of the City's April 25, 2022, Last, Best, and Final Offer to the El Segundo Firefighters' Association Pursuant to Government Code § 3505 which will brownout Engine Number 32 for a six-month period pursuant to certain terms and conditions.
3. Alternatively, discuss and take other action related to this item.

11. **Resolution Amending a Regulatory Fee to Recover City Costs for Excessive False Alarm Responses**

Recommendation -

1. Conduct a public hearing.
2. Adopt a resolution amending a regulatory fee to recover city costs incurred for certain regulatory El Segundo Fire Department ("ESFD") responses.
3. Alternatively, discuss and take other action related to this item.

D. STAFF PRESENTATIONS

12. **Urho Saari Swim Stadium ("The Plunge") Project**

Recommendation -

1. Authorize modifications to the conceptual design of "The Plunge" project which was previously presented to the City Council in June 1, 2021.
2. Alternatively, discuss and take other action related to this item.

13. FY 2021-2022 Year-End Financial Report

Recommendation -

1. Receive and file the unaudited FY 2021-2022 Year-End Financial Report.
2. Alternatively, discuss and take other action related to this item.

14. Extension of License Agreements with El Segundo Youth Sports Organizations

Recommendation -

1. Authorize the City Manager to extend the License Agreements with each El Segundo Youth Sports Organization identified in the Youth Sports Council Athletic Field/ Facility Use and Allocation Policy for the remainder of FY 22-23.
2. Alternatively, discuss and take other action related to this item.

E. COMMITTEES, COMMISSIONS AND BOARDS PRESENTATIONS

F. REPORTS - CITY CLERK

G. REPORTS - CITY TREASURER

H. REPORTS - COUNCIL MEMBERS

COUNCIL MEMBER GIROUX

COUNCIL MEMBER NICOL

COUNCIL MEMBER PIRSZTUK

MAYOR PRO TEM PIMENTEL

MAYOR BOYLES

I. REPORTS - CITY ATTORNEY

J. REPORTS/FOLLOW-UP - CITY MANAGER

CLOSED SESSION

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

REPORT OF ACTION TAKEN IN CLOSED SESSION (if required)

MEMORIALS

ADJOURNMENT

POSTED:

DATE: October 13, 2022

TIME: 12:00 PM

BY: Tracy Weaver, City Clerk

Commendation

City of El Segundo, California

WHEREAS, Kite, a Gilead Company is the global leader in cell therapy and has had a presence in El Segundo since early 2016, recognizing the city’s proximity to LAX and freeway access as essential for facilitating the company’s state-of-the-art cell therapy manufacturing process; and

WHEREAS, Kite, a Gilead Company has continued to expand its El Segundo footprint from the original building at 2388 Utah Avenue to leasing supplemental space as part of 2355 Utah, and then to fully occupy both buildings, and now having constructed an addition to connect both buildings and to build a new warehouse comprising a total building footprint of 203,000 square feet; and

WHEREAS, Kite, a Gilead Company employs more than 800 employees in its El Segundo facility, including functions such as Manufacturing, Quality, Process Development, Materials Management/Supply Chain, Facilities and Engineering, Operations, Finance, Human Resources, and IT; and

WHEREAS, Kite, a Gilead Company produces two innovative cell therapies manufactured at the El Segundo facility for both clinical and commercial purpose, and is believed to have pioneered the position of “Cell Therapy Specialist”, revolutionizing the biotech industry; and

WHEREAS, Kite, a Gilead Company is licensed to manufacture cell therapies for patients in more than 20 countries around, and already has produced individualized treatments for approximately 9,000 patients; and

WHEREAS, Kite, a Gilead Company received its commercial manufacturing license from the FDA five years ago today.

NOW, THEREFORE, on this 18th day of October, 2022, the Mayor and Members of the City Council of the City of El Segundo, California, hereby celebrate the five-year anniversary of Kite’s El Segundo facility being approved by the FDA, and commend Kite, a Gilead Company for producing innovative cell therapies for patients battling cancer, and – with sincere appreciation for the company’s dedication to research and development of new biopharmaceutical treatment and wishes further success with the company’s continued focus on the cure.



Mayor Drew Boyles

Mayor Pro Tem Chris Pimentel
Council Member Scot Nicol

Council Member Carol Pirsztuk
Council Member Lance Giroux

MEETING MINUTES OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, OCTOBER 4, 2022

CLOSED SESSION – Mayor Boyles called to order at 4:03 PM.

ROLL CALL

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

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

SPECIAL ORDER OF BUSINESS:

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

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (GOV’T CODE §54957.6): -4-
MATTER(S)

Employee Organizations: Fire Fighters’ Association (FFA), Police Officers’ Association (POA), Supervisory Professional Employee Association (SPEA), and Professional Support Services Employee Association (PSSEA).

Agency Designated Representative: Irma Moisa Rodriguez, City Manager, Darrell George, and Human Resources Director, Rebecca Redyk

PUBLIC EMPLOYMENT (GOV’T CODE §54957) -2- MATTER(S)

City Manager and City Attorney
Performance Evaluations

Recessed at 5:55 PM

OPEN SESSION – Mayor Boyles called to order at 6:00 PM

ROLL CALL

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

INVOCATION – Pastor Rob McKenna, The Bridge

PLEDGE OF ALLEGIANCE – Mayor Pro Tem Pimentel

SPECIAL PRESENTATIONS:

1. Item deferred to a later date - Council recognized Sgt. McEnroe for graduating from the Sherman Block Supervision Leadership Institute.
2. Proclamation read by Council Member Nicol proclaiming October 2022 as National Bullying Prevention Month. Proclamation was presented to Christibelle Villena of the DEI Committee.
3. Proclamation read by Council Member Pirsztuk, proclaiming October 2022 as Breast Cancer Awareness Month. Proclamation was read in honor of Jo McFadden.
4. West Basin Drought Update presented by Scott Houston, West Basin Director, Division 4 Representative. General Manager, Greg Reeve??? Double check

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

Dave Holop, resident, commented on the Center Street incident a few months back and would like the internal report made available to the public.

John Pickhaver, resident, commented on the proclamations read earlier in the evening.

CITY MANAGER FOLLOW-UP COMMENTS:

5. City Manager, Darrell George gave an update regarding the Hyperion Water Reclamation Plant.

Mr. George commented on the findings from the Center Street incident, he will review with the Chief regarding making the internal report available to the public.

- A. Read all Ordinances and Resolutions on the Agenda by Title Only.

MOTION by Council Member Giroux, SECONDED by Council Member Nicol to read all ordinances and resolutions on the agenda by title only. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

B. CONSENT:

6. Approve Special Joint meeting minutes of the City Council and Recreation and Parks Commission on April 31, 2022, City Council Special meeting minutes of September 8, 2022 and September 15, 2022, and Regular City Council meeting minutes of September 20, 2022.
(Fiscal Impact: None)

7. Approve warrants demand register for August 29, 2022 through September 18, 2022, number 5A, 5B and 6A, warrant numbers 3042240 through 3042547, and 9002632 through 9002663. Ratify Payroll and employee benefit Checks; Checks released early due to contracts or agreement; Emergency disbursements and/or adjustments; and, Wire transfers.
(Fiscal Impact: \$3,297,576.14 (\$2,046,644.75 in check warrants and \$1,250,931.39 in wire warrants))

MOTION by Council Member Nicol, SECONDED by Council Member Pirsztuk approving Consent Agenda items 6 and 7. MOTION PASSED BY UNANIMOUS VOTE. 5/0

C. PUBLIC HEARINGS: None

D. STAFF PRESENTATIONS:

8. Grant Award from Chevron U.S.A., Inc. in the Amount of \$75,000 to Support Economic Development within the City of El Segundo
(Fiscal Impact: \$75,000 Revenue for the Economic Development Grant Account 702-221-2401-1281)

Barbara Voss, Deputy City Manager reported on the item.

Fredrick Walker, Director, El Segundo Refinery and Lily Craig, External Affairs Manager Chevron U.S.A., Inc. presented the Council with a \$75,000 check.

Council Discussion

MOTION by Council Member Nicol, SECONDED by Council Member Pirsztuk accepting the grant from Chevron U.S.A., Inc., and appropriate grant funding to the Economic Development Grant Account. MOTION PASSED BY UNANIMOUS VOTE. 5/0

9. Residential Sound Installation (RSI) Program Update
(Fiscal Impact: None)

Michael Allen, Community Development Director introduced the item.

Samantha Bricker, Los Angeles World Airports, Chief Sustainability and Revenue Management Officer gave a presentation.

Council Discussion

Council consensus to receive and file the report.

10. Ordinance Adding Chapter 13-33 to the El Segundo Municipal Code to Enable Reasonable City Cost Recovery for Excessive False Fire Alarm Responses

(Fiscal Impact: The proposed Ordinance would enable the City's cost recovery for excessive fire false alarm calls. The El Segundo Fire Department ("ESFD") will present a fee resolution on October 18, 2022 (or as soon thereafter as may be considered) to the City Council to modify an existing false alarm fee that ESFD included with the recently adopted Master Fee Schedule. The adopted fee allowed the City to collect ESFD costs after three (3) false alarms, but the proposed amendment will conform with the Ordinance to allow City cost recovery after the first two false alarms. City staff anticipates the Ordinance will cause most alarm system owners to be more responsible in maintaining their systems in proper working order, requiring a lower number of responses. Pursuant to California Constitution article XIII C, § 1(e)(3), the fees authorized through the Ordinance do not constitute a "tax" as they concern City regulation enforcement and investigation performance associated with a regulatory program.)

Deena Lee, Fire Chief reported and answered questions on the item.

Council Discussion

Mark Hensley, City Attorney read by title only;

ORDINANCE NO. 1640

AN ORDINANCE AMENDING EL SEGUNDO MUNICIPAL CODE TITLE 13 TO ADD A NEW CHAPTER 22 TO ENABLE CITY COST RECOVERY FOR EXCESSIVE FALSE FIRE ALARMS.

Council Member Nicol introduced the Ordinance. Second reading and possible adoption is scheduled for the October 18, 2022 regular scheduled City Council meeting.

11. Establish the Fire Prevention Specialist I-II Classifications and Adopt Associated Specification, Examination Plans, and Salary Ranges
(Fiscal Impact: Adopted FY 2022-23 budget)

Rebecca Rydek, Human Resources Director reported on the item.

Council Discussion

MOTION by Council Member Giroux, SECONDED by Council Member Nicol approving establishment of Fire Prevention Specialist I-II classifications and adopting the classification specification and examination plans for the Fire Prevention Specialist I-II positions. MOTION PASSED BY UNANIMOUS VOTE. 5/0

Mark Hensley, City Attorney read by title only;

RESOLUTION NO. 5367

A RESOLUTION ESTABLISHING BASIC MONTHLY SALARY RANGE FOR FULL-TIME JOB CLASSIFICATIONS.

EL SEGUNDO CITY COUNCIL MEETING MINUTES
OCTOBER 4, 2022
PAGE 4

MOTION by Council Member Pirsztuk, SECONDED by Council Member Giroux adopting Resolution No. 5367. MOTION PASSED BY UNANIMOUS VOTE. 5/0

12. Convert the Information Systems Manager Classification from Civil Service to At-Will Status and Adopt Revised Classification Specification, Examination Plan and Salary Range
(Fiscal Impact: Adopted FY 2022-23 budget)

Rebecca Rydek, Human Resources Director reported on the item.

Council Discussion

MOTION by Council Member Giroux, SECONDED by Council Member Nicol approving the conversion of the Information Systems Manager classification from Civil Service to at-will status and adopt revised classification specification and examination plan for the Information Systems Manager position. MOTION PASSED BY UNANIMOUS VOTE. 5/0
Mark Hensley, City Attorney read by title only;

RESOLUTION NO. 5368

A RESOLUTION MODIFYING BASIC MONTHLY SALARY RANGE FOR FULL TIME JOB CLASSIFICATIONS.

MOTION by Council Member Nicol, SECONDED by Council Member Giroux adopting Resolution No. 5368. MOTION PASSED BY UNANIMOUS VOTE. 5/0

- E. COMMITTEES, COMISSIONS AND BOARDS PRESENTATIONS: None
- F. REPORTS – CITY CLERK – Announced the upcoming City Council Candidate Forums; October 13th hosted by ESMoA at 6:30 PM and October 19th hosted by the El Segundo Women’s Club at 6:30 PM.
- G. REPORTS – CITY TREASURER – Not present
- H. REPORTS – COUNCIL MEMBERS

Council Member Giroux – No report

Council Member Nicol – Recognized Beto Moreno for his dedication and outstanding work on the Main Street Fair.

Council Member Pirsztuk – Stated ESUSD Homecoming is this Friday, October 7th, with the parade beginning at 5:00 PM down Main Street.

Mayor Pro Tem Pimentel – No report

Mayor Boyles – Attended Convening of the Mayor’s with Supervisor Holly Mitchell and thanked all involved in the cleaning up of Imperial Highway median. Wished everyone a Happy Yom Kippur.

- I. REPORTS – CITY ATTORNEY – Stated September 30, 2022 was the last the Governor could sign bills this legislative period. Several bills signed were regarding housing, Mark and his team will put together an overview of the bills and present to Council.
- J. REPORTS/FOLLOW-UP – CITY MANAGER – Mentioned the Eddy Awards will be held on November 9, 2022 at SoFi Stadium and invited Council to attend if they wish. The City of El Segundo has been nominated as a Business Friendly City.

MEMORIALS – None

Adjourned at 7:58 PM

Council moved back into Closed Session at 8:00 PM

Closed Session adjourned at 8:15 PM

Tracy Weaver, City Clerk



City Council Agenda Statement

Meeting Date: October 18, 2022

Agenda Heading: Consent

Item Number: B.5

TITLE:

Warrant Demand Register for September 19, 2022 through October 2, 2022

RECOMMENDATION:

1. Ratify payroll and employee benefit checks; checks released early due to contracts or agreements; emergency disbursements and/or adjustments; and, wire transfers.
2. Approve Warrant Demand Register numbers 6B and 7A: warrant numbers 3042548 through 3042705, and 9002664.
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

The warrants presented were drawn in payment of demands included within the FY 2022-2023 Adopted Budget. The total of \$1,738,849.01 (\$963,029.67 in check warrants and \$775,819.34 in wire warrants) are for demands drawn on the FY 2022-2023 Budget.

BACKGROUND:

California Government Code Section 37208 provides General Law cities flexibility in how budgeted warrants, demands, and payroll are audited and ratified by their legislative body. Pursuant to Section 37208 of the California Government Code, warrants drawn in payments of demands are certified by the City's Chief Financial Officer and City Manager as conforming to the authorized expenditures set forth in the City Council adopted budget need not be audited by the City Council prior to payment, but may be presented to the City Council at the first meeting after delivery.

In government finance, a warrant is a written order to pay that instructs a federal, state, county, or city government treasurer to pay the warrant holder on demand or after a specific date. Such warrants look like checks and clear through the banking system like

Warrant Demand Register

October 18, 2022

Page 2 of 2

checks. Warrants are issued for payroll to individual employees, accounts payable to vendors, to local governments, and to companies or individual taxpayers receiving a refund.

DISCUSSION:

The attached Warrants Listing delineates the warrants that have been paid for the period identified above. The Chief Financial Officer certifies that the listed warrants were drawn in payment of demands conforming to the adopted budget and that these demands are being presented to the City Council at its first meeting after the delivery of the warrants.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Liz Lydic, Management Analyst

REVIEWED BY:

Joseph Lillio, Chief Financial Officer

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Register 6b summary
2. Register 7a summary

CITY OF EL SEGUNDO
WARRANTS TOTALS BY FUND

3042548 - 3042635
9002654 -

DATE OF APPROVAL: AS OF 10/04/22

REGISTER # 6b

001	GENERAL FUND	386,725.73
003	EXPENDABLE TRUST FUND - OTHER	8,986.00
104	TRAFFIC SAFETY FUND	-
106	STATE GAS TAX FUND	1.35
108	ASSOCIATED RECREATION ACTIVITIES FUND	-
109	ASSET FORTFEITURE FUND	-
110	MEASURE "R"	-
111	COMM. DEVEL. BLOCK GRANT	27,645.00
112	PROP "A" TRANSPORTATION	3,667.04
114	PROP "C" TRANSPORTATION	-
115	AIR QUALITY INVESTMENT PROGRAM	-
116	HOME SOUND INSTALLATION FUND	-
117	HYPERION MITIGATION FUND	-
118	TDA ARTICLE 3 - SB 821 BIKEWAY FUND	-
119	MTA GRANT	-
120	C.O.P.S. FUND	-
121	FEMA	-
122	L.A.W.A. FUND	-
123	PSAF PROPERTY TAX PUBLIC SAFETY	-
124	FEDERAL GRANTS	-
125	STATE GRANT	-
126	A/P CUPA PROGRAM OVERSIGHT SURCHARGE	-
127	MEASURE "M"	-
128	SB-1	1,092.00
129	CERTIFIED ACCESS SPECIALIST PROGRAM	-
130	AFFORDABLE HOUSING	-
131	COUNTY STORM WATER PROGRAM	-
202	ASSESSMENT DISTRICT #73	-
301	CAPITAL IMPROVEMENT FUND	55,440.50
302	INFRASTRUCTURE REPLACEMENT FUND	-
405	FACILITIES MAINTENANCE	-
501	WATER UTILITY FUND	46,648.61
502	WASTEWATER FUND	11,015.67
503	GOLF COURSE FUND	80,593.26
505	SOLID WASTE FUND	-
601	EQUIPMENT REPLACEMENT	-
602	LIABILITY INSURANCE	8,062.65
603	WORKERS COMP. RESERVE/INSURANCE	95.85
701	RETIRED EMP. INSURANCE	-
702	EXPENDABLE TRUST FUND - DEVELOPER FEES	-
704	CULTURAL DEVELOPMENT	300.00
708	OUTSIDE SERVICES TRUST	675.00

TOTAL WARRANTS \$ 630,948.86

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/urgency payments for materials, supplies and services in support of City Operations

For Ratification:

A = Payroll and Employee Benefit checks

AP - U = 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.

CHIEF FINANCIAL OFFICER

Joseph [Signature]
9-28-2022

CITY MANAGER

[Signature]

DATE:

DATE:

9-29-22

VOID CHECKS DUE TO ALIGNMENT:

N/A

VOID CHECKS DUE TO INCORRECT CHECK DATE:

VOID CHECKS DUE TO COMPUTER SOFTWARE ERROR:

NOTES

CITY OF EL SEGUNDO
WARRANTS TOTALS BY DEPARTMENT
AS OF 10/04/22
REGISTER # 6b

DEPT#	NAME	TOTAL
GENERAL FUND DEPARTMENTAL EXPENDITURES		
GENERAL GOVERNMENT		
1101	City Council	2,879.25
1201	City Treasurer	58.02
1300	City Clerk	1,325.51
2101	City Manager	7,056.81
2102	Communications	53.66
2103	El Segundo Media	4,193.82
2201	City Attorney	17,364.35
2401	Economic Development	2,544.66
2402	Planning	2,106.00
2500	Administrative Services	46,843.08
2601	Government Buildings	11,295.67
2700	Community Outreach/Planning	4,262.80
2900	Nondepartmental	2,478.13
6100	Library	2,510.81
		<hr/> 104,972.57
PUBLIC SAFETY		
3100	Police	12,742.19
3200	Fire	24,336.56
2403	Building Safety	1,407.11
2404	Plng/Bldg Sfty Administration	723.65
		<hr/> 39,209.51
PUBLIC WORKS		
4101	Engineering	5,350.00
4200	Streets/Park Maintenance	23,192.20
4300	Wastewater	
4601	Equipment Maintenance	1,090.68
4801	Administration	91.35
		<hr/> 29,724.23
COMMUNITY SERVICES		
5100,5200	Recreation & Parks	189,192.10
5400	Centennial	
		<hr/> 189,192.10
EXPENDITURES		
	CAPITAL IMPROVEMENT	55,440.50
	ALL OTHER ACCOUNTS	212,409.95
	TOTAL WARRANTS	<hr/> <hr/> 630,948.86

**CITY OF EL SEGUNDO
 PAYMENTS BY WIRE TRANSFER
 09/19/22 THROUGH 09/25/22**

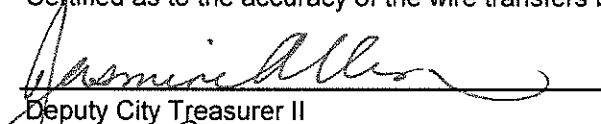
<u>Date</u>	<u>Payee</u>		<u>Description</u>
9/2/2022	Employment Development	6,960.50	State SDI payment
9/19/2022	IRS	265,812.35	Federal 941 Deposit
9/19/2022	Employment Development	4,859.38	State SDI payment
9/19/2022	Employment Development	61,818.24	State PIT Withholding
9/21/2022	Employment Development	2,709.50	State SDI payment
9/21/2022	Cal Pers	61,665.99	EFT Retirement Safety Police Classic - 1st Tier 28
9/21/2022	Cal Pers	52,204.07	EFT Retirement Safety Fire- Classic 30168
9/21/2022	Cal Pers	50,580.50	EFT Retirement Misc - PEPRA New 26013
9/21/2022	Cal Pers	37,220.31	EFT Retirement Misc - Classic 27
9/21/2022	Cal Pers	28,126.53	EFT Retirement Safety-Police-PEPRA New 25021
9/21/2022	Cal Pers	14,498.92	EFT Retirement Safety-Fire-PEPRA New 25020
9/21/2022	Cal Pers	7,395.24	EFT Retirement Sfty Police Classic-2nd Tier 30169
9/22/2022	Unum	211.30	Long Term Care Premium
09/12/22-09/18/22	Workers Comp Activity	66,130.17	SCRMA checks issued
09/12/22-09/18/22	Liability Trust - Claims	1,350.00	Claim checks issued/(voided)
09/12/22-09/18/22	Retiree Health Insurance	-	Health Reimbursement checks issued
		<u>661,543.00</u>	

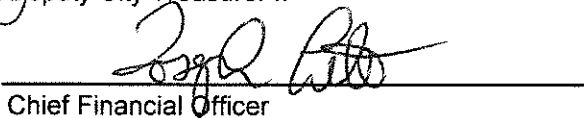
DATE OF RATIFICATION: 09/23/22

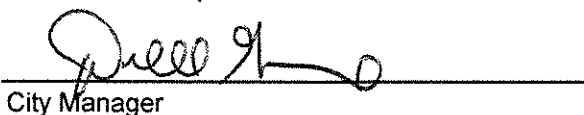
TOTAL PAYMENTS BY WIRE:

661,543.00

Certified as to the accuracy of the wire transfers by:

 09/23/22
 Deputy City Treasurer II Date

 9-28-2022
 Chief Financial Officer Date

 9-29-22
 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

3042636 - 3042705

DATE OF APPROVAL: AS OF 10/18/22

REGISTER # 7a

001	GENERAL FUND	312,543.21
003	EXPENDABLE TRUST FUND - OTHER	-
104	TRAFFIC SAFETY FUND	-
106	STATE GAS TAX FUND	-
108	ASSOCIATED RECREATION ACTIVITIES FUND	-
109	ASSET FORFEITURE FUND	-
110	MEASURE "R"	-
111	COMM. DEVEL. BLOCK GRANT	-
112	PROP "A" TRANSPORTATION	3,448.06
114	PROP "C" TRANSPORTATION	-
115	AIR QUALITY INVESTMENT PROGRAM	-
116	HOME SOUND INSTALLATION FUND	-
117	HYPERION MITIGATION FUND	67.94
118	TDA ARTICLE 3 - SB 621 BIKEWAY FUND	-
119	MTA GRANT	-
120	C.O.P.S. FUND	-
121	FEMA	-
122	L.A.W.A. FUND	-
123	PSAF PROPERTY TAX PUBLIC SAFETY	-
124	FEDERAL GRANTS	-
125	STATE GRANT	-
126	A/P CUPA PROGRAM OVERSIGHT SURCHARGE	724.00
127	MEASURE "M"	-
128	SB-1	-
129	CERTIFIED ACCESS SPECIALIST PROGRAM	-
130	AFFORDABLE HOUSING	-
131	COUNTY STORM WATER PROGRAM	3,110.00
202	ASSESSMENT DISTRICT #73	-
301	CAPITAL IMPROVEMENT FUND	-
302	INFRASTRUCTURE REPLACEMENT FUND	-
405	FACILITIES MAINTENANCE	-
501	WATER UTILITY FUND	7,854.37
502	WASTEWATER FUND	4,007.04
503	GOLF COURSE FUND	-
505	SOLID WASTE FUND	-
601	EQUIPMENT REPLACEMENT	-
802	LIABILITY INSURANCE	-
803	WORKERS COMP. RESERVE/INSURANCE	26.19
701	RETIRED EMP. INSURANCE	-
702	EXPENDABLE TRUST FUND - DEVELOPER FEES	-
704	CULTURAL DEVELOPMENT	300.00
708	OUTSIDE SERVICES TRUST	-
TOTAL WARRANTS		<u>\$ 332,080.81</u>

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/urgency payments for materials, supplies and services in support of City Operations

For Ratification:

A = Payroll and Employee Benefit checks

AP - U = 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.

CHIEF FINANCIAL OFFICER

Joseph Rivas
10-3-2022

CITY MANAGER

[Signature]
10-3-22

DATE:

DATE:

VOID CHECKS DUE TO ALIGNMENT: _____
N/A

VOID CHECKS DUE TO INCORRECT CHECK DATE: _____

VOID CHECKS DUE TO COMPUTER SOFTWARE ERROR: _____

NOTES _____

CITY OF EL SEGUNDO
WARRANTS TOTALS BY DEPARTMENT
AS OF 10/18/22
REGISTER # 7a

DEPT#	NAME	TOTAL
GENERAL FUND DEPARTMENTAL EXPENDITURES		
GENERAL GOVERNMENT		
1101	City Council	104.25
1201	City Treasurer	24.87
1300	City Clerk	80.43
2101	City Manager	3,266.82
2102	Communications	22,915.15
2103	El Segundo Media	
2201	City Attorney	
2401	Economic Development	474.50
2402	Planning	
2500	Administrative Services	44,185.14
2601	Government Buildings	47,262.23
2700	Community Outreach/Planning	846.00
2900	Nondepartmental	29,875.95
6100	Library	11,887.09
		160,922.43
PUBLIC SAFETY		
3100	Police	64,641.96
3200	Fire	5,323.24
2403	Building Safety	
2404	Plng/Bldg Sfty Administration	247.68
		70,212.88
PUBLIC WORKS		
4101	Engineering	408.17
4200	Streets/Park Maintenance	7,522.81
4300	Wastewater	633.04
4601	Equipment Maintenance	5,780.72
4801	Administration	112.62
		14,457.36
COMMUNITY SERVICES		
5100,5200	Recreation & Parks	6,943.14
5400	Centennial	
		6,943.14
EXPENDITURES		
CAPITAL IMPROVEMENT		
ALL OTHER ACCOUNTS		
		79,545.00
TOTAL WARRANTS		
		332,080.81

**CITY OF EL SEGUNDO
 PAYMENTS BY WIRE TRANSFER
 09/26/22 THROUGH 10/02/22**

<u>Date</u>	<u>Payee</u>		<u>Description</u>
9/30/2022	Mission Square	4,178.17	457 payment Vantagepoint
9/30/2022	Mission Square	1,038.46	401(a) payment Vantagepoint
9/30/2022	ExpertPay	2,720.76	EFT Child support payment
09/19/22-09/25/22	Workers Comp Activity	45,561.42	SCRMA checks issued
09/19/22-09/25/22	Liability Trust - Claims	60,777.53	Claim checks issued/(voided)
09/19/22-09/25/22	Retiree Health Insurance	-	Health Reimbursement checks issued
		<u>114,276.34</u>	

DATE OF RATIFICATION: 10/03/22

TOTAL PAYMENTS BY WIRE:

114,276.34

Certified as to the accuracy of the wire transfers by:

Jasmin Altes 10/03/2022
 Deputy City Treasurer II Date

Joseph Rizzo 10-3-2022
 Chief Financial Officer Date

Paul [Signature] 10-3-22
 City Manager Date

Information on actual expenditures is available in the City Treasurer's Office of the City of El Segundo.



City Council Agenda Statement

Meeting Date: October 18, 2022

Agenda Heading: Consent

Item Number: B.6

TITLE:

Amendment to Agreement with Dennis Grubb and Associates, LLC

RECOMMENDATION:

1. Approve an amendment to agreement No. 6379 with Dennis Grubb and Associates, LLC to increase the total contract amount from \$50,000 to \$150,000 for fire prevention plan check services.
2. Authorize the City Manager to execute the amended agreement (No. 6379B).
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

Included in the Adopted FY 22-23 Budget
Amount Budgeted: \$150,000
Additional Appropriation: N/A
Account Number(s):001-400-3204-6214

BACKGROUND:

Dennis Grubb and Associates, LLC provide fire prevention plan check services and part time inspection services to the City of El Segundo. Plan check and inspection service fees paid to this vendor are fully recovered by the City via the plan check and inspection fees adopted in the FY 22-23 Master Fee Schedule (FR-001 through FR-003M, FR-004A, FR-009, and FR-013).

DISCUSSION:

Based on excellent services delivered to the City of El Segundo, and the high demand for fire prevention plan check and inspection services in the City, staff recommends increasing the contract amount with Dennis Grubb and Associates, LLC by \$100,000,

Dennis Grubb and Associates, LLC Contract Amendment

October 18, 2022

Page 2 of 2

for a total not to exceed amount of \$150,000 for FY 22-23.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Equity, Inclusion and Communication

Objective 1A: El Segundo provides unparalleled service to all customers.

Goal 4: Develop and Maintain Quality Infrastructure and Technology

Objective 4A: El Segundo's physical infrastructure supports an inviting and safe community.

Objective 4B: El Segundo's technology supports effective, efficient, and proactive operations.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5A: El Segundo promotes economic growth and vitality for business and the community.

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Vanessa Arias, Management Analyst

REVIEWED BY:

Deena Lee, Fire Chief

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Dennis Grubb and Associates Amendment No. 6379B
2. Dennis Grubb and Associates Agreement No. 6379

**SECOND AMENDMENT TO
AGREEMENT NO. 6379 BETWEEN
THE CITY OF EL SEGUNDO AND
DENNIS GRUBB AND ASSOCIATES, LLC**

THIS SECOND AMENDMENT ("Amendment") to Agreement No. 6379 ("Agreement") is made and entered into this 19th day of October, 2022, by and between CITY OF EL SEGUNDO, a general law city and municipal corporation existing under the laws of California ("CITY"), and DENNIS GRUBB AND ASSOCIATES, LLC ("CONSULTANT"). The parties agree as follows:

1. The parties intend for this Amendment to be retroactively effective to July 1, 2022.
2. Pursuant to Agreement Section 34, Section 1(C) is amended to increase the not-to-exceed compensation sum by \$100,000 to establish a new total, not-to-exceed contract compensation sum of \$150,000 for CONSULTANT's services.
3. Pursuant to Agreement Section 34, Section 2 is amended to augment the scope of services set forth in Section 2 and Agreement Exhibit "A" by the additional scope of work set forth in Attachment 1 to this Amendment, which is incorporated by reference.
4. Pursuant to Section 34 of the Agreement, Section 7 is amended to extend the Agreement's term described in Section 7 is through March 31, 2022.
5. This Amendment may be executed in any number of counterparts, and all such counterparts so executed constitute one Amendment binding on all the parties notwithstanding that all the parties are not signatories to the same counterpart. In accordance with Government Code §16.5, the parties agree that this Amendment will be considered signed when the signature of a party is delivered by electronic transmission. Such electronic signature will be treated in all respects as having the same effect as an original signature.
6. Except as modified by this Amendment, all other terms and conditions of the Agreement will remain the same.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF the parties hereto have executed this Amendment the day and year first hereinabove written.

CITY OF EL SEGUNDO

DENNIS GRUBB AND ASSOCIATES,
LLC

Darrel George
City Manager

By:

Title:

ATTEST:

Tracy Weaver,
City Clerk

Taxpayer ID No. 20-8680376

CA Entity # 200704410104

APPROVED AS TO FORM:
MARK D. HENSLEY, CITY ATTORNEY

By: _____
Joaquin Vazquez,
Deputy City Attorney

ATTACHMENT 1



**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF EL SEGUNDO AND
DENNIS GRUBB AND ASSOCIATES, LLC**

This AGREEMENT is made and entered into this 24th day of May, 2022 (the "Effective Date"), by and between the CITY OF EL SEGUNDO, a municipal corporation and general law city ("CITY") and DENNIS GRUBB AND ASSOCIATES, LLC") a California limited liability company ("CONSULTANT"). The parties agree as follows:

1. CONSIDERATION.

- A. As partial consideration, CONSULTANT agrees to perform the work listed in the SCOPE OF SERVICES, below;
- B. As additional consideration, CONSULTANT and CITY agree to abide by the terms and conditions contained in this Agreement;
- C. As additional consideration, CITY agrees to pay CONSULTANT a sum not to exceed fifty thousand dollars (\$50,000) each fiscal year for CONSULTANT's services. CITY may modify this amount as set forth below. Unless otherwise specified by written amendment to this Agreement, CITY will pay this sum as specified in the attached Exhibit "A," which is incorporated by reference.

2. SCOPE OF SERVICES.

- A. CONSULTANT will perform Fire plan check services listed in the attached Exhibit "A," which is incorporated by reference.
- B. CONSULTANT will, in a professional manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space and facilities, and all tests, testing and analyses, calculation, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by CITY, necessary or proper to perform and complete the work and provide the professional services required of CONSULTANT by this Agreement.

3. PERFORMANCE STANDARDS. While performing this Agreement, CONSULTANT will use the appropriate generally accepted professional standards of practice existing at the time of performance utilized by persons engaged in providing similar services. CITY will continuously monitor CONSULTANT's services. CITY will notify CONSULTANT of any deficiencies and CONSULTANT will have fifteen (15) days after such notification to cure any shortcomings to CITY's satisfaction. Costs associated with curing the deficiencies will be borne by CONSULTANT.

4. **PAYMENTS.** For CITY to pay CONSULTANT as specified by this Agreement, CONSULTANT must submit a detailed invoice to CITY which lists the hours worked and hourly rates for each personnel category and reimbursable costs (all as set forth in Exhibit "A") the tasks performed, the percentage of the task completed during the billing period, the cumulative percentage completed for each task, the total cost of that work during the preceding billing month and a cumulative cash flow curve showing projected and actual expenditures versus time to date.

5. **NON-APPROPRIATION OF FUNDS.** Payments due and payable to CONSULTANT for current services are within the current budget and within an available, unexhausted and unencumbered appropriation of the CITY. In the event the CITY has not appropriated sufficient funds for payment of CONSULTANT services beyond the current fiscal year, this Agreement will cover only those costs incurred up to the conclusion of the current fiscal year.

6. **FAMILIARITY WITH WORK.**

- A. By executing this Agreement, CONSULTANT agrees that it has:
 - i. Carefully investigated and considered the scope of services to be performed;
 - ii. Carefully considered how the services should be performed; and
 - iii. Understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement.
- B. If services involve work upon any site, CONSULTANT agrees that CONSULTANT has or will investigate the site and is or will be fully acquainted with the conditions there existing, before commencing the services hereunder. Should CONSULTANT discover any latent or unknown conditions that may materially affect the performance of the services, CONSULTANT will immediately inform CITY of such fact and will not proceed except at CONSULTANT's own risk until written instructions are received from CITY.

7. **TERM.** The term of this Agreement will be from the Effective Date through June 30, 2022. Thereafter, this Agreement will renew annually for a one year period beginning July 1, 2022. Unless otherwise determined by written amendment between the parties, this Agreement will terminate in the following instances:

- A. Completion of the work specified in Exhibit "A";
- B. Termination as stated in Section 15.

8. TIME FOR PERFORMANCE.

- A. CONSULTANT will not perform any work under this Agreement until:
 - i. CONSULTANT furnishes proof of insurance as required under Section 22 of this Agreement; and
 - ii. CITY gives CONSULTANT a written notice to proceed.
- B. Should CONSULTANT begin work on any phase in advance of receiving written authorization to proceed, any such professional services are at CONSULTANT's own risk.

9. TIME EXTENSIONS. Should CONSULTANT be delayed by causes beyond CONSULTANT's control, CITY may grant a time extension for the completion of the contracted services. If delay occurs, CONSULTANT must notify the Manager within forty-eight (48) hours, in writing, of the cause and the extent of the delay and how such delay interferes with the Agreement's schedule. The Manager will extend the completion time, when appropriate, for the completion of the contracted services.

10. CONSISTENCY. In interpreting this Agreement and resolving any ambiguities, the main body of this Agreement takes precedence over the attached Exhibits; this Agreement supersedes any conflicting provisions. Any inconsistency between the Exhibits will be resolved in the order in which the Exhibits appear below:

- A. Exhibit: A: Scope of Work and Fees

11. CHANGES. CITY may order changes in the services within the general scope of this Agreement, consisting of additions, deletions, or other revisions, and the contract sum and the contract time will be adjusted accordingly. All such changes must be authorized in writing, executed by CONSULTANT and CITY. The cost or credit to CITY resulting from changes in the services will be determined in accordance with written agreement between the parties.

12. TAXPAYER IDENTIFICATION NUMBER. CONSULTANT will provide CITY with a Taxpayer Identification Number.

13. PERMITS AND LICENSES. CONSULTANT, at its sole expense, will obtain and maintain during the term of this Agreement, all necessary permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.

14. WAIVER. CITY's review or acceptance of, or payment for, work product prepared by CONSULTANT under this Agreement will not be construed to operate as a waiver of any rights CITY may have under this Agreement or of any cause of action arising from

CONSULTANT's performance. A waiver by CITY of any breach of any term, covenant, or condition contained in this Agreement will not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this Agreement, whether of the same or different character.

15. TERMINATION.

- A. Except as otherwise provided, CITY may terminate this Agreement at any time with or without cause.
- B. CONSULTANT may terminate this Agreement at any time with CITY's mutual consent. Notice will be in writing at least thirty (30) days before the effective termination date.
- C. Upon receiving a termination notice, CONSULTANT will immediately cease performance under this Agreement unless otherwise provided in the termination notice. Except as otherwise provided in the termination notice, any additional work performed by CONSULTANT after receiving a termination notice will be performed at CONSULTANT's own cost; CITY will not be obligated to compensate CONSULTANT for such work.
- D. Should termination occur, all finished or unfinished documents, data, studies, surveys, drawings, maps, reports and other materials prepared by CONSULTANT will, at CITY's option, become CITY's property, and CONSULTANT will receive just and equitable compensation for any work satisfactorily completed up to the effective date of notice of termination, not to exceed the total costs under Section 1(C).
- E. Should the Agreement be terminated pursuant to this Section, CITY may procure on its own terms services similar to those terminated.
- F. By executing this document, CONSULTANT waives any and all claims for damages that might otherwise arise from CITY's termination under this Section.

16. OWNERSHIP OF DOCUMENTS. All documents, data, studies, drawings, maps, models, photographs and reports prepared by CONSULTANT under this Agreement are CITY's property. CONSULTANT may retain copies of said documents and materials as desired but will deliver all original materials to CITY upon CITY's written notice. CITY agrees that use of CONSULTANT's completed work product, for purposes other than identified in this Agreement, or use of incomplete work product, is at CITY's own risk.

17. PUBLICATION OF DOCUMENTS. Except as necessary for performance of service under this Agreement, no copies, sketches, or graphs of materials, including graphic art work, prepared pursuant to this Agreement, will be released by CONSULTANT to any

other person or public CITY without CITY's prior written approval. All press releases, including graphic display information to be published in newspapers or magazines, will be approved and distributed solely by CITY, unless otherwise provided by written agreement between the parties.

18. INDEMNIFICATION.

A. CONSULTANT agrees to the following:

- i. ***Indemnification for Professional Services.*** CONSULTANT will save harmless and indemnify and at CITY's request reimburse defense costs for CITY and all its officers, volunteers, employees and representatives from and against any and all suits, actions, or claims, of any character whatever, brought for, or on account of, any injuries or damages sustained by any person or property resulting or arising from any negligent or wrongful act, error or omission by CONSULTANT or any of CONSULTANT's officers, agents, employees, or representatives, in the performance of this Agreement, except for such loss or damage arising from CITY's sole negligence or willful misconduct.
- ii. ***Indemnification for other Damages.*** CONSULTANT indemnifies and holds CITY harmless from and against any claim, action, damages, costs (including, without limitation, attorney's fees), injuries, or liability, arising out of this Agreement, or its performance, except for such loss or damage arising from CITY's sole negligence or willful misconduct. Should CITY be named in any suit, or should any claim be brought against it by suit or otherwise, whether the same be groundless or not, arising out of this Agreement, or its performance, CONSULTANT will defend CITY (at CITY's request and with counsel satisfactory to CITY) and will indemnify CITY for any judgment rendered against it or any sums paid out in settlement or otherwise.

- B. For purposes of this section "CITY" includes CITY's officers, officials, employees, agents, representatives, and certified volunteers.
- C. It is expressly understood and agreed that the foregoing provisions will survive termination of this Agreement.
- D. The requirements as to the types and limits of insurance coverage to be maintained by CONSULTANT as required by Section 22, and any approval of said insurance by CITY, are not intended to and will not in any manner

limit or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

19. ASSIGNABILITY. This Agreement is for CONSULTANT's professional services. CONSULTANT's attempts to assign the benefits or burdens of this Agreement without CITY's written approval are prohibited and will be null and void.

20. INDEPENDENT CONTRACTOR. CITY and CONSULTANT agree that CONSULTANT will act as an independent contractor and will have control of all work and the manner in which it is performed. CONSULTANT will be free to contract for similar service to be performed for other employers while under contract with CITY. CONSULTANT is not an agent or employee of CITY and is not entitled to participate in any pension plan, insurance, bonus or similar benefits CITY provides for its employees. Any provision in this Agreement that may appear to give CITY the right to direct CONSULTANT as to the details of doing the work or to exercise a measure of control over the work means that CONSULTANT will follow the direction of the CITY as to end results of the work only.

21. AUDIT OF RECORDS. CONSULTANT will maintain full and accurate records with respect to all services and matters covered under this Agreement. CITY will have free access at all reasonable times to such records, and the right to examine and audit the same and to make transcript therefrom, and to inspect all program data, documents, proceedings and activities. CONSULTANT will retain such financial and program service records for at least three (3) years after termination or final payment under this Agreement.

22. INSURANCE.

- A. Before commencing performance under this Agreement, and at all other times this Agreement is effective, CONSULTANT will procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

<u>Type of Insurance</u>	<u>Limits</u>
Commercial general liability:	\$2,000,000
Professional Liability	\$1,000,000
Business automobile liability	\$1,000,000
Workers compensation	Statutory requirement

- B. Commercial general liability insurance will meet or exceed the requirements

of the most recent ISO-CGL Form. The amount of insurance set forth above will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies will be endorsed to name CITY, its officials, and employees as "additional insureds" under said insurance coverage and to state that such insurance will be deemed "primary" such that any other insurance that may be carried by CITY will be excess thereto. Such endorsement must be reflected on ISO Form No. CG 20 10 11 85 or 88, or equivalent. Such insurance will be on an "occurrence," not a "claims made," basis and will not be cancelable or subject to reduction except upon thirty (30) days prior written notice to CITY.

- C. Professional liability coverage will be on an "occurrence basis" if such coverage is available, or on a "claims made" basis if not available. When coverage is provided on a "claims made basis," CONSULTANT will continue to renew the insurance for a period of three (3) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement and will cover CONSULTANT for all claims made by CITY arising out of any errors or omissions of CONSULTANT, or its officers, employees or agents during the time this Agreement was in effect.
- D. Automobile coverage will be written on ISO Business Auto Coverage Form CA 00 01 06 92, including symbol 1 (Any Auto).
- E. CONSULTANT will furnish to CITY duly authenticated Certificates of Insurance evidencing maintenance of the insurance required under this Agreement and such other evidence of insurance or copies of policies as may be reasonably required by CITY from time to time. Insurance must be placed with insurers with a current A.M. Best Company Rating equivalent to at least a Rating of "A:VII."
- F. Should CONSULTANT, for any reason, fail to obtain and maintain the insurance required by this Agreement, CITY may obtain such coverage at CONSULTANT's expense and deduct the cost of such insurance from payments due to CONSULTANT under this Agreement or terminate pursuant to Section 155.

23. USE OF SUBCONTRACTORS. CONSULTANT must obtain CITY's prior written approval to use any consultants while performing any portion of this Agreement. Such approval must approve of the proposed consultant and the terms of compensation.

24. INCIDENTAL TASKS. CONSULTANT will meet with CITY monthly to provide the status on the project, which will include a schedule update and a short narrative

description of progress during the past month for each major task, a description of the work remaining and a description of the work to be done before the next schedule update.

25. **NOTICES.** All communications to either party by the other party will be deemed made when received by such party at its respective name and address as follows:

If to CONSULTANT:

Dennis Grubb and Associates, LLC
6560 Van Buren Blvd, Ste B
Riverside, CA 92503
Attention: Dennis Grubb
Phone: 951-772-0007
Email: Dennis@DGAssociates.org

If to CITY:

City of El Segundo
350 Main Street
El Segundo, CA
Attention: Nicole Pesqueira, Fire Marshal
Phone: 310-524-2239
Email: npesqueira@elsegundo.org

Any such written communications by mail will be conclusively deemed to have been received by the addressee upon deposit thereof in the United States Mail, postage prepaid and properly addressed as noted above. In all other instances, notices will be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph.

26. **CONFLICT OF INTEREST.** CONSULTANT will comply with all conflict of interest laws and regulations including, without limitation, CITY's conflict of interest regulations.

27. **SOLICITATION.** CONSULTANT warrants that it has not employed nor retained any company or person, other than CONSULTANT's bona fide employee, to solicit or secure this Agreement. Further, CONSULTANT warrants that it has not paid nor has it agreed to pay any company or person, other than CONSULTANT's bona fide employee, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Should CONSULTANT breach or violate this warranty, CITY may rescind this Agreement without liability.

28. **THIRD PARTY BENEFICIARIES.** This Agreement and every provision herein is generally for the exclusive benefit of CONSULTANT and CITY and not for the benefit of any other party. There will be no incidental or other beneficiaries of any of CONSULTANT's or CITY's obligations under this Agreement.

29. **INTERPRETATION.** This Agreement was drafted in and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this agreement will be in Los Angeles County.

30. **COMPLIANCE WITH LAW.** CONSULTANT agrees to comply with all federal, state, and local laws applicable to this Agreement.

31. **ENTIRE AGREEMENT.** This Agreement, and its Exhibit(s), sets forth the entire understanding of the parties. There are no other understandings, terms or other agreements expressed or implied, oral or written. This Agreement will bind and inure to the benefit of the parties to this Agreement and any subsequent successors and assigns.

32. **RULES OF CONSTRUCTION.** Each Party had the opportunity to independently review this Agreement with legal counsel. Accordingly, this Agreement will be construed simply, as a whole, and in accordance with its fair meaning; it will not be interpreted strictly for or against either Party.

33. **SEVERABILITY.** If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion will be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Agreement will continue in full force and effect.

34. **AUTHORITY/MODIFICATION.** The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and to engage in the actions described herein. This Agreement may be modified by written amendment.

35. **ACCEPTANCE OF ELECTRONIC SIGNATURES.** The Parties agree that this Agreement, agreements ancillary to this Agreement, and related documents to be entered into in connection with this Agreement will be considered signed when the signature of a party is delivered by electronic (.pdf) or facsimile transmission. Such electronic or facsimile signature will be treated in all respects as having the same effect as an original signature.

36. **CAPTIONS.** The captions of the paragraphs of this Agreement are for convenience of reference only and will not affect the interpretation of this Agreement.

37. **TIME IS OF ESSENCE.** Time is of the essence for each and every provision of this Agreement.

38. **FORCE MAJEURE.** Should performance of this Agreement be prevented due to fire, flood, explosion, acts of terrorism, war, embargo, government action, civil or military authority, the natural elements, or other similar causes beyond the Parties' reasonable control, then the Agreement will immediately terminate without obligation of either party to the other.

39. **STATEMENT OF EXPERIENCE.** By executing this Agreement, CONSULTANT represents that it has demonstrated trustworthiness and possesses the quality, fitness

and capacity to perform the Agreement in a manner satisfactory to CITY. CONSULTANT represents that its financial resources, surety and insurance experience, service experience, completion ability, personnel, current workload, experience in dealing with private consultants, and experience in dealing with public agencies all suggest that CONSULTANT is capable of performing the proposed contract and has a demonstrated capacity to deal fairly and effectively with and to satisfy a public CITY.

[Signatures on next page]

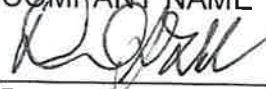
IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year first hereinabove written.

CITY OF EL SEGUNDO



Darrell George,
Interim City Manager

COMPANY NAME



Dennis Grubb and Associates, LLC
President

ATTEST:

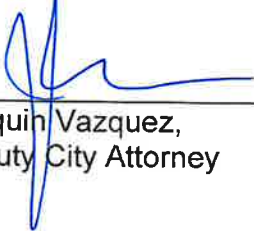


Tracy Weaver,
City Clerk

Taxpayer ID No. 20-8680376

CA Entity #: 200704410104

APPROVED AS TO FORM:
MARK D. HENSLEY, CITY ATTORNEY



Joaquin Vazquez,
Deputy City Attorney



Dennis Grubb and Associates, LLC
Assisting Cities Build Safe Communities

May 5, 2022

EXHIBIT "A"

El Segundo Fire Department
Attn: Fire Marshal Nicole Pesqueira
314 Main St
El Segundo, CA. 90245

Subject: Fire Plan Check Proposal

Dear Fire Marshal Pesqueira

Dennis Grubb & Associates, LLC (DGA) is pleased to submit this proposal to provide professional Fire Plan Review and Inspection Services to El Segundo Fire Department. This proposal outlines all the elements that make DGA a high-quality solution to the El Segundo Fire Department's needs, including our experienced personnel and our range of Fire Prevention services.

The following characteristics make Dennis Grubb & Associates, LLC uniquely qualified to service the El Segundo Fire Department:

- Experienced plan review with specific technical skills in fire code application
- DGA specializes exclusively in fire life safety plan review
- DGA does not do any design work so that there is never a conflict of interest with the clients that submit plans for review
- Electronic plan review capability utilizing Bluebeam software
- We are associates are well-versed in local, regional and state policies and practices
- Associates possess core business skills including strong verbal & written communication skills, professionalism & teamwork, proficiency in MS Office, Outlook, Windows and a variety of fire prevention software packages
- Competitive fees

6560 Van Buren Blvd, Ste B, Riverside, CA. 92503
(800) 975-7395 * (951)772-0007

- Excellent references, see Attachment 1

DGA Qualifications

Our associates each have 20+ years direct fire plan review experience working directly with Public Fire Agencies. All of our plan examiners are ICC Certified Fire Plans Examiners

DGA possess the certifications and qualifications required and are highly experienced in the use and content of all California Building Standards Codes (DGA resumes can be provided upon request)

All associates are proficient in:

- Fire Sprinklers
- Fire Alarm and Monitoring Systems
- Underground Water Supply
- Fire Pumps
- Special, clean agent system
- Commercial Cooking fire protection
- High Piled Storage
- Above and Below Ground Tank Storage
- Refueling Station
- Hazardous Material
- Combustible Dust
- Battery Systems
- Compressed Gas Systems (Medical, Industrial)
- Smoke Control
- Chemical Classification
- Architectural (all occupancies including high-rise)
- Leak Detection Systems
- Enhanced Radio Communication Systems

Scope of Work

- Transfer plans to and from El Segundo Fire Department with the use a courier/mail service (at the expense of DGA) within the stated turnaround time.
- Verify plan compliance with adopted state & local codes/ordinances including updates
- Communicate corrections with applicant and El Segundo Fire Department as directed
- Stamp plans in a manner as directed by the El Segundo Fire Department.
- Be available for phone calls or in-person meetings with El Segundo Fire Department as needed

6560 Van Buren Blvd, Ste B, Riverside, CA. 92503
(800) 975-7395 * (951)772-0007

- Assist with adopting and administering the Fire Code as needed.
- Plan review to ensure compliance with all applicable codes.
- Provide input to the Planning Department for new development and provide project specific conditions as applicable.
- Review and provide response to Fire Code alternate means & methods/practical difficulty requests after consultation with the Fire Marshal.
- Other duties as needed and agreed to between DGA and the El Segundo Fire Department.

Plan Turnaround Plan Review Times:

- Initial review – 10 city business days from time of receipt
- Resubmittals – 7 city business days from time of receipt
- Expedite Request – 3 Business days from time of receipt

Fees:

Plan Review

DGA fees are based on a flat fee. The fee is for the first and second plan check and includes the plan review, administrative work, and shipping. If additional review/s are required there is a flat fee per submittal (outlined below):

FD Access	\$370
Alarm System	\$360
Sprinkler System – TI	\$305
Sprinkler – TI with calculations	\$375
Sprinkler System – New	\$500
Additional Riser/Floor Control in Same Building	\$170
Underground	\$475
Fire Pump	\$550
Standpipe System	\$250
Engineered System (H&D, Clean Agent, etc) per System	\$290
Special System/ Process (HPS, AST, UST, Spray Booth etc.) ea	\$400
Hazardous Material Disclosure	\$840
Smoke Control	\$800
Architectural- TI	\$390
Architectural- New	\$630
Architectural – New > 2-story or R-1/R-2 with more than 50 units	\$710
Architectural – High Rise (Buildings >75')	\$1475
Note: Architectural review is per building	

6560 Van Buren Blvd, Ste B, Riverside, CA. 92503
(800) 975-7395 * (951)772-0007

Development Review (CUP, Tract Map, Etc.)	\$370
Revision	\$220
Additional Reviews (Past 2 nd)	\$220
Expedite Plan Check (per submittal)	\$200
Time & Material (Hourly Rate)	\$130

This proposal is valid, binding, and capable of acceptance by the El Segundo Fire Department for 90 days from the date of submittal. We look forward to building a relationship with El Segundo Fire Department and we welcome any request to provide further information regarding our qualifications to perform these services. Should you have any questions or need additional information you can contact me directly at (951) 218-5482.

Sincerely,



Dennis J. Grubb, CFPE
President

Attachment 1



March 23, 2022

To whom it may concern.

Subject: Letter of Recommendation for Dennis Grubb & Associates

Dear Sirs,

I would like to take this opportunity to highly recommend Dennis Grubb & Associates (DGA) as a consulting plan review firm for Fire Services.

DGA has worked for the Carlsbad Fire Department for the past 7 years and serves as our primary plan review firm. The quality of their review process, as well as the customer service that they provide to our city and our applicants, is well above all other firms that I have worked with over the past 14 years. The service levels that they provide allowed me to make the decision to transition our entire plan review process away from an in-house service to a third party service without any concerns that would negatively affect the development process. DGA continually goes the extra mile for my fire department and the personal relationship that Dennis provides assures me that I can always reach out to him if I have any questions or concerns.

As the Fire Marshal, I have selected DGA to work for me for two different cities now over the past 14 years. They continue to be the only plan review firm in Southern California that only services the fire service, and the professionalism of his associates is superior to all other firms that I have used. The full service approach that he takes to our contract is something that I have yet to experience with any other firm and I will highly recommend DGA to any fire agency that is seeking to out-source their plan review process.

If you would like to discuss DGA's qualifications further, please feel free to contact me at (626) 536-6677.

Sincerely,

A handwritten signature in black ink, appearing to read "Randall Metz".

Randall Metz, EFO, CFO, FM, MIFireE
Division - Fire Marshal
Carlsbad Fire Department



Fire Department

Fire Prevention 1635 Faraday Ave. | Carlsbad, CA 92008 | 760-602-4660 | www.carlsbadca.gov

6560 Van Buren Blvd, Ste B, Riverside, CA. 92503
(800) 975-7395 * (951)772-0007



CITY OF PERRIS

DEVELOPMENT SERVICES DEPARTMENT
BUILDING DIVISION

135 N "D" Streets, Perris, CA 92570-2200
TEL: (951) 943-5003 FAX: (951) 943-8379

March 21, 2022

To Whom It May Concern,

Dennis Grubb & Associates has been providing excellent and timely fire plan review services and staff Review Comments for Planning Entitlement cases for the City of Perris since 2005. To this day Dennis and his staff have provided excellent technical expertise, professional service and demonstrated sound judgment in executing their duties and responsibilities.

In my experience, Dennis Grubb and Associates attention to detail has helped identify and mitigate problems quickly, resulting in consistent expedient turn around timeframes. In addition, I also consider Mr. Grubb to be an excellent resource by drawing from his extensive knowledge and experience whenever technical code interpretation is sought.

We look forward to a successful, continued relationship with Dennis Grubb and Associates.

Sincerely,

David J. Martinez CBO
Fire Marshal
City of Perris



City of Loma Linda Fire Department

Community Risk Reduction Division

To Whom It May Concern:

This is my professional recommendation for Dennis Grubb of Dennis Grubb and Associates, I.I.C. Dennis Grubb is currently a fire plan check consultant for the City of Loma Linda Fire Department and had provided these services to the Fire Department since June of 2018.

Over the past months, the City of Loma Linda has experienced unprecedented growth with the new construction and tenant improvements. With current projects, and numerous completed projects, Dennis has not only met, but exceeded all expectations and requirements of his current Professional Services Agreement with the City.

Dennis has been very responsive and has always made himself available for training, questions, or clarifications on any issues. With over 23 years' experience in doing Fire plan checks for multiple cities, Dennis has built relationships with numerous professionals in a multitude of related fields. As the Fire Marshal, I have benefitted immensely from this vast network of knowledge as Dennis has also helped me to start building rapport and relationships with these professionals which in turn has provided further value and depth to this agreement.

Dennis's knowledge and attention to detail on construction and fire code requirements on plan checks has proven invaluable not only to the Fire Department, but also to the contractors and developers that we work with daily. Since June of 2018, our ability to provide outstanding customer service has increased greatly with the assistance of Dennis and his firm and I look forward to our continued work together.

Please feel free to contact me if you have any questions, or require further information.

Respectfully,

A handwritten signature in black ink, appearing to read "Tom Ingalls", written over a horizontal line.

Tom Ingalls
Fire Marshal

25541 Barton Road, Loma Linda, CA 92354 • (909) 799-2850 • Fax (909) 799-2891

6560 Van Buren Blvd, Ste B, Riverside, CA. 92503
(800) 975-7395 * (951)772-0007



City Council Agenda Statement

Meeting Date: October 18, 2022

Agenda Heading: Consent

Item Number: B.7

TITLE:

Notice of Completion of Sidewalk Construction Project for 400 West Mariposa Avenue and 300 West Pine Avenue

RECOMMENDATION:

1. Accept the construction of Sidewalk Project at 400 W. Mariposa Avenue and 300 W. Pine Avenue, Project No. PW 21-07, by Gentry General Engineering as complete; and
2. Authorize the City Clerk to file a Notice of Completion with the County Recorder's Office.
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

The fiscal impact of the project is \$206,496.86 to Measure M local return fund.

Amount Budgeted: \$260,000

Additional Appropriation: None

Account Number: 127-400-0000-8382 (Measure M)

BACKGROUND:

On April 19, 2022, City Council awarded a standard Public Works Contract to Gentry General Engineering, Inc. in the amount of \$220,010.61 and approved a construction contingency amount of \$20,000 to remove trees and install new sidewalk, retaining wall, stairs, and handrail as needed on the south side of the 400 Block of W. Mariposa Avenue and the south side of the 300 Block of W. Pine Avenue. There were not any existing sidewalks at these locations prior to this construction.

DISCUSSION:

Notice Completion of Sidewalk Project

October 18, 2022

Page 2 of 2

Gentry General Engineering, Inc. began construction on June 6, 2022 and completed it by 8/19/22. The project was completed in accordance with the plans and specifications and to the City's satisfaction. The project was completed within budget and unspent funds will be returned to source for future projects.

Staff recommends that City Council approve the recommended actions as noted.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Equity, Inclusion and Communication

Objective 1A: El Segundo provides unparalleled service to all customers.

Goal 4: Develop and Maintain Quality Infrastructure and Technology

Objective 4A: El Segundo's physical infrastructure supports an inviting and safe community.

PREPARED BY:

Floriza Rivera, Principal Civil Engineer

REVIEWED BY:

Elias Sassoon, Public Works Director

APPROVED BY:

Barbara Voss, Deputy City Manager

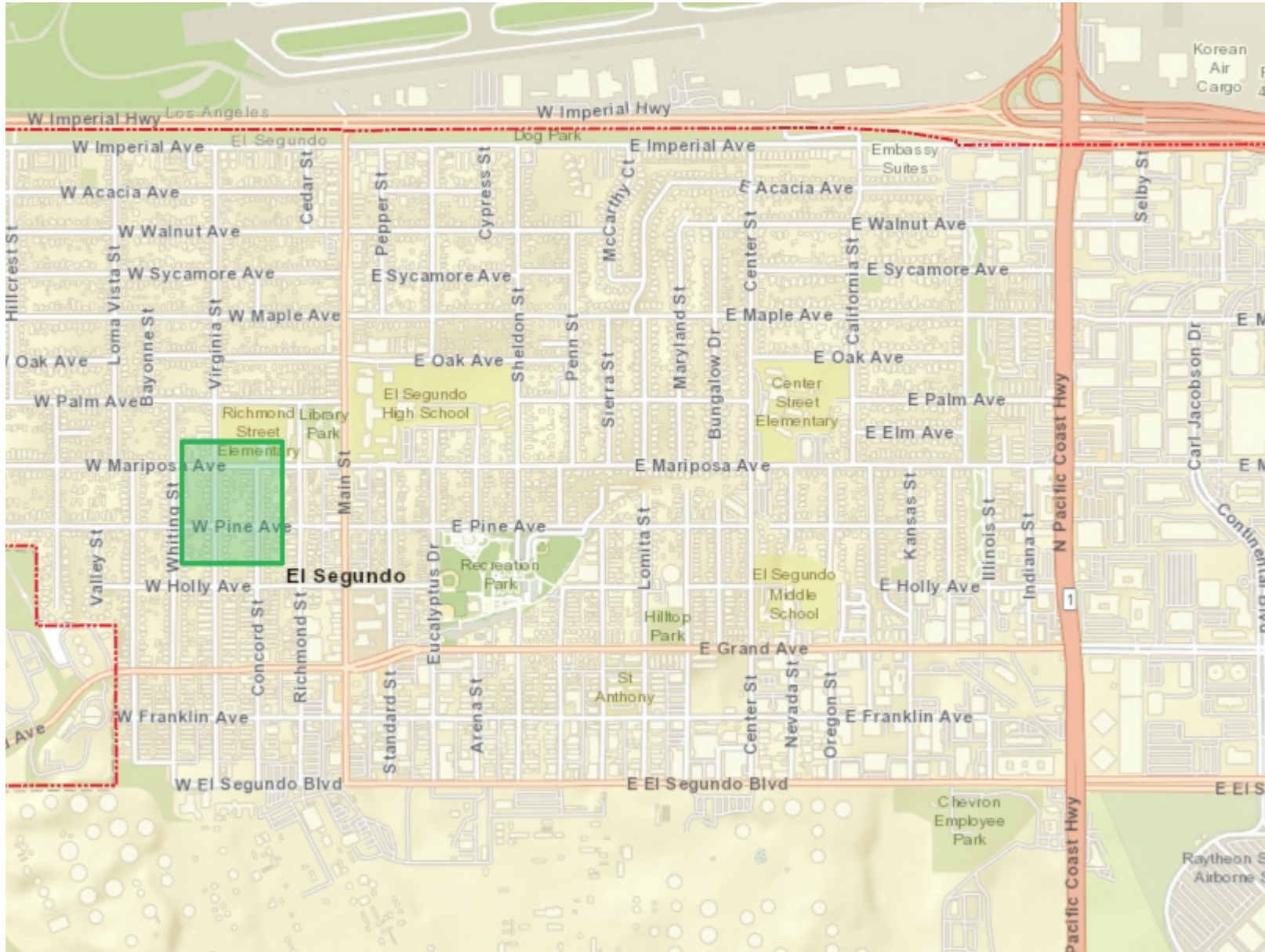
ATTACHED SUPPORTING DOCUMENTS:

1. Vicinity Map PW 21-07
2. Location Map PW 21-07
3. Notice of Completion PW 21-07
4. Before and After Pictures PW 21-07



Vicinity Map

W. Mariposa and W. Pine Ave Sidewalk Installation Project



3,009.3 | 0 | 1,504.66 | 3,009.3 Feet

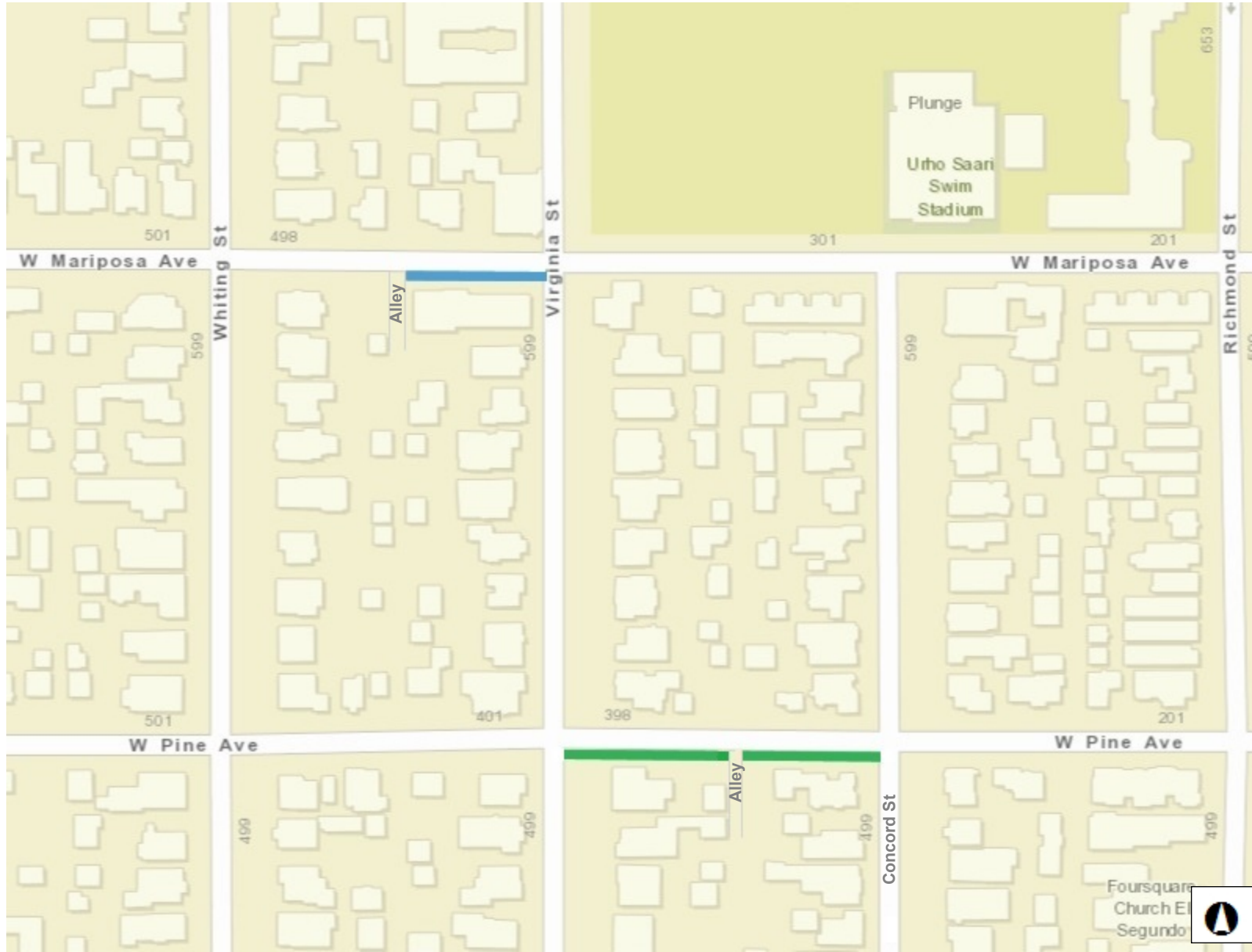
WGS_1984_Web_Mercator_Auxiliary_Sphere

DISCLAIMER: The information shown on this map was compiled from different GIS sources. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. The City of El Segundo will not be held responsible for any claims, losses or damages resulting from the use of this map.



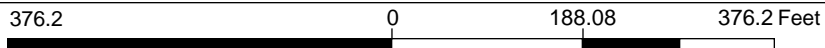
Location Map

W. Mariposa Ave. and W. Pine Ave. Sidewalk Installation Project



- Legend**
- City Boundary
 - 400 Block W. Mariposa Ave.
 1. Tree removals
 2. New sidewalk and curb
 3. New retaining wall
 4. New stairs and handrails
 - 300 Block W. Pine Ave.
 1. Tree removals
 2. New sidewalk and curb
 3. New parkway
 4. Replacement City trees

Notes



WGS_1984_Web_Mercator_Auxiliary_Sphere

DISCLAIMER: The information shown on this map was compiled from different GIS sources. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. The City of El Segundo will not be held responsible for any claims, losses or damages resulting from the use of this map.

**Recording Requested by
and When Recorded Mail To:**

**City Clerk, City Hall
350 Main Street
El Segundo, CA 90245**

NOTICE OF COMPLETION OF CONSTRUCTION PROJECT

Project Name: 400 Block W. Mariposa Ave. and 300 Block W. Pine Ave. Sidewalk Installation Project

Project No.: PW 21-07 Contract No. 6340

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

1. The undersigned is an officer of the owner of the interest stated below in the property hereinafter described.
2. The full name of the owner is: City of El Segundo
3. The full address of the owner is: 350 Main Street in El Segundo, CA, 90245
4. The nature of the interest of the owner is: Public Right-of-Way
5. A work of improvement on the property hereinafter described was field reviewed by the City Engineer on August 19, 2022. The work done was: removal of trees, construction of new sidewalk and parkway, construction of a block wall, and construction of three walkway stairs with railings.
6. On October 18, 2022, City Council of the City of El Segundo accepted the work of this contract as being complete and directed the recording of this Notice of Completion in the Office of the County Recorder.
7. The name of the Contractor for such work of improvement was: Gentry General Engineering, Inc.
8. The property on which said work of improvement was completed is in the City of El Segundo, County of Los Angeles, State of California, and is described as follows: the south sides of the public right-of-way of both the 400 Block of W. Mariposa Ave. and the 300 Block of W. Pine Ave. in El Segundo, CA, 90245.
9. The street address of said property is: Public right-of-way on W. Mariposa Ave. in front of 543 Virginia St., and public right-of-way on W. Pine Ave. in front of 442 Virginia St. and 443 Concord St.

Dated: _____

Elias Sassoon
Public Works Director

VERIFICATION

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

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

Executed on _____, 2022 at El Segundo, California. 90245

Elias Sassoon
Public Works Director

PW 21-07 400 Block W. Mariposa Ave. and 300 Block W. Pine Ave. Sidewalk Installation Project, Before and After Pictures

Before: 400 Block W. Mariposa Ave., looking west



After:



Before: 300 Block W. Pine Ave., looking west from Concord St.



After:



Before: 300 Block W. Pine Ave., looking east from Virginia St.



After:





City Council Agenda Statement

Meeting Date: October 18, 2022

Agenda Heading: Consent

Item Number: B.8

TITLE:

Second Reading of Ordinance Adding Chapter 13-33 to the El Segundo Municipal Code to Establish a Regulatory Program Allowing for Reasonable City Cost Recovery for Excessive False Alarms Responses

RECOMMENDATION:

1. Waive the second reading and adopt the Ordinance adding Chapter 13-33 to the El Segundo Municipal Code.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

The proposed Ordinance would enable the City's cost recovery for excessive fire false alarm calls. The El Segundo Fire Department ("ESFD") will present a fee resolution on October 18, 2022 (or as soon thereafter as may be considered) to the City Council to modify an existing false alarm fee that ESFD included with the recently adopted Master Fee Schedule. The adopted fee allowed the City to collect ESFD costs after three false alarms, but the proposed amendment will conform with the Ordinance to allow City cost recovery after the first two false alarms. City staff anticipates the Ordinance will cause most alarm system owners to be more responsible in maintaining their systems in proper working order, requiring a lower number of responses. Pursuant to California Constitution article XIII C, § 1(e)(3), the fees authorized through the Ordinance do not constitute a "tax" as they concern City regulation enforcement and investigation performance associated with a regulatory program.

BACKGROUND:

California Constitution article XIII C, § 1(e)(3) exempts from the definition of a "tax," municipal fees imposed to recover the City's regulatory activity costs that is part of a regulatory program. ESFD proposes the City Council's adoption of the proposed Ordinance to establish a program regulating fire alarms and enabling the City's cost recovery or reasonable costs incurred in responding to excess fire alarms (i.e., more

False Fire Alarm Ordinance

October 18, 2022

Page 2 of 3

than two false alarms in a calendar year).

DISCUSSION:

Timely response to reported emergencies is one of the most valuable services provided by the ESFD. Prompt response to fire alarms is a service reasonably expected for the protection and well-being of the entire community, and ESFD's responds to such alarms as reports of emergencies.

A false alarm is defined as the activation of an alarm when an emergency does not exist. From 2021 to 2022, the ESFD is seeing an increasing number of false alarms. In 2021, there were 317 false alarm calls and there have been 264 false alarm calls so far in 2022 (January 1- September 1, 2022). To help recover the City's reasonable costs associated with responding to such calls and to encourage alarm system owners to be more responsive in maintaining their systems in proper working order, the ESFD is proposing a fee to be charged on the third false alarm call and each subsequent call-out at the same address in the calendar year.

Any person may receive two responses to false alarms without charge. Third and subsequent responses in the same calendar year will be billed at the costs determined by the City of El Segundo Fee Schedule. Activation due to weather, or to power outages is not considered billable within the scope of this policy.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 2: Support Community Safety and Preparedness

Objective: El Segundo is a safe and prepared city.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Nicole Pesqueira, Fire Marshal

REVIEWED BY:

Deena Lee, Fire Chief

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. El Segundo False Fire Alarm Ordinance

ORDINANCE NO. _____

**AN ORDINANCE AMENDING EL SEGUNDO MUNICIPAL CODE
TITLE 13 TO ADD A NEW CHAPTER 22 TO ENABLE CITY COST
RECOVERY FOR EXCESSIVE FALSE FIRE ALARMS.**

**THE CITY COUNCIL OF THE CITY OF EL SEGUNDO DOES ORDAIN AS
FOLLOWS:**

SECTION 1. El Segundo Municipal Code (“ESMC”) Title 13 (Building Regulations) is amended to add Chapter 22 (False Fire Alarms) to read as follows:

“CHAPTER 22

FALSE FIRE ALARMS

13-22-1 Purpose.

This chapter is adopted in accordance with California Constitution article XI, § 7 to protect public health, safety, and well-being by reducing the waste of City Fire Department resources in responding to excess false fire alarms and establishing a mechanism for reasonable City cost recovery to safeguard City resources. Pursuant to California Constitution article XIII C, § 1(e)(3), the fees authorized in this chapter do not constitute a “tax” as they concern City regulation enforcement and investigation performance associated with a regulatory program.

13-22-2 Definitions.

For purposes of this chapter:

- A. “Alarm” means the giving, signaling, or transmission to the Department, or any Department employee or designee, whether by telephone, e-mail, or other medium, information to the effect that a fire or emergency situation exists at or near the place indicated by the person giving, signaling, or transmitting such information.
- B. “Automatic fire sprinkler system” means an integrated system of underground and overhead piping designed in accordance with fire protection standards that is activated by heat from fire, or other similar mechanism, and discharges water over the fire area.
- C. “Chief” means the El Segundo Fire Department Chief.
- D. “Department” means the El Segundo Fire Department.
- E. “False alarm” means an alarm requiring Department response where a fire or emergency situation does not exist.

- F. "Fire alarm system" means a system designed to detect and announce the presence of fire or fire byproducts.
- G. "Notice" means written notice, given by personal service upon the addressee, or given by the United States mail, postage prepaid, addressed to the person to be notified. at the last known address. Service of such notice will be effective upon the completion of personal service, or upon the placing of the same in the custody of the United States Postal Service.
- H. "Person" means any company, firm, partnership, limited liability company, joint venture, unincorporated organization, corporation, corporation, government agency, or natural person.

13-22-4 Alarm Registration.

Any person that owns or operates a business in the City must notify the Department of any installation of any automatic fire sprinkler system or fire alarm system. Such notice must be in writing, delivered to the City within 10 days of installation, and include the following information: name, address, and telephone number of the associated alarm business or its agent and the name, address, and telephone number of the best contact person for the business.

13-22-4 Alarm Testing.

A person must notify the Department at least 24 hours prior to any service, test, repair, maintenance, adjustment, alterations, or installations of an automatic fire sprinkler system or fire alarm system that may activate a false alarm. Any alarm activated where such prior notice has not been duly given to the Department will constitute a false alarm for this chapter's purposes.

13-22-5 Fees Imposed.

The owner or lessee of any premises containing an automatic fire sprinkler system or fire alarm system will be assessed a fee under this chapter for each false alarm more than two, occurring within any calendar year.

13-22-6 City Council Sets Fees.

The City Council will, by resolution, establish the amount of all fees imposed under this chapter.

13-22-7 Fee Collection.

It is the Department's duty to collect fees pursuant to this chapter."

SECTION 2. *Environmental Review.* This Ordinance was reviewed pursuant to the California Environmental Quality Act (Public Resources Code §§ 21000, *et seq.*, “CEQA”) and the regulations promulgated thereunder (14 Cal. Code of Regulations §§15000, *et seq.*, the “CEQA Guidelines”). Based upon that review, this Ordinance is exempt from further review pursuant to CEQA Guidelines §15061(b)(3) because it can be seen with certainty that there is no possibility that the Ordinance may have a significant effect on the environment.

SECTION 3. *Electronic Signatures.* This Ordinance may be executed with electronic signatures in accordance with Government Code §16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

SECTION 4. *Construction.* This Ordinance must be broadly construed 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 or amendment of any provision of the ESMC will 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. *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 7. *Recording.* The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the city of El Segundo’s book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within 15 days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 8. *Execution.* The Mayor, or presiding officer, is hereby authorized to affix his signature to this Ordinance signifying its adoption by the City Council of the City of El Segundo, and the City Clerk, or duly appointed deputy, is directed to attest thereto.

SECTION 9. *Effectiveness.* This Ordinance will take effect on the 30th day following its final passage and adoption. It may be enforced commencing on January 1, 2022.

ORDINANCE NO. ____ HAD ITS FIRST READING ON _____, ITS SECOND READING ON _____, AND WAS DULY PASSED, APPROVED,

AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF EL SEGUNDO AT ITS
REGULAR MEETING OF _____.

Drew Boyles, Mayor

ATTEST:

Tracy Weaver, City Clerk

APPROVED AS TO FORM:
MARK D. HENSLEY, CITY ATTORNEY

Joaquin Vazquez, Deputy City Attorney



City Council Agenda Statement

Meeting Date: October 18, 2022

Agenda Heading: Consent

Item Number: B.9

TITLE:

Resolution Allowing Continued Teleconferenced Public Meetings

RECOMMENDATION:

1. Approve the proposed resolution to continue the City's utilization of relaxed teleconferencing requirements under the Brown Act.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

The proposed action would have no significant fiscal impact on the General Fund.

BACKGROUND:

Assembly Bill No. 361 ("AB 361") amended certain provisions of the Ralph M. Brown Act governing open meetings to allow teleconferencing, including internet-based video conferencing, in a manner similar to previously-issued gubernatorial executive orders. AB 361 allows a legislative body to continue utilizing teleconferencing to conduct public meetings under certain circumstances, provided it makes certain findings outlined in Government Code § 54953(e). Government Code § 54953(f) allows the municipal, but not state, legislative bodies to continue such teleconferencing until the earlier of the lifting of the Governor's state of emergency declaration or December 31, 2023, so long as certain findings are made every 30 days.

DISCUSSION:

Since the Governor's state of emergency is still effective and the County of Los Angeles continues to strongly recommend certain masking and social distancing measures, the necessary findings can be made for the City Council to adopt the proposed Resolution allowing the continued use of "hybrid" teleconferenced meetings pursuant to Government Code §§ 54953(e) and 54953(f) for a period of 30 days from the date of the

Resolution Allowing Continued Teleconferenced Public Meetings

October 18, 2022

Page 2 of 2

Resolution's adoption.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Inclusion and Communication

Objective 1A: El Segundo provides unparalleled service to all customers.

Objective 1 B: El Segundo's engagement with the community ensures excellence.

PREPARED BY:

Joaquin Vazquez, Deputy City Attorney

REVIEWED BY:

Mark Hensley, City Attorney

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. ES- Reso AB 361 Extension 10182022

RESOLUTION NO. _____ -

A RESOLUTION OF THE CITY COUNCIL OF CITY OF EL SEGUNDO FINDING THAT CERTAIN CONDITIONS EXIST TO CONTINUE CONDUCTING PUBLIC MEETINGS VIA TELECONFERENCING PURUSANT TO GOVERNMENT CODE SECTION §§ 54953(e) AND 54953(f).

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

SECTION 1. *Findings.* The City Council finds and declares as follows:

- A. On March 4, 2020, Governor Gavin Newsom proclaimed a State of Emergency to exist in California due to the threat of the COVID-19 pandemic and such State of Emergency has not been rescinded by either the Governor or the California Legislature.
- B. This gubernatorial proclamation, among other things, suspended local government emergency declaration, reporting, and extension requirements of Government Code § 8630 for the duration of the COVID-19 pandemic.
- C. Effective September 16, 2021, Assembly Bill No. 361 (“AB 361”) took effect which, among other things, amends certain provisions of the Ralph M. Brown Act (“Brown Act”) governing open meetings to allow teleconferencing, including internet-based video conferencing, in a manner similar to previously issued gubernatorial executive orders.
- D. During a proclaimed state of emergency, AB 361 allows a legislative body, like the City Council, to continue utilizing teleconferencing to conduct public meetings under certain circumstances, provided the legislative body makes certain findings.
- E. The City Council has previously adopted and made findings to continue meeting via teleconferencing pursuant to AB 361 and seeks to make additional findings under Government Code § 54953(e) to continue such teleconferencing use.
- F. The Los Angeles County Department of Public Health issued an order, effective April 22, 2022, maintaining its position that masks are “strongly recommended” in indoor settings to prevent transmission of COVID-19.
- G. Following weeks of high case numbers fueled by highly infectious strains of COVID-19, BA.4 and BA.5, in a July 12, 2022 press release, the Los Angeles County Department of Public Health has

recommended “wearing high-quality respirator masks and getting tested” to slow the spread of COVID-19.”

SECTION 2. *Teleconferencing; Ratification.*

A. Pursuant to Government Code § 54953(e), the City Council has reconsidered the circumstances of the state of emergency finds as follows:

1. California continues to be in a declared state of emergency pursuant to Government Code § 8625 (the California Emergency Services Act; see Government Code § 54953(e)(3); see also Governor’s Proclamation dated March 4, 2020); and
2. Based upon the Order of the Health Officer for County of Los Angeles Department of Public Health (dated April 21, 2022 and effective April 22, 2022) and recent public Los Angeles County Department of Public Health releases, masks are strongly recommended to curb the spread of COVID-19 (Government Code § 54953(e)(3)(B)(ii)).

B. Accordingly, to protect public health and safety the City Council:

1. Finds that it is in the public interest to conduct City Council meetings via teleconference as defined by Government Code § 54953;
2. Authorizes City Council members to appear at regular and special meetings in person; and
3. Authorizes public officials, designated by the City Manager, or designee, to attend such City Council meetings if presenting matters to the legislative body or if the official’s presence at the meeting is otherwise deemed necessary by the City Manager or designee.

C. The City Council will adhere to all requirements of Government Code § 54953 governing teleconferencing during the emergency including, without limitation, posting agendas; allowing for real-time public comment via either call-in or internet-based; allowing for written communications that will be either read or summarized into the record during the meeting as determined by the City Council; and protecting the statutory and constitutional rights of all persons appearing before the legislative body.

SECTION 3. *Environmental Review.* This Resolution itself and the actions anticipated herein were reviewed pursuant to the California Environmental Quality

Act (Public Resources Code §§ 21000, et seq., “CEQA”) and the regulations promulgated thereunder (14 Cal. Code of Regulations §§15000, et seq., the “CEQA Guidelines”). Based upon that review, this action is exempt from further review pursuant to CEQA Guidelines § 15269(a) because the protection of public and private property is necessary to maintain service essential to the public, health and welfare.

SECTION 4. Reporting. Every 30 days following adoption of this Resolution, the City Council will reconsider the extension of the teleconferencing method of public meetings in accordance with Government Code § 54953(e)(3). Such determinations may be placed on the consent calendar.

SECTION 5. Signature Authority. The Mayor, or presiding officer, is hereby authorized to affix his signature to this Resolution signifying its adoption by the City Council of the City of El Segundo, and the City Clerk, or her duly appointed deputy, is directed to attest thereto.

SECTION 6. Effective Date. This Resolution will take effect immediately upon adoption and will remain effective unless repealed or superseded.

SECTION 7. City Clerk Actions. The City Clerk will certify to the passage and adoption of this Resolution, enter it in the City’s book of original Resolutions, and make a record of this action in the meeting’s minutes.

PASSED AND ADOPTED this ___ day of _____, 2022.

Drew Boyles, Mayor

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

I, Tracy Weaver, City Clerk of the City of El Segundo, California, hereby certify that the whole number of members of the City Council of the City is five; that the foregoing Resolution No. _____ was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested to by the City Clerk of said City, all at a regular meeting of said Council held on the _____ day of _____, 2022, and the same was so passed and adopted by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Tracy Weaver, City Clerk

APPROVED AS TO FORM:
MARK HENSLEY, CITY ATTORNEY

Joaquin Vazquez, Deputy City Attorney



City Council Agenda Statement

Meeting Date: October 18, 2022

Agenda Heading: Public Hearings

Item Number: C.10

TITLE:

Public Hearing on the Bargaining Impasse Between the City of El Segundo and the El Segundo Firefighters' Association Regarding the Potential Impacts of the Brownout (Temporary Suspension) of Engine Number 32

RECOMMENDATION:

1. Conduct a public hearing on the bargaining impasse between the City of El Segundo and the El Segundo Firefighters' Association over the potential impacts of the Brownout of Engine Number 32.
2. Adopt a resolution Authorizing the Implementation of the Terms of the City's April 25, 2022, Last, Best, and Final Offer to the El Segundo Firefighters' Association Pursuant to Government Code § 3505 which will brownout Engine Number 32 for a six-month period pursuant to certain terms and conditions.
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

After the public hearing, should the City Council implement the City's Last, Best, and Final Offer ("LBFO"), cost savings are estimated to be \$600,000 over a six-month period for the Brownout of Engine Number 32.

BACKGROUND:

On November 22, 2021, the City's negotiation team began meeting and conferring in good faith with the El Segundo Firefighters' Association ("ESFA") to identify and discuss any impacts of a brownout of Engine Number 32 for a six-month period. These meetings did not result in an agreement and impasse was declared by the ESFA on May 11, 2022. A fact-finding hearing was held on this matter on September 7, 2022. The recommendations of the neutral factfinder were made publicly available on the City's website on October 13, 2022 and found that the City could brownout Engine Number 32 pursuant to certain terms and conditions (Attachment 1). The resolution

Public Hearing on the Bargaining Impasse Regarding Brownout of Engine 32

October 18, 2022

Page 2 of 4

authorizes the implementation the terms of the City's LBFO (Attachment 2).

DISCUSSION:

During the FY 2021-22 Budget public hearing, City Council discussed the City's ability to complete unfunded capital improvement projects and deliberated opportunities to reduce expenditures without impacting the safety or services to the community. As the Police and Fire Departments are the largest budgets in City, Council inquired about potential budget reductions through staffing and operational efficiencies. After presentations from representatives from both departments, City Council directed staff to make a reoccurring expenditure reduction from the Fire Department budget in the amount of \$1,000,000. On November 2, 2021, staff returned to City Council with an item outlining a recommendation to achieve the savings which included the temporary suspension (brownout) of Engine Number 32 for the remainder of FY 2021-22.

Beginning on November 22, 2021, the City and ESFA met and conferred eleven times over six months to discuss the impacts of the brownout of Engine 32 but were unable to reach an agreement.

On April 25, 2022, the City provided ESFA with its LBFO which included the following:

- Engine 32 will be browned-out for a period of six-month effective May 16, 2022, or the City Council's adoption of this LBFO.
- The fire suppression personnel displaced from this brownout will work in place of other firefighters, engineers and captains who are on vacation, sick leave, are injured, or in training or filling other department needs.
- Fire Station 2 will not be closed. Truck 32 (ladder truck) and Rescue 32 (ambulance) will remain available to respond to calls for service.
- ESFA members shall not be subject to discipline if the Fire Department is unable to complete the City expected number of building inspections during the six-month period of the brownout.
- City staff will assess the impact on the level of service to City residents from the six-month brownout of Engine 32 and submit a report to the City Council for consideration of further action, if any.

If the City's LBFO is implemented, there will be no change in the total sworn Fire Department personnel. All sworn ESFA members will retain their jobs, as well as retain their current salary and benefits. However, there will be a reduction of overtime available to work as a result of the City's LBFO. This reduction in available overtime is what results in a savings to the City. Currently, the average ESFA member has the opportunity to earn considerable overtime. In calendar year 2021, the average ESFA

Public Hearing on the Bargaining Impasse Regarding Brownout of Engine 32

October 18, 2022

Page 3 of 4

member earned overtime as follows: each Fire Captain on average earned \$82,398 with several earning over \$100,000, each Fire Engineer on average earned \$66,714, each Fire Paramedic on average earned \$64,575, and each firefighter on average earned \$51,529. The reporting on this data can be found at www.transparentcalifornia.com, as well as the State of California Controller's website at: <https://publicpay.ca.gov/Reports/Cities/City.aspx?entityid=184&year=2021>.

There were several positions that earned over \$100,000 in overtime during calendar year 2021. If the City's LBFO is implemented, this would result in ESFA members having an average reduction in overtime of \$15,385.

On May 11, 2022, ESFA rejected the LBFO and declared impasse.

The Meyers-Milias-Brown Act ("MMBA"), codified in Government Code §§ 3500-3511, governs labor management relations in government employment and outlines the procedures for labor negotiations and impasse. If impasse is declared, the labor association may make a request to the Public Employee Relations Board ("PERB") to have the impasse heard by a factfinding panel. This three-member panel is led by a neutral factfinder with one member each from the government entity and the labor association. ESFA requested factfinding on May 31, 2022, and the hearing was held on September 7, 2022. The factfinding report was issued October 3, 2022, and City Council directed a public hearing on the impasse during the closed session on October 4, 2022. The report was made publicly available on the City's website on October 13, 2022.

At the public hearing, the City Council and the public will be provided with presentations from the City's labor negotiator and the ESFA's representative on the issue at impasse. The City Council will also receive public comments on the item. Following this public hearing, the City Council may, if it chooses, implement its LBFO or alternatively, discuss and take other action related to this item.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Rebecca Redyk, Human Resources Director

REVIEWED BY:

Rebecca Redyk, Human Resources Director

APPROVED BY:

Barbara Voss, Deputy City Manager

Public Hearing on the Bargaining Impasse Regarding Brownout of Engine 32

October 18, 2022

Page 4 of 4

ATTACHED SUPPORTING DOCUMENTS:

1. Neutral Fact Finder Report
2. Resolution Authorizing the Implementation of the Terms of the Last Best Final Offer
3. Exhibit A to Resolution

**City of El Segundo and El Segundo Firefighters Association
PERB Case No. LA-IM-315-M**

Factfinding Report and Recommendations

Tony Butka, Factfinding Chair
Nate J Kowalski, Employer Panel Member
Jacob Kalinski, Firefighters Assn Panel Member

Procedural Background

During the course of negotiations for a successor agreement between the Firefighters Association and the City of El Segundo, on December 8, 2021 the City proposed a sole carve-out proposal referred to as "Browning-Out Engine 32 for a 6-month Trial Period.

In the overall bargaining history, the parties met 11 times prior to a declaration of Impasse on May 11, 22 by the Firefighters Association on the sole issue of Browning-out Engine 32. On May 31st the Association filed for factfinding with PERB.

The overall negotiations for a successor agreement continued on a separate track, ultimately resulting in a separate request for factfinding. PERB granted that request as Case No LA-IM-311-M, which is entirely separate from this proceeding.

Factfinding

The request for sending the single issue matter to a factfinding panel went to PERB, and they ultimately approved the request as PERB Case No. LA-IM-315-M. The parties jointly selected Tony Butka as Factfinding Chair, with Nate J Kowalski as Panel member for the City, and Jacob Kalinski as Panel member for the Firefighters Association.

The factfinding hearing was scheduled on September 7, 2022, at the City Hall Chambers in El Segundo, starting at 10 am. All parties were afforded full opportunity to present evidence and argument, with each party providing binders and video presentations.

The hearing concluded at approximately 2 pm, with the factfinding Chair agreeing to provide a draft report to the panel members, review their input thereafter, to be followed by a final report and recommendations.

Criteria

Pursuant to Government Code 3505.4, there are eight (8) criteria to be considered by the Panel in arriving at findings and recommendations.

- (1) State & Federal Laws
- (2) Local rules, regulations, or ordinances

(3) Stipulations of the parties

(4) The interests and welfare of the public and the financial ability of the public agency

(5) Comparisons of the wages, hours, and conditions of employment for the employees involved in the factfinding proceeding with the wages, hours, and conditions of employment of other employees performing similar services in comparable public agencies

(6) The Consumer Price Index for goods and services, commonly known as the cost of living

(7) The overall compensation presently received by the employees, including direct wage compensation, vacation, holidays, and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

(8) Any other facts, not confined to those specified in paragraphs (1) to (7), inclusive, which are normally or traditionally taken into consideration in making the findings and recommendations.

The City's Position

Both the City and the FFA articulated their positions through written, oral, and video submissions, and both did an excellent job.

It appears that the handling of the "Browning-Out Engine 32 Plan" was more contentious than the City anticipated. In their Powerpoint presentation, Slide 3 *Overview of Bargaining History*", states that

"Parties met and City provided the "Browning-Out Engine 32" plan (Exhibit 12). FFA presented a counter offer. Discussedf Brown-Out and the belief that there was already an agreement on the Brown-Out based on FFA members inputs/edits to Chief Lee's decision to Brown-Out-Engine 32 (safety (safety valves for mental health))."

About a week later the parties met again on this issue, and the Firefighters Association advised that they were in opposition to the Browning-Out Engine 32 proposal.

In any event, from the standpoint of the employer, there should be no controversy that the decision to Brown-Out Engine 32 is not subject to factfinding. Indeed, the Firefighters Association tacitly agreed. As presented to the Panel, the issue is defined as a "6 month trial so that the City can "assess the benefits of Browning-Out Engine 32 without jeopardizing the safety of FFA members or the public."

To further their position, the City provided two documents. The first is titled "City of El Segundo Brown-Out Plan", delineating the scope of the trial, and stating that "City staff will assess the impact on the level of service to City residents from the six-month brow-out of Engine 32 and submit a report to the City Council for consideration of further action, if any." The document parallel's the City's last, best, and final offer.

The Firefighters Position

In late January 2022, the Firefighters Association met with the City, and formally

rejected the City's Browning-Out Engine 32 Plan, ultimately resulting in this hearing.

The Firefighters argue that there will be two major impacts to the Study; Firefighter Safety and Increased Workload. In terms of Safety, they believe that by having to rely on outside Fire Engines, response time to a structure fire will be slower than using Engine 32, and according to NPFA studies, "every minute the fire burns, it doubles in size".

With respect to increased workload, the Firefighters argue that under the terms of the Browning-Out Engine 32 Plan, the work force is reduced from 13 to 10 firefighters per day, a reduction of 23%.

The City's response was that the statistics used by the Firefighters relied on data for inspections only. To that end, they agreed that if members are unable to complete inspections during the trial period, "they will not be subject to discipline if goals for building inspections are not met."

Ultimately, the FFA proposed a new staffing model for the period of the trial and beyond. It was called an "Ambulance Operator Program:". They indicated that this proposal would generate at least \$1 million in savings per year. It seems that the basis for this proposal was using the El Segundo Fire Department Annual Reports from 2012-2022 (attachment 9 in the FFA Binder).

Analysis and Recommendation

As the City pointed out, the NPFA study refers to structure fires in slide 9, for major incident fires, only a fraction more than 2% of the major incidents actually involved fires. in the last three years (2018-2020) It is difficult to really assess the statistics, since one huge structure fire with slower response times is one too many.

Although specifics were not provided, the Firefighters also included a number of other functions which would there would be increased workload per employee; emergency responses/employee, increase in staffing assignment duties, increase in station and equipment maintenance duties, and an increase in training hours for the 'new operational model'.

While the "Ambulance Operator Program" is intriguing, it goes beyond the scope of a six-month Browning-Out Engine 32 Plan and effects bargaining. In upcoming negotiations, it would be appropriate.

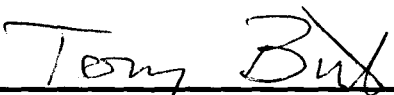
Going back to what is in front of the Factfinding Panel, the sole issue in question is the City's sole carve-out proposal referred to as "Browning-Out Engine 32 for a 6-month Trial Period.

Ultimately, I can find nothing in the MMBA which precludes the employer from conducting a 6-month trial program. The decision to perform such a trial is clearly within the City's authority.

To further their position, the City provided two documents. The first is titled "City of El Segundo Brown-Out Plan", delineating the scope of the trial, and stating that "City staff will assess the impact on the level of service to City residents from the six-month brown-out of Engine 32 and submit a report to the City Council for consideration of further action, if any." The document parallel's the City's last, best, and final offer.

I mention the MMBA because the parties bargaining history makes it clear that the City has absolutely no interest in bargaining over the Unions proposals, nor is there any indication that they are willing to consider any modifications to the trial program.


So long as the City sticks to the terms of their trial, I believe they are within their rights.



Tony Butka, Factfinding Chair

10/3/22

Jacob Kalinski, Firefighters Assn Panel Member



Nate J. Kowalski, City of El Segundo Panel Member

10/03/2022

**City of El Segundo and El Segundo Firefighters Association
PERB Case No. LA-IM-315-M**

Factfinding Report and Recommendations

Dissenting Opinion

The City of El Segundo (“City”) proposes to “brown out” Fire Engine 32 on a six month trial basis. Although the City did not clearly articulate its justification for the brown out, it is without doubt an effort to save money at the expense of safety. The idea for the brown seems to have begun with the observation that calls for service declined during the pandemic. Despite being presented with more recent data showing that, in 2022, the Fire Department is on pace for its highest volume of calls for service on record, the City trudges on **jeopardizing the safety of its citizens and its employees in a misguided attempt to save money.**

The Majority opinion authored by Factfinding Chair Tony Butka blesses the brown out on a trial basis, concluding, “Ultimately, I can find nothing in the [Meyers-Milias-Brown] Act] which precludes the employer from conducting a 6-month trial program. The decision to perform such a trial is clearly within the City’s authority. So long as the City sticks to the terms of their trial, I believe they are within their rights.”

Inherent in that conclusion is a fundamental misunderstanding of the factfinding process. The purpose of factfinding is not to ascertain whether the City is within its rights to implement the brown out. Moreover, the El Segundo Firefighters Association (“Association”) did not argue at the hearing that the City was legally prohibited from doing so; nor is this the proper forum to adjudicate whether the City is or not within its rights to implement a particular action. Such a determination is squarely within the jurisdiction of the Public Employment Relations Board (PERB). (See Government Code section 3509, subdivision (b).)

Rather, the purposes of factfinding are simply to “find facts” and provide recommendations as to what changes should be made given those factual findings using the criteria set forth in Government Code 3505.4 as follows:

- (1) State & Federal Laws
- (2) Local rules, regulations, or ordinances
- (3) Stipulations of the parties
- (4) The interests and welfare of the public and the financial ability of the public agency**
- (5) Comparisons of the wages, hours, and conditions of employment for the employees involved in the factfinding proceeding with the wages, hours, and conditions of employment of other employees performing

similar services in comparable public agencies

(6)The Consumer Price Index for goods and services, commonly known as the cost of living

(7)The overall compensation presently received by the employees, including direct wage compensation, vacation, holidays, and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

(8) Any other facts, not confined to those specified in paragraphs (1) to (7), inclusive, which are normally or traditionally taken into consideration in making the findings and recommendations.

(Emphasis added.)

As to comparisons of wages, the consumer price index, and the overall compensation presently received by the employees, Neutral Factfinder Najeeb Khoury has already recommended the employees represented by the Association receive salary increases of 4.5% in this year and the next. A true and correct copy of his recommendation is attached hereto as Exhibit 1 and incorporated herein by reference. The City apparently has no plans to provide any salary increases.

With respect to the criteria, “interests and welfare of the public and the financial ability of the public agency”, the City did not present any evidence of its financial position.

However, the Association presented a wealth of evidence showing that the City’s proposal is not in the best interest of the public as it has significant effects on the safety of the public and safety of its firefighters.

The Association quoted an industry standard from the National Fire Protection Agency, “every minute a fire burns, it doubles in size.” As such, even a delay of minutes tremendously increases the hazard to the public and to the firefighters attempting to suppress the fire.

In what seems obvious, the Association showed that eliminating one of the two fire engines servicing the City would cause delays in response to fires within the City which would allow a fire to spread more rapidly, thereby causing significantly more danger to the firefighters as well as to the citizens of El Segundo and their property.

For example, if a structure fire burned in Fire Station 2 District, which is currently serviced by Fire Engine 32, there would be a delay in the initial response. If there was a fire in Fire Station District 1, currently serviced by Fire Engine 31, there would be a delay in the arrival of the second engine. Because the fire engines are only staffed with 3 firefighters and 4 are necessary to enter the scene of a structure fire, even in District 1, the delay in arrival of the second engine will greatly increase the spread of the fire.

The Association also established that, in the absence of Engine 32, the City would have

to rely on resources from Manhattan Beach (3.2 miles away), Los Angeles City (3.7 miles away), Los Angeles County (3.7 or 5.1 miles away), or Redondo Beach (7.0 miles away), all of which are stationed further from Engine 31 than Engine 32. Furthermore, those resources are dedicated to other jurisdictions so it is unknown whether they will be available to respond within the City.

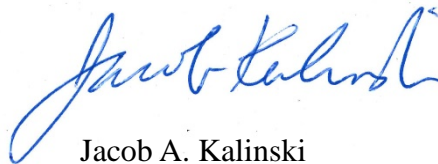
The City claimed throughout the hearing that the Association's safety concerns were speculative and that it needed 6 months to see what the effects of longer response times would be. No rational person needs to test the hypothesis that resources stationed in the City will respond more quickly than those stationed outside its limits. If the City believes that its citizens are just as safe relying on resources from outside the city as in it, it should be transparent and have the bravery to tell its citizens as much. I for one seriously doubt that the City's leaders will tell its citizens what its representatives were asked to convey to the factfinding panel.

As the Majority opinion reflects, "Ultimately, the FFA proposed a new staffing model for the period of the trial and beyond. It was called an 'Ambulance Operator Program'. They indicated that this proposal would generate at least \$1 million in savings per year. It seems that the basis for this proposal was using the El Segundo Fire Department Annual Reports from 2012-2022 (attachment 9 in the FFA Binder)."

However, the Majority opinion ultimately dismisses the Ambulance Operator Proposal, without any legal authority or analysis, on the grounds that it "goes beyond the scope of a six-month Browning-Out Engine 32 Plan and effects bargaining." If the City is attempting to save money through the brown out proposal, which it assuredly is, the Ambulance Operator Proposal accomplishes this goal without any decrease to safety. On that basis, I would recommend adoption of the Ambulance Operator Proposal.

Dated September 23, 2022

**RAINS LUCIA STERN
ST. PHALLE & SILVER, PC**



Jacob A. Kalinski
Association Panel Member

Attachment 1

1 Najeeb N. Khoury
2 P.O. Box 67
3 Montrose, CA 91021
4 213-304-5286
5 nkhouryadr@gmail.com

6 IN THE FACTFINDING PROCEEDINGS
7 PURSUANT TO THE MEYERS-MILIAS-BROWN ACT

8 EL SEGUNDO FIREFIGHTERS'
9 ASSOCIATION, IAFF, LOCAL 3682

10 Association,

11 &

12 CITY OF EL SEGUNDO,

13 Employer

Case No.: LA-IM-311-M

FACTFINDING REPORT AND
RECOMMENDATIONS FOR
SETTLEMENT

14
15 Chairperson: Najeeb N. Khoury
16 Employer Panel Member: Steven Berliner, Liebert Cassidy Whitmore
17 Association Panel Member: Robert Wexler, Rains, Lucia & Stern
18 Lead Advocate For the Association: Jacob A. Kalinski, Rains, Lucia & Stern
19 Lead Advocate For the Employer: Irma Rodriguez Moisa, Atkinson, Andelson, Loya, Rudd &
20 Romo
21 Hearing Date: June 8, 2022
22

23 BACKGROUND

24 El Segundo Firefighters' Association, IAFF, Local 3682 ("Association") represents
25 firefighters, engineers and captains employed by the City of El Segundo ("Employer" or "City").
26
27
28

FACTFINDING REPORT AND RECOMMENDATIONS FOR SETTLEMENT - I

1 El Segundo is a city located near Los Angeles International Airport (“LAX”). The cost of a 1%
2 salary increase for this unit is \$97,900.

3 The parties have been bargaining for a successor contract, but, to date, have been unable
4 to reach an agreement. A declaration of impasse was made on March 21, 2022, and the
5 Association made a factfinding request to the Public Employment Relations Board (PERB) on
6 April 5, 2022. The parties selected me to serve as the factfinding panel chair. The factfinding
7 hearing occurred on June 8, 2022 at El Segundo’s City Hall. Both parties presented through their
8 designated advocates and provided documents supporting their respective positions.
9

10 ANALYTICAL FRAMEWORK

11 Unlike interest arbitration, where a third-party neutral sets the terms of a new contract, a
12 third-party neutral chair in a Meyers-Milias-Brown Act (MMBA) factfinding simply provides
13 recommendations. In essence, this makes factfinding an extension of bargaining. Ultimately,
14 the parties must persuade one another of their positions, and the neutral factfinder simply
15 provides an outside perspective to help the parties along.
16

17 As set forth in California Government Code Section 3505.4(d), the MMBA requires
18 factfinders to “consider, weigh, and be guided” by the following criteria:
19

- 20 1. State and federal laws that are applicable to the employer.
- 21 2. Local rules, regulations, or ordinances.
- 22 3. Stipulation of the parties.
- 23 4. The interests and welfare of the public and the financial ability of the public agency.
- 24 5. Comparison of the wages, hours, and conditions of employment of the employees
25 involved in the factfinding proceeding with the wages, hours, and conditions of other
26 employees performing similar services in comparable public agencies.
27
28

1 administration of claims and seeks to manage the risk of “run away” jury verdicts; and that this
2 provision already exists in the City’s non-safety MOUs. The Association vehemently opposes
3 this proposal. It notes that no other public sector agency has such a clause; that the City should
4 focus on eliminating bad employment practices rather than limiting the rights of employees to
5 bring claims; that the City is seeking to have the Association waive rights that are statutorily
6 created and not created by the MOU; and that the City cannot legally impose this proposal.
7

8 Recommendation:

9 I do not recommend the City’s proposal with regards to having employment related
10 claims be subject to mandatory arbitration. There are three reasons for my recommendation.
11

12 First, a criterion that the MMBA requires me to consider is a “comparison of the wages,
13 hours, and conditions of employment of the employees involved in the factfinding proceeding
14 with the wages, hours, and conditions of employment of other employees performing similar
15 services in comparable public agencies.” (*emphasis added*). The City can point to no other fire
16 agency in the state that requires employees to submit non-MOU related claims to binding
17 arbitration. This requested change in the status quo is unprecedented among fire agencies, which
18 weighs strongly against recommending it.
19

20 Second, it simply makes no logical sense to require a union to bargain away statutory or
21 common law rights that do not arise from the collective bargaining process. There is a long
22 practice and history of arbitration being required for workplace disciplinary actions and disputes
23 arising from collectively bargained agreements. This widespread practice makes logical sense.
24 In the private sector, it is the collectively bargained agreement that normally turns an at will
25 employment situation into a just cause one; therefore, it is proper for a contractually created
26 process—arbitration—to decide whether just cause exists for discipline in a unionized context.
27
28

1 In the public sector, arbitration for discipline arises when the parties have negotiated arbitration
2 as the method for deciding just cause discipline in lieu of using a civil service or other hearing
3 officer model. Similarly, it makes sense for non-disciplinary related contractually created rights
4 to be decided through a contractually created arbitration process. Put differently, because it is
5 the union and employer that negotiate the disciplinary process and the collectively bargained
6 contractual rights, the union and employer logically negotiate the method for adjudicating those
7 issues—namely, arbitration. A union, on the other hand, does not negotiate statutory or common
8 law tort rights for the employees it represents. And while it is true that arbitration seeks to
9 change the forum for deciding disputes but does not extinguish claims, the right to a jury trial is
10 not an insignificant right. Moreover, the Association rightly points out that many of these
11 statutory claims are brought by lawyers on a contingency basis, and pushing these claims into the
12 arbitration forum may effectively, if not legally, prevent them from being pursued.
13
14

15 Finally, California, through AB 51, has expressed a public policy preference against
16 allowing employers to condition employment on employees entering into mandatory arbitration
17 agreements. While AB 51 continues to be litigated with complex preemption questions at play,
18 the state has clearly expressed its displeasure with employers requiring employees, as a condition
19 of employment, to submit claims to arbitration.
20

21 For these reasons, I recommend not accepting the City’s proposal of requiring the
22 Association to waive its members’ rights to jury trials for employment related claims.
23

24 I do recommend that the parties adopt the City’s proposal regarding disciplinary appeals
25 being decided through arbitration rather than through the Los Angeles County Civil Service
26 Commission. It is unusual for a different jurisdiction’s civil service commission to decide
27 disciplinary appeals for an employer. Moreover, it is very common for public sector disciplinary
28

1 appeals to be decided through the arbitration process. The Association provided no reason why
2 this change should not occur.

3 Issue 2: Residency Requirement

4
5 The City proposes a residency requirement with a 100-mile radius for 1) current members
6 who already reside within 100 miles; and 2) those hired after the adoption of the provision. The
7 City argues employees who live over 100 miles away are less likely to respond to the City when
8 someone gets injured or calls in sick, and that this places a greater burden on employees who live
9 closer to El Segundo. The City posits that this change in the status quo advances its interest of
10 maintaining the safety of residents and businesses by ensuring employees are not overworked
11 and have a proper opportunity to rest on their days off.

12
13 The Association responds that this proposal is unduly restrictive, that the cost-of-living
14 within 100 miles of El Segundo is high, that its members are not complaining about any alleged
15 uneven distribution of overtime, that no other agency in the list of comparable agencies used by
16 the parties has a residency requirement, and that the City provides no specific incident of a
17 bargaining unit member failing to timely respond to an emergency.
18

19 Recommendation

20 I do not recommend that the parties accept this provision as proposed, although I strongly
21 recommend that the parties consider the concept if it were to be limited only to future employees.
22

23 First, one compelling factor against the proposal is that no other jurisdiction in the list of
24 comparable jurisdictions has such a residency requirement.

25 Nevertheless, the City raises some legitimate concerns about wanting employees to be
26 available for unexpected work shifts, and some other fire agencies do have residency
27 requirements. However, given that the City is proposing a change in the status quo, I believe
28

1 more specific examples need to be presented of bargaining unit employees failing to respond to
2 overtime directives before a firm recommendation is made to implement such a restrictive
3 provision.

4
5 If the City had presented concrete examples, I still would have limited my
6 recommendation so that the residency requirement applies only to prospective employees. A
7 current employee who lives within a 100-mile radius should still be able to move outside that
8 radius, and should not have to choose between his/her job and moving outside a 100-mile radius
9 when there was no such limitation when he/she took the job. This concern would not exist for
10 new employees who, upon accepting offers of employment, would already be aware of the
11 residency requirement.
12

13 While I am not recommending this proposal, the Association should be willing to
14 seriously consider further discussions on such a provision for future employees, as it may lessen
15 the load on the current membership and would help address a legitimate concern raised by the
16 City.
17

18 Issue 3: Across-The-Board Salary Increases

19 The parties have been negotiating a three-year contract that would have a term from
20 October 2021-July 2023. The City proposes a zero percent increase for October 2021-June 2022,
21 a 3% increase for July 2022-June 2023,¹ and a 3% increase for July 2023-June 2024. The
22 Association proposes a zero percent increase for October 2021-June 2022, a 5% increase for July
23

24
25
26
27 ¹ The City proposes that any raises would not go into effect until a deal is reach. However, it is common for raises
28 to be retroactively applied when an agreement is reached after the start of a fiscal year. I, therefore, recommend that
any negotiated increases start on July 1, 2022 even if the agreement is reached after July 1, 2022. I do this mainly
because the Association has already agreed to a 0% increase for the current fiscal year.

1 2022-June 2023, and a 5% increase for July 2023-June 2024. The Association further seeks
2 additional contingent increases dependent on City revenue.

3 The parties agree on a list of comparable agencies to be used in looking at salaries. The
4 list includes Los Angeles City, Los Angeles County, Manhattan Beach, Redondo Beach,
5 Torrance, Culver City and Santa Monica.

6 The Association's survey of the comparable agencies concluded that El Segundo
7 firefighters are 24.4% below the mean, that El Segundo engineers are 11.1% below the mean,
8 and the El Segundo captains are 9.8% below the mean. The City's survey presented at the
9 hearing showed that El Segundo firefighters are 3.65% above the mean, that El Segundo
10 engineers are 5.5% above the mean, and that El Segundo captains are 3.7% above the mean.
11 However, on June 27, 2022, the City submitted a revised study showing that El Segundo
12 firefighters are 2.68% below the mean, that El Segundo engineers are 4.76% below the mean,
13 and that El Segundo captains are 4.83% below the mean. On July 1, 2022, the City indicated that
14 the June 27, 2022 submission had errors and provided a corrected study that showed firefighters
15 are 3.99% above the mean, that El Segundo engineers are 6.26% above the mean, and that
16 firefighter captains are 4.37% above the mean.

17 There are multiple reasons for the different figures between the City and the Association.
18 The Association argues that even applying the City's methodology shows that firefighters are
19 7.87% below the mean when one utilizes a Tier 2 employee, expresses the percentage as a
20 percentage of El Segundo compensation required to reach the mean, and corrects for various
21 issues in the City's study.

22 The Association notes that the Los Angeles Area CPI-U was 7.9% as of April 2022 and
23 has only increased. The Association also points to the City's healthy General Fund Reserve. The
24

1 Association believes that the City historically has over budgeted expenses and under budgeted
2 revenues.

3 The City responds that its long-term economic forecast is troubling. The City depends
4 heavily on hotel tax revenue, and most El Segundo hotels cater to business travelers. Unlike
5 tourist travel, business travel is still significantly down from pre-pandemic levels. The City also
6 notes that in Fiscal Year 2021-2022, the City's operations and revenues were impacted by the
7 pandemic, that the CARES act funding helped balance the 2021-2022 budget, but that the
8 CARES Act funding is one-time revenue and was used in part to address related pandemic
9 expenses. Moreover, while revenues have increased from the pandemic lows, the City is still
10 worse off in its projected revenues compared to its pre-pandemic expectations. While the City
11 maintains a healthy general fund balance, that balance is projected to decreased through the year
12 2031. This is because the City projects appropriations exceeding revenues in the foreseeable
13 future. For these reasons, the City argues it is constrained in what economic enhancements it can
14 offer and has already stretched itself to offer a 6% increase during the life of the agreement.

18 Recommendation

19 I recommend a zero percent increase for October 2021-June 2022, a 4.5% increase for
20 July 2022-June 2023, and a 4.5% increase for July 2023-June 2024. I make this recommendation
21 for several reasons. First, the MMBA requires me to consider CPI. The CPI has increased at an
22 extremely high pace in the past twelve months. Indeed, inflation at its current pace outpaces
23 even the Association's proposal. Also, the MMBA requires me to compare El Segundo
24 firefighters to firefighters in other jurisdictions. The data supports finding that the highest paid
25 firefighters in other jurisdictions are paid more than Tier 2 firefighters in El Segundo, and most
26 firefighters in El Segundo are Tier 2 employees. The Association posits that even accepting the
27

1 City's methodology but adjusting for some of its errors shows that the El Segundo firefighters
2 are 7.87% below the mean. The City acknowledges that unit members are below the mean but
3 disagrees with the Association's numbers. My recommendation would have El Segundo
4 firefighters approach and possibly surpass the mean (depending on what the comparable
5 jurisdiction do in terms of pay during the term of this Agreement and on which parties' numbers
6 are relied upon) by providing a 9% raise over the life of the contract. I also believe it makes
7 sense to concentrate the most dollars into across-the-board increases.
8

9
10 However, I also recognize the City's financial concerns. CARES funding is one-time
11 money and that City faces an uncertain economic future post pandemic. The City rightly wants
12 some stability in budgeting its expenses. Therefore, I am not recommending that the City
13 provide additional compensation increases based on the City's future revenues. Moreover, as
14 discussed below, I am not recommending any other economic enhancements outside of increases
15 to health insurance, optical, dental and life insurance contributions. My recommendation against
16 other economic enhancements is driven in large part by the City's concern that it will have future
17 budget deficits that will lessen its reserves.
18

19 Issue 4: Health Insurance Increases

20 The City proposes increasing its contribution to health insurance costs to \$1,725 a month
21 starting on January 1, 2023 and \$1,775 a month starting on January 1, 2024. The Association
22 proposes a contribution rate of \$1,800 starting on January 1, 2023 and \$1,850 starting on January
23 1, 2024. The City points out that this bargaining unit receives higher health insurance amounts
24 than other units, and the City wants to level out the amounts it pays across units. The
25 Association argues that the mean contribution from the comparable jurisdictions is over \$1,800;
26 the Association also notes that it did not receive an increase in the contribution rate for 2022.
27
28

1 The City responds that the data used by the Association includes dental and vision contributions,
2 which are disaggregated in El Segundo. The City did not provide figures for how much health
3 insurance costs are projected to increase 0in 2023 and 2024.
4

5 Recommendation:

6 I recommend that the contribution rate be \$1,775 for January 1, 2023 and \$1,800 for
7 January 1, 2024. I make this recommendation to both get the Association closer to the mean
8 level but to also account for the fact that the City disaggregates its dental and vision
9 contributions, which suggests that the real figure to get the Association to the mean is lower than
10 \$1,850.
11

12 Issue 5: Increases In Maximum Contribution to Optical, Dental & Life Insurance

13 The parties agree on the dollar figure of \$184.25 for this issue. The disagreement is over
14 whether the new figure will be implemented on January 1, 2022 (retroactively) or July 1, 2022.
15

16 Recommendation

17 I recommend an implementation date of July 1, 2022. I do this mainly for administrative
18 ease.

19 Issues 6 & 7: Elimination of Educational Pay in Exchange for an Across-The-Board Increase of
20 \$1,059.02 per month and Reimbursement for Educational Expenses.

21 The contract currently has two tiers for educational pay. Employees hired before
22 November 28, 2015 receive between \$211.36 per month to \$1,059.02 per month of pensionable
23 pay depending on their educational level and classification; employees hired after November 28,
24 2015 receive either \$500 per month if they have a BA or \$900 per month if they have an MA of
25 non-pensionable pay. The Association wants to eliminate this disparity and proposes to
26 eliminate the educational pay in exchange for an across-the-board increase of \$1,059.02 a month.
27
28

1 This proposal has a yearly cost of \$219,901.22 or the cost equivalent of a roughly 2.25% across-
2 the-board salary increase (\$219,901.22/\$97,900). The proposal would raise the starting salary in
3 excess of the across-the-board economic impact as it would have a larger impact on new
4 employees which would help attract firefighters to El Segundo. The City responds that it wants
5 to concentrate dollars on base wages and it cannot afford a salary increase on top of the across-
6 the-board increases that are being negotiated. The Association also proposes allowing for a
7 \$2,000 a year reimbursement for educational costs from an accredited institution for course work
8 taken toward a BA or MA degree. The Association proposes this in conjunction with its
9 proposal to eliminate the educational pay as a way to continue encouraging unit members to
10 pursue educational opportunities.
11

12
13 Recommendation:

14 I recommend maintaining the status quo. As discussed above, I recommended a figure
15 closer to the Association's proposal on across-the-board raises in hopes of getting the El
16 Segundo firefighters closer to the mean for the comparable group. I noted that the City does have
17 legitimate financial concerns and that I would not recommend significant economic
18 enhancements over and above the across-the-board raises. Because I do not recommend
19 eliminating the educational pay, I also do not recommend the reimbursement proposal as that
20 was tied to the elimination of the educational pay.
21

22
23 Issue 8: Leaves of Absence Hours Counted As Hours Worked for Overtime Purposes

24 In a previous bargaining cycle, the parties bargained for language that excluded leave
25 time from being counted as hours worked for overtime purposes. The Association points out that
26 none of the comparable jurisdictions has such a provision. In Manhattan Beach, vacation, holiday
27 and IOD are counted as hours worked and in Redondo Beach all paid leave except sick time is
28

1 counted as hours worked. There was some confusion at the factfinding hearing as to whether El
2 Segundo's practice is to only preclude counting sick time from being counted as hours work for
3 overtime purposes.

4 Recommendation:

5
6 I recommend clarifying that only sick time should be excluded from being counted as
7 hours worked for purposes of triggering overtime. Individuals who are asked to work extra
8 hours during periods when they have pre-planned vacations or when there are holidays should
9 not be paid less for the inconvenience of having to work outside their normal shifts. This would
10 also place El Segundo in line with some of the comparable jurisdictions on this point.

11 Issue 9: Length of Time Needed to Be In Acting Shift To Receive Acting Pay

12
13 The parties have agreed that employees who are assigned to work in higher
14 positions/classifications on a temporary basis shall receive 5% acting pay. The dispute is over
15 how long the employee must be acting to receive the pay. The Association proposes an
16 employee in the position for four hours receives the pay; the City responds that the pay should
17 only be triggered if an employee is assigned the higher work for a full shift. The Association
18 argues that all work should be paid; the City responds that logistically it would be difficult to
19 track and pay for work that occurs for only a few hours.

20
21 Recommendation:

22
23 First, I note that it is unlikely that individuals would be assigned higher duties for less
24 than a shift and so this should not be an issue that arises frequently. Second, it is important to
25 note that shifts are usually twenty-four hours in length. I can see how tracking assignments for a
26 few hours could be a logistical challenge. However, it should not be as much of a challenge to
27

1 track assignments that last at least twelve hours. For this reason, I recommend that employees be
2 paid the acting pay when they are assigned the work for at least twelve hours.

3 Issue 10: Require Promotional Testing At Least Once Every Two Years

4
5 The Association proposes that the City commence a testing process for the ranks of Fire
6 Paramedic, Fire Engineer, Fire Captain, and Battalion Chief at least once every two years
7 regardless of available positions. The Association states that this will ensure that there are
8 always active promotional lists, and it will make the promotional process more efficient. The
9 City counters that this would create unnecessary work when there are no vacancies to fill.

10 Recommendation

11
12 Given the minimum cost of this proposal and the importance of the issue to employees, I
13 recommend adopting this proposal.

14 Issue 11: Team Assignment and Special Assignment Pay

15
16 The Association proposes team assignment and special assignment pay for multiple
17 assignments. The City opposes these cost items, as it wants to focus on across-the-board
18 increases.

19 Recommendation:

20
21 I do not recommend accepting these proposals. As explained above, I believe the parties
22 should focus on across-the-board increases, which is why I recommend the 4.5% across-the-
23 board increases for each of the next two fiscal years.

24
25 I note that the parties have indicated that there is cleanup language on which they are
26 principally in agreement. I encourage the parties to continue to work on those language issues.

1 I sincerely hope that these recommendations assist the parties in reaching a negotiated
2 settlement.

3 Date: July 15, 2022

4 
5 _____
6 Najeeb N. Khoury

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING IMPLEMENTATION OF THE TERMS OF THE CITY'S LAST, BEST, AND FINAL OFFER TO THE EL SEGUNDO FIREFIGHTERS' ASSOCIATION, IAFF, LOCAL 3682 (ESFA), PURSUANT TO GOVERNMENT CODE SECTION 3505, ET SEQ.

The City of El Segundo does resolve as follows:

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

- A. The City of El Segundo ("City") and the El Segundo Firefighters' Association, IAFF, Local 3682 ("ESFA") have terms and conditions governing the wages, hours and terms and conditions of employment for members of the ESFA bargaining unit.
- B. The City is required by the Meyers-Milias-Brown Act (Government Code § 3500, et. seq.) to meet and confer in good faith with ESFA regarding wages, hours, and other terms and conditions of employment.
- C. The City's negotiation team representatives began meeting and conferring with ESFA in November 2021 in an attempt to identify and discuss any impacts of a Brownout of Engine Number 32 for a period of six (6) months and did so in good faith.
- D. The representatives of the City and ESFA have held eleven (11) meet and confer sessions to identify and discuss any impacts of a Brownout of Engine Number 32 for a period of six (6) months but have not reached agreement.
- E. On April 25, 2022, the representatives of the City presented the City's last, best, and final offer to ESFA.
- F. On May 11, 2022, ESFA rejected the City's last, best, and final offer and declared impasse.
- G. The City Council finds that the City of El Segundo and the El Segundo Firefighters' Association, IAFF, Local 3682 are at impasse in these negotiations.
- H. On May 31, 2022, ESFA requested a factfinding hearing under Government Code § 3505 and the City and ESFA participated in a factfinding hearing on September 7, 2022.
- I. The chairperson issued the findings and recommendations on October 3, 2022 and the City made the findings and recommendations publicly available on October 13, 2022.

- J. The City Council of the City of El Segundo is vested by law with the responsibility for making a final determination regarding wages, hours and other terms and conditions of employment for employees of the City and the City Council is desirous of making such final determination and resolving the impasse.
- K. If any of the terms of the City's last, best, and final offer, or the application of any provision of said last, best, and final offer to any person or group, are enjoined, stayed, restrained or suspended in any legal or administrative proceeding, then said provision(s) of the last, best, and final offer adopted by this Resolution shall be deemed immediately, automatically and completely suspended and of no further force and effect for any purpose, until such point as the matter is fully and finally adjudicated.

SECTION 2. The Council further finds and declares as follows:

- A. The City Council finds and declares that in accordance with the Meyers-Milias-Brown Act, the City has met and negotiated in good faith with the El Segundo Firefighters' Association, IAFF, Local 3682 for a reasonable period on matters within the scope of representation.
- B. The City Council finds and declares that the City presented the El Segundo Firefighters' Association, IAFF, Local 3682 with the City's last, best, and final offer.
- C. The City Council finds and declares that the El Segundo Firefighters' Association, IAFF, Local 3682 rejected the City's last, best, and final offer.
- D. The City Council finds and declares that the City and the El Segundo Firefighters' Association, IAFF, Local 3682 are at impasse in these negotiations.
- E. The City Council finds and declares that the City and the El Segundo Firefighters' Association, IAFF, Local 3682 have participated in the factfinding process and the factfinding chairperson issued the findings and recommendations, which the City made publicly available.
- F. The City Council finds and declares that the terms of the City's last, best, and final offer to the El Segundo Firefighters' Association, IAFF, Local 3682 are hereby approved and adopted. A copy of said last, best, and final offer is attached to this Resolution, labeled "Exhibit A," and is hereby reference.

SECTION 3. Severability. If any of the terms of the City's last, best, and final offer, approved and adopted by Section 6 of this Resolution or the application of any provision

of said last, best, and final offer to any person or group, are enjoined, stayed, restrained or suspended in any legal or administrative proceeding, then said provision(s) shall be deemed immediately, automatically and completely suspended and of no further force and effect for any purpose, until such legal and/or administrative proceeding is concluded by a final adjudication including exhaustion of any and all appellate proceedings.

SECTION 4. *Signature Authority.* The Mayor, or presiding officer, is hereby authorized to affix his signature to this Resolution signifying its adoption by the City Council of the City of El Segundo, and the City Clerk, or her duly appointed deputy, is directed to attest thereto.

SECTION 5. *Effective Date.* This Resolution will take effect immediately upon adoption and will remain effective unless repealed or superseded.

SECTION 6. *City Clerk Direction.* The City Clerk will certify to the passage and adoption of this Resolution, enter it in the City's book of original Resolutions, and make a record of this action in the meeting's minutes.

PASSED AND ADOPTED this 18th day of October 2022.

Drew Boyles,
Mayor

ATTEST:

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

I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution No. ____ was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the ___ day of _____, 2022, 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

Joaquin Vazquez, Assistant City Attorney

EXHIBIT A

City of El Segundo Last Best and Final Offer to
the El Segundo Firefighters' Association Brownout of Engine Number 32

EXHIBIT A

CITY OF EL SEGUNDO/FFA
IMPACTS NEGOTIATIONS – BROWNING OUT ENGINE 32
APRIL 25, 2022
LAST BEST FINAL OFFER

PREAMBLE: During negotiations with the FFA for a successor MOU, the City proposed, as a separate item, to brown-out Engine 32 for a period of six months. The City has met and conferred with the FFA in good faith regarding any reasonable foreseeable impacts of the City’s proposal to brown-out Engine 32 for a period of six months. FFA identified two potential impacts on their members. The FFA asserted that browning-out Engine 32 will: (i) negatively affect the safety of its members, and (ii) increase the workload on its members. The City has reviewed all of the FFA’s information concerning safety, all of which are speculative in nature, and has determined that its proposal to brown-out Engine 32 for a period of six months does not expose FFA members to increased safety risks. The City has stated, and continues to maintain, that FFA members are expected to adhere to the current safety standards in the Fire Department’s policies and procedures (e.g., minimum amount of personnel at structure fires, etc.). The arguments offered by the FFA for the alleged safety concerns are speculative in nature. Concerning the assertion that browning-out Engine 32 will increase the workload for FFA members, particularly as it relates to building inspections, the City expects all Fire Department employees to complete their assigned tasks during their assigned work hours. In the event that FFA members are unable to complete inspections as a result of the browning-out of Engine 32 for a period of six months, the City agrees that FFA members will not be subject to discipline if goals for building inspections are not met.

Accordingly, the following constitutes the City’s Last, Best and Final offer (“LBFO”) to the FFA:

- (1) Engine 32 will be browned-out for a period of six months effective May 16, 2022 or the City Council’s adoption of this LBFO.
- (2) The fire suppression personnel displaced from this brown-out will work in place of other firefighters, engineers and captains who are on vacation, sick leave, are injured, or in training or filling other department needs.
- (3) Fire Station 2 will not be closed. Truck 32 and Rescue 32 will remain available to respond to calls for service.
- (4) FFA members shall not be subject to discipline if the Fire Department is unable to complete the City expected number of building inspections during the six-month period of the brown-out.

City staff will assess the impact on the level of service to City residents from the six-month brown-out of Engine 32 and submit a report to the City Council for consideration of further action, if any.

The City requests that the FFA respond to this LBFO by Monday, May 2, 2022.



City Council Agenda Statement

Meeting Date: October 18, 2022

Agenda Heading: Public Hearings

Item Number: C.11

TITLE:

Resolution Amending a Regulatory Fee to Recover City Costs for Excessive False Alarm Responses

RECOMMENDATION:

1. Conduct a public hearing.
2. Adopt a resolution amending a regulatory fee to recover city costs incurred for certain regulatory El Segundo Fire Department ("ESFD") responses.
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

The current adopted fee allowed the City to collect ESFD costs after three false alarms, but the proposed amendment will conform with the Ordinance to allow City cost recovery after the first two false alarms. City staff anticipates the Ordinance will cause most alarm system owners to be more responsible in maintaining their systems in proper working order, requiring a lower number of responses. Pursuant to California Constitution article XIII C, § 1(e)(3), the fees authorized through the Ordinance do not constitute a "tax" as they concern City regulation enforcement and investigation performance associated with a regulatory program.

BACKGROUND:

California Constitution article XIII C, § 1(e)(3) exempts from the definition of a "tax," municipal fees imposed to recover the City's regulatory activity costs that is part of a regulatory program. Timely response to reported emergencies is one of the most valuable services provided by the ESFD. Prompt response to fire alarms is a service reasonably expected for the protection and well-being of the entire community, and ESFD's responds to such alarms as reports of emergencies. The City Council has adopted an Ordinance establishing a program regulating fire alarms and enabling the City's cost recovery or reasonable costs incurred in responding to excess fire alarms

Adopt resolution to modify fire false alarm fees

October 18, 2022

Page 2 of 3

(i.e., more than two false alarms in a calendar year).

A false alarm is defined as the activation of an alarm when an emergency does not exist. From 2021 to 2022, the ESFD is seeing an increasing number of false alarms. In 2021, there were 317 false alarm calls and there have been 264 false alarm calls so far in 2022 (January 1- September 1, 2022). To help recover the City's reasonable costs associated with responding to such calls and to encourage alarm system owners to be more responsive in maintaining their systems in proper working order, the proposed resolution would allow the ESFD to charge for third and subsequent responses in the same calendar year at the costs determined by the Master Fee Schedule. Activation due to weather, or to power outages is not considered billable within the scope of this policy.

DISCUSSION:

ESFD proposes the City Council's adoption of a resolution to align with the recently adopted Ordinance establishing a regulatory program for fire alarms similar to the Police Department's regulatory for burglar alarms. These fees would be implemented to ensure the efficient utilization of ESFD resources. The resolution would modify the existing fire false alarm fee in the master fee schedule to change from three responses without charge to two responses without charge. The fee would be \$260 for a 1/2 hour response that includes Fire Captain, Fire Engineer, and Fire Fighter unit costs. The resolution would allow for an annual inflationary increase of this fee as part of the associated increases for the Master Fee Schedule.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 2: Support Community Safety and Preparedness

Objective: El Segundo is a safe and prepared city.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Nicole Pesqueira, Fire Marshal

REVIEWED BY:

Deena Lee, Fire Chief

APPROVED BY:

Barbara Voss, Deputy City Manager

Adopt resolution to modify fire false alarm fees

October 18, 2022

Page 3 of 3

ATTACHED SUPPORTING DOCUMENTS:

1. ES - False Fire Alarm Fee Resolution
2. EXHIBIT A TO FEE RESO

RESOLUTION NO. _____

A RESOLUTION AMENDING A REGULATORY FEE TO RECOVER CITY COSTS INCURRED FOR CERTAIN REGULATORY EL SEGUNDO FIRE DEPARTMENT REPONSES.

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

SECTION 1. *Findings.* The City Council finds and declares as follows:

- A. California Constitution article XIIC, § 1(e)(3) exempts from the definition of a “tax,” municipal fees imposed to recover the City’s regulatory activities costs that is party of a regulatory program. *California Farm Bureau Federation v. State Water Resources Control Board* (2011) 51 Cal.4th 421, 438. Here, the City Council has adopted an ordinance establishing a regulatory, false fire alarm program that enables the City’s imposition of a cost-recovery fee via resolution, pursuant to El Segundo Municipal Code (“ESMC”) § 13-22-5. This fee allows the City to recovery its costs incurred by the El Segundo Fire Department as part of such regulatory program.
- B. The City Council may establish fees for services under various provisions of California law including, without limitation, Business & Professions Code § 16000; Government Code §§ 54344, 65104, 65909.5, 65943, 66013, 66014, 66451.2; and Health & Safety Code §§ 17951, 17980.1, and 19852.
- C. The City Council seeks to modify a previously adopted regulatory, cost recovery fee through this Resolution, and such fee was included in the “Cost of Services Study” by Revenue & Cost Specialists (May 2022).
- D. Pursuant to Government Code § 66016, the City made data available regarding the cost, or estimated cost, of providing certain municipal services for the proposed.
- E. On October 18, 2022, the City Council heard public testimony and considered evidence in a public hearing held and noticed in accordance with Government Code §§ 66016 and 66018.
- F. After careful consideration, including a review of the documentary and testimonial evidence submitted during the public hearing, the City Council finds that the user fees adopted by this Resolution are in the public interest to recover the City’s costs for certain municipal services.

SECTION 2. *Approval; Master Fee Schedule; Regulations.*

- A. The City Council approves the regulatory, cost-recovery fee of \$520 per hour, pursuant to ESMC § 13-22-5, based upon the cost information set forth in Exhibit “A,” which is attached and incorporated by reference.
- B. Unless otherwise revised, the fees established by this Resolution will be automatically adjusted by the City Manager on an annual basis on July 1 of each year by applying the percent change of the Los Angeles Area of Consumer Price Index for All Urban Consumers for the prior 12-month period ending on April 30 to the City’s fees. The first fee adjustment cannot be made before a minimum of ten months after the effective date of this Resolution.
- C. The City Manager, or designee, may establish policies and procedures as necessary to carry out this Resolution’s provisions.

SECTION 3. *Environmental Review.* Pursuant to the California Environmental Quality Act (“CEQA”) and the CEQA Guidelines, the actions proposed in this Resolution are not subject to further review under the California Environmental Quality Act (Public Resources Code §§ 21000, *et seq.*; “CEQA”) for the following reasons: (1) they will not result in a direct or reasonably foreseeable indirect physical change in the environment (14 Cal. Code Regs. § 15060(c)(2)); and (2) there is no possibility that the actions may have a significant effect on the environment (14 Cal. Code Regs. § 15061(b)(3)).

SECTION 4. *Severability.* If any part of this Resolution 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 Resolution are severable.

SECTION 5. *Signature Authority.* The Mayor, or presiding officer, is hereby authorized to affix his signature to this Resolution signifying its adoption by the City Council of the City of El Segundo, and the City Clerk, or her duly appointed deputy, is directed to attest thereto.

SECTION 6. *Effective Date.* This Resolution will take effect upon adoption the effective date of Ordinance No. ____ and will remain effective unless repealed or superseded.

SECTION 7. *City Clerk Direction.* The City Clerk will certify to the passage and adoption of this Resolution, enter it in the City’s book of original Resolutions, and make a record of this action in the meeting’s minutes.

PASSED, APPROVED AND ADOPTED this ____ day of _____,
2022.

Drew Boyles, Mayor

ATTEST:

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

I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution No. _____ was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested to by the City Clerk of said City, all at a regular meeting of said Council held on the ____ day of ____ 2022, 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

Joaquin Vazquez, Deputy City Attorney

EXHIBIT "A"
FEE INFORMATION

**CITY OF EL SEGUNDO
COST DETAIL WORKSHEET
FY 2021-22**

SERVICE FIRE FALSE ALARM RESPONSE				REFERENCE NO. FR-040		
NOTE Unit Costs are an Average of Total Units				TOTAL UNITS 102		
<u>DEPARTMENT</u>	<u>POSITION</u>	<u>TYPE</u>	<u>UNIT TIME</u>	<u>UNIT COST</u>	<u>ANN. UNITS</u>	<u>TOTAL COST</u>
FIRE SUPPRESSION	FIRE CAPTAIN		0.51	\$109.38	102	\$11,157
FIRE SUPPRESSION	FIRE ENGINEER		0.51	\$87.58	102	\$8,933
FIRE SUPPRESSION	FIRE FIGHTER		0.49	\$62.74	102	\$6,399
		TYPE SUBTOTAL	1.51	\$259.70		\$26,489
TOTALS			1.51	\$259.70		\$26,489



City Council Agenda Statement

Meeting Date: October 18, 2022

Agenda Heading: Staff Presentations

Item Number: D.12

TITLE:

Urho Saari Swim Stadium ("The Plunge") Project

RECOMMENDATION:

1. Authorize modifications to the conceptual design of "The Plunge" project which was previously presented to the City Council in June 1, 2021.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

Budgeted Amount: \$2,500,000 plus \$2,500,710 (Chevron Contribution - \$500,000, L.A. Chargers Headquarters Agreement - \$2,000,000, \$710 - Interest), for a total of \$5,000,710

Current Balance: \$4,152,672 (\$848,038 has been encumbered for design)

Additional Appropriation: None

Account Number(s): 01-400-8186-8236 (Plunge Rehabilitation 2020) & 702-233-5101-5418 (Trust Fund for Plunge Rehab Reserve)

Approximately \$10.7M is expected to be available for this project in FY 2025-2026 as follows:

- \$4,152,672 - Current balance
- \$4,500,000 - City General Fund Budget (\$1,500,000 per year for three years - FY 2023-2024 through FY 2025-2026).
- \$1,000,000 - L.A. Chargers Headquarters (Ordinance #1631) - \$2,000,000 has been paid to date and is included in the current balance above.
- \$1,000,000 - Provided by ESUSD (Agreement 5586)

Estimated Operation & Maintenance (including personnel and utilities): \$200,000 per year

Urho Saari Swim Stadium (“The Plunge”) Project

October 18, 2022

Page 2 of 3

BACKGROUND:

In March 2022, the City Council authorized the City Manager to execute a Professional Services Agreement with IBI Group for \$765,000, plus \$75,000 for design related contingencies, for the architectural and engineering design of the Urho Saari Swim Stadium project. The City Council also authorized the City Manager to execute a Professional Services Agreement with Westberg White for \$75,000 to provide advising services as needed for the preparation of the design. The design commenced in May 2022 after the Professional Services Agreement was fully executed, and IBI Group prepared and submitted the following five technical reports on the stadium:

1. Seismic Evaluation Report
2. Phase I Environmental Site Assessment Report
3. Mechanical, Electrical, Plumbing & Technology (MEPT) Concept Report
4. Hazardous Building Material Survey Report
5. Historical Resource Evaluation Report

DISCUSSION:

Based on the findings from the initial investigations documented in these reports and further analysis, including interpretation of the currently adopted California Building Code, it was determined that the conceptual design as previously presented to the City Council in June 2021 would have to be modified as follows:

- Two lifts (elevators) have to be added to meet the American Disability Act (ADA) requirements.
- The restrooms and the entrance lobby on the first floor need to be modified as a result of adding the two lifts.
- The entrance facade of the building needs to be saved due to the historical nature of the facility.
- Fire Alarm System to be added, per Fire Marshall.
- A room needs to be added to accommodate the IT-related components.
- An exit door needs to be added per Fire Marshall.
- The IBI Group is recommending a modified lay-out for the locker rooms/showers/restrooms which would facilitate better circulation.

The previous cost estimate for this project was \$9.2M. The revised current estimate is \$11.6M. Most of the difference in the estimates is due to the fact that the previous estimate did not include the cost for the "Environmental Demolition / Removal of Hazardous Materials", the two lifts and the Fire Alarm System. Once these modifications are approved by the City Council, it is anticipated that the design of the project will be completed by the summer of 2023.

Urho Saari Swim Stadium (“The Plunge”) Project

October 18, 2022

Page 3 of 3

Staff met with the Aquatics Sub-Committee of Recreation and Parks Commission on September 28th, 2022, and explained these modifications. The consensus of the Sub-Committee was that these modifications were necessary and acceptable. The presentation herein will provide the details of these modifications to the June 2021 conceptual design, estimated cost impacts, and updated project schedule.

Subsequently, when staff returns to the City Council for adoption of the final design drawings, and the construction specification and documents and request to advertise the project for construction, a fundraising strategy will also be presented to the City Council for consideration and approval to secure additional needed funds for construction and construction inspection/administration.

It is to be noted that the annual cost of Operation & Maintenance (including personnel and utilities) of "The Plunge" has been approximately \$200,000 per year. This number will most likely be changed based on new designed equipment.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 4: Develop and Maintain Quality Infrastructure and Technology

Objective 4A: El Segundo's physical infrastructure supports an inviting and safe community.

PREPARED BY:

Cheryl Ebert, Senior Civil Engineer

REVIEWED BY:

Elias Sassoon, Public Works Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

None



City Council Agenda Statement

Meeting Date: October 18, 2022

Agenda Heading: Staff Presentations

Item Number: D.13

TITLE:

FY 2021-2022 Year-End Financial Report

RECOMMENDATION:

1. Receive and file the unaudited FY 2021-2022 Year-End Financial Report.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

None

BACKGROUND:

Staff has reviewed all revenues and expenditures in the General Fund, as well as all revenues and expenses in the Enterprise Funds and Internal Service Funds for FY 2021-2022.

DISCUSSION:

A detailed report is attached that provides discussion on how the General Fund performed with regards to both revenues and expenditures. The report also discusses the year-end performance of the various Enterprise Funds, Internal Service Funds, Debt Fund, and the Senior Housing Fund.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

FY 2021-2022 Year-End unaudited Financial Report

October 18, 2022

Page 2 of 2

PREPARED BY:

Joseph Lillio, Chief Financial Officer

REVIEWED BY:

Joseph Lillio, Chief Financial Officer

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Fiscal Year-End 2021-2022 Financial Review



MEMORANDUM

To: Honorable Mayor and Members of City Council

From: Darrell George, City Manager & Joseph Lillio, Chief Financial Officer

Date: October 18, 2022

Subject: Unaudited Fiscal Year-End 2021-2022 Financial Review

FINANCE DEPARTMENT
350 Main Street | El Segundo, California 90245
310-524-2300 | elsegundo.org

Unaudited Fiscal Year-End 2021-2022 Financial Review

This detailed report provides discussion on how the General Fund performed during the Fiscal Year 2021-2022, with regards to both revenues and expenditures. The report also discusses the year-end performance of the various Enterprise Funds, Internal Service Funds, Debt Fund, and the Senior Housing Fund.

Staff has reviewed all revenues and expenditures in the General Fund, as well as revenue and expenses in the Enterprise Funds and Internal Service Fund for Fiscal Year 2021-2022.

Goal 5 of the City of El Segundo's Strategic Plan is to *Champion Economic Development and Fiscal Sustainability*. The following report supports both this Strategic Plan goal, as well as its corresponding Objective number 5B: *El Segundo approaches its work in a financially strategic and responsible way*.

Background

The Adopted Operating Budget for Fiscal Year (FY) 2021-2022 was a balanced budget. With this budget, the City began the first full twelve months on the July 1 – June 30 budget cycle. Prior to this the City operated on the Federal fiscal year cycle, October 1 – September 1. FY 2020-21 was an abbreviated nine-month budget cycle from October 1, 2020 to June 30, 2021. This allowed for the successful switch to a full 12 months from July 1, 2021 to June 30, 2022.

COVID-19

During the development of the FY 2021-22 Budget (January 2021 – May 2021), COVID-19 still posed a significant threat to the safety and welfare of society, as well as a threat to the economy. As a result, the City approved a budget that anticipated a slow return to normal economic activity. As FY 2021-22 progressed, we learned more about COVID-19 and became better equipped as a society to address the safety and welfare challenges this pandemic posed which allowed for businesses to fully open again. Towards the beginning of calendar year 2022, the business and leisure traveler slowly began to return. During the last two months of FY 2021-22, most of the City's main General Fund revenues were back to pre-pandemic levels.

Extensive Budget Preparation & Discussion Process

The FY 2021-2022 budget preparation process began at the staff level in late 2020. Public discussion with City Council started with the April 20, 2021 Strategic Planning Session, followed by the FY 2020-2021 General Fund Mid-Year Budget Update presentation later the same evening. There was further budget discussion with City Council during the May 4, 2021 Budget Study Session. The FY 2021-22 Budget was adopted on June 15, 2021.

Due to the impact of COVID-19 (mainly the loss of hotel Transient Occupancy Tax revenues), the Proposed FY 2021-2022 General Fund Budget preparation process began with a \$9 million deficit. Staff worked diligently to strategize a plan to close this gap. Through discussions with City Council during the Strategic Planning and Budget Study sessions, the following approach was developed to close this gap:

- One-time use of OPEB Trust fund: \$2,400,000
 - Currently 58% funded and there are no new contributions to the trust required
 - Actuary assumption of \$1,850,000 investment earnings for FY 2020-21
 - \$6,800,000 in actual investment earnings through May 31, 2021
- One-time use of General Fund Balance: \$2,025,125
 - After fully funding the 20% policy reserve
- Freeze 23.5 vacant positions: \$2,174,875
 - 12.5 positions frozen for 12 months and 11 positions frozen less than 12 months
- Reduction to Operations & Maintenance items: \$1,500,000
- Reduce Equipment Replacement fund contribution: \$900,000

Although this approach is not ideal, it does allow the City to move forward with limited service and infrastructure maintenance impacts. This approach also complies with the City's Financial Policies.

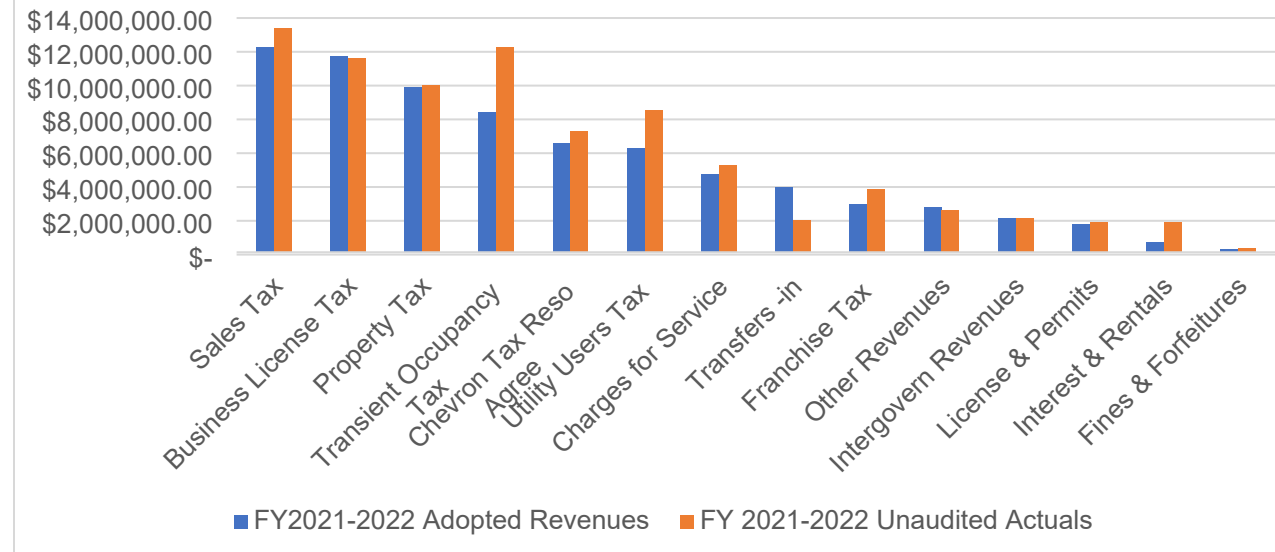
General Fund: Revenues Adopted vs. Year-End Actuals (Unaudited)

The table and charts below reflect the General Fund revenues that were included with the adopted Fiscal Year 2021-2022 budget and the year-end unaudited actuals. The year-end unaudited actuals came in slightly higher than the revenue that was anticipated with the adoption of the budget. The year-end unaudited actuals were \$8.4 million higher than the original FY 2021-2022 revenues. This equates to a 11.2% increase in revenues compared to the adopted budget.

FY 2021-22 General Fund Revenues Adopted vs. Year End Actuals (Unaudited)

No.	General Fund Revenues	FY2021-2022 Adopted Revenues	FY 2021-2022 Unaudited Actuals	Actuals Over/(Under) Budget	% Received
1	Sales Tax	\$12,250,000	\$13,374,232	\$ 1,124,232	109%
2	Business License Tax	\$11,750,000	\$11,616,606	\$(133,394)	99%
3	Property Tax	\$9,882,525	\$10,008,587	\$126,062	101%
4	Transient Occupancy Tax	\$8,420,000	\$12,267,534	\$3,847,534	146%
5	Chevron Tax Reso Agree	\$6,600,000	\$7,322,517	\$722,517	111%
6	Utility Users Tax	\$6,289,500	\$8,541,409	\$2,251,909	136%
7	Charges for Service	\$4,755,511	\$5,286,054	\$530,543	111%
8	Transfers -in	\$4,013,235	\$2,011,733	\$(2,001,502)	50%
9	Franchise Tax	\$3,000,000	\$3,853,865	\$853,865	128%
10	Other Revenues	\$2,817,770	\$2,606,891	\$(210,879)	93%
11	Intergovern Revenues	\$2,178,909	\$2,164,809	\$(14,100)	99%
12	License & Permits	\$1,825,000	\$1,910,715	\$85,715	105%
13	Interest & Rentals	\$726,250	\$1,895,153	\$1,168,903	261%
14	Fines & Forfeitures	\$294,000	\$373,425	\$79,425	127%
	Total General Fund Revenue	\$74,802,700	\$83,233,531	\$8,430,831	111.27%

FY 2021-22 General Fund Revenues Adopted vs. Year End Actuals
(Unaudited)



**General Fund: Revenues Adopted vs. Year-End Actuals
(Unaudited), cont'd**

Total General Fund unaudited revenues ended the fiscal year \$8,430,831 higher than the adopted budget. As noted in the table above, the major variances in estimates compared to the year-end actuals in revenues are as follows:

1. Business License Taxes: -\$133,394 (-1%); very close to budget.

2. Sales & Use Taxes: +\$1,124,232 (+9%), as COVID-19 restrictions continued to lift, local business and industry sales increased in tandem, as well as inflation driving the price of taxable goods higher. Also, the higher price for gasoline significantly contributed to the increased sales tax revenue.
3. Property Taxes: +126,062 (+1%), driven by the Prop. 13 increases in property values, and a change in ownership of properties which reassesses the property at current market value.
4. Transient Occupancy Tax: +3,847,534 (+46%), as COVID-19 restrictions continued to lift, travel and tourism increased in tandem. Both the occupancy levels and room rates steadily increased during the second half of FY 2022. TOT is still down from the pre-COVID level of \$15 million per year.
5. Chevron Tax Resolution Agreement: Year-end revenue was up by \$722,517 (+11%) due to this year's payment was based on the prior year's actual tax revenue received from Chevron and a "true-up" payment to be paid the following fiscal year once the actual tax revenues have been reconciled. There is an established annual tax ceiling for Chevron that is increased each year by the applicable Consumer Price Index (CPI).
6. UUT: +\$2,251,909 (+36%), mainly due to large increases in commodity prices that had a direct impact on electric/gas/and water rates. The Electric Utility User Tax and Cogenerated Electric/Chevron Utility User Tax had the largest increases.
7. Charges for Services: +\$530,543 (+11%), contributed by an increase in Wiseburn Drop-In Programs and Facility Reservation Fees, as well as returns to several other programs that had been suspended or modified with previous COVID-19 restrictions.
8. Transfers-in: the Fiscal Year 2021-2022 adopted budget included an anticipated \$2 million transfer from the OPEB Trust, which was not necessary to implement due to General Fund revenues increasing higher than anticipated.
9. Franchise Fees: +\$853,865 (+28%), this revenue source is primarily made up of the annual payment received by Southern California Edison (SCE) and The Gas Co. The actual payments were higher than expected due to large increases in commodity prices, as well as the rates charged by the utility providers.
10. Other Revenues: Year-end revenue was down by \$210,879 (-7%) due to a decrease in developer contributions.
11. Intergovernmental: -\$14,100 (-1%) came in very close to budget, with revenue from Motor Vehicle in Lieu and Vehicle License Fee (VLF) Swap Fees were slightly lower than anticipated.

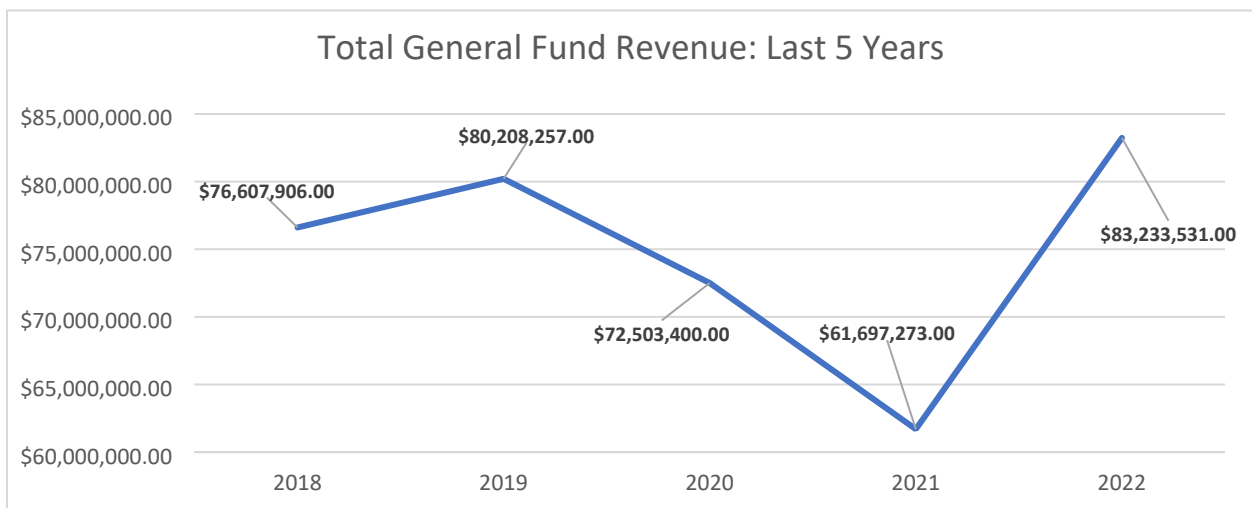
- 12. Licenses and Permits: +\$85,715 (+5%), due to increases in both Building Permits and Street permits.
- 13. Interest Earnings & Rental Income: +\$1,168,903 (+161%), driven by increases in interest on investments primarily due to the increase in interest rates by the Fed.
- 14. Fines & Forfeitures: +\$79,425 (+27%), mainly due to increases in Parking Fines.

Total General Fund Revenue, Fiscal Year 2017-2018 Through 2021-2022

The below graph depicts the total General Revenue the City received by fiscal year from FY 2017-2018 through FY 2021-22, resulting in five years of comparative data.

It is evident the severe negative impacts that COVID-19 and the related economic shut down had on the City of El Segundo’s General Fund revenues from Fiscal Year 2019-2020 through Fiscal Year 2020-2021.

However, unaudited figures for Fiscal Year 2021-2022 suggest a significant upward trend of revenue recovery. Unaudited actual revenues for the General Fund not only imply to have exceeded the budget, but also to exceed pre-pandemic totals from Fiscal Year 2017-2018.



The following revenues continue to perform as the highest sources of General Fund Revenue:

Business License Tax
Utility Users Tax
Franchise Tax

Transient Occupancy Tax
Property Tax
Sales Tax

Fiscal Year-End 2021-2022 General Fund Appropriations

Adopted General Fund Appropriations for FY 2021-2022 were \$77,651,553, and the unaudited year-end expenditure actuals were \$77,097,841. The adopted budget was close to the year-end actuals with variance of less than 1%. The table below illustrates a comparison of the adopted budget to unaudited actuals, by department:

General Fund Appropriations					
No	Department	FY 2021-22 Adopted Budget	FY 2021-22 Unaudited Actuals	Variance (\$)	% of Budget
1	Police	\$19,436,175	18,859,873	\$576,302	97%
2	Fire	13,782,667	14,495,035	(712,368)	105%
3	Transfers Out	10,538,908	11,340,949	(802,041)	108%
4	Public Works	8,695,404	8,617,357	78,047	99%
5	Nondepartment	5,904,993	6,189,736	(284,743)	105%
6	Rec/Park/Library	5,878,231	4,907,558	970,673	83%
7	Dev Services	3,098,785	2,630,101	468,684	85%
8	Information Tech	3,023,930	2,665,027	358,903	88%
9	City Manager	2,453,282	2,326,656	126,626	95%
10	Finance/Treasury	2,412,820	2,235,094	177,726	93%
11	Human Resources	977,063	1,240,818	(263,755)	127%
12	City Attorney	561,950	752,602	(190,652)	134%
13	City Clerk	530,749	453,884	76,865	86%
14	City Council	356,596	335,424	21,172	94%
15	COVID-19 Response	0	463,649	(463,649)	N/A
16	Social Justice Protests	0	89	(89)	N/A
17	Total	\$77,651,553	\$77,513,852	137,701	99.8%

As shown in the table above, the major changes to estimates in expenditures are as follows (+ variance is a budgetary savings and (xx,xxx) is a budgetary overage):

1. Police: a decrease in salaries, benefits, and overtime due to position vacancies.
2. Fire: an increase in overtime.
3. Transfers Out: this includes the payment for the Pension Obligations Bonds (POBs) payment, transfer out to the CIP Fund (Fund 301) for capital projects, and a transfer out to the Solid Waste Fund.(Fund 505). The transfer out to the Solid Waste Fund to cover a deficit fund balance due to a continued subsidy for residential trash and a transfer for a CIP project were brought to the City Council during FY 2021-22 and were not originally included in the adopted budget.

4. Public Works: a decrease in salaries and benefits due to position vacancies.
5. Non-departmental: over budget, due to retiree health insurance increasing as a result of additional retirements from the City that were not anticipated for in the budget.
6. Community Services (now Recreation, Park and Library): the Parks division budget was removed for this Fiscal Year as services were moved to Public Works. While expenses under Parks were incurred, they were heavily offset by the reduction of the overall department's budget. This reduction also offset the Recreation division, which, too, came in under budget. The Library division was slightly under budget. Many programs were not fully implemented due to COVID restrictions for part of the year. There were also several vacancies resulting in a savings to salaries and benefits.
7. Development Services: a decrease in professional services and in salaries, benefits, and overtime due to position vacancies, particularly in the Planning division.
8. Information Technology: under budget due to position vacancies and a reduction of contracted services expenses.
9. City Manager: slightly under budget, mainly due to reductions in contracted services and a vacancy for part of the year.
10. Finance & Treasury: a decrease in salaries and benefits due to position vacancies.
11. Human Resources: an increase in personnel investigations, litigation costs, and claims.
12. City Attorney: over budget, mainly due to an increase in legal counsel activities related to personnel claims and lawsuits, general litigation, and personnel investigations.
13. City Clerk: under budget due to a decrease in professional services, contracted services, and advertising expenditures.
14. City Council: slightly under budget due to a decrease in dues and subscriptions, advertising, and contracted services.
15. COVID-19 Response: These costs were tracked separately in order to claim reimbursement from FEMA for the COVID related activities. While this activity did come in over budget, the City continues to file several claims with FEMA with the

intent of being reimbursed up to 100% for the COVID related expenditures.

16. Social Justice Protests: Year-end expenditures are minimal and limited to a single staffing expense from 2021. This expenditure will not be eligible for either FEMA or State of California reimbursement.

Fiscal Year End General Fund Results

General Fund Balance for Fiscal Year-End 2021-22 & FY 2022-23

	Year-end estimate	Actuals (Unaudited)
Beginning Unassigned Fund Balance at June 30, 2021 (based on FY 2020-2021 audited CAFR)	\$ 27,898,675	\$ 27,898,675
Plus revenues for FY 2021-2022	\$ 75,207,165	\$ 83,233,531
Less unaudited year-end expenditures for FY 2021-2022 (includes transfers out)	\$ (79,244,524)	\$ (77,513,852)
Ending Fund Balance at June 30, 2022	\$ 23,861,316	\$ 33,618,354
Plus estimated revenues for FY 2022-2023	\$ 81,750,522	\$ 81,750,522
Less estimated expenditures for FY 2022-2023	\$ (85,941,128)	\$ (85,941,128)
Estimated Ending Unassigned Fund Balance at June 30, 2022	\$19,670,710	\$ 29,427,748
20% General Fund Reserve	\$(17,188,225)	\$ (17,188,225)
<i>Unassigned reserves for FY 2022-2023</i>	\$ 2,482,485	\$ 12,239,493

The economic recovery resulting from the end of the pandemic, coupled with rising inflation have resulted in a strong recovery for the City's General Fund revenues for FY 2021-22. The adopted budget for FY 2021-22 had a slow economic return and low inflation factored into the assumptions. While inflation is not good for the consumer, it does have a positive impact on government agencies revenues.

The additional General Fund reserves that exceed the Council's 20% reserve policy will be discussed during the mid-year budget review in February 2023.

Economic Uncertainty Reserve		
Fiscal Year	FY 2021-22	FY 2022-23
Reserve Balance	\$1,900,004	\$2,000,004
Reserve Policy	\$2,000,000	\$2,000,000
Reserve Deficit	(\$99,996)	\$4

DEBT SERVICE FUND

The Debt Service fund records the City's lease payments for the Douglas Street Gap Closure capital improvement project. In September 2005, the City entered into a facility lease agreement with California Infrastructure and Economic Development Bank (CIEDB) whereby CIEDB issued \$10,000,000 in bonds to finance the Douglas Street Gap Closure Project. The City makes semi-annual lease payments over a 30-year period from Traffic Mitigation Fees which began in February 2006. The General Fund does not fund the debt service. The expenses were down compared to the adopted budget due to the principal and interest actual expenses coming in lower than anticipated. Revenues from traffic mitigation funds, which are the source of revenue for the debt service payment, were lower than the budgeted revenue.

Debt Service Fund	Revenues	Expenses
FY 2021-22 Budget	\$360,000.00	\$545,000.00
FY 2021-22 Actuals (unaudited)	\$165,724.28	\$526,383.22
Variance	(\$194,275.72)	\$18,616.78

ENTERPRISE FUNDS

The decrease in water revenues for both Water Utility and Wastewater (Sewer) funds is mainly due to low interest rates, resulting in associated investment revenue coming in lower than anticipated.

However, potable water sales (Water Utility), and miscellaneous revenue (Water Utility and Wastewater) exceeded revenue expectations.

Both Water Utility and Wastewater expenses were under budget. The Water Utility Fund

expenses decreased for both contractual services and repair/maintenance services for pending capital projects, while the Wastewater Fund had substantially less expenses related to repairs and maintenance, and contracted services than anticipated.

Water Fund	Revenues	Expenses
FY 2021-22 Budget	\$35,735,911.00	\$31,314,039.00
FY 2021-22 Actuals (unaudited)	\$35,160,549.77	\$30,994,155.59
variance	(\$575,361.23)	\$319,883.41

Wastewater Fund	Revenues	Expenses
FY 2021-22 Budget	\$5,533,582.00	\$6,520,356.00
FY 2021-22 Actuals (unaudited)	\$4,729,064.37	\$4,166,019.92
variance	(\$804,517.63)	\$2,354,336.08

INTERNAL SERVICE FUNDS

General Liability Fund revenues exceeded budget expectations, due in part to the recovery of claims paid. Expenses were under budget due to low operations expenditures, and a decreased amount attributed to claims expenses than anticipated. The claims recovery is the highest it has been in the past twenty years. This is a direct result of Council approving the Risk Manager position in FY 2020-21 and having it filled during FY 2021-22.

Workers' Compensation Fund revenues were higher than expected, due to recovery of claims paid. The expenses were down from the budgeted amount, due to a decrease in expenditures related to insurance and bonds, and claims expenses. The claims expense is the lowest in seven years.

General Liability Fund	Revenues	Expenses
FY 2021-22 Budget	\$3,030,000.00	\$3,194,306.00
FY 2021-22 Actuals (unaudited)	\$3,275,665.74	\$2,642,267.45
variance	\$245,665.74	\$552,038.55

Workers' Compensation Fund	Revenues	Expenses
FY 2021-22 Budget	\$3,125,374	\$3,490,975
FY 2021-22 Actuals (unaudited)	3,705,062	\$2,824,738
variance	\$579,688	\$666,237

SENIOR HOUSING FUND

In 1986, the City constructed a 97-unit senior housing project, Park Vista. The City continues to own and maintain Park Vista. The property is overseen by the Senior Citizen Housing Corporation Board and managed by a third-party property management firm, The Cadman Group. The decrease in actual revenue compared to the projected revenue was caused by interest rate on the reserve balance of \$1 million going down. Expenses related to the fund included work on capital improvements, for which the 2020-2021 budget marked \$60,00; as well as legal counsel and part-time personnel.

Senior Housing Fund	Revenues	Expenses
FY 2021-22 Budget	\$20,000.00	\$75,313.00
FY 2021-22 Actuals (unaudited)	\$3,313.26	\$46,149.17
variance	(\$16,687)	\$29,164

OTHER FUNDS

The Adopted FY 2021-2022 Citywide Budget also included a number of other Special Revenue Funds and Proprietary Funds not included in this unaudited year-end update. These funds will be included in the City's official FY 2021-2022 Annual Financial Report which will be presented to City Council in December 2022.

CONCLUSION:

Balancing the FY 2021-2022 Budget was a major challenge since the fiscal year operated under a radically different scenario from previous fiscal years. While the organization was able to make the necessary adjustments to ensure that the General Fund and other major Funds ended the year in the black, considerable financial difficulties remain as the cost of providing services rise and some effects of COVID-19 continue to impact the local economy. The City will continue to focus its efforts on keeping local residents and businesses safe. Expenditures on employee retirement benefits will continue to rise as CalPERS continues to phase in a lower discount rate and a lower their investment risk tolerance for the CalPERS portfolio. In addition, medical premiums are seeing significant increases for 2023. Other budgetary pressures are the rising inflationary pressures on goods and services purchased by the City and the rising costs of construction materials.



City Council Agenda Statement

Meeting Date: October 18, 2022

Agenda Heading: Staff Presentations

Item Number: D.14

TITLE:

Extension of License Agreements with El Segundo Youth Sports Organizations

RECOMMENDATION:

1. Authorize the City Manager to extend the License Agreements with each El Segundo Youth Sports Organization identified in the Youth Sports Council Athletic Field/ Facility Use and Allocation Policy for the remainder of FY 22-23.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

Total annual revenue from the license agreements is estimated to be \$24,000, which has been included in the adopted 22-23 budget.

BACKGROUND:

The Recreation and Parks Fee Analysis Task Force was created on September 18, 2012 and was tasked with analyzing and recommending fees associated with programs and services offered throughout the Recreation Division, with cost recovery and sustainability as key priorities. The Task Force recommended that the eight El Segundo Youth Sports Organizations identified in the Youth Sports Council Athletic Field/Facility Use and Allocation Policy pay an annual fee of \$10 per resident player and \$30 per non-resident player within each youth sports organization based on their primary season roster, which helps to cover the City's costs. The City Council approved the fees on May 20, 2014.

The license agreements with each Youth Sports Organization were intended to provide scheduled field space at George Brett, Campus El Segundo and Richmond Street fields to specific sports organizations for the purpose of operating sports programs. The City also reserves the right to offer other fields if needed and can terminate the license agreements without cause.

Extension of License Agreements with El Segundo Youth Sports Organizations

October 18, 2022

Page 2 of 3

The original license agreements with each Youth Sports Organization were approved by City Council on February 17, 2015 for a term of three years. At its September 4, 2018 meeting, City Council approved an amendment to the Youth Sports Organization license agreements for another three-year term. On March 16, 2021, City Council approved one-year extension for FY 20-21. Finally, on February 15, 2022, City Council approved extending the license agreements for the Youth Sports Council Organizations for FY 21-22.

DISCUSSION:

City staff recommends City Council approve amending the license agreements for the remainder of FY 22-23 for each Youth Sports Organization identified in the Youth Sports Council Athletic Field/Facility Use and Allocation Policy. This amendment will allow each Youth Sports Organization to continue using the fields and facilities while fees and the Youth Sports Council Athletic Field/Facility Use and Allocation Policy are reviewed and possibly revised.

Fees did not increase for the Youth Sports Organizations in 21-22. City staff plans to schedule a meeting with each Youth Sports Organization in January 2023 to discuss fee increases. Staff is in the process of scheduling a joint meeting between the Recreation and Parks Commission and the Youth Sports Organization to discuss revising the Youth Sports Council Athletic Field/ Facility Use and Allocation Policy. In May 2023, staff will return to City Council with a recommendation for FY 23-24.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Inclusion and Communication

Objective 1A: El Segundo provides unparalleled service to all customers.

Objective 1 B: El Segundo's engagement with the community ensures excellence.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Arecia Hester, Recreation Superintendent

REVIEWED BY:

Aly Mancini, Recreation, Parks and Library Director

APPROVED BY:

Barbara Voss, Deputy City Manager

Extension of License Agreements with El Segundo Youth Sports Organizations

October 18, 2022

Page 3 of 3

ATTACHED SUPPORTING DOCUMENTS:

None