



AGENDA

EL SEGUNDO CITY COUNCIL
REGULAR MEETING
TUESDAY, MAY 2, 2023

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
Lance Giroux, Council Member
Ryan W. Baldino, 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 act 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.

When a Council Member duly requires AB 2449 teleconferencing to attend the City Council meeting the public will also be able to access the meeting and provide public comment via Zoom. To access Zoom from a PC, Mac, iPad, iPhone, or Android device, use URL <https://zoom.us/j/81951332052> and enter PIN: 903629 or visit www.zoom.us on device of choice, click on "Join a Meeting" and enter meeting ID: 81951332052 and PIN: 903629. If joining by phone, dial 1-669-900-9128 and enter meeting ID and PIN. *To reiterate, attending a City Council meeting by Zoom will only be used when AB 2449 is used.*

NOTE: Your phone number is captured by the Zoom software and is subject to the Public Records Act, dial *67 BEFORE dialing in to remain anonymous. Members of the public will be placed in a "listen only" mode and your video feed will not be shared with City Council or members of the public.

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act and Government Code Section 54953(g), the City Council has adopted a reasonable accommodation policy to swiftly resolve accommodation requests. The policy can also be found on the City's website at <https://www.elsegundo.org/government/departments/city-clerk>. Please contact the City Clerk's Office at (310) 524-2308 to make an accommodation request or to obtain a copy of the policy.

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): -9- MATTER(S))

1. Scott O’Connor (City Police Officer) v. City of El Segundo, United States District Court (Central District of California), Civil Case No. 2:20-CV-0311 DMG (PLAx).
2. Scott Martinez (Retired City Fire Fighter) v. City of El Segundo, Los Angeles Superior Court Case No. 21ST CV10637.
3. James Tulette (Retired City Fire Fighter) v. City of El Segundo, Los Angeles Superior Court, Case No. 205T, CV44025.
4. Shawn Bonfield Retired (City Fire Department Battalion Chief) v. City of El Segundo, Los Angeles Superior Court Case no. 20ST CV48677.
5. William Hatcher (Retired El Segundo Fire Fighter) v. City of El Segundo, Los Angeles Superior Court, Case No. 21ST CV37399.
6. Richard Towne (Retired El Segundo Fire Fighter) v. City of El Segundo, Los Angeles Superior Court, Case No. 21ST CV19113.
7. Rebecca Smith (Former Non-Sworn Police Department Employee) v. City of El Segundo - Binding Arbitration Personnel Case.
8. Amy McDaniels (Non-Sworn Police Department Employee) v. City of El Segundo - Binding Arbitration Personnel Case.

9. Brent Beardmore (City Police Officer) v. City of El Segundo, Los Angeles Superior Court Case No. 22STCV25047.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Threats of or Significant/- exposure to litigation pursuant to (Government Code §54956.9(d)(2) or (d)(3)): -1- matter(s).

INITIATION OF LITIGATION PURSUANT to (Government Code §54956.9(d)(4)): -1- matter(s).

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (GOV’T CODE §54957.6): -1-MATTER(S)

1. Employee Organizations: Fire Fighters' Association (FFA)

Representative: City Manager, Darrell George, Human Resources Director, Rebecca Redyk, Laura Droltz-Kalty.

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

INVOCATION – Bishop W. A. Garrett - The Way Church

PLEDGE OF ALLEGIANCE – Mayor Pro Tem Pimentel

SPECIAL PRESENTATIONS

- 1. Professional Municipal Clerks Week
- 2. National Older American's Month 2023

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

A. PROCEDURAL MOTIONS

Read All Ordinances and Resolutions on the Agenda by Title Only

Recommendation -

Approval

B. CONSENT

3. City Council Meeting Minutes

Recommendation -

1. Approve City Council Special Meeting minutes (Budget Study Session) of April 17, 2023, Special City Council Meeting minutes (Closed Session) and Regular City Council Meeting minutes of April 18, 2023.
2. Alternatively, discuss and take other action related to this item.

4. Warrant Demand Register for April 3, 2023 through April 16, 2023

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 19B and 20A: warrant numbers 3045073 through 3045241, and 9002866 through 9002894.
3. Alternatively, discuss and take other action related to this item.

5. 2020 State Homeland Security Grant Program Equipment Purchase

Recommendation -

1. Appropriate \$24,383.13 to Special Revenue account 124-400-3202-3770
2. Authorize the Department Head to purchase equipment with L.N. Curtis for \$24,383.13
3. Alternatively, discuss and take other action related to this item

6. Extension of Time for Completion of Topgolf Sublease Assignment and Leaseback Transaction with Corresponding Second Amendment to Master Lease Agreement and First Amendment to Memorandum of Lease

Recommendation -

1. Approve the proposed two-month extension for the assignment of Topgolf USA El Segundo, LLC's sublease to 42 Real Estate, LLC and corresponding leaseback of the interest from 42 Real Estate, LLC to Topgolf USA El Segundo, LLC subject to, and contingent upon the execution of, the attached Acknowledgment of Lease Terms and Guarantor Acknowledgment of Guaranty.

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2. Authorize the Mayor to execute (i) the Second Amendment to the Due Diligence and Recreation Ground Lease Agreement between the City of El Segundo and Centercal LLC, (ii) the corresponding First Amendment to Memorandum of Lease, and (iii) the Estoppel Certificate and Consent, all conditioned on the assignment of the sublease occurring on or before June 30, 2023. The documents must be in a form substantially similar to the drafts attached to the Council Agenda Report and approved by the City Attorney.
 3. Alternatively, discuss and take other possible action related to this item.

C. PUBLIC HEARINGS

D. STAFF PRESENTATIONS

7. Update from the El Segundo Economic Development Advisory Council

Recommendation -

1. Receive and file the update from the El Segundo Economic Development Advisory Council.
2. Alternatively, discuss and take other action related to this matter.

8. Temporary Appointment of CalPERS Retiree David Cain Pursuant to Government Code Sections 7522.56 and 21221(h)

Recommendation -

1. Adopt a resolution authorizing the appointment of CalPERS retired annuitant David Cain to the position of Chief Financial Officer, in compliance with Government Code §§ 7522.56 and 21221(h).
2. Approve an associated attached employment agreement with David Cain for the interim appointment to the position of Chief Financial Officer.
3. Alternatively, discuss and take other actions related to this item.

9. Memorandum of Understanding Between the City of El Segundo and the Police Officers' Association and Amendment to the City Contributions for CalPERS Medical Premiums

Recommendation -

1. Adopt a Resolution approving and adopting the Memorandum of Understanding ("MOU") between the City of El Segundo and the El Segundo Police Officers' Association ("POA").

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2. Adopt a Resolution amending the City contributions for California Public Employees' Retirement System ("CalPERS") medical premiums pursuant to the MOU between the City of El Segundo and the POA.
 3. Alternatively, discuss and take other action related to this item.

10. Recreation Park Renovation Subcommittee

Recommendation -

1. Approve Recreation Park Renovation Project Subcommittee and appoint regular member and one alternate member of the City Council to the Committee.
2. Alternatively, discuss and take action related to this item.

E. COMMITTEES, COMMISSIONS AND BOARDS PRESENTATIONS

11. Arts and Culture Advisory Committee Report and Funding Requests for Fiscal Year 2023-24

Recommendation -

1. Receive and file the Arts and Culture Advisory Committee Report.
2. Approve funding in the amount of \$326,000 for Cultural Development Fund initiatives for FY 2023-24.
3. Alternatively, discuss and take other action related to this item.

12. Diversity, Equity and Inclusion Committee - Community at Large Report

Recommendation -

1. Receive and file the Diversity, Equity and Inclusion Committee Community at Large Report.
2. Direct staff to work with the Diversity, Equity and Inclusion Committee to implement recommended activities.
3. Alternatively, discuss and take other action related to this item.

F. REPORTS - CITY CLERK

G. REPORTS - CITY TREASURER

H. REPORTS - COUNCIL MEMBERS

COUNCIL MEMBER BALDINO

COUNCIL MEMBER GIROUX

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: April 28, 2023

TIME: 10:00 AM

BY: Tracy Weaver, City Clerk

Proclamation

City of El Segundo, California

- WHEREAS,** The Office of the Municipal Clerk, a time honored and vital part of local government exists throughout the world; and
- WHEREAS,** The Office of the Municipal Clerk is the oldest among public servants; and
- WHEREAS,** The Office of the Municipal Clerk provides the professional link between the citizens, the local governing bodies and agencies of government at other levels; and
- WHEREAS,** Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all; and
- WHEREAS,** The Municipal Clerk serves as the information center on functions of local government and community; and
- WHEREAS,** Municipal Clerk continually strive to improve the administration of the affairs of the Office of the Municipal Clerk through participation in education programs, seminars, workshops and the annual meeting of their state, provincial, county and international professional organizations; and
- WHEREAS,** It is most appropriate that we recognize the accomplishments of the Office of the Municipal Clerk.

NOW, THEREFORE, the Mayor and Members of the City Council do hereby proclaim April 30th through May 6, 2023 as “Municipal Clerk Week” in El Segundo and further extend appreciation to our Municipal Clerk Tracy Weaver, Deputy City Clerk Lili Sandoval, Patricia Harada, Records Technician and to all Municipal Clerks for the vital service they perform and their exemplary dedication to the communities they represent.



Mayor Drew Boyles

Mayor Pro Tem Chris Pimentel
Council Member Lance Giroux

Council Member Carol Pirsztuk
Council Member Ryan Baldino



roclamation

City of El Segundo, California

WHEREAS, May 2023 is National Older Americans Month, a time set aside annually to commemorate and celebrate the significant contribution older Americans have made to the community of El Segundo; and

WHEREAS, El Segundo is committed to valuing all individuals and recognizing their ongoing life achievements; and

WHEREAS, Older Americans possess and share a wealth of experience, background and history, making them one of the City's most treasured and enduring resources; and

WHEREAS, Older Americans are available, capable and enthusiastic to provide volunteer services that contribute to a coordinated community-based system of social, emotional, physical well-being of not only other seniors but the community at large thus an important part of the ties that bind both family and community; and

WHEREAS, Recognizing the successes of community elders encourages their ongoing participation and further accomplishments; and

WHEREAS, Nancy Jacobson was nominated by her peers as the 2023 El Segundo Older American of the Year, a recognition which identifies, inspires and promotes community involvement and a spirit of giving back to others through volunteerism and community engagement.

NOW, THEREFORE, on this 2nd day of May, 2023, the Mayor and Members of the City Council of the City of El Segundo, California, do hereby proclaim the month of May, 2023,

OLDER AMERICANS MONTH 2023
Nancy Jacobson
the
2023 El Segundo Older American of the Year

And hereby recognize the Elderfest Celebration Saturday, May 20th, 2023, from 11:00 a.m. to 1:00 p.m., at the Joslyn Center to recognize all senior citizens who have given generously of their time and talent to improve the quality of life for all in El Segundo.



Mayor Drew Boyles

Mayor Pro Tem Chris Pimentel
Council Member Lance Giroux

Council Member Carol Pirsztuk
Council Member Ryan Baldino

SPECIAL MEETING MINUTES OF THE EL SEGUNDO CITY COUNCIL
BUDGET STUDY SESSION
MONDAY, APRIL 17, 2023

OPEN SESSION – Mayor Pro Tem Pimentel at 1:03 PM.

PLEDGE OF ALLEGIANCE – Council Member Pirsztuk

ROLL CALL

Mayor Boyles	-	Present at 1:57 PM
Mayor Pro Tem Pimentel	-	Present
Council Member Pirsztuk	-	Present
Council Member Giroux	-	Present
Council Member Baldino	-	Present

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

Paul Lanyi, resident, commented on the Senior Housing Board budget for Park Vista.

Jim Boulgarides, resident, commented on the Urho Saari Swim Stadium as pertaining to the proposed budget.

CITY MANAGER FOLLOW-UP COMMENTS:

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

MOTION by Council Member Giroux, SECONDED by Council Member Pirsztuk to read all ordinances and resolutions on the agenda by title only. MOTION PASSED BY UNANIMOUS VOTE. 4/0

B. STAFF PRESENTATIONS:

1. FY 2023-24 Budget Study Session
(Fiscal Impact: None)

Darrell George, City Manager, introduced the item.

Joe Lillio, Chief Financial Officer, presented the item.

Recessed at 2:45 PM

Reconvened at 2:59 PM

Council Discussion

MOTION by Mayor Boyles, SECONDED by Council Member Pirsztuk approving a goal to continue to fund 25% in reserves and fund 5% in Capital Improvement Projects (CIP) for this year and future years as a set aside. MOTION PASSED. 4/1 YES: Boyles, Pirsztuk, Giroux, Baldino NO: Pimentel

Adjourned at 3:49 PM

Tracy Weaver, City Clerk

SPECIAL MEETING MINUTES OF THE EL SEGUNDO CITY COUNCIL
CLOSED SESSION
TUESDAY, APRIL 18, 2023
Meeting ran concurrently with regular Closed Session meeting

CLOSED SESSION – Mayor Boyles called to order at 4:00.

ROLL CALL

Mayor Boyles	-	Present
Mayor Pro Tem Pimentel	-	Present
Council Member Pirsztuk	-	Present
Council Member Giroux	-	Present
Ryan W. Baldino	-	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 LEGAL COUNSEL – ANTICIPATED LITIGATION

Anticipation of litigation pursuant to Government Code §54956.9 (d) (2) or (3): -1-matter(s)

1. Potential Litigation by Fire Chief Lee

Adjourned at 5:50 PM

Tracy Weaver, City Clerk

MEETING MINUTES OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, APRIL 18, 2023

CLOSED SESSION – Mayor Boyles called to order at 4:00 PM.

ROLL CALL

Mayor Boyles - Present
Mayor Pro Tem Pimentel - Present
Council Member Pirsztuk - Present
Council Member Giroux - Present
Council Member Baldino - 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 LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(d) (2) and (3): -1- matter.

1. Government Tort Claim by Keith Puckett

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

DISCUSSION OF PERSONNEL MATTERS (Gov't Code §54957): -1- Matter(s)

1. City Manager
Performance Evaluation

CONFERENCE WITH CITY'S LABOR NEGOTIATOR (GOV'T CODE §54957.6): -5- MATTER(S)

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

Representative: City Manager, Darrell George, Human Resources Director, Rebecca Redyk, Laura Droltz Kalty, and Alex Volberding.

Adjourned at 5:50 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 Giroux - Present
Council Member Baldino - Present

INVOCATION – Pastor Jonathon Elmore, The Bridge Church

PLEDGE OF ALLEGIANCE – Council Member Giroux

SPECIAL PRESENTATIONS:

1. Girls Empowerment Camp – Girls on Fire! Presented by Fire Chief Lee and Aly Mancini, Recreation, Parks, and Library Director.
2. Proclamation read by Council Member Baldino proclaiming April 22, 2023 as “El Segundo Big 5 PTA Run for Education Day”. Laura Gerson, Race Director received the proclamation.
3. Proclamation read by Council Member Pirsztuk proclaiming April 26, 2023 as “Denim Day” and urges everyone to wear jeans on April 26th.

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

Liz Garnholz, resident, not in favor of 4 way stop signs at Whiting Street and West Pine Avenue, item #17.

Maggie Kelch, resident, in favor of the 4 way stop signs at Whiting Street and West Pine Avenue, item #17.

Travis Siegel, resident, in favor of the 4 way stop signs at Whiting Street and West Pine Avenue, item #17.

Sarah Miskowicz, resident, in favor of the 4 way stop signs at Whiting Street and West Pine Avenue, item #17.

John Dorsey, resident, in favor of the 4 way stop signs at Whiting Street and West Pine Avenue, item #17.

Maria Coronado, spoke regarding Tax Fraud in the Construction Industry.

Salvador George, spoke regarding Tax Fraud in the Construction Industry.

CITY MANAGER FOLLOW-UP COMMENTS:

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

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

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

D. STAFF PRESENTATIONS:

(ITEM #17 MOVED FORWARD)

17. Conversion of Two-way Stop Signs to Four-way Stop Signs at Whiting Street and West Pine Avenue Intersection
(Fiscal Impact: Installation of four-way stop signs at this intersection is estimated to cost \$500. This cost can be absorbed via City's adopted FY 2022-2023 Annual Budget)

Elias Sassoon, Public Works Director reported on the item.

Council Discussion

MOTION by Council Member Pirsztuk, SECONDED by Mayor Boyles approving four-way stop signs at the intersection of Whiting Street and West Pine Avenue. MOTION PASSED BY A UNANIMOUS VOTE. 5/0

B. CONSENT:

4. Approve Regular City Council meeting minutes of March 21, 2023, and Special City Council meeting of March 31, 2023
(Fiscal Impact: None)
5. Approve warrants demand register for March 6, 2023 through April 2, 2023, numbers 17B, 18A, 18B and 19A: warrant numbers 3044677 through 3045072, and 9002831 through 9002865. Ratify Payroll and employee benefit Checks; Checks released early due to contracts or agreement; Emergency disbursements and/or adjustments; and, Wire transfers.
(Fiscal Impact: \$6,338,603.78 (\$2,408,948.37 in check warrants and \$3,929,655.41 in wire warrants))
6. Adopt Resolution No. 5403 approving plans and specifications for the FY 2023-24 Pavement Rehabilitation Project and authorize for advertising for construction and adopt Resolution 5404 identifying the source of partial funding in the amount of \$427,611 for the proposed FY 2023-24 Pavement Rehabilitation Project to be from FY 2023-24 SB 1 fund (Senate Bill 1 of 2017, the "Road Repair and Accountability Act"). Project No. PW 23-01
(Fiscal Impact: \$1,589,000, included in the proposed FY 2023-24 Budget to be considered by City Council on June 6, 2023)
7. Accept as Complete the Imperial Sewer Flume and Sand Hill Sewer Flume Rehabilitation Project by Downstream Services, Inc. and authorize the City Clerk to file a Notice of Completion with the County Recorder's Office.
(Fiscal Impact: \$285,000, Included in the FY 2022-23 Budget)

8. Approve third amendment No. 5778C with Clifton Larson Allen LLP to exercise the contract option to renew the agreement for one-year and for an additional \$72,800 to increase the total contract amount \$317,773 (five-year period) for audit services.

(Fiscal Impact: \$72,800, Included in the FY 2023-24 Budget to be considered by City Council on June 6, 2023)

9. PULLED BY COUNCIL MEMBER BALDINO

MOTION by Council Member Giroux, SECONDED by Council Member Baldino, approving Consent items 4, 5, 6, 7, and 8. MOTION PASSED BY A UNANIMOUS VOTE. 5/0

PULLED ITEMS:

9. Waive Bidding Requirements and Approve the Purchase of New Ford F-350 Dually Truck and a Dump-Truck Kit
(Fiscal Impact: \$66,383.00)

Council Discussion

Council consensus to add an additional 10% to the total in order to continue the purchase without the need to come back to Council if the price were to exceed the original budgeted amount.

MOTION by Council Member Baldino, SECONDED by Council Member Giroux to waive bidding requirements pursuant to El Segundo Municipal Code § 1-7-9(A) and authorize the City Manager to enter into Agreement No. 6630 directly with an auto dealership for the purchase of one new Ford F-350 Dually (Double Axle) truck and a Dump Truck Kit as amended. MOTION PASSED BY A UNANIMOUS VOTE. 5/0

C. PUBLIC HEARINGS:

10. Public Hearing for Adoption of FY 2023-2024 Master Fee Schedule
(Fiscal Impact: The estimated fiscal impact from the proposed changes is potential additional revenue for FY 2023-2024 of up to \$525,000, primarily for the General Fund)

Mayor Boyles stated this was the time and place for a public hearing regarding the adoption of FY 2023-24 Master Fee Schedule.

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

Dino Marsocci, Treasury & Customer Services Manager reported on the item.

Public Input: None

MOTION by Mayor Pro Tem Pimentel, SECONDED by Council Member Pirsztuk to close the public hearing. MOTION PASSED BY A UNANIMOUS VOTE. 5/0

Council Discussion

Council consensus to remove the following exhibits; appendix B, C and D. These items to be reviewed by the Recreation and Parks Commission and brought back at a later date for Council approval.

Mark Hensley, City Attorney read by title only:

RESOLUTION NO. 5405

A RESOLUTION OF THE CITY OF EL SEGUNDO ESTABLISHING A SCHEDULE OF FEES AND CHARGES FOR RECOVERING COSTS INCURRED FROM PROVIDING VARIOUS CITY SERVICES.

MOTION by Council Member Baldino, SECONDED by Council Member Giroux adopting Resolution No. 5404 as amended. MOTION PASSED. 4/1 YES: Boyles, Pirsztuk, Giroux, Baldino NO: Pimentel

11. Amendments to El Segundo Municipal Code Titles 7, 13, and 15 to Streamline Permitted Uses and Development Standards in All Zones and Implement Several Cleanup, Clarifying, and Conforming Provisions
(Fiscal Impact: None)

Mayor Boyles stated this was time and place for a public hearing regarding waiving the first reading and introducing an ordinance amending El Segundo Municipal Code ("ESMC") Titles 7, 13, and 15 to streamline the permitted uses and development standards in all zones and implement several cleanup, clarifying, and conforming provisions in chapters/sections 7-2-2, 13-13-2, 15-1-6, 15-2-4, 15-2-5, 15-2-7, 15-2-8, 15-2-14, 15-2-15, 15-4, 15-5, 15-6, 15-7, 15-8, 15-10, 15-15, 15-18-5, 15-30, 15-31-3 through 15-31-6, and 15-32-9; and find it is exempt under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines §§ 15060(c)(3), 15061(b)(3), and 15168(c)(2).

Clerk Weaver stated that proper notice had been given in a timely manner and that written communication had been received in the City Clerk's office.

Paul Samaras, AICP, Principal Planner gave a presentation.

Public input:

Toni Reina, CDC, commented on a few concerns that CDC has with the updates.

MOTION by Mayor Pro Tem Pimentel, SECONDED by Council Member Baldino to close the public hearing. MOTION PASSED BY A UNANIMOUS VOTE. 5/0

Council discussion

Council directed staff to make the following changes to the ordinance;

- Maintain the exclusion of common area restrooms from the calculation of Net Floor Area and add an exclusion for hallways.
- Maintain the Director's discretion to determine the height of fences and walls, including retaining walls, in non-residential zones.
- Give the Director more discretion to determine the timeframes for erection and removal of temporary construction fencing.
- Maintain service stations as a permitted use subject to a conditional use permit in the C-RS zone.

The item will be brought back for re-introduction at a future City Council meeting.

D. STAFF PRESENTATIONS:

(ITEM #14 MOVED FORWARD)

14. Professional Services Agreement with LPA, Inc. for Phase One Recreation Park Renovations

(Fiscal Impact: The City Council has approved \$1,000,000 in funding for park improvements which is allocated in the CIP budget. The fee for the Professional Services Agreement is \$145,918.)

Aly Mancini, Recreation, Parks, and Library Director introduced the item.

Arash Izadi, PLA, ASLA, LEED AP BD+C, Director of Sport + Recreation, LPA, Inc. gave a presentation.

Council Discussion

MOTION by Council Member Pirsztuk, SECONDED by Council Member Giroux authorizing staff to enter to Professional Services Agreement No. 6631 with LPA, Inc. ("LPA") to provide comprehensive plans, including conceptual design and engineering plans for Phase One of the Recreation Park Renovation Project. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

12. Annual Community Sponsorship Campaign

(Fiscal Impact: The Annual Community Sponsorship Campaign will generate between \$10,000 and \$50,000 in donations annually to support Recreation, Park, and Library programs. The donations collected are deposited into a trust account. Any use of the donations is required to be appropriated by City Council)

Aly Mancini, Recreation, Parks, and Library Director introduced and presented the item.

Council Discussion

MOTION by Mayor Pro Tem Pimentel, SECONDED by Council Member Pirsztuk approving the annual Community Sponsorship Program. MOTION PASSED BY A UNANIMOUS VOTE. 5/0

Recessed at 8:18 PM

Reconvened at 8:26 PM

(ITEMS #13 AND #16 ARE RELATED, THEREFORE ITEM #16 WAS MOVED FORWARD)

13. Resolution of Intention and First Reading of an Ordinance Authorizing an Amendment to the Contract between the City and CalPERS to Implement Additional Government Code § 20516 Employee Cost Sharing (Fiscal Impact: The retirement contract amendment will bring an estimated \$46,100 annual savings to the City as the employees will be picking up a portion of the "employer share" of their retirement cost. This savings, which applies to "Classic" employees only, will decrease in subsequent fiscal years as "Classic" employees retire and are replaced with "PEPRA" employees.)

Rebecca Redyk, Human Resources Director reported on the item.

Council Discussion

Mark Hensley, City Attorney, read by title only;

RESOLUTION NO. 5406

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

MOTION by Council Member Giroux, SECONDED by Mayor Pro Tem Pimentel adopting Resolution No. 5406. MOTION PASSED BY A UNANIMOUS VOTE. 5/0

MOTION by Council Member Pirsztuk, SECONDED by Council Member Giroux authorizing the City Manager and City Clerk to execute CalPERS documents, as required for submission to CalPERS, to facilitate the CalPERS contract amendment process. MOTION PASSED BY A UNANIMOUS VOTE. 5/0

Mark Hensley, City Attorney, read by title only;

ORDINANCE NO. 1649

AN UNCODIFIED ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EL SEGUNDO AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY OF EL SEGUNDO AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

Council Member Baldino introduced the Ordinance.

Second reading and possible adoption is scheduled for the regular City Council meeting of May 16, 2023.

16. Memorandum of Understanding Agreement No. 6641 between the City of El Segundo and the El Segundo Supervisory and Professional Employees' Association and Amendment to the City Contributions for CalPERS Medical Premiums (Fiscal Impact: The fiscal impact for FY 2022-23 is \$225,000. There are numerous Citywide vacancies that provide sufficient budgetary savings to address this impact. No additional appropriation is required. Subsequent years fiscal impact totals \$503,000 over FY 2023-24 through FY 2025-26)

Rebecca Redyk, Human Resources Director reported on the item.

Council Discussion

Mark Hensley, City Attorney, read by title only;

RESOLUTION NO. 5408

A RESOLUTION APPROVING AND ADOPTING THE MEMORANDUM OR UNDERSTANDING BETWEEN THE CITY OF EL SEGUNDO AND THE EL SEGUNDO SUPERVISORY AND PROFESSIONAL EMPLOYEES' ASSOCIATION BARGAINING UNIT

MOTION by Council Member Giroux, SECONDED by Council Member Pirsztuk adopting Resolution No. 5408. MOTION PASSED BY A UNANIMOUS VOTE. 5/0

Mark Hensley, City Attorney, read by title only;

RESOLUTION NO. 5409

FIXING THE EMPLOYER CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION 005 EL SEGUNDO SUPERVISORY AND PROFESSIONAL EMPLOYEES' ASSOCIATION

MOTION by Mayor Boyles, SECONDED by Mayor Pro Tem Pimentel adopting Resolution No. 5409. MOTION PASSED BY A UNANIMOUS VOTE. 5/0

- 15. Resolution to Establish Preferential Parking Zone No. 2 and Discussion of Possible Residential-Wide Preferential Parking Program (Fiscal Impact: Indirect cost of staff time associated with maintaining and enforcing the new preferential parking zone. A parking permit fee may be included in the future Master Fee Schedule study for council consideration and adoption.

Elias Sassoon, Public Works Director gave a presentation.

Council Discussion

Mark Hensley, City Attorney, read by title only:

RESOLUTION NO. 5407

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL SEGUNDO, CALIFORNIA DESIGNATING PREFERENTIAL PARKING ZONE NO. 2.

MOTION by Council Member Giroux, SECONDED by Council Member Baldino adopting Resolution No. 5407. MOTION PASSED BY A UNANIMOUS VOTE. 5/0

Council consensus directing staff to review/study a potential residential-wide preferential parking program.

- E. COMMITTEES, COMISSIONS AND BOARDS PRESENTATIONS: None
- F. REPORTS – CITY CLERK – No report
- G. REPORTS – CITY TREASURER – Not present
- H. REPORTS – COUNCIL MEMBERS

Council Member Baldino – Thanked Joe Lillio for the tour of the Finance Department and Aly Mancini for a tour of the Parks and Library.

- 18. Discuss Retaining a Lobbyist to Advocate on Behalf of the City (Fiscal Impact: The estimated cost is \$40,000 - \$50,000 per year)

Council Member Baldino reported on the item.

Council discussion

Council consensus to retain a Lobbyist to advocate on behalf of the City.

Council Member Giroux – Discussed the “Care First, Jail Last” initiative that was pulled by the Board of Supervisors, however, feels the initiative will come back around at some point. Urges the Council to strongly oppose the initiative should the item return.

Council Member Pirsztuk – Attended Coro Woman’s Leadership luncheon with Holly Mitchell’s office and thanked Recreation, Parks, and Library for a successful Easter Egg Hunt.

Mayor Pro Tem Pimentel – Attended SBCOG meeting and was briefed on CEQA Housing exemptions from the effects of SB 6, will be attending the League of Cities meeting on Wednesday, gave updates from Transportation and Sanitation meetings and commented on AB 205.

Mayor Boyles – Asked Chief Bermudez to speak regarding the recent break-ins on Main Street. Chief said he couldn’t reveal much due to the ongoing investigation, but assured Council that efforts are ongoing in the investigation. Attended the first Public Safety Task Force meeting last week,

- I. REPORTS – CITY ATTORNEY – No report
- J. REPORTS/FOLLOW-UP – CITY MANAGER – Will attend the South Bay Cities City Manager’s Association Meeting, on the agenda will be the discussion of the creation of a Housing Trust Fund.

MEMORIAL – Wayne Spencer

Adjourned at 9:07 PM

Tracy Weaver, City Clerk



City Council Agenda Statement

Meeting Date: May 2, 2023

Agenda Heading: Consent

Item Number: B.4

TITLE:

Warrant Demand Register for April 3, 2023 through April 16, 2023

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 19B and 20A: warrant numbers 3045073 through 3045241, and 9002866 through 9002894.
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 \$3,710,788.45 (\$983,869.57 in check warrants and \$2,726,918.88 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

May 2, 2023

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 19b summary
2. Register 20a summary

CITY OF EL SEGUNDO
WARRANTS TOTALS BY FUND

3045073 - 3045166
9002866 - 9002894

DATE OF APPROVAL: AS OF 4/18/2023

REGISTER # 19b

001	GENERAL FUND	432,810.04
003	EXPENDABLE TRUST FUND - OTHER	2,970.00
104	TRAFFIC SAFETY FUND	-
106	STATE GAS TAX FUND	1,232.00
108	ASSOCIATED RECREATION ACTIVITIES FUND	-
109	ASSET FORFEITURE FUND	1,340.61
110	MEASURE "R"	-
111	COMM. DEVEL. BLOCK GRANT	-
112	PROP "A" TRANSPORTATION	70.00
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	G.O.P.S. FUND	4,025.22
121	FEMA	-
122	L.A.W.A. FUND	-
123	PSAF PROPERTY TAX PUBLIC SAFETY	249.13
124	FEDERAL GRANTS	-
125	STATE GRANT	468.00
126	AP CUPA PROGRAM OVERSIGHT SURCHARGE	3,355.69
127	MEASURE "M"	-
128	SB-1	-
129	CERTIFIED ACCESS SPECIALIST PROGRAM	-
130	AFFORDABLE HOUSING	-
131	COUNTY STORM WATER PROGRAM	4,385.00
132	MEASURE "B"	-
202	ASSESSMENT DISTRICT #73	-
301	CAPITAL IMPROVEMENT FUND	9,166.00
302	INFRASTRUCTURE REPLACEMENT FUND	-
405	FACILITIES MAINTENANCE	-
501	WATER UTILITY FUND	8,342.11
502	WASTEWATER FUND	7,104.44
503	GOLF COURSE FUND	-
505	SOLID WASTE FUND	-
601	EQUIPMENT REPLACEMENT	-
602	LIABILITY INSURANCE	836.86
603	WORKERS COMP. RESERVE INSURANCE	701.87
701	RETIRED EMP. INSURANCE	-
702	EXPENDABLE TRUST FUND - DEVELOPER FEES	748.06
704	CULTURAL DEVELOPMENT	6,431.56
708	OUTSIDE SERVICES TRUST	-
TOTAL WARRANTS		<u>\$ 484,216.59</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

[Signature]
4-12-23

CITY MANAGER

[Signature]
4-12-23

DATE:

DATE:

VOID CHECKS DUE TO ALIGNMENT: N/A

VOID CHECKS DUE TO INCORRECT CHECK DATE: _____

VOID CHECKS DUE TO COMPUTER SOFTWARE ERROR: _____

NOTES: Stale dated checks: 3037467 & 3037562
New re-issue check numbers 3044989 & 3044990
See attachment reports (check history listing & replaced checks listing)

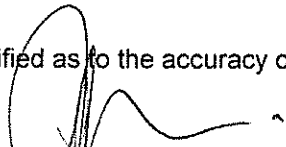
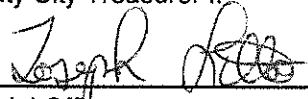
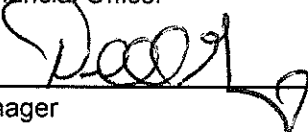
**CITY OF EL SEGUNDO
 PAYMENTS BY WIRE TRANSFER
 4/3/23 THROUGH 4/9/23**

<u>Date</u>	<u>Payee</u>		<u>Description</u>
4/5/2023	Cal Pers	66,636.74	EFT Retirement Safety Police Classic - 1st Tier 28
4/5/2023	Cal Pers	51,679.64	EFT Retirement Safety Fire- Classic 30168
4/5/2023	Cal Pers	52,188.69	EFT Retirement Misc - PEPRA New 26013
4/5/2023	Cal Pers	32,570.49	EFT Retirement Misc - Classic 27
4/5/2023	Cal Pers	32,884.15	EFT Retirement Safety-Police-PEPRA New 25021
4/5/2023	Cal Pers	13,974.31	EFT Retirement Safety-Fire-PEPRA New 25020
4/5/2023	Cal Pers	7,796.76	EFT Retirement Sfty Police Classic-2nd Tier 30169
4/5/2023	Cal Pers	5,898.44	20283 Arrears, CalPERS
4/5/2023	Unum	180.90	Long Term Care Premium - March 2023
3/13/23-3/19/23	Workers Comp Activity	14,607.03	SCRMA checks issued
3/13/23-3/19/23	Liability Trust - Claims	-	Claim checks issued/(voided)
3/13/23-3/19/23	Retiree Health Insurance	9,838.35	Health Reimbursement checks issued
3/13/23-3/19/23	Flexible Spending Account		Employee Health and DCA card charges
		<u>288,255.50</u>	

**DATE OF RATIFICATION: 3/30/23
 TOTAL PAYMENTS BY WIRE:**

288,255.50

Certified as to the accuracy of the wire transfers by:

	<u>4/10/2023</u>
Acting Deputy City Treasurer II	Date
	<u>4-10-23</u>
Chief Financial Officer	Date
	<u>4-12-23</u>
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 DEPARTMENT
AS OF 4/18/2023
REGISTER # 19b

DEPT#	NAME	TOTAL
GENERAL FUND DEPARTMENTAL EXPENDITURES		
GENERAL GOVERNMENT		
1101	City Council	811.52
1201	City Treasurer	3,207.33
1300	City Clerk	1,487.05
2101	City Manager	4,618.41
2102	Communications	569.82
2103	El Segundo Media	666.05
2201	City Attorney	
2401	Economic Development	559.34
2402	Planning	1,227.16
2405	Human and Health Services	
2500	Administrative Services	264,032.79
2601	Government Buildings	12,716.30
2900	Nondepartmental	36,244.23
6100	Library	4,089.60
		330,229.60
PUBLIC SAFETY		
3100	Police	10,177.68
3200	Fire	20,584.52
2403	Building Safety	3,692.59
2404	Plng/Bldg Sfty Administration	227.78
		34,682.57
PUBLIC WORKS		
4101	Engineering	2,609.15
4200	Streets/Park Maintenance	29,959.88
4300	Wastewater	235.98
4601	Equipment Maintenance	3,046.35
4801	Administration	246.17
		36,097.53
COMMUNITY SERVICES		
5100,5200	Recreation & Parks	25,538.88
5400	Centennial	463.92
		26,002.80
EXPENDITURES		
	CAPITAL IMPROVEMENT	9,166.00
	ALL OTHER ACCOUNTS	48,038.09
	TOTAL WARRANTS	484,216.59

CITY OF EL SEGUNDO
WARRANTS TOTALS BY FUND

3045167 - 3045241

DATE OF APPROVAL: AS OF 5/2/2023

REGISTER # 20a

001	GENERAL FUND	388,132.87
003	EXPENDABLE TRUST FUND - OTHER	1,500.00
104	TRAFFIC SAFETY FUND	-
106	STATE GAS TAX FUND	3,000.00
108	ASSOCIATED RECREATION ACTIVITIES FUND	-
109	ASSET FORFEITURE FUND	-
110	MEASURE "R"	85,038.14
111	COMM. DEVEL. BLOCK GRANT	-
112	PROP "A" TRANSPORTATION	10,112.94
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	AP CUPA PROGRAM OVERSIGHT SURCHARGE	-
127	MEASURE "M"	-
128	SB-1	-
129	CERTIFIED ACCESS SPECIALIST PROGRAM	-
130	AFFORDABLE HOUSING	-
131	COUNTY STORM WATER PROGRAM	-
132	MEASURE "B"	-
202	ASSESSMENT DISTRICT #73	-
301	CAPITAL IMPROVEMENT FUND	10,050.00
302	INFRASTRUCTURE REPLACEMENT FUND	-
405	FACILITIES MAINTENANCE	-
501	WATER UTILITY FUND	770.50
502	WASTEWATER FUND	446.93
503	GOLF COURSE FUND	-
505	SOLID WASTE FUND	-
601	EQUIPMENT REPLACEMENT	-
602	LIABILITY INSURANCE	601.60
603	WORKERS COMP. RESERVE/INSURANCE	-
701	RETIRED EMP. INSURANCE	-
702	EXPENDABLE TRUST FUND - DEVELOPER FEES	-
704	CULTURAL DEVELOPMENT	-
708	OUTSIDE SERVICES TRUST	-
	TOTAL WARRANTS	\$ 489,652.98

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 Lee

CITY MANAGER

[Signature]

DATE:

4-18-2023

DATE:

4-18-23

VOID CHECKS DUE TO ALIGNMENT:
N/A

VOID CHECKS DUE TO INCORRECT CHECK DATE:

VOID CHECKS DUE TO COMPUTER SOFTWARE ERROR:

NOTES: Stale dated checks: 3037467 & 3037552
New re-issue check numbers 3044589 & 3044990
See attachment reports (check history listing & replaced checks listing)

CITY OF EL SEGUNDO
WARRANTS TOTALS BY DEPARTMENT
AS OF 5/2/2023
REGISTER # 20a

DEPT#	NAME	TOTAL
GENERAL FUND DEPARTMENTAL EXPENDITURES		
GENERAL GOVERNMENT		
1101	City Council	
1201	City Treasurer	1,951.60
1300	City Clerk	437.22
2101	City Manager	193.06
2102	Communications	4,646.00
2103	El Segundo Media	
2201	City Attorney	1,239.00
2401	Economic Development	11,820.00
2402	Planning	
2405	Human and Health Services	3,100.00
2500	Administrative Services	27,680.51
2601	Government Buildings	48,334.32
2900	Nondepartmental	584.34
6100	Library	6,278.28
		106,264.33
PUBLIC SAFETY		
3100	Police	7,280.93
3200	Fire	839.40
2403	Building Safety	16,220.00
2404	Plng/Bldg Sfty Administration	
		24,340.33
PUBLIC WORKS		
4101	Engineering	19,474.30
4200	Streets/Park Maintenance	49,620.85
4300	Wastewater	302.68
4601	Equipment Maintenance	397.82
4801	Administration	
		69,795.65
COMMUNITY SERVICES		
5100,5200	Recreation & Parks	170,036.78
5400	Centennial	
		170,036.78
EXPENDITURES		
CAPITAL IMPROVEMENT		10,220.00
ALL OTHER ACCOUNTS		118,995.89
TOTAL WARRANTS		499,652.98

**CITY OF EL SEGUNDO
 PAYMENTS BY WIRE TRANSFER
 4/10/23 THROUGH 4/16/23**

<u>Date</u>	<u>Payee</u>		<u>Description</u>
4/10/2023	West Basin	1,666,474.24	H2O payment
4/14/2023	Mission Square	68,506.16	457 payment Vantagepoint
4/14/2023	Mission Square	1,038.46	401(a) payment Vantagepoint
4/14/2023	Mission Square	2,896.95	401(a) payment Vantagepoint
4/14/2023	Mission Square	50.00	IRA payment Vantagepoint
4/12/2023	Pitney Bowes	1,000.00	Postage for Library
3/20/23-3/26/23	Workers Comp Activity	70,671.67	SCRMA checks issued
3/20/23-3/26/23	Liability Trust - Claims		Claim checks issued/(voided)
3/20/23-3/26/23	Retiree Health Insurance		Health Reimbursement checks issued
3/20/23-3/26/23	Flexible Spending Account		Employee Health and DCA card charges
		<u>2,438,663.38</u>	

DATE OF RATIFICATION: 4/18/23

TOTAL PAYMENTS BY WIRE:

2,438,663.38

Certified as to the accuracy of the wire transfers by:


 Acting Deputy City Treasurer II

Date

4/18/2023


 Chief Financial Officer

Date

4-18-2023


 City Manager

Date

4-18-23

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



City Council Agenda Statement

Meeting Date: May 2, 2023

Agenda Heading: Consent

Item Number: B.5

TITLE:

2020 State Homeland Security Grant Program Equipment Purchase

RECOMMENDATION:

1. Appropriate \$24,383.13 to Special Revenue account 124-400-3202-3770
2. Authorize the Department Head to purchase equipment with L.N. Curtis for \$24,383.13
3. Alternatively, discuss and take other action related to this item

FISCAL IMPACT:

The City of El Segundo has been allocated \$24,383.13 in 2020 State Homeland Security Grant Program (SHSGP) equipment funding, which the grant administrator, Los Angeles County (the "County"), distributes to the local area via a subrecipient agreement. While the grant does not provide up-front funding, municipalities submit reimbursement requests to the grant administrator after expenditures are made and processed for payment. The County then reimburses approved requests. The appropriated funds will be reimbursed.

Staff is requesting an additional appropriation of \$24,383.13 for the following account numbers:

- 124-300-3202-3770 (2020 SHSGP Grant Revenue) to recognize \$24,383.13 in grant revenue; and
- 124-400-3202-3770 (2020 SHSGP Grant Expense) to appropriate \$24,383.13 for grant expenses.

**2020 State Homeland Security Grant Program Grant Fund Appropriation and
Equipment Purchase**

May 2, 2023

Page 2 of 2

BACKGROUND:

The State Homeland Security Grant Program allocates funding to address the unique equipment, training, organizational, and exercise needs of the subrecipient. A portion of this funding, which is passed to the local area through Los Angeles County via a subrecipient agreement has allocated funding to cover expenses associated with the 2020 projects.

DISCUSSION:

Staff recommends appropriation of the funds as it supports the equipment project associated with this grant funding and further supports the training and response readiness of Los Angeles area fire agencies for incidents of national significance. This funding will be used to purchase Urban Search and Rescue (USAR) equipment as shown in the attached quote from L.N. Curtis.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 2: Support Community Safety and Preparedness

Objective: El Segundo is a safe and prepared city.

PREPARED BY:

Vanessa Arias, Management Analyst

REVIEWED BY:

Deena Lee, Fire Chief

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. L.N. Curtis Quote No. 257619

Ph: 323-780-0254
 TF: 866-557-0254
 Fax: 714-522-5001
lasales@Incurtis.com
 UEI#: DDLSADSWN7U7



Pacific South Division
 15523 Carmenita Road
 Santa Fe Springs, CA 90670
www.LNCurtis.com
 Quotation No. 257619

Quotation

CUSTOMER:
 El Segundo City Fire
 Department
 350 Main Street
 El Segundo CA 90245

SHIP TO:
 El Segundo City Fire
 Department
 350 Main Street
 El Segundo CA 90245

QUOTATION NO.	ISSUED DATE	EXPIRATION DATE
257619	04/03/2023	05/03/2023

SALESPERSON	CUSTOMER SERVICE REP
Charles Turansky cturansky@Incurtis.com 818-398-6818	John Cassani jcassani@Incurtis.com 510-268-3305

REQUISITION NO.	REQUESTING PARTY	CUSTOMER NO.	TERMS	OFFER CLASS
SEE BPO FILE	Daniel Engler	C33226	Net 30	FR

F.O.B.	SHIP VIA	DELIVERY REQ. BY
SP	Standard Shipping	

NOTES & DISCLAIMERS

Thank you for this opportunity to quote. We are pleased to offer requested items below. If you have any questions, need additional information, or would like to place an order, please contact your Customer Service Rep as noted above.

Safety Warning Notice: Products offered, sold, or invoiced herewith may have an applicable Safety Data Sheet (SDS) as prepared by the manufacturer of the product. Any handlers or users of product should refer to applicable SDS prior to handling or utilizing the product. Applicable SDS are included with shipment of products. For other important product notices and warnings, or to request an SDS, please contact Curtis or visit <https://www.Incurtis.com/product-notices-warnings>

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	PL	UNIT PRICE	TOTAL PRICE
1	2	EA	22-796202 PARA	37-58" Acme Thread Rescue Strut	OM	\$758.10	\$1,516.20
2	2	EA	22-796200 PARA	25-36" Acme Thread Rescue Strut	OM	\$605.15	\$1,210.30
3	4	EA	22-796206 PARA	19-25" Acme Thread Rescue Strut	OM	\$524.40	\$2,097.60
4	1	EA	22-890523 PARA	3/8" 32' Blue Hose with Couplings	OM	\$112.10	\$112.10

Ph: 323-780-0254
 TF: 866-557-0254
 Fax: 714-522-5001
lasales@lncurtis.com
 UEI#: DDLSADSWN7U7



Pacific South Division
 15523 Carmenita Road
 Santa Fe Springs, CA 90670
www.LNCurtis.com
 Quotation No. 257619

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	PL	UNIT PRICE	TOTAL PRICE
5	1	EA	22-890524 PARA	3/8" 32' Green Hose with Couplings	OM	\$112.10	\$112.10
6	1	EA	22-890516 PARA	3/8" 16' Red Hose with Couplings	OM	\$92.15	\$92.15
7	12	EA	81R-YL TEAM WENDY	Yellow Exfil Sar Tactical Helmet		\$325.19	\$3,902.28
8	9	EA	81R-RD TEAM WENDY	Red Exfil Sar Tactical Helmet		\$325.19	\$2,926.71
9	1	EA	CMC CUSTOM	As follows: Part #293203 CMC Description: Hot Cutter for Rope and Webbing .	OM	\$151.20	\$151.20
10	1	EA	300750 CMC	Enforcer Load Cell Kit UL Certified To NFPA	OM	\$899.10	\$899.10
11	3	EA	201025 CMC	XLarge Blue ProSeries Anchor Strap	OM	\$75.60	\$226.80
12	5	EA	RESCUE TECH CUSTOM	As Below; Part # 794500-20 Rescue Tech Description: Hot Orange, 1" x 20' Length Heavy Duty Flat Webbing .	OM	\$14.00	\$70.00

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LN	QTY	UNIT	PART NUMBER	DESCRIPTION	PL	UNIT PRICE	TOTAL PRICE
13	5	EA	RESCUE TECH CUSTOM	As Below; Part # 794506-15 Rescue Tech Description: Blue, 1" x 15' Lengths Heavy Duty Flat Webbing .	OM	\$10.75	\$53.75
14	7	EA	RESCUE TECH CUSTOM	As Below; Part # 794502-50 Rescue Tech Description: Hot Yellow, 1" x 12' Lengths Heavy Duty Flat Webbing .	OM	\$9.60	\$67.20
15	8	EA	RESCUE TECH CUSTOM	As Below; Part # 794505-50 Rescue Tech Description: Green, 1" x 5' Lengths Heavy Duty Flat Webbing .	OM	\$4.20	\$33.60
16	2	EA	4238 011 2823 US STIHL	TS 410 12" Cut Off Saw * Stihl and Curtis recommend that only genuine Stihl products and accessories be used on Stihl product	OM	\$1,295.00	\$2,590.00
17	2	EA	STIHL CUSTOM	As Follows: * Stihl & Curtis recommend that only genuine Stihl products and accessories be used on Stihl product Part # MS661 C-M 25" Stihl Description: MS661 C-M 25" Magnum Professional Chain Saw with 25" Bar .	OM	\$1,495.00	\$2,990.00

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LN	QTY	UNIT	PART NUMBER	DESCRIPTION	PL	UNIT PRICE	TOTAL PRICE
18	2	EA	STIHL CUSTOM	As Follows: * Stihl & Curtis recommend that only genuine Stihl products and accessories be used on Stihl product Part # 3623 005 0084 Stihl Description: 33RSC 84E CHAIN LOOP .	OM	\$43.99	\$87.98
19	6	EA	STIHL CUSTOM	As Follows: * Stihl & Curtis recommend that only genuine Stihl products and accessories be used on Stihl product Part #3944 005 0072 Stihl Description: 36RDR 72 E CHAIN LOOP .	OM	\$379.99	\$2,279.94
20	1	EA	386SM YATES	Sma/ Med Ltwt Basic Rigging Harness	OM	\$355.85	\$355.85
21	1	EA	386LXL YATES	Lar/ Xlar Lt Wt Basic Rigging Harness	OM	\$355.85	\$355.85

Small Business
 CAGE Code: 5E720
 SIC Code: 5099
 Federal Tax ID: 94-1214350
 UEI #DDLSADSWN7U7

This pricing remains firm until 05/03/2023. Contact us for updated pricing after this date.

Due to market volatility and supply shortages, we recommend contacting your local L.N. Curtis and sons office prior to placing your order to confirm pricing and availability. This excludes our GSA Contract and other Fixed Price Contracts which are governed by contract-specific prices, terms, and conditions.

Ph: 323-780-0254
TF: 866-557-0254
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UEI#: DDLSADSWN7U7



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15523 Carmenita Road
Santa Fe Springs, CA 90670
www.LNCurtis.com
Quotation No. 257619

Subtotal	\$22,130.71
Estimated Tax Total	\$2,102.42
Transportation*	\$150.00
*(to be added when order ships)	
Total	\$24,383.13

[View Terms of Sale and Return Policy](#)



City Council Agenda Statement

Meeting Date: May 2, 2023

Agenda Heading: Consent

Item Number: B.6

TITLE:

Extension of Time for Completion of Topgolf Sublease Assignment and Leaseback Transaction with Corresponding Second Amendment to Master Lease Agreement and First Amendment to Memorandum of Lease

RECOMMENDATION:

1. Approve the proposed two-month extension for the assignment of Topgolf USA El Segundo, LLC's sublease to 42 Real Estate, LLC and corresponding leaseback of the interest from 42 Real Estate, LLC to Topgolf USA El Segundo, LLC subject to, and contingent upon the execution of, the attached Acknowledgment of Lease Terms and Guarantor Acknowledgment of Guaranty.
2. Authorize the Mayor to execute (i) the Second Amendment to the Due Diligence and Recreation Ground Lease Agreement between the City of El Segundo and Centercal LLC, (ii) the corresponding First Amendment to Memorandum of Lease, and (iii) the Estoppel Certificate and Consent, all conditioned on the assignment of the sublease occurring on or before June 30, 2023. The documents must be in a form substantially similar to the drafts attached to the Council Agenda Report and approved by the City Attorney.
3. Alternatively, discuss and take other possible action related to this item.

FISCAL IMPACT:

None.

BACKGROUND:

At its regular meeting on March 21, 2023, the City Council approved a request by Topgolf USA El Segundo, LLC for the City's consent to a proposed assignment of Topgolf USA's subleasehold interest in the Topgolf facility and related real estate, together with a corresponding leaseback to Topgolf USA of the interest. The request was made by Topgolf USA as part of a financing transaction. The assignment-related

documents approved by the Council required the transaction to be completed on or before May 1, 2023.

DISCUSSION:

Topgolf is now requesting a two-month extension of this outside date to and including June 30, 2023. No other changes to the terms of the previously-approved transaction are being requested.

A summary of the proposed transaction, as set forth in the Agenda Report from the March 21, 2023 meeting, is below for reference:

On February 6, 2021, the City of El Segundo and ES Centercal, LLC (“Centercal”) entered into the Due Diligence and Recreation Ground Lease Agreement pursuant to which the City leased the Lakes Golf Course and adjacent property to Centercal (the “Lease”). The Lease obligated Centercal to construct the Topgolf facility, complete improvements to the golf course, and to operate both facilities. The Lease authorized Centercal to sublease the premises to Topgolf USA El Segundo, LLC (“Topgolf USA”) for the purpose of taking over the operations. Topgolf USA’s obligations under the Lease are guaranteed by TG Holdings I, LLC.

Paragraph 18.1 of the Lease prohibits Topgolf USA from assigning its sublease interest without the City’s consent unless the assignment falls into one of four specific categories that are referred to as “Permitted Topgolf Transfers.” The proposed assignment to 42 Real Estate, LLC does not qualify as a Permitted Topgolf Transfer. Consequently, the City’s consent to the assignment is required for it to be effective.

In May 2022, Topgolf approached the City to request that it consent to the proposed assignment of Topgolf USA’s sublease interest to 42 Real Estate, LLC, and corresponding leaseback of the interest from 42 Real Estate, LLC to Topgolf USA.

Topgolf explained that the transaction was intended as a financing mechanism that would allow Topgolf USA to free up capital for Topgolf to invest in its entire structure, not just its El Segundo location. In response, the City Attorney’s Office asked Topgolf USA to respond to several questions regarding the nature, purpose, and effect of the proposed transaction, particularly the effect, if any, of the transaction on the terms and conditions of the Lease. Topgolf’s responses are attached hereto.

In addition to the proposed assignment, Topgolf is requesting that the Lease be amended to extend the initial term by approximately 26 months. The Lease provides for an initial term of 20 years that commenced on February 18, 2021. The lessee then has six successive option to extend the term, each for a separate period of five years each.

Topgolf’s proposed financing mechanism requires it to assign its sublease with a 20-year initial term. To accommodate this need, the proposed amendment would extend the initial term of the Lease by approximately 26 months and would simultaneously reduce the length of the first option period by the same amount of time, thereby having

no net effect on the maximum overall term of the Lease. The amendment to the Lease will require an amendment to the Memorandum of Lease on file with the County Recorder. A draft of both amendments is attached hereto.

The City Attorney requested that Topgolf prepare a document to be executed by Topgolf USA, 42 Real Estate, LLC, and Centercal wherein all of said parties would irrevocably represent, warrant, acknowledge and agree that the proposed assignment and leaseback would not in any way alter the terms or conditions of the Lease. In addition, TG Holdings I, LLC, the guarantor of the Lease obligations, was asked to prepare a document acknowledging that the proposed assignment and leaseback, together with the amendment to the Lease, would not affect or in any way diminish its guaranty obligations. Both of the documents have been prepared to the satisfaction of the City Attorney and are attached hereto.

Pursuant to the provisions of the California Environmental Quality Act ("CEQA"), the proposed action is exempt from review pursuant to Section 15061(b)(3) of the CEQA Guidelines because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 5: Champion Economic Development and Fiscal Sustainability

PREPARED BY:

Joaquin Vazquez, Deputy City Attorney

REVIEWED BY:

Mark Hensley, City Attorney

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Acknowledgement of Master Lease Guaranty - TG Holdings I LLC_3 4-18-23
2. El Segundo Second Amendment to Master Lease_8 4-18-23
3. First Amendment to Memo of Master Lease_1 4-18-23
4. 42RE _ El Segundo - Topgolf Diligence Memo
5. Revised Estoppel Certificate - Topgolf

GUARANTOR ACKNOWLEDGMENT OF GUARANTY

THIS GUARANTOR ACKNOWLEDGMENT OF GUARANTY (this "**Acknowledgment**") is made and entered into this ___ day of _____, 2023 by TG Holdings I, LLC, a Delaware limited liability company ("**Guarantor**").

RECITALS

A. Guarantor, an affiliate of Topgolf USA El Segundo, LLC, a Delaware limited liability company ("**Topgolf El Segundo**") entered into that certain Guaranty Agreement, dated as of February 6, 2021 (the "**Master Lease Guaranty Agreement**"), for the benefit of The City of El Segundo, a General Law Municipal corporation (the "**City of El Segundo**"), in connection with that certain Due Diligence and Recreation Ground Lease Agreement, dated as of February 6, 2021 (as amended, the "**Master Lease**"), by and between the City of El Segundo and ES Centercal, LLC, a Delaware limited liability company ("**Centercal**") for the lease by Centercal of that certain real property owned by the City of El Segundo located in the City of El Segundo, State of California, as set forth in Exhibit A-1 of the Master Lease (the "**Premises**").

B. Topgolf El Segundo and Centercal entered into that certain Ground Sublease Agreement, dated as of February 8, 2021 (as amended, the "**Sublease**") for the sublease by Topgolf El Segundo of the Premises from Centercal.

C. Topgolf El Segundo and 42 Real Estate, LLC, a Texas limited liability company ("**42 Real Estate**") entered into that certain Agreement of Sale and Purchase, dated as of February 1, 2022 (as amended, the "**Purchase and Sale Agreement**"), for the assignment by Topgolf El Segundo of its leasehold interest in the Sublease to 42 Real Estate (the "**Assignment**").

D. Effective as of the closing of the transaction set forth in the Purchase and Sale Agreement (the "**Closing**"), Topgolf El Segundo and 42 Real Estate will enter into an Operating Sublease (the "**Operating Sublease**") for the leaseback of the leasehold interest in the Sublease from 42 Real Estate to Topgolf El Segundo (the "**Leaseback**").

E. The City of El Segundo has requested, in connection with providing its consent to the Assignment and Leaseback, that Guarantor enter into this Acknowledgment.

NOW, THEREFORE, Guarantor hereby acknowledges, ratifies, confirms, and agrees to be bound by the Master Lease Guaranty Agreement as such pertains to Guarantor. The Guarantor hereby agrees that (i) the Assignment and the Leaseback and (ii) the extension of the Basic Term (as such term is defined in the Master Lease) to end on [_____, 2043], as set forth in that certain Amendment No. 2 to the Due Diligence and Recreation Ground Lease Agreement, dated as of [_____, 2023], do not affect or in any way diminish the guaranty obligations of the Guarantor under the Master Lease Guaranty, all of which remain in full force and effect.

FURTHERMORE, Guarantor acknowledges and agrees that the Outside Date (as such term is defined in the Purchase and Sale Agreement) for the Closing is June 30, 2023 and that Topgolf El Segundo will provide written confirmation of the Closing to the City of El Segundo as soon as reasonably possibly following the Closing, which confirmation may be delivered via email to Mark Hensley, City Attorney, at mhensley@hensleylawgroup.com with a copy to Darrell George, City Manager, at dgeorge@elsegundo.org.

This Acknowledgment shall be governed by, and construed in accordance with, the laws of the state of California.

[Signatures on Next Page.]

GUARANTOR:

TG HOLDINGS I, LLC,
a Delaware limited liability company

By: _____
Name: William Davenport
Title: CFO

**SECOND AMENDMENT TO
DUE DILIGENCE AND RECREATION GROUND LEASE AGREEMENT**

THIS SECOND AMENDMENT TO DUE DILIGENCE AND RECREATION GROUND LEASE AGREEMENT (the “Second Amendment”) is made this ___ day of _____ 2023, by and between THE CITY OF EL SEGUNDO, a general law City and municipal corporation (“Lessor”), and ES CENTERCAL, LLC, a Delaware limited liability company (“Lessee”).

RECITALS

WHEREAS, Lessor and Lessee entered into that certain Due Diligence and Recreation Ground Lease Agreement dated February 6, 2021 (as amended by that certain Amendment No. 1 to the Due Diligence and Recreation Ground Lease Agreement dated February 15, 2022, the “Lease”); and

WHEREAS, Lessee (as lessor) and Topgolf USA El Segundo LLC, a Delaware limited liability company (“Topgolf El Segundo”) entered into that certain Ground Sublease Agreement dated February 8, 2021 (as amended by that certain First Amendment to Ground Sublease Agreement dated February 15, 2022, the “Sublease”).

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties agree as follows:

1. Defined Terms. All capitalized terms not defined in this Second Amendment shall have the meanings assigned to such terms in the Lease.

2. Lease Term. The first sentence of Section 2.1 of the Lease is hereby deleted in its entirety and replaced with the following:

“2.1 The “**Basic Term**” of this Lease shall begin and the Lessee’s leasehold interest shall become effective on February 18, 2021 (the “**Premises Turnover Date**”), and shall end on [_____, 2043] (the “**Initial Term End Date**”).”

3. Option Periods. The following language is hereby added to the end of Section 2.2 of the Lease:

“Notwithstanding the foregoing, the first Option Period shall commence on the day following the Initial Term End Date and will end on the twenty fifth (25th) anniversary of the Premises Turnover Date.”

4. Effectiveness of Amendment. The parties acknowledge and agree that the effectiveness of this Second Amendment is contingent on the occurrence of the assignment by Topgolf El Segundo of the Sublease to a third party on or prior to June 30, 2023 (the “Sublease Assignment”). If the Sublease Assignment does not occur on or prior to June 30, 2023, this Second Amendment shall, as of June 30, 2023 and notwithstanding previous execution of this Second Amendment by Lessor and Lessee, become null and void as if this Second Amendment had not been entered into by Lessor and Lessee.

5. No Other Modifications. Except as the Lease shall be modified and amended hereby, all other terms of the Lease shall remain unchanged and shall remain in full force and effect as written and Lessor and Lessee hereby ratify and affirm the Lease and all terms, conditions and obligations in the Lease, as amended hereby.

6. Transfers, Successors and Assigns. This Second Amendment shall inure to the benefit of and burden of Lessor, Lessee, and their respective transfers, successors and assigns.

7. Governing Law. This Second Amendment shall be construed and interpreted under the laws of the state of California (without giving effect to its conflict of laws principles).

8. Counterparts. This Second Amendment shall become effective only upon the execution and delivery by both Lessor and Lessee as evidenced by each party's respective signatures on the signature page below. This Second Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together constitute one and the same document. Signatures provided by telecopy or electronic means (such as a PDF) shall have the same binding effect as original signatures.

[Signatures on Following Page]

IN WITNESS WHEREOF, Lessor and Lessee have executed this Second Amendment as of the day and year first above written.

LESSOR:

THE CITY OF EL SEGUNDO,
a general law City and municipal corporation

By: _____

Name:

Title:

Attest:

Tracy Weaver, City Clerk

Approved as Form:

Mark D. Hensley, City Attorney

LESSEE:

ES CENTERCAL, LLC,
a Delaware limited liability company

By: _____

Name: John Nahas

Title: President, Southern California

By: _____

Name: Sean Dennison

Title: SVP and General Counsel

[Signature Page to Second Amendment to Due Diligence and Recreation Ground Lease Agreement]

**CHICAGO TITLE COMPANY
COMMERCIAL DIVISION
RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:**

City of El Segundo
Attn: City Clerk
350 Main Street
El Segundo, CA 90245

FIRST AMENDMENT TO MEMORANDUM OF LEASE

This First Amendment to Memorandum of Lease (this “**First Amendment**”) is made and entered into as of this ___ day of _____, 2023, by and between the CITY OF EL SEGUNDO, a general law city and municipal corporation (“**Lessor**”) and ES CENTERCAL, LLC, a Delaware limited liability company (“**Lessee**”) upon the following terms:

WHEREAS, Lessor and Lessee entered into that certain Due Diligence and Recreation Ground Lease Agreement dated February 6, 2021 (as amended by that certain Amendment No. 1 to the Due Diligence and Recreation Ground Lease Agreement dated February 15, 2022 and that certain Amendment No. 2 to the Due Diligence and Recreation Ground Lease Agreement dated as of even date herewith, the “**Lease**”);

WHEREAS, the Lease is evidenced of record by that certain Memorandum of Lease dated February 6, 2021 and recorded at file number 20210889658 of the Official Records of Los Angeles County, California (the “**Memorandum**”); and

WHEREAS, Lessor and Lessee desire to amend the Memorandum as follows.

NOW, THEREFORE, for and in consideration of the foregoing, Lessor and Lessee hereby amend the Memorandum as follows:

1. **Definitions.** All capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Memorandum.

2. **Commencement Date of Lease.** Section 3 of the Memorandum is hereby deleted in its entirety.

3. **Term.** Section 4 of the Memorandum is hereby deleted in its entirety and replaced with the following:

“4. **Term.** The Basic Term of the Lease shall commence on February 18, 2021 (the “**Premises Turnover Date**”) and end on [_____, 2043] (the “**Initial Term End Date**”), unless the Basic Term shall sooner terminate or later be extended as provided in the Lease, together with the option to extend the Lease Term for a first Option Period commencing immediately following the Initial Term

End Date and ending as of the twenty-fifth (25th) anniversary of the Premises Turnover Date, along with five (5) additional consecutive Option Periods of five (5) years each.”

4. Ratification. Except as herein modified and amended, the terms and conditions of the Memorandum are hereby ratified and affirmed and shall remain in full force and effect. In the event of any conflict between the terms of the Memorandum and the terms of this First Amendment, the terms of this First Amendment shall control.
5. Counterparts. Lessor and Lessee may execute and acknowledge this Memorandum in counterparts, and such various signature pages may be collated together to form a single instrument.

[Execution on following pages]

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Memorandum of Lease as of the date first hereinabove mentioned.

CITY OF EL SEGUNDO ("Lessor"):

By: _____

Name: _____

Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____,
(Insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

ES CENTERCAL, LLC ("Lessee"):

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

On _____, before me, _____,
(Insert name and title of the officer)

personally' appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____

On _____, before me, _____,
(Insert name and title of the officer)

personally' appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

TO: City of El Segundo (Attn: Gregg Kovacevich and Mark Hensley)
DATE: October 24, 2022
FROM: Topgolf USA El Segundo, LC
SUBJECT: Agreement of Sale and Purchase (El Segundo, CA) – 42 Real Estate financing transaction

Gregg and Mark,

This memorandum addresses the questions provided to us on behalf of the City of El Segundo (the “**City**”) related to that certain Agreement of Sale and Purchase (“**PSA**”) by and between TOPGOLF USA EL SEGUNDO, LLC as seller (“**Topgolf**”) and 42 Real Estate, LLC as buyer (the “**42RE**”), for Topgolf’s subleasehold interest in the Topgolf facility and related real estate located at 400 Pacific Coast Highway in El Segundo, California (“**Property**”). Please see below for an outline of each question along with our responses to each:

1. A brief narrative description of the current state of affairs, including:

a. the basic structure of the lease agreement and the relative roles of CenterCal (lessee), TG Holdings I, LLC (guarantor), and TopGolf USA El Segundo LLC (sublessee):

The Property is currently leased by the City as landlord to ES CENTERCAL, LLC, a Delaware limited liability company (“**CenterCal**”) as tenant pursuant to that certain Due Diligence and Recreation Ground Lease Agreement, dated as of February 6, 2021 (the “**Master Lease**”).

The Property is currently subleased by Topgolf from CenterCal pursuant to that certain Ground Sublease Agreement, dated as of February 8, 2021 (the “**Sublease**”). Pursuant to the Sublease Topgolf has responsibility for the construction and operation of the Topgolf facility (which has been completed). In the Sublease, CenterCal agreed to assist with obtaining permits and approvals for the construction of the Topgolf Facility and to fund the cost of certain improvements (including installation of lights on the golf course). The Sublease is generally a triple net lease pursuant to which CenterCal has no role in the management or operation of the Property.

Topgolf is the manager and operator of the 9-hole golf course adjacent to the Property (the “**Golf Course Facility**”) pursuant to that certain Management Agreement, by and between the City and Topgolf, dated as of February 6, 2022 (the “**Management Agreement**”).

An affiliate of Topgolf, TG Holdings I, LLC, a Delaware limited liability company (“**Guarantor**”), is the guarantor of Topgolf’s obligations under the Sublease and the Management Agreement pursuant to that certain Guarantee Agreement dated as of February 6, 2021 (the “**Master Lease Guaranty**”) and that certain Ground Sublease Guaranty dated as of February 8, 2021 (the “**Sublease Guaranty**”).

b. an explanation of which entity paid for the physical improvements on the site:

Topgolf is responsible for funding the majority of the expenses associated with the physical improvements to the Property. Per the Sublease, CenterCal is required to fund a limited portion of the expenses for the physical improvements to the golf course, which CenterCal has already funded in full.

- c. **an explanation of how payments currently flow among the parties per the Lease and Sublease (i.e., CenterCal pays city fixed rent and variable rent, TopGolf USA El Segundo LLC pays rent to CenterCal, etc.): Is TG paying directly to the City or are they paying to Centercal?**

Topgolf pays all amounts owing under the Sublease to CenterCal and CenterCal pays all amounts owed under the Master Lease directly to the City. Notwithstanding the foregoing, pursuant to the provisions of the Master Lease the City is entitled to an annual payment equal to \$200,000 (“**Payments for Public Good**”). The Sublease permits Topgolf to make these payments directly to the City, which it intends to do.

2. A narrative explaining, in detail and in terms easily understood by a lay person:

- a. **why TopGolf USA El Segundo LLC wishes to assign its sublease (financing purpose/free up capital):**

Topgolf has expended significant funds in the construction of the Topgolf facility. Topgolf, as any other capital intensive business, seeks to manage liquidity and growth through financing in various forms. Topgolf is entering into the PSA with a new financing partner, 42RE, to provide Topgolf with a source of financing for its business and operations. The transaction is intended to free up capital that Topgolf can use to invest in its entire structure, not just the El Segundo location.

- b. **the proposed structure of the transaction and related details:**

The PSA provides for the sale of Topgolf’s subleasehold interest in the Property (the “**Subleasehold Interest**”) to 42RE (the “**Transaction**”). At the closing of the Transaction the Subleasehold Interest will be assigned from Topgolf to 42RE who will then lease the Subleasehold Interest back to Topgolf pursuant to an Operating Sublease (the “**Operating Sublease**”). Topgolf’s obligations under the Operating Sublease will be guaranteed by Guarantor pursuant to a guaranty in the same form as the Master Lease Guaranty.

- c. **how the relative roles of the parties will change, along with an explanation of how the payment flow among the parties will change:**

The relative roles of Topgolf and Guarantor will remain in place and will not be impacted by the Transaction. Specifically, the Guarantor’s existing guaranty obligations under the Master Lease Guaranty and the Sublease Guaranty and Topgolf’s obligations to operate and manage the Topgolf facility and the golf course facility under the Management Agreement will not be impacted by the Transaction.

With regards to how funds will flow among the parties, the payments made to the City under the Master Lease will remain unchanged and the City will not experience any changes to the flow of funds from its perspective as a result of the Transaction. Specifically, the Operating Sublease requires Topgolf to pay all amounts payable to CenterCal under the Sublease (e.g. variable rent, Payments for Public Good) directly to CenterCal; provided, however, Topgolf can make the Payments for Public Good directly to the City if such payment satisfies the obligation of CenterCal to make such payments under the Master Lease.

- d. **whether any changes to recorded security instruments are required (e.g., leasehold mortgages).**

Topgolf will file a Memorandum of Sub-Sublease in connection with the Operating Sublease. Topgolf will seek to lengthen the initial terms of each of the Master Lease and Sublease such that the initial terms of the Master Lease and Sublease would terminate at the same time as the initial term of the Operating Sublease. This would provide a benefit to the City since the amended initial term will result in a longer term for the Master Lease. The recorded security instruments related to the Master Lease and Sublease would be amended to account for the lengthened initial terms.

3. Details on the identity of the new sublessor, including:

a. the name of the entity and any parent/subsidiary/member/principal shareholder entities that control the sublessor or are authorized to bind the new sublessor:

The sublessee under the Operating Lease is Topgolf. The sublessor under the Operating Lease is JLJ TP TGES, LLC (“**Topgolf Sublessor**”). Topgolf Sublessor is managed by its General Manager, JLJ TGES Investor, LLC and is owned 10% by its General Manager and 90% by GTRF VI Topgolf Investor, LLC, a wholly owned subsidiary of Greystar-Thackeray Realty Fund VI REIT, LLC, of which the sole common shareholder is Greystar-Thackeray Realty Fund VI, L.P. (“**Fund VI**”). Fund VI is a real estate private equity fund sponsored by Greystar Real Estate Partners.

b. the name of the officers/principals of the new sublessor entity, and

Please see above in subpart (a) for an overview of the management of Topgolf Sublessor.

c. the financial position of the new sublessor.

Market and financial information on the respective entities can be found as follows:

42 Real Estate: www.42realestate.com
Thackeray Partners: www.thackeraypartners.com
Greystar: www.greystar.com

4. An explanation of why the transaction will not affect any party’s obligation(s) to the City or operation of the Topgolf venue as required under the Lease.

All the current commitments and obligations that the City benefits from under the Master Lease will remain unchanged and there will be no additional risks to the City as a result of the Transaction. Specifically, the Transaction will not affect Topgolf’s obligations to CenterCal and the City under the Master Lease and the Sublease or Topgolf’s obligations to operate and manage the Topgolf facility and the golf course facility, and will not change Guarantor’s guaranty obligations under the Master Lease Guaranty or the Sublease Guaranty. Additionally, CenterCal’s obligations to the City under the Master Lease will remain unchanged. The only aspect of the underlying Master Lease and Sublease that we will seek to change is an amendment of the initial term of each of the Master Lease and Sublease to lengthen the initial terms to align with the end of the initial term of the Operating Sublease, as further described in subpart 2 of the memo above.

EXHIBIT F

Form of Owner Estoppel Certificate & Consent

ESTOPPEL CERTIFICATE AND CONSENT

Dated: _____, 2023

42 Real Estate, LLC
Attn: Scott Rohrman and John Jenkins
2030 Main Street, Ste 342
Dallas, Texas 75201

Re: Due Diligence and Recreation Ground Lease Agreement (the "Master Lease"), by and between THE CITY OF EL SEGUNDO, a General Law Municipal corporation ("Lessor") and ES CENTERCAL, LLC, a Delaware limited liability company ("Lessee"), dated February 6, 2021, relating to property located in the City of El Segundo, County of Los Angeles, State of California, as legally described on Exhibit A of the Master Lease; Ground Sublease Agreement dated February 8, 2021 (the "Sublease") by and between Lessee and TopGolf USA El Segundo, LLC ("Seller")

Gentlemen:

The undersigned hereby acknowledges that [42RE SPE ENTITY]¹, a [_____], its successors and permitted assigns ("Purchaser"), may agree or has agreed to purchase the Seller's interest in the Property (as such term is defined in the Master Lease) pursuant to that certain Agreement of Sale and Purchase, dated as of February 1, 2022, by and between TOPGOLF USA EL SEGUNDO LLC, a Delaware limited liability company ("Seller") and Purchaser. In connection therewith, the undersigned hereby certifies, acknowledges and agrees as of the date first set forth above as follows:

1. The Master Lease is in full force and effect and unmodified;
2. Lessee is not in default in the payment of Rent (as such term is defined in the Master Lease) to Lessor;
3. To the knowledge of Lessor, neither party is in default in the performance or observance of any other covenant or condition to be performed or observed under the Master Lease;
4. To the knowledge of Lessor, no event has occurred that authorized, or with the lapse of time will authorize, Lessor to terminate the Master Lease;
5. To the knowledge of Lessor, neither Lessee nor Lessor has any offsets, counterclaims, or defenses and all Conditions Precedent (as such term is defined in the Master Lease) have been satisfied;
6. The date through which Rent has been paid to Lessor is _____;
7. Lessor consents to the assignment of the Sublease by Seller to Purchaser (the "Sublease Assignment"); and

¹ Note to Draft: Name of 42RE purchasing entity to be added once formed.

8. Lessor consents to the sub-sublease of the Property by Purchaser to Seller.

Lessor has agreed to execute this Estoppel Certificate and Consent (this “Certificate”) with the recognition and understanding that Purchaser will be relying on this Certificate and the matters set forth herein in purchasing Seller’s interest in the Property, and that Purchaser would not purchase Seller’s interest in the Property without the execution and delivery of this Certificate by the undersigned.

Furthermore, each of Purchaser and Seller acknowledge and agree that the effectiveness of this Certificate is contingent on the occurrence of (i) the Sublease Assignment on or prior to June 30, 2023, and (ii) the execution by all parties thereto, concurrently with execution of the Sublease Assignment, of each of (a) that certain Acknowledgment of Lease Terms, by and among Purchaser, Seller, and Lessee, in the form attached hereto as Exhibit A, and (b) that certain Guarantor Acknowledgment of Guaranty, by TG Holdings I, LLC, a Delaware limited liability company, in the form attached hereto as Exhibit B. If the conditions set forth in this paragraph are not timely satisfied, this Certificate shall become null and void as if this Certificate had not been executed by Lessor.

[Signature Page Follows]

LESSOR:

THE CITY OF EL SEGUNDO,
a general law City and Municipal corporation

By: _____
Name: _____
Title: _____

Exhibit A

Form of Acknowledgment of Lease Terms

(See attached.)

Exhibit B

Form of Guarantor Acknowledgment of Guaranty

(See attached.)



City Council Agenda Statement

Meeting Date: May 2, 2023

Agenda Heading: Staff Presentations

Item Number: D.7

TITLE:

Update from the El Segundo Economic Development Advisory Council

RECOMMENDATION:

1. Receive and file the update from the El Segundo Economic Development Advisory Council.
2. Alternatively, discuss and take other action related to this matter.

FISCAL IMPACT:

None.

BACKGROUND:

El Segundo Economic Development Council (ESEDC) is a privately run 501c3 non-profit organization comprised of El Segundo business leaders. ESEDC was established to guide the City's efforts to attract, retain and grow businesses in the community.

DISCUSSION:

The El Segundo Economic Development Corporation (ESEDC) works to identify, support and drive key initiatives forward that are of critical importance to the city's leading businesses and then to act as a bridge in communicating those interests to the City Council and community at large. The ESEDC will provide progress updates on its three active projects during the May 2nd City Council meeting as well as share news from its Board of Governors, Board of Directors and Leadership Team.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 5: Champion Economic Development and Fiscal Sustainability

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

Update from ESEDC

May 2, 2023

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community.

PREPARED BY:

Barbara Voss, Deputy City Manager

REVIEWED BY:

Barbara Voss, Deputy City Manager

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

None



City Council Agenda Statement

Meeting Date: May 2, 2023

Agenda Heading: Staff Presentations

Item Number: D.8

TITLE:

Temporary Appointment of CalPERS Retiree David Cain Pursuant to Government Code Sections 7522.56 and 21221(h)

RECOMMENDATION:

1. Adopt a resolution authorizing the appointment of CalPERS retired annuitant David Cain to the position of Chief Financial Officer, in compliance with Government Code §§ 7522.56 and 21221(h).
2. Approve an associated attached employment agreement with David Cain for the interim appointment to the position of Chief Financial Officer.
3. Alternatively, discuss and take other actions related to this item.

FISCAL IMPACT:

The Chief Financial Officer (“CFO”) position is currently funded in the FY 2022-2023 budget and is proposed to be fully funded in the FY 2023-2024 Budget. There is no additional ongoing fiscal impact associated with the temporary appointment of a retired annuitant to the Interim CFO position. There will be a slight savings in budgeted benefits. In accordance with California Public Employees’ Retirement System (CalPERS) requirements, Mr. Cain will not be eligible for any compensation or benefits in addition to the hourly pay rate while working for the City as a retired annuitant.

BACKGROUND:

On May 11, 2023, CFO Joseph Lillio will be leaving the City of El Segundo and vacating his position. David Cain was identified as the best match for the interim CFO position pending an executive recruitment for a permanent CFO.

DISCUSSION:

CalPERS recognizes that retirees can play an important role in maintaining city

Temporary Appointment of a CalPERS Retiree

May 2, 2023

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operations, particularly in short-term or emergency situations; however, they also specify limitations on a retiree's service when returning to work for a CalPERS agency. Government Code §§ 7522.56 & 21221(h) provide specific guidance on employing a CalPERS retiree without interruption to retirement benefits or reinstatement from retirement. Key terms of hiring a retired annuitant under the Government Code are:

- **The retiree must wait 180 days after their retirement date before they can return to work for a CalPERS employer, unless there is a qualifying exception.** Mr. Cain met the 180-day waiting period in November of 2017.
- **There must be an open recruitment to permanently fill the vacant position in process. The appointment of a retired annuitant to a vacant position must be for a limited duration, and their work history must show previous experience and the skill set needed to perform the work required.** The City is actively recruiting for the CFO position. Mr. Cain's public sector work experience includes serving as a Director of Finance and Administrative Services (Finance/IT). He possesses special skills and knowledge directly related to the City's Chief Financial Officer position. For these reasons, staff recommends that Mr. Cain be temporarily appointed until the recruitment is completed or November 15, 2023, whichever occurs earlier. Both the City and Mr. Cain are aware that a retired annuitant can only be appointed once to this vacant position as required by Gov. Code section 21221(h).
- **The retired annuitant's salary cannot be less than the minimum or exceed the maximum for the vacant position as listed on the employer's publicly available pay schedule for the position.** Mr. Cain will be temporarily appointed as the Chief Financial Officer. His hourly pay rate upon temporary hire will be \$103.37.
- **The retired annuitant cannot be paid any other compensation or benefits in addition to the hourly pay rate.** Sections 5 and 6 of Mr. Cain's employment agreement (Attachment 1) specify that he is ineligible to receive any compensation or benefits other than his hourly pay rate during the temporary appointment.
- **A maximum of 960 hours can be worked within a fiscal year (July 1 to June 30) and CalPERS does not provide any exception to this limit. Nonpaid or volunteer hours can't be used in order to exceed 960 hours in a fiscal year.** Mr. Cain is expected to work for a period of no more than 6 months while the City completes the recruitment for a permanent appointment to the Chief Financial Officer position. The City will be required to enroll Mr. Cain as a retired annuitant in the myCalPERS system and report hours worked.

Temporary Appointment of a CalPERS Retiree

May 2, 2023

Page 3 of 3

- **The retiree will not accrue service credit or any additional retirement rights or benefits.** While the City is required to report hours worked by Mr. Cain, those hours will not be counted as additional retirement service credit and reported only for the purposes of tracking the fiscal year hours limit.

The employment agreement identifies the detailed terms of Mr. Cain's temporary appointment. Staff recommends that City Council adopt a Resolution authorizing the temporary appointment effective May 16, 2023.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 3: Promote a Quality Workforce Through Teamwork and Organizational Efficiencies

Objective: El Segundo is an employer of choice and consistently hires for the future, with a workforce that is inspired, world-class, engaged and innovative.

PREPARED BY:

Rebecca Redyk, Human Resources Director

REVIEWED BY:

Rebecca Redyk, Human Resources Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Employment Agreement David Cain
2. Resolution Appointing Interim Chief Financial Officer

CITY OF EL SEGUNDO

EMPLOYMENT AGREEMENT FOR INTERIM CHIEF FINANCIAL OFFICER SERVICES

THIS EMPLOYMENT AGREEMENT FOR INTERIM CHIEF FINANCIAL OFFER SERVICES ("Agreement") is made and entered into as of this 2nd day of May, 2023 by and between the City of El Segundo ("City") and David Cain ("Employee").

RECITALS

- A. Pursuant to Government Code sections 7522.56(c) and 21221(h), City desires to employ Employee, a California Public Employees' Retirement System (CalPERS) retiree, on an interim basis in the position of Interim Chief Financial Officer for the City of El Segundo while the City actively recruits a permanent Chief Financial Officer.
- B. Pursuant to Government Code sections 7522.56(c) and 21221(h), the City Council finds that the position of Interim Chief Financial Officer requires specialized skills and experience to plan, direct, manage, and oversee the functions, programs, and operations of the Finance Department and that Employee possesses the skills needed to perform the functions and duties of Interim Chief Financial Officer.
- C. Employee desires to accept appointment to the position of Interim Chief Financial Officer under the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants contained herein, the parties agree as follows:

1. Duties. City hereby employs Employee as Interim Chief Financial Officer for the City of El Segundo to perform the functions and duties of the Chief Financial Officer, as specified by the City's Municipal Code and the Government Code, and to perform such other legally permissible and proper duties and functions as the City Council may from time to time assign or as may be necessary and desirable in the opinion of Employee for the efficient management of the Finance Department. As part of his duties, Employee shall assist with the recruitment of a permanent Chief Financial Officer.

2. Work Schedule. During his employment, Employee shall devote such time, interest and effort to the performance of this Agreement as is necessary to carry out his duties as Chief Financial Officer. Employee shall be available during normal City business hours and shall be available for attendance at City Council and other meetings during non-business hours as may be necessary. Employee acknowledges that his duties will often require performance of services outside of normal business hours. In no

event shall Employee be compensated for more than 960 hours during the term of this Agreement, including any extension hereof.

3. Work Restrictions/CalPERS. At the time this Agreement is entered into, Government Code Section 21224 allows a CalPERS retiree to perform contractual employee services under certain circumstances for up to a total of 960 hours in any fiscal year for all CalPERS contracting employers without being reinstated from retirement, and without loss or interruption of CalPERS retirement benefits. It is the Employee's responsibility to ensure that services performed under this Agreement are in compliance with the Employee's CalPERS obligations. If a controversy arises between Employee and CalPERS regarding the impact of this Agreement and the services provided for herein upon the nature of CalPERS retirement benefits, the City shall have no obligation to intervene in or defend or prosecute such dispute. Accordingly, it is recommended by the City that, prior to entering into this Agreement, Employee first bring it to the attention of CalPERS and that Employee thereby personally determine what, if any, impact this Agreement and the performance of the services set forth herein will or may have upon the employee's CalPERS retirement benefits. Additionally, it is recommended that Employee consult with his own legal counsel regarding the terms and conditions of this Agreement. Employee hereby releases and holds harmless the City and its officials, officers, employees and agents from and against any and all actions (including imposition of costs, fines and penalties) that CalPERS may impose against Employee arising from or relating to this Agreement. This provision shall survive the expiration or earlier termination of this Agreement.

4. Term. Subject to earlier termination as provided for in this Agreement, Employee shall be employed for a term beginning May 16, 2023, and ending on November 15, 2023, or when a permanent Chief Financial Officer assumes office, whichever is sooner.

5. Compensation. For services rendered pursuant to this Agreement, City agrees to pay Employee compensation of \$103.37 per hour, which amount is in conformance with the requirements of Government Code section 7522.56(d). This hourly rate does not exceed the maximum monthly base salary paid to other employees performing comparable duties as listed on a publicly available pay schedule for the Chief Financial Officer position, divided by 173.333. Employee shall not receive any benefits, incentives, compensation in lieu of benefits, or any other forms of compensation in addition to the hourly rate set forth herein. Employee will be compensated in bi-weekly payments (at the same time that City employees are regularly paid) and Employee's hourly wages paid pursuant to this Agreement are subject to all applicable withholdings and deductions in accordance with applicable law. Employee shall record all of his hours on a daily basis and transmit such records to the Finance Department on a weekly basis. Employee's attendance at conferences and seminars that are normal and customary for Chief Financial Officers shall be deemed working hours for purposes of this Agreement.

6. Benefits. Employee hereby waives all benefits provided to City employees, including retirement contribution, health/medical insurance, dental insurance, life and

disability insurance, sick leave, vacation, unemployment insurance and similar benefits. Notwithstanding the foregoing, Employee shall be entitled to observe all City holidays in the same manner as employees of the City. Employee recognizes that Government Code section 21221(h) provides that a retired person appointed to a vacant position pursuant to that subdivision may not receive any benefits, incentives, compensation in lieu of benefits, or any other forms of compensation in addition to the hourly rate.

7. Termination. The City may terminate this Agreement at any time with or without cause. Employee may terminate this Agreement at any time with or without cause provided, however, he shall provide the City Council with at least two weeks' advance written notice prior to the effective date of termination, if practicable, unless a shorter period is acceptable to the City Council. Employee agrees that he shall not be entitled to any severance pay as the result of the termination of this Agreement for any reason whatsoever.

8. At-will Employment/FLSA Exempt. Employee shall serve at the will and pleasure of the City Council and understands he is an "at-will" employee subject to summary dismissal without any right of notice or hearing, including any so-called "Skelly" hearing. Employee will not acquire any property interest in the position of Interim Chief Financial Officer and is employed solely on a temporary basis to perform specialized services in accordance with Government Code sections 7522.56(c) and 21221(h). Employee further understands and agrees that his position is that of an exempt employee for purposes of the Fair Labor Standards Act.

9. Certification Regarding Prior Unemployment Benefits. In accordance with Government Code section 7522.56(e)(1), Employee certifies and warrants to City that he has not received any unemployment insurance payments for retired annuitant work for any public employer within the twelve months prior to his appointment date under this Agreement.

10. Reimbursable Expenses. During the term of this Agreement, City shall reimburse for reasonable business expenses, including travel (but not to and from the worksite), parking and professional dues associated with maintaining membership in professional organizations pursuant to the applicable provisions of the El Segundo Municipal Code and City administrative policies. Reimbursement requests must be supported by written documentation in accordance with established policies and customary practices of the City.

11. Conflicts Prohibited. During the term of this Agreement, Employee shall not engage in any business or transaction or maintain any financial interest which conflicts, or reasonably might be expected to conflict, with the proper discharge of Employee's duties under this Agreement. Employee shall comply with all requirements of law, including but not limited to the Political Reform Act (Gov't Code § 87100, et seq.), Government Code sections 1090 and 1126, and all other similar statutory or administrative rules. Employee represents and warrants that he has no financial,

contractual or other interest or obligation that conflicts with or is harmful to the performance of his obligations under this Agreement.

12. Indemnification. For the purposes of indemnification and defense of legal actions, Employee shall be considered an employee of the City and shall be entitled to the same rights, and subject to the same obligations and limitations, as other employees of the City as set forth in the Government Code. Accordingly, City shall defend, hold harmless, and indemnify Employee against any tort, professional liability, claim or demand, or other legal action arising out of an act or omission occurring within the course and scope of Employee's services under this Agreement. Notwithstanding the foregoing, this indemnification obligation shall not apply to any intentional tort or crime committed by Employee to any action outside the course and scope of services provided by Employee under this Agreement, or any other intentional or malicious conduct or gross negligence of Employee.

13. Notices. Any notice required or permitted by this Agreement shall be in writing and shall be personally served or sent by U.S. Mail, first class postage prepaid, to the following address:

To City: City of El Segundo
 350 Main Street
 El Segundo, CA 90245
 Attn: City Attorney

To David Cain: 219 N. Thistle Road
 Brea, CA 92821

Notices shall be deemed given as of the date of personal service or upon the date of deposit in the United States Mail.

14. Entire Agreement. This Agreement supersedes any and all prior understandings or agreements, written or oral, between the parties, and contains all of the covenants and agreements between the parties regarding the subject matter herein. Each party acknowledges that no promises, representations, inducements or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, that are not set forth herein. No modification to this Agreement shall be effective unless reduced to writing and signed by both parties.

15. Severability. In the event any provision of this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of this Agreement or portion thereof shall be deemed severable and shall not be affected and shall remain in full force and effect.

16. Waiver. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. No waiver of any right or remedy in respect of any

occurrence or event shall be deemed a waiver of any right or remedy in respect of any other occurrence or event.

17. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The exclusive venue for all disputes arising from or related to this Agreement shall be the Superior Court for the County of Los Angeles.

18. Interpretation. Each party and its counsel have participated fully in the review and revision of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Agreement. The language in this Agreement shall be interpreted as to its fair meaning and not strictly for or against any party.

19. Independent Legal Advice. City and Employee represent and warrant to each other that each has read and fully understands the terms and provisions hereof, has had an opportunity to review this Agreement with legal counsel, and has executed this Agreement based upon such party's own judgment and advice of independent legal counsel.

20. Electronic Signatures. This Agreement may be executed by the parties on any number of separate counterparts, and all such counterparts so executed constitute one Agreement 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 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 transmission. Such electronic signature will be treated in all respects as having the same effect as an original signature.

[SIGNATURES ON FOLLOWING PAGE]

CITY OF EL SEGUNDO

DAVID CAIN

Drew Boyles, Mayor

David Cain

ATTEST:

Tracy Weaver, City Clerk

APPROVED AS TO FORM:

Mark D. Hensley, City Attorney

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
EL SEGUNDO APPOINTING DAVID CAIN AS INTERIM
CHIEF FINANCIAL OFFICER IN CONFORMANCE WITH
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT
SYSTEM AND STATE LAW REQUIREMENTS.**

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

SECTION 1. *Findings.* The City Council finds:

- A. Employment for the City's current Chief Financial Officer ("CFO") will end on May 11, 2023.
- B. The City Council authorized the search for a permanent CFO on April 11, 2023.
- C. Until a permanent CFO position is filled, the City requires the services of a qualified financial professional to carry out the CFO's day-to-day duties, which require specialized skills and experience.
- D. State law (Gov. Code, § 21221(h)), provides that, under specified circumstances, a retired annuitant in the California Public Employees' Retirement System ("CalPERS") may accept temporary employment with a public employer in the CalPERS system without affecting his or her retirement benefits.
- E. State law permits the governing body of such public employer to appoint a CalPERS retiree to a vacant position requiring specialized skills during recruitment for a permanent appointment and provides that such appointment will not subject the retired person to reinstatement from retirement or loss of benefits so long as it is a single appointment that does not exceed 960 hours in a fiscal year.
- F. Pursuant to the City's review of candidates, the City Council finds that David Cain, a CalPERS retiree, has decades of public finance experience with varied public entities and is qualified to temporarily serve as the City's CFO until the position is permanently filled, subject to the limitations stated above.
- G. The City desires to appoint David Cain as an interim appointment retired annuitant for services as interim CFO, effective May 16, 2023, pursuant to a temporary employment agreement..
- H. David Cain has not and will not receive a Golden Handshake or any other retirement-related incentive pursuant to the proposed engagement.

- I. Pursuant to Government Code §§ 75522.56(d) and 21224(a), the compensation paid to David Cain will not be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate, and he will not receive any other benefit, incentive, compensation in lieu of benefit or other form of compensation in addition to his hourly pay rate.

SECTION 2. *Approval.* The City Council approves the temporary employment agreement for David Cain, in the form attached to the staff report to which this Resolution attached and presented to the City Council. The Mayor or City Manager are authorized to execute such agreement.

SECTION 3. *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 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 2nd day of May, 2023.

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 2nd day of May, 2023, 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



City Council Agenda Statement

Meeting Date: May 2, 2023

Agenda Heading: Staff Presentations

Item Number: D.9

TITLE:

Memorandum of Understanding Between the City of El Segundo and the Police Officers' Association and Amendment to the City Contributions for CalPERS Medical Premiums

RECOMMENDATION:

1. Adopt a Resolution approving and adopting the Memorandum of Understanding ("MOU") between the City of El Segundo and the El Segundo Police Officers' Association ("POA").
2. Adopt a Resolution amending the City contributions for California Public Employees' Retirement System ("CalPERS") medical premiums pursuant to the MOU between the City of El Segundo and the POA.
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

The total cost of the successor POA Memorandum of Understanding is \$3,741,011 for the term April 1, 2023 through June 30, 2025. This cost assumes that all forty-nine (49) employees elect the voluntary binding arbitration agreement in exchange for a \$30,000 bonus payment.

The FY 2022-23 fiscal impact is \$1,126,020.

Additional Appropriation: Staff is requesting an additional appropriation of \$1,000,000 for implementing the terms of the POA MOU from April 1, 2023 through June 30, 2023.

Account Numbers: 001-299-0000-2990 General Fund Unappropriated Fund Balance to various Police Department salary and benefits accounts, 001-400-3102-4xxx (Patrol Division salary & benefits), 001-400-3102-41xx (Crime Investigation Division salary & benefits), 001-400-3103-4xxx (Traffic Safety Division salary & benefits).

BACKGROUND:

POA Memorandum of Understanding

May 2, 2023

Page 2 of 4

Staff and representatives of the POA met and conferred pursuant to Section 3500 et seq. of the California Government Code (MMBA), for purposes of reaching a labor agreement. A tentative agreement was reached on April 4, 2023, and the POA ratified the agreement on April 5, 2023.

The City and the POA began negotiations on September 23, 2021 for a successor MOU to the agreement that expired on September 30, 2021. This first round of negotiations ended in impasse declared by the POA on February 9, 2022 and the second round of negotiations began on March 25, 2022. A factfinding hearing for the first round of negotiations was held on June 20, 2022. On July 17, 2022, the factfinder provided recommendations that the City did not impose on the POA.

During the second round of negotiations, the City provided eight (8) formal offers and one (1) supposal to the POA; the POA provided six (6) formal offers and two (2) supposals. In both rounds of negotiations, the City's desire for binding arbitration was a challenging provision for the POA. The City provided proposals that included options with and without the binding arbitration provision and differing financial terms. Ultimately, the City and the POA were able to reach an agreement that included a voluntary binding arbitration provision in exchange for a \$30,000 bonus payment.

DISCUSSION:

The successor MOU provides for a voluntary binding arbitration agreement, cost-of-living adjustments, increases to City contribution for health, dental, and life insurance coverage. Other provisions include the elimination of the Tier II education incentive, adjustment of the longevity pay table from 26 to 25 years, and a residency requirement. The redlined MOU is attached which shows the revisions and clean-up language. The POA bargaining unit represents the Police Officer and Police Sergeant job classifications with forty-nine (49) incumbents. The following are highlights of the salary and benefit changes to the MOU:

1. Term: 2 years and 3 months, April 1, 2023, to June 30, 2025.
2. Voluntary Binding Arbitration Agreement: \$30,000 total bonus payment
 - \$15,000 upon execution of agreement
 - \$5,000 increments every six months thereafter.
3. Salary Adjustments:
 - 7% effective following approval and adoption of MOU
 - 3% effective January 1, 2024
 - 3% effective January 1, 2025.
4. Health Insurance Increases:
 - Effective upon approval and adoption of MOU: from \$1,650 to \$1,700

POA Memorandum of Understanding

May 2, 2023

Page 3 of 4

- Effective January 1, 2024: from \$1,700 to \$1,750
 - Effective January 1, 2025: from \$1,750 to \$1,800.
5. Increase in basic life insurance from \$10,000 to \$50,000.
 6. Elimination of the Tier II education incentive, which means that all employees would be eligible for a premium for possession of a Master's degree instead of only those hired prior to February 21, 2017.
 7. Adjustment of the longevity pay table to provide for payment at this tier one year earlier. Employees are eligible for a higher level of longevity pay at 25 years now instead of 26 years.
 8. Residency Requirement for new employees hired after approval and adoption of MOU. May reside up to one hundred (100) road miles from Police Headquarters for a ninety (90) minute response time.

Additionally, the parties agreed to various clean up items and the following:

- Revision of the leave cash out process to comply with the IRS doctrine of constructive receipt; and
- Provision to permit employees and eligible dependents to remain on City dental and vision plans if enrolled upon retirement. Premiums are to be paid by the retiree.

CalPERS requires contracting agencies participating in the Medical Plan under the Public Employee's Medical and Hospital Care Act ("PEMHCA") to submit a change resolution approved by the City Council to amend the employer contribution for medical premiums. Attached for adoption is the required resolution to increase the 2023 City paid medical premiums as noted above.

Upon approval and adoption of the MOU and related resolutions, Human Resources will work with Finance to implement all provisions, as negotiated.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 3: Promote a Quality Workforce Through Teamwork and Organizational Efficiencies

Objective: El Segundo is an employer of choice and consistently hires for the future, with a workforce that is inspired, world-class, engaged and innovative.

PREPARED BY:

POA Memorandum of Understanding

May 2, 2023

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Rebecca Redyk, Human Resources Director

REVIEWED BY:

Rebecca Redyk, Human Resources Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Attachment 1- Redline POA MOU
2. Resolution Approving and Adopting the POA MOU
3. Exhibit A to Resolution- POA MOU 2023- 2025
4. Resolution Fixing the Employer Contribution 002 El Segundo Police Officers Association

COMPREHENSIVE MEMORANDUM

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OF

UNDERSTANDING

~~October 1, 2018 – September 30, 2021~~
April 1, 2023 – June 30, 2025

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MEMORANDUM OF UNDERSTANDING
between the
EL SEGUNDO POLICE OFFICERS' ASSOCIATION,
and
THE CITY OF EL SEGUNDO, CALIFORNIA

MEMORANDUM OF UNDERSTANDING ("MOU")
BETWEEN
THE CITY OF EL SEGUNDO ("CITY")
AND
EL SEGUNDO POLICE OFFICERS' ASSOCIATION ("POA")

ARTICLE 1 GENERAL PROVISIONS

SECTION 1.01 Preamble

This Memorandum of Understanding is entered into with reference to the following:

- A. The El Segundo Police Officers' Association (hereinafter referred to as the "Association") is the exclusively recognized employee organization for all personnel employed by the City of El Segundo (hereinafter referred to as "City") in the unit of representation including the following classifications and positions (hereinafter referred to as affected employees): Police Sergeant and Police Officer. During the life of this agreement, such exclusive recognition may only be modified pursuant to the provisions of City Resolution No. 3208.
- B. In the interest of maintaining harmonious relations between the City and the affected employees, authorized representatives of the City Council of City and the Association have met and conferred in good faith, exchanging various proposals concerning wages, hours and the terms and conditions of employment of affected employees within the lawful scope of representation of Association pursuant to California Government Code Sections 3500 et. seq. and City Resolution Number 3208.
- C. The authorized representatives of the City Council of City and the Association have reached a mutual agreement as to certain wages, hours and other terms and conditions of employment of the affected employees, this memorandum of which shall be submitted to the City Council of City for its consideration and if adopted, for implementation of its terms and conditions by appropriate ordinance, resolution or other lawful action. This Memorandum of Understanding is a comprehensive statement of agreed-upon wages, hours and other terms and conditions of employment
- D. Unless otherwise provided for herein, all terms and conditions described herein shall be effective November 23, 2018 by the City Council.

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ARTICLE 26 – TERM OF AGREEMENT

SECTION 1.0226.01 Term

The term of this MOU shall commence on April 1, 2023 ~~October 1, 2018~~ and shall end on June 30, 2025 ~~September 30, 2021~~.

SECTION 26.02 — The parties agree that during the term of this Agreement, either party may request that the other re-open the Agreement to discuss the following items:

- (a) Modifications to the Municipal Code
- (b) Arbitration of claims; and
- (c) Worker's Compensation Carve Out program.

All changes to these items are subject to mutual agreement.

SECTION 1.032 Management Rights

A. Except as limited by the specific and express terms of this Memorandum of Understanding, the City hereby retains and reserves unto itself all rights, powers, ~~—~~ authority, duty, and responsibilities confirmed on and vested in it by the laws and the ~~—~~ Constitution of the State of California and/or United States of America.

~~1-B.~~ The management and the direction of the work force of the City is vested exclusively in the City, and nothing in this Memorandum of Understanding is intended to circumscribe or modify the existing right of the City to direct the work of its employees; hire, promote, demote, transfer, assign, and retain employees in positions within the City, subject to the rules and regulations of the City; suspend or discharge employees for proper cause; maintain the efficiency of governmental operations; relieve employees from duties because of lack of work; take action as may be necessary to carry out the City's mission and services in emergencies; and to determine the methods, means, and personnel by which the operations are to be carried out.

SECTION 1.043 Savings Clause

If any provision or the application of any provision of this Memorandum of Understanding shall be rendered or declared invalid by any final court action or decree, or by reason of any preemptive legislation, the remaining sections of this memorandum shall remain in full force and effect for the duration of said memorandum.

SECTION 1.054 No-Strike Clause

A. The El Segundo Police Officers' Association agrees that during the term of this Memorandum of Understanding their members employed by the City of El Segundo will not strike or engage in any work stoppage or slowdown, engage in any concerted failure to report for duty, or fail to perform their duties in whole or in part for the purpose of inducing, influencing, or coercing a change in the conditions, or compensation, or the rights, privileges, or obligations of employment.

- B. The Association also agrees that their members employed by the City of El Segundo will not refuse to cross a picket line in performance of their normal and customary duties, nor will the aforementioned employee organization attempt to influence, either directly or indirectly, other employees to honor an existing picket line in the performance of their normal and customary duties as employees.
- C. It is understood that any employee violating this provision may be subject to discipline up to and including termination by the City.
- D. It is understood that in the event this provision is violated the City may be entitled to withdraw any rights, privileges or services provided for in this Agreement or in City policy from any employee and/or the Association.

SECTION 1.065 Association Dues Deduction

The City agrees to:

- A. Provide official dues deductions for all employees who subscribe to Association membership;
- B. Provide official payroll deductions for City-approved Association insurance and welfare plans, not to exceed five programs;
- C. Provide the Association with a list of newly-hired employees in the representation unit monthly.
- D. City agrees to provide the Association with (1) ten days' advance notice of any new employee orientation, (2) the name, job title, department, work location, work home, personal cellular telephone number, personal email address, and home address of any new employee with 30 days of hire or by the first pay period of the month following hire, and (3) the information in #2 above, every 120 days for all employees in represented classifications.

SECTION 1.076 Association Administrative Time

Association is granted a total of four hundred (400) hours (as a group) per calendar year of paid Association Administrative Leave (AAL) for the conduct of Association's business and for its members to participate in activities that further the interests or prestige of the Association. These activities shall include, but shall not be limited to attending the Peace Officers' Research Association of California conference, attending other conference or seminars, instructional classes or participating on various local or statewide committees or boards. AAL must be authorized by the Association President and approved by the Police Chief, or Chief's designee.

SECTION 1.087 Association Hearing Cost Contribution

The Association will pay for one-half of the costs incurred in connection with Los Angeles County Civil Service Commission hearings to a maximum of \$3,000 per year.

SECTION 1.098 Maintenance of Existing Benefits

- A. This Memorandum of Understanding contains all of the covenants, stipulations and provisions agreed upon by the parties. It is understood that all items relating to employee wages, hours

and other terms and conditions of employment not covered in this Memorandum of Understanding are covered by existing ordinances, resolutions, policies, and practices of the City, as well as the Personnel Rules and Regulations presently in effect. Therefore, for the life of this agreement, neither party shall be compelled to meet and confer with the other concerning any mandatory meet and confer issues whether specifically discussed prior to the execution of this agreement or which may have been omitted in the discussions which led up to the execution of this agreement, except as provided in this agreement or by mutual agreement of parties.

- B. Nothing herein prevents the City and Association from meeting and consulting on the City's Personnel Rules and Regulations which are within the scope of representation. However, the mutual agreement of both the City and Association are required to effect any change.

SECTION 1.1009 Non-Discrimination

Commented [A3]: Parties agreed to delete, but City would prefer for this section to remain.

- A. The Association and the City recognize and agree to protect the rights of all employees to join and/or participate in protected Association activities or to refrain from joining or participating in Association activities.
- B. The Association and the City agree that they shall not illegally discriminate against any employee because of race, color, sex, age, national origin, political or religious opinions or affiliations and shall act affirmatively to accomplish equal employment opportunities for all employees. The Association and the City shall reopen any provision of this Agreement for the purpose of complying with any final order of a Federal or State agency or court of competent jurisdiction requiring a modification or change in any provision or provisions of this Agreement in compliance with State or Federal anti-discrimination laws.

ARTICLE 2 SALARY

SECTION 2.01 Salary

Effective November 23, 2018, the City shall create a Step F to the Officer and Sergeant Classifications, with a ten percent (10%) differential above Step E. An employee who is at Step E on November 22, 2018 shall progress to Step F on November 23, 2018. All other employees shall progress to Step F after being at Step E for one year.

The City shall provide the following salary increases to employees, per Appendix A:

- 1. ~~Effective the first full pay period following approval and adoption of the MOU April 8, 2023 (the first full pay period in April 2023): Increase base salary by seven percent (7.00%);~~
- 2. ~~Effective the first full pay period that includes January 1, 2024: Increase base salary by three percent (3.00%);~~
- 3. ~~Effective the first full pay period that includes January 1, 2025: Increase base salary by three percent (3.00%); and~~

In addition to the creation of Step F, effective November 23, 2018, the base salary schedule of unit classifications shall be increased by nine percent (9%) as follows: (also incorporated as Exhibit I):

<u>Step</u>	<u>Officer Base Salary</u>	<u>Sergeant Base Salary</u>
Step A	\$6,867.84	\$8,600.23
Step B	\$7,208.08	\$9,030.24
Step C	\$7,568.49	\$9,481.75
Step D	\$7,946.91	\$9,955.84
Step E	\$8,344.26	\$10,453.63
Step F	\$9,178.68	\$11,499.00

The base salary schedule of unit classifications shall be increased by two percent (2%) as follows effective the pay period that includes October 1, 2019 (also incorporated as Exhibit I):

<u>Step</u>	<u>Officer Base Salary</u>	<u>Sergeant Base Salary</u>
Step A	\$7,002.14	\$8,772.24
Step B	\$7,352.25	\$9,210.85
Step C	\$7,719.86	\$9,671.39
Step D	\$8,105.85	\$10,154.96
Step E	\$8,511.14	\$10,662.71
Step F	\$9,362.26	\$11,728.98

The base salary schedule of unit classifications shall be increased by two percent (2%) as follows effective the pay period that includes October 1, 2020 (also incorporated as Exhibit I):

<u>Step</u>	<u>Officer Base Salary</u>	<u>Sergeant Base Salary</u>
Step A	\$7,142.18	\$8,947.68
Step B	\$7,499.29	\$9,395.06
Step C	\$7,874.26	\$9,864.82
Step D	\$8,267.97	\$10,358.06
Step E	\$8,681.37	\$10,875.96
Step F	\$9,549.50	\$11,963.56

SECTION 2.02 Regular Rate of Pay

This MOU periodically refers to the “regular rate of pay.” The “regular rate of pay” is defined in 29 CFR § 778.108 et. seq. The “definition” used in this MOU is for general reference and does not override the specific definitions set forth in the FLSA. Therefore, as used in this MOU, the regular rate of pay is the remuneration paid to or on behalf of the employee except gifts, travel expenses, other reimbursable expenses, payments not mandated by the MOU or other rules/regulations, retirement and insurance contributions by the City, overtime and holiday pay. These are examples only and not intended to be an all-inclusive definition of the “regular rate of pay.” Applicable statutes/case law shall prevail over any MOU definitions inconsistent with statutes/case law.

The regular rate of pay shall be calculated in dollars and cents rounded off to two (2) decimal places to the right of the decimal point.

The parties acknowledge that there is a pending dispute between the parties as any City obligation to include the value of the employer paid member contribution to PERS when calculating the regular rate of pay. Without waiving any right, claim or defenses by the parties, it is understood that commencing March 4, 2017, the City shall not pay the employee's nine percent (9%) PERS member contribution and consequently the employer paid member contribution of nine percent (9%) does not apply to this bargaining unit and is not to be calculated as part of the regular rate of pay nor shall it be applied to any leave payouts.

FLSA Work Period – The FLSA Work Period shall be defined as eighty (80) hours in a fourteen (14) day period.

All paid leave shall be considered "hours worked" for purposes of eligibility for overtime.

SECTION 2.03 Step Advancement

Employees hired at Step A shall progress to Step B after six (6) months. Progressions to Steps C, D, and E shall be at twelve month intervals, with satisfactory (or above) performance. Progression from Step E to Step F shall occur automatically after the employee has been at Step E for twelve months.

The Police Chief may recommend to the Human Resources Director for approval by the City Manager that an employee receive an accelerated advancement of part or all of the next salary step increase in the Basic Salary Range (A – F Steps) based on exemplary job performance. The accelerated salary advancement shall not change the affected employee's anniversary date.

SECTION 2.04 Notice Requirement to Withhold Step Increase

The City shall have the option during or after the term of this agreement to provide employees written notice of the intent to withhold a salary step increase and the reasons for same no later than the end of the pay period which begins after the employee's anniversary date.

~~SECTION 2.05 — Retention Bonuses~~

~~The City shall make a one-time ad hoc lump sum amount payment of Three Thousand, Seventy Hundred and Fifty Dollars (\$3,750) to each "Classic" member of the Association covered by this Memorandum of Understanding who is actively employed by the City on December 7, 2018. The payment shall be made in the pay period that includes December 7, 2018. The one-time ad hoc payment paid is unconnected to performance and shall not be reflected on any City pay or salary schedule, shall not be the basis for any future negotiated salary increases, and shall not be reported as compensation earnable.~~

~~The City shall make a one-time ad hoc lump sum amount payment of Three Thousand, Seventy Hundred and Fifty Dollars (\$3,750) to each "Classic" member of the Association covered by this Memorandum of Understanding who was employed by the City on December 7, 2018 and is actively employed by the City on December 7, 2020. The payment shall be made in the pay period~~

~~that includes December 7, 2020. The one-time ad hoc payment paid is unconnected to performance and shall not be reflected on any City pay or salary schedule, shall not be the basis for any future negotiated salary increases, and shall not be reported as compensation earnable.~~

ARTICLE 3 EDUCATION/CERTIFICATE INCENTIVE

SECTION 3.01 Educational Compensation

Members of this bargaining unit hired before February 21, 2017, shall be frozen at their current level of education compensation/POST Certificate compensation unless a Bachelor's degree is obtained at any time or AA or is conferred/completed by February 21, 2022 or a Master's Degree in conferred/completed by September 30, 2018. Therefore, employees hired on or before February 21, 2017 are entitled to continued incentive compensation for their pre-existing possession of the requisite college units/AA Degree/POST certificate/sworn law enforcement services as to POST pay as set forth in Section 3.01, subsections 1-3. Such employees hired on or before February 21, 2017 are also eligible for education incentive upon conferral of a Bachelor's Degree or Master's Degree as referenced above and more fully described in Section 3.01, subsections 4-5. The Master's Degree incentive will be held in abeyance until the required years of service are met (if not met prior to September 30, 2018). Once obtained, the Bachelor's or Master's Degree pay (whichever is applicable) shall be frozen unless promoted to Sergeant.

~~The only education incentive available to members of this bargaining unit hired after February 21, 2017 shall be the Bachelor's education incentive pay and once obtained, the Bachelor's degree pay shall be frozen, unless promoted to Sergeant.~~

~~Subject to the foregoing, employees Effective upon City Council approval and adoption of this MOU, Tier II Educational Compensation is eliminated, and members shall be eligible for education incentive compensation as follows (See chart below); (and as shown in Exhibit 1):~~

1. Qualification for and possession of either 60 units, or AA degree, or Intermediate POST Certificate shall entitle employee to Two-Hundred and Ninety Eight Dollars and Ten Cents (\$298.10) for Officers and Three-Hundred Seventy-Three and Forty-Four Cents (\$373.44) for Sergeants. --
2. Qualification for and possession of either 60 units, or AA degree, and Intermediate POST Certificate shall entitle employee to Four Hundred and Sixty-Seven Dollars and Twenty-Nine Cents (\$467.29) for Officers and Five Hundred and Sixty Dollars and Sixteen Cents (\$560.16) for Sergeants.-
3. Qualification for and possession of Advanced POST Certificate shall entitle employee to Seven Hundred and Seventy Dollars and Seventy-One Cents (\$770.71) for Officers and Nine-Hundred and Fifty One Dollars and Fifty-Six Cents (\$951.56) for Sergeants.-
4. Qualification for and possession of Bachelor's degree shall entitle employee to Nine Hundred and Sixty-Three Dollars and Thirty-Seven Cents (\$963.37) for

~~Page 15 – October 1, 2018 – September 30, 2021 MOU~~

Officers and One-Thousand, One-Hundred and Twenty Dollars and Thirty-Four Cents (\$1120.34) for Sergeants.

5. Qualification for and possession of Master's degree shall entitle employee to One Thousand Three-Hundred and Fifty-Three Dollars and Sixty-Two Cents (\$1353.62) for Officers and One Thousand Six Hundred and Twenty-Two Dollars and Eighty Five Cents (\$1,622.85) for Sergeants.

6. ~~Salary Schedule/Exhibit 1 is attached hereto and incorporated herein as though set forth in full.~~

	<u>60 Units or AA —or Intermediate POST</u>	<u>AA + Intermediate POST</u>	<u>Advanced POST</u>	<u>Bachelors</u>	<u>Masters</u>
<u>Officer</u>	<u>\$298.10</u>	<u>\$467.29</u>	<u>\$770.71</u>	<u>\$963.37</u>	<u>\$1,353.62</u>
<u>Sergrgeant</u>	<u>\$373.44</u>	<u>\$560.16</u>	<u>\$951.56</u>	<u>\$1,120.34</u>	<u>\$1,622.85</u>

SECTION 3.02 — Certification Requirement for Educational Compensation

~~Employees who participate in the Educational Reimbursement Program will be required to sign the following agreement:~~

~~Educational Reimbursements — "I certify that I successfully completed the course(s), receiving at least a grade of "C" or better" or a grade of "pass", if the course was offered on a pass/fail basis. (Attach a copy of grade verification) — "Further, I agree to refund the City or have deducted from my final paycheck any educational reimbursement funds received under this program if I should leave the City's employ, voluntarily or through termination, with cause, within one year after completion of the course work for which I am to receive reimbursement, in accordance with the following schedule."~~

SECTION 3.03 Longevity

1. Employees ~~hired on or before February 21, 2017~~ shall be compensated for longevity in the following circumstances, as ~~is set forth below in Exhibit 1~~
 - A. Upon completion of ten years of paid, full-time sworn law enforcement service
 - B. Upon completion of fifteen years of paid, full-time sworn law enforcement service
 - C. Upon completion of twenty years of paid, full-time sworn law enforcement service
 - D. Upon completion of ~~twenty-five~~ twenty-six years of paid, full-time sworn law enforcement service

Commented [A4]: Is this per paycheck or per month or some other time frame?

	<u>Longevity Pay per Month (paid over 26 pay periods)</u>			
	<u>10 years</u>	<u>15 years</u>	<u>20 years</u>	<u>25 years</u>
<u>Officer</u>	<u>\$200.00</u>	<u>\$360.00</u>	<u>\$575.00</u>	<u>\$1,150.00</u>

Sergeant	\$265.00	\$485.00	\$680.00	\$1,515.00
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~~2. Employees hired after February 21, 2017 shall be compensated for longevity as set forth above, except these employees shall not be eligible for the 26-year longevity step.~~

~~3.2. Consistent with the years-long past practice, any reference to employees being required to have or maintain any performance standard to receive Longevity Pay is hereby stricken as having not been applicable.~~

ARTICLE 4 TUITION AND BOOK REIMBURSEMENT PROGRAM

SECTION 4.01 Policy and Eligibility

The following college-level tuition and book reimbursement program shall be applicable to all unit members:

SECTION 4.02 Undergraduate Studies (Studies undertaken in pursuit of an Associate's or a Bachelor's degree).

- A. The City shall reimburse each affected employee in an amount equal to 100% of tuition and book expenditures incurred while employed by the City and while a student at any accredited college or university having its campus in the State of California. However, the tuition reimbursement described herein, shall not exceed the per-unit tuition cost required by the University of California or California State University, whichever is higher.
- B. Tuition and book reimbursement shall be provided only for those classes in which a certified college or university transcript evidences the employee attaining a grade of "C" or better (or where classes are taken "pass/fail," evidence must be provided of a "pass" grade) in classes approved pre-enrollment by the Chief of Police or his/her designee.

SECTION 4.03 Post-Graduate Studies (Post-Graduate studies are defined as those undertaken in pursuit of a degree beyond a Bachelor's).

- A. The City shall reimburse each affected employee pursuing post-graduate studies in an amount equal to 100% of tuition and book expenditures incurred while employed by the City and while pursuing said studies at the University of California or California State University;
- B. The City shall reimburse each affected employee pursuing post-graduate studies at other accredited institutions, in an amount equivalent to 80% of the tuition and book expenditures incurred while employed by the City and while pursuing said studies;
- C. Tuition and book reimbursement shall be provided only for those classes in which a certified university transcript evidences the employee attaining a grade of "C" or better (or where classes are taken "pass/fail," evidence must be provided of a "pass" grade) in classes approved pre-enrollment by the Chief of Police or his/her designee.

SECTION 4.04 Tuition Reimbursement Program – effective August 1, 2003

- A. The City will reimburse each applicable employee for the cost of undergraduate and graduate education, in an amount not to exceed 100% of the cost of tuition and book/supplies at UCLA or UCI, whichever is higher. All employees who are enrolled in graduate or undergraduate programs as of August 1, 2003, shall be permitted to complete their respective graduate or undergraduate degrees under the terms of the former Tuition Reimbursement program (See Sections 4.02 and 4.03 above).
- B. Tuition and book reimbursement shall be provided only for those classes in which a certified university transcript from an accredited institution having its campus in the State of California, evidences the employee attaining a grade of “C” or better (or where classes are taken “pass/fail,” evidence must be provided of a “pass” grade) in classes approved pre-enrollment by the Chief of Police or his/her designee.

SECTION 4.05 3.02 Certification Requirement for Tuition Reimbursement Educational Compensation

Employees who participate in the Educational Reimbursement Program will be required to sign the following agreement:

Educational Reimbursements – “I certify that I successfully completed the course(s), receiving at least a grade of “C” or better” or a grade of “pass”, if the course was offered on a pass/fail basis. (Attach a copy of grade verification) “Further, I agree to refund the City or have deducted from my final paycheck any educational reimbursement funds received under this program if I should leave the City’s employ, voluntarily or through termination, with cause, within one year after completion of the course work for which I am to receive reimbursement, in accordance with the following schedule.”

ARTICLE 5 PROMOTIONS

SECTION 5.01 Salary Differential upon Promotion

The City shall have the option to compensate supervisors newly appointed to their positions at a base rate as long as it is higher than the base rate of their subordinates (no minimum 5% pay differential), exclusive of longevity pay, educational incentive pay, and special assignment pay.

SECTION 5.02 Educational Prerequisites for Promotional Positions

An applicant seeking to participate in any segment of an examination for the positions of Sergeant, Lieutenant or Captain must be qualified for and possess a Bachelor’s degree at the time of participating in any such segment(s) of the examination.

ARTICLE 6 OVERTIME COMPENSATION

SECTION 6.01 Pay for Public Relations Appearances

Police Officers and Police Sergeants who are required by the Chief of Police to make presentations to community groups on an overtime basis shall be compensated at one and one-half times their regular rate of pay.

SECTION 6.02 Court On-Call Pay

A. Except as set forth below, off-duty personnel who are placed in on-call status for court during either the morning or the afternoon session will receive three hours of paid overtime at a rate of time and one-half his/her regular rate of pay as defined in this MOU for each session the officer is in an on-call status. Off duty personnel who are placed in on-call status for court during both the morning and the afternoon sessions will received six hours of paid overtime at a rate of time and one-half his/her regular rate of pay.

Officers will not receive on call pay if they are:

1. Called into court that session (in which case the employee will receive call-back pay);
2. Ordered to report to work;
3. Already receiving pay from the City for any other reason (e.g., IOD, administrative leave).

B. Officers shall not have the option of reporting to work in lieu of being in an on-call status.

C. Officers who are in an on-duty status are not eligible for court on-call pay.

SECTION 6.03 Call-Back Pay

A minimum of 4 hours of work time at one and one-half the employee's regular rate of pay shall be credited for all call backs.

SECTION 6.04 Court Call-Back Pay

A. An officer called into court while off duty shall be paid overtime for all time served plus travel time (per Department General Order) or three hours (at time and one-half), whichever is greater. "Off-duty" for the purposes of this section means the officer is not on duty, on paid administrative leave, on paid IOD leave, or being paid for any other reason.

B. The City will pay \$2.00 per meal for police officers required to be in attendance at court during meal periods.

ARTICLE 7 DIFFERENTIAL PAY

SECTION 7.01 Motor Officer, Canine Officer, Detective and Special Assignment Pay

The City shall pay motor officers a monthly differential pay in the amount of \$511.01 (Police Officer) or \$640.19 (Sergeant.). The parties agree that to the extent permitted by law, this is special compensation and shall be reported as such pursuant to Title 2 CCR Section 571(a)(4), Motorcycle Patrol Premium.

The City shall pay detectives, canine officers and employees designated by the Chief of Police as having special assignments, \$425.84 per month. The parties agree that to the extent permitted by law, this is special compensation and shall be reported as such pursuant to Title 2 CCR Section 571(a)(4), Detective Division Premium, Canine Officer Premium, respectively.

SECTION 7.02 Motorcycle Maintenance

The parties agree that motorcycle maintenance shall occur during an employee's regular working hours.

Historical Language for Reference Only (no longer applicable):

By and through the Association, those unit members assigned to motorcycle duty agree that the above monthly stipend is reasonably necessary to provide for the cleaning and maintenance of the assigned motorcycle and that this stipend is intended to compensate unit members assigned to motorcycle duty for all off duty hours spent cleaning and maintaining their assigned motorcycle, in compliance with the FLSA and interpretive cases and rulings..

The parties acknowledge that the FLSA, which governs the entitlement to compensation for motorcycle cleaning and maintenance, entitles the parties to agree to a reasonable number of hours per month for the performance of off duty maintenance and cleaning duties. The hours represented by the above stipend in this agreement were determined after an actual inquiry of the officers assigned to motorcycle duty, as addressed by *Leever v. City of Carson City*, 360 F.3d 1014 (9th Cir. 2004.) It is the intent of the parties through the provisions of this section to fully comply with the requirements of the FLSA. In addition, all parties believe that this section of the MOU does comply with the requirements of the FLSA.

Since at least 2000, the method of agreeing upon the above stipend and its amount have been in accord with requirements of the FLSA.

SECTION 7.03 Canine Unit

The parties acknowledge that the FLSA, which governs the entitlement to compensation for canine care and maintenance, entitles the parties to agree to a reasonable number of hours per month for the performance of off duty care and maintenance duties. The parties hereby agree that canine officers shall be compensated for off-duty care and maintenance of the dog in the amount of fifteen (15) hours monthly, at the applicable minimum wage rate. The hours represented by this payment in this agreement were determined after an actual inquiry of the officers assigned to canine duty, as addressed by *Leever v. City of Carson City*, 360 F.3d 1014 (9th Cir. 2004.) It is the intent of the parties through the provisions of this section to fully comply with the requirements of the FLSA. In addition, all parties believe that this section of the MOU

does comply with the requirements of the FLSA.

Members of the Association who are assigned canine officers at the time this Agreement is executed agree to sign an individual waiver of any potential claim under the FLSA for the performance of off-duty care and maintenance of the dog performed prior to November 23, 2017.

SECTION 7.04 Bilingual Pay

The City will be responsible for utilizing a standardized, industry accepted test to determine applicants' qualification for Bilingual Pay. An employee who demonstrates conversational fluency in Spanish (or another language designated by the Police Chief,) and is assigned to duties in which language skills are regularly used, shall be entitled to premium compensation of \$283.90 (Police Officer) or \$355.66 (Sergeant) monthly. The parties agree that to the extent permitted by law, this is special compensation and shall be reported as such pursuant to Title 2 CCR Section 571(a)(4), Bilingual Premium.).

ARTICLE 8 PHYSICAL FITNESS INCENTIVE PROGRAM

SECTION 8.01 Purpose

It is the purpose of the El Segundo Police Department Physical Fitness Program to improve the level of physical fitness and health among sworn police personnel so that their field performance will be enhanced and also to improve their overall degree of wellness as an enrichment to their personal lives as well as a productivity benefit to the City.

SECTION 8.02 Department Policy

It will be the policy of the Police Department to work with officers individually and assist those that need to improve their lifestyle habits in order that fitness levels can be improved. There is no "failure" in participation, only the identification of needs and the recognition of strengths.

SECTION 8.03 Program Components

The Physical Fitness Program will consist of two basic components; they are a fitness examination and a fitness assessment.

A. Fitness Examination:

The examination will be comprehensive and will include the cardio-vascular system, the pulmonary function, a complete blood work-up, body composition analysis, and the lower digestive tract as well as a strength assessment. It will also include a complete medical history review with a physician and a subsequent review of the findings as well as an exercise/nutritional prescription.

B. Fitness Assessment:

1. The fitness assessment is the voluntary component of the program and will be administered by a department fitness coordinator and fitness committee.
2. The assessment will be a test to measure components of physical fitness which are:
 - a. Cardio-vascular
 - b. Strength
 - c. Body composition
 - d. Flexibility

The assessment will be administered quarterly and will apply standards developed and used by the Cooper Aerobics Institute, Dallas, Texas, and will include sliding scales based on age and sex.

3. From the assessment will be developed a profile which will categorize participants into levels of fitness. Incentive provisions would then reward participants depending upon their fitness level.
4. Rewards would also be available for significant achievements and improvements. These rewards will be in the form of T-shirts, sports bags, sporting equipment and other similar incentives. It is thought that these types of rewards could be influential in maintaining interest and enthusiasm in those participants who would not otherwise qualify for fitness achievement categories.

ARTICLE 9 COMPENSATORY TIME

SECTION 9.01 Maximum Accrual

A separate bank shall be established for the accumulation of compensatory time off, with a maximum accrual of one hundred and twenty (120) hours, **and the employee shall not accrue additional time off until the bank drops below one hundred and twenty (120) hours at any one time.** The time bank shall be divided into separate banks for physical fitness and compensatory time off and the compensatory time bank shall be credited first with the remainder credited to the fitness pay.

SECTION 9.02 Physical Fitness Bank - Maximum Accrual Fitness Compensation

A separate bank shall be established for the accumulation of physical fitness time off, with a maximum accrual of fifty (50) hours. City has the option to pay the employee or increase the time off bank for physical fitness bonus after 50 hours, with no payoff of accrued time upon separation.

SECTION 9.03 Firearms Qualification

Police Officers and Police Sergeants will be compensated at their regular hourly rate of pay for

firearms qualification as follows:

<u>Class</u>	<u>Hours per Quarter (3 Calendar Months)</u>
Distinguished Expert	8 hours
Expert	6 hours
Sharpshooter	4 hours
Marksman	2 hours
Qualifying	0 hours

ARTICLE 10 HOLIDAY PAY

SECTION 10.01 Eligible Officers

Employees in this Unit shall be credited with 120 hours of paid holiday leave in their holiday bank. Holiday pay shall be reported to CalPERS as compensation in the pay period in which the holiday falls. Employees shall be paid the holiday pay at the employee's regular rate of pay.

ARTICLE 11 SICK LEAVE

SECTION 11.01 Payment of Sick Leave Accrual - After 10 Years Service

Employees, upon separation, after ten (10) years of service as a sworn law enforcement officer, will be compensated 50% of their accumulated, unused sick leave at the employee's regular rate of pay, excluding the nine percent (9%) PERS member share, in effect at the time of separation. Effective October 1, 2017, sick leave payment shall be at the employee's base rate of pay. The exclusion of the 9% PERS members share from calculation of the regular rate of pay is without prejudice to any rights, claims, or defenses by the parties regarding the pending dispute previously referenced in Section 2.02.

SECTION 11.02 Payment of Sick Leave Accrual - After 20 Years Service

Upon an employee's separation after twenty (20) years of service as a sworn law enforcement officer, the City will pay the employee for 100% of his/her accumulated, unused sick leave at the employee's regular rate of pay, excluding the nine percent (9%) PERS member share, in effect at the time of separation. Upon completing twenty (20) years of service and age 47, an employee may elect to cash out one-third of earned, unused sick leave, prior to separation, for a period not to exceed three years, up to the maximum dollar value of deferred compensation "catch up" permitted by law. In no event, can an employee cash-out a cumulative total greater than that permitted herein, and in no event shall the post-distribution sick leave balance be less than 120 hours. Effective October 1, 2017, sick leave payment, including the "catch-up" into the employee's 457 deferred compensation account, shall be at the employee's base rate of pay. The exclusion of the 9% PERS members share from calculation of the regular rate of pay is without

prejudice to any rights, claims, or defenses by the parties regarding the pending dispute previously referenced in Section 2.02.

SECTION 11.03 Payment on Disability Retirement

Employees separating from service because of a disability retirement, after five (5) years of service as a sworn law enforcement officer, will be compensated at 90% of the employee's accumulated, unused sick leave at the employee's regular rate of pay, excluding the nine percent (9%) PERS member share. Effective October 1, 2017, sick leave payment shall be at the employee's base rate of pay. The exclusion of the 9% PERS members share from calculation of the regular rate of pay is without prejudice to any rights, claims, or defenses by the parties regarding the pending dispute previously referenced in Section 2.02.

SECTION 11.04 Sick Leave Maximum Accrual and Annual Sick Leave Payout

Employees shall accumulate sick leave at the rate of 3.7 hours per payroll period paycheck accumulation for each month's service not to exceed a maximum of eight hundred (800) hours. On or about December 10 of each year, employees who maintain a balance of 800 hours of sick leave accrual shall be paid for seventy-five percent (75%) of the sick leave accumulated and not used during the preceding twelve month period at the employee's base rate of pay.

SECTION 11.05 Family Emergency Leave/Sick Leave Utilization

Employees shall have the right to use nine (9) days of accumulated sick leave for family emergencies. Emergencies are generally of a medical nature, for illness or injury of a family member. Notwithstanding the foregoing, the City shall comply with the Federal and State regulations of the Family and Medical Leave Act, California Family Rights Act, Healthy Workplaces, Healthy Families Act of 2014 ("Paid Sick Leave Law" – AB 1522) and other applicable family leave laws. Depending upon the applicable leave law, "family member" may be defined as including, but not limited to, children, parents (of employee, spouse, or registered domestic partner), spouse, registered domestic partner, siblings, grandchildren, or grandparents.

ARTICLE 12 VACATION LEAVE

SECTION 12.01 Accrual Schedule – For Employees Hired On or After July 1, 1994

Vacation for employees hired on or after July 1, 1994, shall be accrued pursuant to the following schedule:

- A. From commencement of the 1st year of service through and including completion of the 5th year of service – 96 hours per year.
- B. From commencement of the 6th year of service through and including completion of the 10th year of service – 120 hours per year.
- C. From commencement of the 11th year of service through and including completion of the 15th year of service – 144 hours per year.

- D. From commencement of the 16th year of service through and including completion of the 16th year of service – 176 hours per year.
- E. From commencement of the 17th year of service and for all years of service thereafter up to and including the 25th year – an additional 8 hours per years of service (i.e., 17 years = 184 hours, 18 years = 192 hours, 19 years = 200 hours . . . 25 years and each year thereafter = 248 hours). -Effective July 15, 2007, the scale of hours for employees with 17 or more years of service will increase by 8 hours (i.e., 17 years = 192 hours, 18 years = 200 hours, 19 years = 208 hours . . . 25 years and each year thereafter – 256 hours).

SECTION 12.02 Accrual Schedule - For Employees Hired Before July 1, 1994

Vacation for employees hired before July 1, 1994 shall be accrued in accordance with the following schedule:

- A. For the first seven years of continuous service with the City – 96 hours per year.
- B. After seven years and until the completion of fourteen years of continuous service – 136 hours per year.
- C. After fourteen years of continuous service and until the completion of sixteen years of continuous service – 176 hours per year.
- D. From commencement of the 17th year of service and for all years of service thereafter up to and including the 25th year – increasing 8 hours per year of service (i.e., 17 years = 184 hours, 18 years = 192 hours, 19 years = 200 hours . . . 25 years and each year thereafter = 248 hours). Effective July 15, 2007, the scale of hours for employees with 17 or more years of service will increase by 8 hours (i.e., 17 years = 192 hours, 18 years = 200 hours, 19 years = 208 hours . . . 25 years and each year thereafter = 256 hours)

SECTION 12.03 Vacation Sell Back Commencing February 21, 2017, the City will allow employees in the Association to sell back 100% of their annual vacation accrual at the base rate of pay during a single payroll period to be determined each fiscal year by the employee. The vacation sell-back option is available for use by the employee after completion of one year of service with the City. All vacation payouts shall be at the base rate of pay and shall not include the nine percent (9%) PERS member share. The exclusion of the 9% PERS members share from calculation of the regular rate of pay is without prejudice to any rights, claims, or defenses by the parties regarding the pending dispute previously referenced in Section 2.02.

A. Qualification for Vacation Cash Out: An employee who has completed one (1) year of service qualifies for vacation cash out.

B. Cashout Process in 2023: In calendar year 2023, a qualified employee may elect to receive cash payment(s) in lieu of accrued vacation leave up to one hundred percent (100%) of the total amount of vacation leave that the employee can accrue in a year based on their length of service as described in Article 4, Section 4 above. While employees may elect to exercise this option not more than twice in calendar year 2023, the cumulative amount of vacation leave cashed out may not, in aggregate, exceed total amount of vacation leave

that the employee can accrue in a year.

C. Election Process: A qualified employee may elect to receive cash payment(s) in lieu of accrued vacation leave up to one hundred percent (100%) of the total amount of vacation leave that the employee can accrue in a year based on their length of service as described in Article 4, Section 1 above.

On or before December 15, 2023 and every December 15th thereafter, a qualified employee who elects to cash out some or all of their accrued vacation for the following year shall submit written request to the Human Resources Department stating their irrevocable election(s).

The employee shall provide the following information as part of their election: (1) The total number of hours of vacation leave that the employee will accrue between January 1 and June 30 in the following calendar year based on their annual accrual rate based on their years of service; (2) The total amount of accrued vacation leave that the employee wants to cash out in July of the following calendar year (The cash-out amount must be equal to or less than the amount accrued between January 1 and June 30); (3) The total number of hours of vacation leave that the employee will accrue between July 1 and December 31 in the following calendar year based on their annual accrual rate based on their years of service; and (4) The total amount of accrued vacation leave that the employee wants to cash out in December of the following calendar year (The cumulative cash-out amount must be equal to or less than the total amount accrued between January 1 and December 30).

D. The City shall administer the cash out twice annually, starting in December-July 2023 and every July and December thereafter. The City shall make the cash outs in the first full pay period in July and December.

Such cash outs shall be paid at the employee's base salary hourly rate of pay.

E. Regardless of the number of hours that the employee requests to cash out, the City can only cash out vacation hours that the employee has available for their use.

ARTICLE 13 BEREAVEMENT LEAVE

SECTION 13.01 Maximum Leave Time

The practice of granting three (3) working days of bereavement leave per incident shall be increased to 40 hours per incident in those circumstances where travel to a funeral or other memorial proceeding is 500 or more miles one way as measured from the El Segundo City Hall.

SECTION 13.02 Immediate Family Members Defined

The definition of the "immediate family" whose funeral or memorial proceeding qualifies for use of bereavement leave, shall include the children, parents, siblings, grandparents and grandchildren of the employee, parents-in-law, the employee's spouse, domestic partner or significant other.

ARTICLE 14 JURY DUTY

SECTION 14.01 Provision

Employees shall be entitled to a leave of absence for Jury Duty, subject to compliance with all of the following conditions:

- A. The employee must provide written notice of the expected Jury Duty to his or her supervisor as soon as possible, but in no case later than 14 days before the beginning of Jury Duty (defined as the date on which the employee is directed by jury summons to either commence telephone contact with the jury administrator and/or appear in court.) During the first two weeks of Jury Duty, an employee shall be entitled to receive his or her regular compensation.
- B. For any portion of Jury Duty that extends beyond the first two weeks, such extended Jury Duty period shall be without pay unless, the employee presents written evidence that the court estimated during voir dire that the trial would be of two or less weeks duration, or in the alternative the employee presents written evidence that he/she advised the court that City compensation was limited to two weeks, that the employee asked to be excused because of this hardship, and the request was denied.
- C. Any compensation for the first two weeks of Jury Duty, except travel reimbursement pay, must be deposited with the Director of Human Resources.
- D. While on Jury Duty, the employee must report to work—during any portion of a day that the employee is relieved of Jury Duty for three or more consecutive hours.
- E. The employee must provide documentation of his or her daily attendance on Jury Duty.

ARTICLE 15 HEALTH BENEFITS

SECTION 15.01 Medical Insurance Continuation - On Duty Death

- A. If it is determined by the Workers' Compensation Appeals Board and/or the Public Employees' Retirement System that an Association member has died as a direct and proximate result of the performance of duties in the course and scope of his/her employment, then the City shall continue to make group medical insurance premium payments on behalf of the surviving spouse until age 65, Medicare eligibility, whichever comes first, and to the children of the deceased officer until age 18. Said medical premium payments on behalf of the children of a deceased officer shall continue if at age 18, the child commences uninterrupted college enrollment, but not to exceed the age of 23.
- B. The City-paid medical insurance premiums described herein shall be in an amount required to fund the level of medical insurance benefits which the deceased officer was receiving at the time of his/her death. For example, if at the time of death, the officer was enrolled in a specific HMO Plan, then future premium payments made pursuant to this article shall be in an

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amount required to maintain comparable plan benefits.

SECTION 15.02 Optical, Dental, and Life Insurance

The City will pay 100% of the premiums for the agreed upon dental, optical and life insurance for employees and eligible dependents to the maximum dollar amount of ~~\$85 per month. Effective August 1, 2005, the City's maximum dollar contribution will be increased to \$135 per month. \$184.25 per month effective upon approval and adoption of the MOU by City Council.~~ The City will apply the maximum dollar amount to the payment of the various premiums in the following order of precedence: optical insurance first, then life insurance, and finally dental insurance.

A. The City will adopt a dental plan and pay the premium cost for employees only. The City reserves the right to determine the insurance carrier with whom the City will contract for coverage; however, the City agrees to consult with employees through the insurance committee and consider all suggestions and presentations on the insurance plan to be purchased.

~~B. Upon adoption of the MOU by City Council and as soon as practical, The the City will provide every member of the Association with \$50,000 \$10,000 of basic term life insurance at City cost. The City reserves the right to determine the insurance carrier with whom the City will contract for coverage.~~

C. The City shall make available any city-wide improvements to the dental benefit, to the Association.

D. Selection of the vision insurance plan carrier shall be made by the City.

SECTION 15.03 Retiree Dental and Vision

~~Upon retirement, an employee and their spouse, registered domestic partner, and/or their eligible dependents who are actively enrolled in the City's dental and vision insurance plans may remain enrolled in such plans as a retiree should such plans continue to remain available to current employees, but shall be responsible for full payment of the associated insurance premiums.~~

~~In order to be eligible to be covered by such plans, the retiring employee and their spouse, registered domestic partner, and/or and their eligible dependents must be actively enrolled in the plan(s) under which they are seeking continued coverage.~~

~~If, upon retirement, the employee declines continued coverage under either plan, they may not enroll at a later time.~~

~~Upon retirees death, the surviving spouse, registered domestic partner and/or eligible dependent(s) who are actively enrolled in the City's dental and vision insurance plans may remain enrolled in such plans as surviving dependents should such plans continue to remain available to current employees, and shall be responsible for full payment of the associated insurance premiums.~~

~~This provision is not intended to vest either retirees or current employees once retired with any~~

right to remain enrolled in the City's dental and vision insurance plans. The City may decide to change dental or vision insurance plans without regard to the impact that such a decision would have on retirees' eligibility to enroll in such plans.

SECTION ~~15.0415.03~~ Medical Contract

The City contracts with the California PERS for the Public Employees' Medical and Hospital Care Program for medical insurance.

Section ~~15.054~~ City Medical Contribution

Effective for the medical premium in January 2021~~19~~, the maximum monthly medical contribution by the City is \$1,655~~00~~ per employee per month. Effective upon approval and adoption of this MOU for the medical premium in January 2020, the maximum monthly medical contribution shall increase to \$1,570~~05~~. Effective for the medical premium in January 2024~~1~~, the maximum monthly contribution shall increase to \$1,7650. Effective for the medical premium in January 2025, the maximum monthly contribution shall increase to \$1,800.

Employee Assistance Program – The City shall provide a basic level of service to employees at City cost. Basic level shall consist of three (3) sessions per member/per incident/per year. Employees may voluntarily enroll in the EAP/Outpatient tier at their own cost; the current monthly rate is \$9.52 and is subject to change.

Section ~~15.065~~ Body or Heart Scan

Commencing July 1, 2008, each employee shall be eligible to receive a "body or heart scan" to be conducted once every two (2) years at City expense. Eligibility for the "body or heart scan" shall be determined by the examining physician at the Westchester Medical Group/Center for Heart and Health during the employee's annual examination pursuant to the July 3, 2003 FITNESS FOR DUTY POLICY. The physician shall determine whether or not undertaking a "body or heart scan" is reasonable and appropriate.

ARTICLE 16 UNIFORM AND SAFETY EQUIPMENT

SECTION 16.01 Provision

The City shall provide required uniforms and safety equipment to eligible employees. For purposes of this article, safety equipment shall include a weapon selected by the Police Chief. Effective the date of adoption of the MOU, the uniform allowance shall no longer be provided to members of this bargaining unit.

ARTICLE 17 CELL PHONE STIPEND

SECTION 17.01 Monthly Stipend

Employees designated by the Chief of Police may receive an eighty dollar (\$80) monthly stipend to offset the cost of utilizing their personal devices for work-related purposes.

ARTICLE 18 RETIREMENT BENEFITS

SECTION 18.01 PERS Retirement Formula

- A. The City has implemented the 3% at 50 PERS retirement formula for all affected employees.
- B. Tier II - Employees covered by classifications in this bargaining unit who are hired on or after October 6, 2012 and are otherwise not a "new employee" and/or "new member" of CalPERS under Government Code Section 7522.04 of AB340, also known as the California Pension Reform Act of 2013, shall be subject to the 3%@55 retirement formula.
- C. Effective January 1, 2013, new safety employees and/or members, as defined by AB340, will be subject to the 2.7%@57 retirement formula as well as all other statutory requirements established by AB340.

SECTION 18.02 PERS Payment Pickup

Employees who are "classic" members, as defined by the California Pension Reform Act of 2013 (AB340), shall pay their statutorily required nine percent (9%) employee contribution to CalPERS effective March 4, 2017 and simultaneously with salary increases identified in Section 2.01 (i.e. employees shall pay an amount equal to 9% of compensation earnable as the employee contribution to PERS). In accordance with Resolution No. 4497 the City shall treat this contribution as an employer contribution for purposes of employee federal and state income tax withholding as authorized by Internal Revenue Code (IRC) Section 414(h)(2).

Effective November 23, 2018, "classic" members, as defined by the California Pension Reform Act of 2013 (AB340), shall pay an additional three percent (3%) employee contribution to CalPERS simultaneously with the salary increases identified in Section 2.01. (Employees shall pay an amount equal to twelve (12) percent of compensation earnable as the employee contribution to PERS. These deductions shall be pre-tax and be pursuant to California Government Code section 20516(f) until such time as the City amends its contract with CalPERS to make the deduction pursuant to California Government Code section 20516(a).

SECTION 18.03 Optional PERS Contract Provisions

- A. The City shall provide "Level 4" 1959 Survivors Benefits in accordance with Government Code § 21574.

- B. The City shall provide Pre-Retirement Option 2W Death Benefit in accordance with Government Code § 21548.
- C. The City shall provide the Single Highest Year formula for “classic” members only as defined by AB340, in accordance with Government Code Section § 20042.

SECTION 18.04 Minimum Service with City of El Segundo to Receive Retirement Benefits

Employees who retire must have earned service credit with CalPERS for a minimum of five (5) years to receive the following benefits: the option of continuing to participate in the City’s group insurance programs and the right to receive a contribution toward medical insurance for the retiree and 1 dependent. In addition, employees are eligible for payments of unused sick leave pursuant to Article **1112**.

SECTION 18.05 Retiree Health Insurance Contribution Program

The City will contribute to a retiree health insurance contribution program for retirees who participate in the Public Employees’ Medical and Hospital Care Program. The program will provide for the following maximum contribution:

Year of Retirement	Amount of Monthly Contribution
1995 and after	Average dollar cost of the premium for an employee and 2 or more dependents for the HMO’s available to employees under PEMHCA

ARTICLE 19 DIRECT DEPOSIT and FLEXIBLE SPENDING ACCOUNT

SECTION 19.01 Direct Deposit

It is agreed between the City and the Police Officers’ Association that it is in the mutual interest of the City and its employees that all covered employees utilize the currently available direct deposit system. Employees who do not desire to utilize direct deposit shall make their wishes known in writing to the City’s Director of Finance, together with a statement of their reasons therefore. Exceptions to this direct deposit policy shall not be unreasonably denied.

SECTION 19.02 Flexible Spending Account

The City will maintain the Flexible Spending Account pursuant to the terms and conditions of the Internal Revenue Code.

ARTICLE 20 – COMPUTER LOAN PROGRAM

SECTION 20.01 – Initial Loan

All participants in the loan program will be eligible for an initial, interest free loan in the amount of \$4,000 (four thousand dollars).

Effective November 23, 2018, the Computer Loan Program shall be eliminated for members of this Unit. The City shall honor the computer loan requests from the seven unit members who have submitted such requests prior to November 23, 2018, subject to the guidelines of the program.

SECTION 20.02 Prior and Outstanding Balances

An employee with an outstanding balance on a prior computer loan as of July 1, 1997, will have that amount currently due from the previous loan subtracted from the amount the employee can borrow interest free under this program.

SECTION 20.03 Requirements and Conditions

A. Subsequent loans or amounts in excess of the above maximum interest free loan, would be at the currently interest rate of 3%. All loans would include a 36-month repayment term.

B. Eligible purchases shall be expanded to include ergonomic-related furniture and equipment.

C. Anti-viral software shall be required as a prerequisite in granting requested loans.

D. City would retain title, as security, to any equipment purchased with funds from the above described loans, until such time as the loan is fully paid off. City is to be notified of any exchange or updating of equipment.

E. The practice of "refinancing" to the maximum loan amount is prohibited. "After-the-fact" financing is allowed only with prior approval of the Director of Finance or his/her designee.

F. Loans shall be repaid through payroll deductions over a 3-year period. Outstanding loan balances must be paid off at the time that an employee separates from City service and the City shall be authorized to recover any loan balance by making deductions from the employee's final check.

ARTICLE 21 – MATERNITY POLICY

SECTION 21.01 Policy

An officer may transfer to a light duty assignment, at any point during pregnancy, with physician verification of a need for placement in a light duty assignment. Additionally, an officer, upon return from leave of absence, will resume her previous assignment or bid on a position wherever possible.

ARTICLE 202 CATASTROPHIC LEAVE PROGRAM

SECTION 202.01 Definition of a Catastrophic Illness or Injury

A catastrophic illness or injury is a chronic or long-term health condition that is incurable, or so serious that, if not treated, would likely result in a long period of incapacity.

SECTION 202.02 Eligible Employees for Donation and Program Usage

- A. All permanent full-time or part-time sworn employees will donate 6.00 hours of either sick leave, vacation or compensatory leave time, per year, to the catastrophic leave bank, until a unit total of 1,000 hours have been contributed to the catastrophic leave bank. Employees may donate additional time to the catastrophic leave bank by completing a Catastrophic Leave Time Donation Request Form prior to donating more accumulated leave time. Employees, or their designated representative, requesting use of the leave bank must complete a Request to Receive Catastrophic Leave Time Form as soon as possible prior to, or within a reasonable time frame after, catastrophic illness or injury. Completed forms must be submitted to the Director of Human Resources/Risk Management or his/her designee.
- B. Forms are available from the Human Resources Department. The Human Resources Department will maintain all Catastrophic Leave Policy materials.

SECTION 202.03 Policy Procedures

- A. **Administration** - This bank will be administered by a joint employer/employee committee composed of two (2) representatives from the El Segundo Police Officers' Association, one (1) from the Human Resources Department and one (1) from the Finance Department.
- B. **Donation Requests** - In addition to the July 1 mandatory donation, eligible employees may transfer additional accrued sick leave, vacation or compensatory leave time for donation to an employee, or employees experiencing catastrophic illness/injury and who have exhausted all other personal leaves. Donated time can only be made in increments of four (4) hours. Additionally, employees shall designate whether their 6.00 hour contribution made to the catastrophic leave bank shall be made from the sick, vacation or compensatory leave banks. Should recipient employees not use all their allocated donated time, any balance will remain in the bank for future utilizations.
- C. Transfer requests will be reviewed by the Catastrophic Leave Committee for approval and for verification that the donating employee maintains the required minimum 100 leave hours after his or her donation.
- D. Donations of accumulated time are irrevocable.
- E. Catastrophic leave shall not be used to supplement leaves due to industrial injuries or illness. However, catastrophic leave may be used to supplement long-term disability benefits.

ARTICLE 213 LAYOFF PROCEDURES

SECTION 213.01 Grounds for Layoff - Whenever, in the judgment of the City Council, it becomes necessary to reduce the workforce, an employee may be laid off, reduced in —classification or displaced by another employee. Such layoff, reduction or displacement shall result from action of the City Manager or his or her designee. The City Manager shall recommend to the City Council each classification to be affected by any such change.

SECTION 213.02 Notice to Employees - An employee filling a full time position shall be given fourteen (14) calendar days prior notice of layoff. Employees transferred, reduced or displaced shall be given five (5) calendar days' notice. The City Council may approve a reduction in the notice requirements, if so recommended by the City Manager.

SECTION 213.03 At-Will Employees - The City Manager retains the right to layoff or alter the work assignment of the following employees at any time without notice or right of appeal: emergency employees, temporary or seasonal employees, part-time employees, original probationary employees, promotional probationary employees and employees designated at-will. The promotional probationary employee shall revert to his/her previously held classification and position without loss of seniority.

SECTION 213.04 Procedures for Layoff - A permanent employee in a classification affected by a reduction in force shall be laid off based on seniority in City service, that is the employee with the least City service shall be laid off first, followed by the employee with the second least City service, etc. Seniority shall be determined by hire date. City seniority shall be used to effectuate the procedures set forth in this Article. Seniority for part-time employees shall be calculated as one-half (½) time from the date of hire with the City.

SECTION 213.05 Breaking Ties - In cases where two or more employees have the same date of hire (i.e. equal seniority), retention points for job performance shall be credited on the basis of the average of the overall evaluation ratings for the last three (3) years, provided the last rating had been filed more than thirty (30) days prior to the date of the layoff notice. Retention points are as follows:

- Above Standard - 24 points
- Standard - 12 points
- Below Standard - 0 points

In the event of a tie in seniority, the employee with the lowest average of retention points shall be laid off first. In the event that one or more of the affected employees do not have overall evaluation ratings for the last three (3) years on file, ties shall be broken by a coin toss.

SECTION 213.06 Reduction to a Vacant Position - An employee designated for layoff as a result of abolition of a position or classification may be offered appointment to a vacant position in a lower classification, if the employee is qualified by education and/or experience for such position. If there is more than one qualified employee to be offered such appointment(s), the offer(s) shall be based on seniority, with the employee with the highest seniority offered the position first, then the next highest seniority, etc. If the employees have the same seniority, then the procedure for breaking ties set forth above shall apply. An employee accepting such appointment shall be placed on the step for the lower classification most closely corresponding, but in no case higher, than the salary step of his/her previously held position, and the employee will be assigned a new salary anniversary date on the effective date of the appointment.

Section 213.07 Displacement Rights

- A. An employee designated for layoff as a result of abolition of a position or classification may displace ("bump") an employee in a lower classification in which the employee has prior service, provided the laid off employee has greater seniority than the employee in the lower classification.
- B. An employee designated for layoff with greater seniority may displace ("bump") a less senior employee in a lower classification, for which he/she is immediately qualified to perform.

Section 213.08 Salary Placement

An employee who is assigned to a lower classification as a result of a displacement (bump) shall be placed on the step of the salary range of the new classification, which is closest to the compensation of the employee in the previous classification, but in no case higher, and the employee will be assigned a new salary anniversary date on the effective date of the appointment. The employee shall, however, retain seniority while his/her name remains on reemployment list or lists.

Section 213.09 Reemployment List

The names of permanent employees who have been laid off under this section (including employees who have bumped down) shall be placed, in order of seniority from highest to lowest, on a reemployment list for their classification or any lower classification for which the employee is qualified by education and/or experience. Persons on such lists shall retain eligibility for appointment therefrom for a period of three years from the date their names were placed on the list. As a vacancy within a classification or lower related classification becomes available, the name appearing at the top of the list shall be offered the opportunity to fill the vacancy. The name of an individual selected from the list to fill the vacancy who refuses the reemployment offer shall be permanently removed from the reemployment list without right of appeal. Laid-off employees do not earn seniority credit or benefits while on the reemployment list.

Section 213.10 Letter of Layoff

The City shall provide all employees who were laid off from the City a service letter setting forth that the employee was laid off and is eligible for reemployment. Those employees who were displaced to lower positions will be granted, upon the employee's request, a letter from the City stating the employee was reduced in status as a result of a layoff and is eligible for reemployment to the higher level position.

Section 213.11 Rights on Reemployment

If a person is reemployed by the City within three years, the employee's seniority, sick leave and vacation accrual rates shall be reinstated. Any accumulated sick leave and/or vacation earnings shall also be reinstated to the extent that the employee did not receive compensation for such earnings at the time of layoff. Upon reemployment, employees will be placed on the same salary step held at the time of layoff.

Section 213.12 Appeal

An employee who 1) has not been provided a letter of layoff, per Section 24.10 , the employee shall be treated as if he/she had been terminated for disciplinary purposes and shall be permitted to appeal the decision per the Disciplinary Appeal Procedure; or 2) has not been provided proper bumping or displacement rights, may file an appeal to the Director of Human Resources/Risk Management.

ARTICLE 224 GRIEVANCE PROCEDURE

SECTION 224.01 Definition of Terms

Grievance - A grievance is an alleged violation, misinterpretation or misapplication of a specific written departmental or agency rule or regulation or a specific provision of a Memorandum of Understanding. A grievance is distinct from an appeal arising from disciplinary action in that it a grievance is a violation, misinterpretation or misapplication of a specific written departmental or agency rule and/or policy or specific provision of a Memorandum of Understanding.

Grievant --A grievant is an employee or group of employees adversely affected by an act or omission of the agency.

Day - A day is a business day (Monday-Friday).

Immediate Supervisor - The first level supervisor of the grievant.

SECTION 224.02 Time Limits

A. Compliance and Flexibility-

With the written consent of both parties, the time limitation for any step may be extended or shortened.

B. Calculation of Time Limits-

Time limits for the appeal provided in each level shall begin the day following receipt of a written decision or appeal by the parties.

C. Failure to Meet Time Limits-

Failure at any level of this procedure to communicate the decision on a grievance by the City within the specified time limits shall permit lodging an appeal at the next level of the procedure within the time allotted had the decision been given. If the grievance is not processed by the grievant or grievants in accordance with the time limits, the decision last made by the City shall be deemed final.

SECTION 224.03 Procedure

Grievances will be processed as follows:

~~A.~~ **A. Level I** - Within ten days of the date the employee reasonably knew or should have known of the incident giving rise to the grievance, the employee should make an effort to resolve the grievance informally with the employee's immediate supervisor. The supervisor shall hold discussions and attempt to resolve the grievance within five (5) days.

~~B.~~ **B. Level II** - If the grievance is not resolved at Level I, the grievant may submit a written grievance to the second level supervisor within five (5) days following the expiration of time at Level I.

1. **Procedure for Filing a Grievance** - In filing a grievance, the employee should set forth the following information:

- a. If possible, the specific section of the departmental or agency rules or regulations allegedly violated, misinterpreted or misapplied.
- b. The specific act or omission which gave rise to the alleged violation, misinterpretation or misapplication.
- c. The date or dates on which the violation, misinterpretation or misapplication occurred.
- d. The documents, witnesses or other evidence which support the grievant's position, which are known to the grievant at the time of filing the grievance, shall be presented with the grievance and may be supplied after the initial filing of the grievance.
- e. The remedy requested.

C. **Level III** - If the grievance is not resolved by the second level supervisor, the grievant may present the grievance in writing to the department head within five (5) days. The department head will respond in writing within ten (10) days.

D. **Level IV** - If the grievance is not resolved by the department head, the grievant may present the grievance in writing to the City Manager within five (5) days. The City Manager or designee will conduct an informal hearing and render a decision. Each party shall have the right to present witnesses and evidence at the hearing. The conclusions and findings of this hearing shall be final.

SECTION 224.04 Matters Excluded from the Grievance Procedure

- A. The grievance procedure is not intended to be used for the purpose of addressing requests or changes in wages, hours or working conditions.
- B. The procedure is not intended to be used to challenge the content of employee evaluations or performance reviews beyond the department head.

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- C. The procedure is not intended to be used to challenge the merits of a reclassification, layoff, transfer, denial of reinstatement, or denial of a step or merit increase.
- D. The procedure is not intended to be used in cases of reduction in pay, demotion, suspension or a termination, but are subject to the formal appeal process outlined in Ordinance 586.

SECTION 224.05 Conferences

Grievant and City representatives, upon request, shall have the right to a conference at any level of the grievance procedure.

ARTICLE 235 POLICIES

SECTION 235.01 Occupational Injury and Illness Policy

_____The parties have agreed upon an Occupational Injury and Illness Policy, dated July 22, 2003.

SECTION 235.02 Disability Retirement Policy

_____The parties have agreed upon a Disability Retirement Policy, dated May 2010.

SECTION 235.03 Fitness for Duty Policy

_____The parties have agreed upon a Fitness for Duty Policy, dated July 3, 2003.

SECTION 235.04 POBR ~~Limited-limited appeals~~Appeals

_____The following administrative appeal process is established pursuant to Government Code § 3304.5. It shall supplement, though not replace, the disciplinary appeal process established pursuant to the City of El Segundo Ordinance utilizing the Los Angeles County Civil Service Commission hearing process (Municipal Code § 1-6-16.)

This procedure shall not apply to disciplinary actions for which officers already are entitled to receive an appeal pursuant to the City Ordinance utilizing the Los Angeles County Civil Service Commission hearing process (set forth in Municipal Code § 1-6-16.) It shall only apply to punitive actions, as that term is defined by Government Code § 3303, for which officers do not already receive an appeal hearing before the Los Angeles County Civil Service Commission.

1. Right to Administrative Appeal

- A. Any public safety officer (as defined by Government Code § 3301) who is subjected to punitive action (as defined by Government Code § 3303) consisting of a written reprimand, a transfer for purposes of punishment, specialty, assignment, bonus, or similar pay, or a suspension for five (5) or less days, is entitled to an

administrative appeal only pursuant to this procedure. An officer shall not be entitled to appeal an action prior to its imposition.

- B. The City and the Association mutually agree to reopen the Memorandum of Understanding regarding the drafting of a POBR Hearing Policy regarding a reduction in salary caused by a reassignment resulting in a loss of incentive , specialty assignment, bonus ,or similar pay.
- C. An officer who appeals a punitive action under this procedure shall bear his/her own costs associated with the appeal hearing, including but not limited to any and all attorney fees. The cost of a hearing officer shall be equally borne by the Association and the City.

2. Appeal of Written Reprimands

- A. Within five (5) calendar days of receipt by an officer of notification of punitive action consisting of a written reprimand, the officer shall notify the Chief of Police in writing of the officer's intent to appeal the written reprimand.
- B. The notice of appeal shall specify the action being appealed and the substantive and procedural grounds for the appeal.

3. Hearing Officer (Appeal of Written Reprimands Only)

- A. The City Manager shall hear appeals of written reprimands, and may adopt, modify or reject the written reprimand. The City Manager's decision shall be final and binding.
- B. The City Manager level administrative appeal shall not be a trial-type evidentiary hearing. The limited purpose of the hearing shall be to provide the officer with an opportunity to establish a record of the circumstances surrounding the action and to seek modification or rejection of the written reprimand. There shall be no subpoenas issued (for people or documents.)

4. Appeal of Other Punitive Action

- A. Appeal of punitive action consisting of suspensions of five (5) or less days, a transfer for purposes of punishment, or a reduction in salary caused by a reassignment shall be subject to appeal by means of the officer filing an appeal with the Chief of Police within five (5) calendar days of receipt by the officer of notice of punitive action being implemented on a date certain. The officer shall notify the Chief of Police in writing of the officer's intent to appeal said action.

- B. The notice of appeal shall specify the action being appealed and the substantive and procedural grounds for the appeal.
- B. The appeal shall be presided over by a hearing officer selected from a list of nine (9) provided by the State Mediation and Conciliation Service. The hearing officer shall be selected by alternate striking of names by the respective parties.
- 5. **Conduct of Hearing (5 days or less suspensions, transfers for purposes of punishment, reduction in salary caused by a reassignment.)**
 - A. The formal rules of evidence do not apply, although the hearing officer shall have discretion to exclude evidence that is incompetent, irrelevant or cumulative, or the presentation of which will otherwise consume undue time.
 - B. The parties may present opening statements.
 - C. The parties may present evidence through documents and direct testimony.
 - D. The parties shall not be entitled to confront and cross-examine witnesses.
 - E. Following the presentation of evidence, if any, the parties may present closing arguments.
 - F. **Recording of the Hearing**
The hearing shall be audio recorded.
 - G. **Representation**
The officer may be represented by a representative of his or her choice at all stages of the proceedings. All costs associated with such representation and the presentation of the officer's case, shall be borne by the Association.

The Department shall also be entitled to representation at all stages of the proceedings. The Department shall bear its cost of representation and of presentation of its case.
- 6. **The hearing officer fees shall be equally borne by the City and the Association.**
- 7. **Decision**
 - A. The decision of the hearing officer shall be final subject to the right

of each party to the proceeding to contest the hearing officer's determination by means of a C.C.P. § 1094.5 petition for writ of mandate.

SECTION 235.05 Voluntary Binding Arbitration and Bonus Payment

~~Voluntary Agreement to Binding Arbitration in Exchange for \$30,000 Bonus Payment: Current POA Employees in the classifications of Police Officer and Police Sergeant may voluntarily enter into an Arbitration Agreement according to the terms of the agreement. to be entered into by individual officers in exchange for a total bonus payment of \$30,000, with \$15,000 to be paid within 30 days of executing the Arbitration Agreement, for current POA employees in the classifications of Police Officer and Police Sergeant, and then the remaining \$15,000 shall be paid in \$5,000 increments every six months thereafter. Current POA employees in the classifications of Police Officer and Police Sergeant shall have until December 31, 2023 to enter into the Arbitration Agreement. (See Appendix B.)~~

~~For Police Officer and Police Sergeant employees hired during the term of this MOU, they are not eligible to participate in the program unless and until they have satisfactorily completed probation. Upon satisfactory completion of probation, newly hired employees during the term of this MOU shall have 90 days from satisfactory completion of probation to sign the Arbitration Agreement.~~

~~No employee shall be entitled to receive more than \$30,000 in payments from the program, including without limitation employees whose employment is terminated and then become re-employed by the City. If an employee becomes re-employed by the City but had not received the entire \$30,000 in payments, the remaining payments shall be made based upon the same payment intervals described above. Employees that execute the binding Arbitration Agreement shall remain bound by that agreement even if they leave the City and become re-employed by the City or are promoted to positions above police officer or sergeant. The City Council shall have the authority to terminate this program at any time during the term of this MOU for newly hired employees. If the City Council terminates this program, all Arbitration Agreements entered into will remain effective per their terms. If an employee files a complaint before the offer is accepted and binding and is unwilling to have the complaint resolved through the binding arbitration process, the employee will not be eligible for payments under this bonus program.~~

SECTION 235.065 Residency Requirement

~~In order to ensure prompt response times in an emergency situation, the City proposes the following:~~

~~All personnel hired by the El Segundo Police Department following approval and adoption of this Agreement by the El Segundo Police Department may reside up to no further than one hundred (100) road miles from Police Headquarters. This presumes that a substantial portion of that distance will be traveled at freeway speed and that personnel can report to Police Headquarters within 90 minutes of the request for call back. Any request to live outside this limit will be evaluated individually to determine the impact on ability to respond in an emergency situation.~~

SECTION 25.05 Drug-Free Work Place Policy

~~The City and the Association mutually agree to reopen the Memorandum of Understanding regarding the City's Substance Abuse Policy and Drug Free Work Place Statement, drafted July 1, 2008.~~

ARTICLE 26 TERM OF AGREEMENT

SECTION 26.01 Term

~~The term of this MOU shall commence on October 1, 2018 and shall end on September 30, 2021.~~

~~**SECTION 26.02** The parties agree that during the term of this Agreement, either party may request that the other re-open the Agreement to discuss the following items:~~

- ~~(a) Modifications to the Municipal Code~~
- ~~(b) Arbitration of claims; and~~
- ~~(c) Worker's Compensation Carve Out program.~~

~~All changes to these items are subject to mutual agreement.~~

ARTICLE 247 "LIMITED USE" TIME OFF

SECTION 247.01 "Limited Use" Time Off

~~Employees shall be paid at the employee's regular rate of pay for any unused accumulated 'limited use time off' effective February 21, 2017. The calculation of the payout is without prejudice to any rights, claims or defenses by the parties regarding the dispute referenced in Section 2.02."~~

ARTICLE 258 WORK SCHEDULE

SECTION 258.01 Alternate Work Schedule

~~Effective coincident with the start of the January 2012 bid, employees assigned to Patrol will work either a 3/12.5 or 3/12.5 - 4/10 hybrid schedule. The determination of which schedule is used shall be made jointly by the police chief and the Association.~~

- ~~a. 3/12.5 schedule - consists of a weekly schedule of three consecutive work days of 12.5 consecutive hours each (inclusive of paid breaks and a 45-minute paid meal period) followed by three consecutive days off. In addition, each employee shall be scheduled to work one additional shift each of 10 consecutive hours (inclusive of paid breaks and a 45-minute paid meal period) each 28 days.~~
- ~~b. 3/12.5 - 4/10 hybrid schedule - consists of having some employees being regularly assigned a 3/12.5 schedule (see above) and others being regularly assigned a 4/10 schedule (see Section 28.01, above). The determination of what days of the week will be assigned either the 3/12.5 or the 4/10 shall be made by mutual agreement of the parties.~~

~~b-~~

ARTICLE 269 EMPLOYEE REFERRAL BONUS

SECTION 269.01 Employee Referral Bonus

Any Unit member who recruits a non-City employee to accept employment for the Department in a sworn position shall be provided a recruitment bonus of Five Thousand Dollars (\$5,000), one-half to be paid upon the employee's hire, one-quarter upon the employee's completion of their training program and the other one-quarter upon the employee's successful completion of probation. These payments are unconnected to performance and shall not be reflected on any City pay or salary schedule, shall not be the basis for any future negotiated salary increases, and shall not be reported as compensation earnable.

Members of the City's recruitment team and any employee who works a recruitment event shall be eligible for this bonus, but only for an employee he or she recruits separate and apart from their duties as a member of the recruitment team or participation in the recruitment event. Final determinations for eligibility shall be made by the Police Chief.

On June 25, 2018, the City Council passed Resolution No.5095 increasing the amount of the referral bonus it offered employees as a result of recruitment difficulties. Upon the sunset of Resolution No. 5095, Unit employees' recruitment incentive shall be reduced from Five Thousand Dollars (\$5,000) to Three Thousand Dollars (\$3,000), which shall be paid one-half upon the hire of the employee and one-half upon completion of probation.

SECTION 27.0 Discipline appeals

a. Appeals of Dismissals, Demotions, and/or Suspensions without Pay Longer than Six (6) Days, Brought by Police Officer Employees: For police officer employees only, the City shall submit timely appeals of dismissals, demotions and suspensions without pay longer than six (6) days to binding arbitration, pursuant to this Agreement.

i. An employee who has been dismissed, demoted, or suspended longer than six 6 days, shall have ten (10) calendar days following written notification of the dismissal in which to file an appeal. The written appeal must be submitted to the City Manager.

ii. Upon receipt of a timely request for appeal of the dismissal, the City and employee may either mutually select an arbitrator or request a list of seven (7) arbitrators registered with the California State Conciliation and Mediation Service or some other mutually agreed upon source. The Parties shall agree to a mediator within ten (10) days of the timely appeal, unless the Parties mutually agree to extend this time period. If the parties cannot agree on the arbitrator, they shall alternately strike names and the last name remaining shall be selected. Which party strikes first shall be determined by lot.

- iii. The role of the arbitrator shall be to determine if the discipline is consistent with just cause. The arbitrator shall hold a hearing at which both sides may present their arguments and evidence, including witnesses and subsequently issue a written decision. The hearing shall commence within 120 days of selection by the Parties, unless the Parties mutually agree to extend this time period.
- iv. The decision of the arbitrator shall be final and binding on the Parties. The arbitrator shall issue his/her decision in writing within thirty (30) days of the closing of the hearing.
- v. The costs of the arbitration/hearing (court reporter, arbitration hearing transcripts) shall be divided in half (50/50) between the City and employee representative. Attorney's fees, staff time and witness fees shall not be shared between the Parties and shall be paid by the Party that incurred the cost.

Signed by the City:

Signed by the Association:

Greg Carpenter, — Darrell George

City Manager

Joseph — Cameron Jeff
Humphrey
POA President

David Serrano Rebecca Redyk, —
Brandon Browning
Director of Human Resources

Paul Saldana,
Vice President

Joseph Lillio
Treasurer
Director of Finance

Scott O'Connor, — Oscar Haro,
Director

Secretary

Jeff — Humphrey, Ryan Smith,
Director

Mike Gill,
Eric Atkinson, Director
Browning, Board Member

Scott Black, Director
Secretary Josh Gilberts, Board
Member

Ryan Smith, Director Steve Trujillo,
Board Member

Andrew McEntyre
Oscar Haro, Treasurer

Date

Date

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City of El Segundo

ESPOA Salary Table - Year 1 - 3: 2018-2021 MOU

9% COLA increase effective November 24, 2018, 2% COLA effect October 1, 2019 & 2% COLA effective October 1, 2020

Effective November 24, 2018

Commented [A5]: This to be replaced with salary schedules

Range	Position	Step	Base Pay - Year 1: November 24, 2018 - September 30, 2019	Base Pay - Year 2: October 1, 2019 - September 30, 2020	Base Pay - Year 3: October 1, 2020 - September 30, 2021
687	OFFICER	Step A	\$ 6,864.84	\$ 7,002.14	\$ 7,142.18
		Step B	\$ 7,208.08	\$ 7,352.25	\$ 7,499.29
		Step C	\$ 7,568.49	\$ 7,719.86	\$ 7,874.26
		Step D	\$ 7,946.91	\$ 8,105.85	\$ 8,267.97
		Step E	\$ 8,344.26	\$ 8,511.14	\$ 8,681.37
		Step F	\$ 9,178.68	\$ 9,362.26	\$ 9,549.50

Range	Position	Step	Base Pay - Year 1: November 24, 2018 - September 30, 2019	Base Pay - Year 2: October 1, 2019 - September 30, 2020	Base Pay - Year 3: October 1, 2020 - September 30, 2021
700	SERGEANT	Step A	\$ 8,600.23	\$ 8,772.24	\$ 8,947.68
		Step B	\$ 9,030.24	\$ 9,210.85	\$ 9,395.06
		Step C	\$ 9,481.75	\$ 9,671.39	\$ 9,864.82
		Step D	\$ 9,955.84	\$ 10,154.96	\$ 10,358.06
		Step E	\$ 10,453.63	\$ 10,662.71	\$ 10,875.96
		Step F	\$ 11,499.00	\$ 11,728.98	\$ 11,963.56

City of El Segundo
 ESPOA Education Incentive Pay Table
 Flat Rates Education
 Effective November 24, 2018
 POA MOU November 21, 2018 - September 30, 2021

Education Incentive Tier I & II			Tier I Education					Tier II Education
Range	Position	Step	60 units or AA or Intm. POST	AA + Intm. POST	Adv. POST	B.A.	M.A.	B.A.
687	OFFICER	Step A	\$ 298.10	\$ 467.29	\$ 770.71	\$ 963.37	\$ 1,353.62	\$ 963.37
		Step B	\$ 298.10	\$ 467.29	\$ 770.71	\$ 963.37	\$ 1,353.62	\$ 963.37
		Step C	\$ 298.10	\$ 467.29	\$ 770.71	\$ 963.37	\$ 1,353.62	\$ 963.37
		Step D	\$ 298.10	\$ 467.29	\$ 770.71	\$ 963.37	\$ 1,353.62	\$ 963.37
		Step E	\$ 298.10	\$ 467.29	\$ 770.71	\$ 963.37	\$ 1,353.62	\$ 963.37
		Step F	\$ 298.10	\$ 467.29	\$ 770.71	\$ 963.37	\$ 1,353.62	\$ 963.37

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Education Incentive Tier I & II			Tier I Education					Tier II Education
Range	Position	Step	60 units or AA or Intm. POST	AA + Intm. POST	Adv. POST	B.A.	M.A.	B.A.
700	SERGEANT	Step A	\$ 373.44	\$ 560.16	\$ 951.56	\$ 1,120.34	\$ 1,622.85	\$ 1,120.34
		Step B	\$ 373.44	\$ 560.16	\$ 951.56	\$ 1,120.34	\$ 1,622.85	\$ 1,120.34
		Step C	\$ 373.44	\$ 560.16	\$ 951.56	\$ 1,120.34	\$ 1,622.85	\$ 1,120.34
		Step D	\$ 373.44	\$ 560.16	\$ 951.56	\$ 1,120.34	\$ 1,622.85	\$ 1,120.34
		Step E	\$ 373.44	\$ 560.16	\$ 951.56	\$ 1,120.34	\$ 1,622.85	\$ 1,120.34
		Step F	\$ 373.44	\$ 560.16	\$ 951.56	\$ 1,120.34	\$ 1,622.85	\$ 1,120.34

City of El Segundo
ESPOA Longevity
Table: 2018-2021
MOU
Flat Rates for
Longevity
Effective
November 24, 2018
POA MOU
November 21, 2018
- September 30,
2021

Longevity Schedule for POA Members	Longevity				
	Tier I Employees Hired on or Before 2/17/17				
Range	Position	LONG. 10 YRS.	LONG 15 YRS.	LONG. 20 YRS.	**LONG. 26 YRS
687	OFFICER	\$ 200.00	\$ 360.00	\$ 575.00	\$ 1,150.00

* POA members hired on or after February 21, 2017 are not eligible for the 26-year longevity step.

** Elimination of a two-tiered longevity system. All POA Officers are eligible for the above longevity schedule with the exception noted above (*)

Longevity Schedule I & II	Longevity				
	Tier I Employees Hired on or Before 2/17/17				
Range	Position	LONG. 10 YRS.	LONG 15 YRS.	LONG. 20 YRS.	**LONG. 26 YRS
700	SERGEANT	\$ 265.00	\$ 485.00	\$ 680.00	\$ 1,515.00

* POA members hired on or after February 21, 2017 are not eligible for the 26-year longevity step.

** Elimination of a two-tiered longevity system. All POA Officers are eligible for the above longevity schedule with the exception noted above (*)

RESOLUTION NO. _____

**A RESOLUTION APPROVING AND ADOPTING THE
MEMORANDUM OR UNDERSTANDING BETWEEN THE
CITY OF EL SEGUNDO AND THE EL SEGUNDO POLICE
OFFICERS' ASSOCIATION BARGAINING UNIT.**

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

SECTION 1: Recitals.

- A. The City of El Segundo ("City") previously entered into a memorandum of understanding ("MOU") with The El Segundo Police Officers' Association ("POA"), a recognized employee organization, for the term of October 1, 2018 to September 20, 2021.
- B. Representatives from the City and POA met and conferred in good faith to reach an agreement on wages, benefits, and other terms and conditions of employment for a successor MOU.
- C. The agreed upon terms are memorialized in the MOU between the City and POA, for the period April 1, 2023 through June 30, 2025, which is attached hereto as "Exhibit A" and incorporate herein by this reference.
- D. The POA ratified said agreement on April 5, 2023.

SECTION 2: Approval and Authorization.

- A. The City Council approves the MOU between the City and POA for the period April 1, 2023 through June 30, 2025.
- B. Staff is authorized to implement all terms and conditions of the MOU between the City and POA.

SECTION 3: The City Clerk is directed to certify the adoption of this Resolution; record this Resolution in the book of the City's original resolutions, and make a minute of this adoption of the Resolution in the City Council's records and the minutes of this meeting.

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

PASSED AND ADOPTED RESOLUTION NO. _____ this 2nd day of May, 2023.

Drew Boyles,
Mayor

Exhibit A- POA MOU April 1, 2023 to June 30, 2025

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 _____, 2023, 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

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF EL SEGUNDO

AND

**EL SEGUNDO POLICE OFFICERS’
ASSOCIATION**



Term: April 1, 2023 through June 30, 2025

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**MEMORANDUM OF UNDERSTANDING (“MOU”)
BETWEEN
THE CITY OF EL SEGUNDO (“CITY”)
AND
EL SEGUNDO POLICE OFFICERS’ ASSOCIATION (“POA”)**

ARTICLE 1 GENERAL PROVISIONS

SECTION 1.01 Preamble

This Memorandum of Understanding is entered into with reference to the following:

- A. The El Segundo Police Officers’ Association (hereinafter referred to as the “Association”) is the exclusively recognized employee organization for all personnel employed by the City of El Segundo (hereinafter referred to as “City”) in the unit of representation including the following classifications and positions (hereinafter referred to as affected employees): Police Sergeant and Police Officer. During the life of this agreement, such exclusive recognition may only be modified pursuant to the provisions of City Resolution No. 3208.
- B. In the interest of maintaining harmonious relations between the City and the affected employees, authorized representatives of the City Council of City and the Association have met and conferred in good faith, exchanging various proposals concerning wages, hours and the terms and conditions of employment of affected employees within the lawful scope of representation of Association pursuant to California Government Code Sections 3500 et. seq. and City Resolution Number 3208.
- C. The authorized representatives of the City Council of City and the Association have reached a mutual agreement as to certain wages, hours and other terms and conditions of employment of the affected employees, this memorandum of which shall be submitted to the City Council of City for its consideration and if adopted, for implementation of its terms and conditions by appropriate ordinance, resolution or other lawful action. This Memorandum of Understanding is a comprehensive statement of agreed-upon wages, hours and other terms and conditions of employment
- D. Unless otherwise provided for herein, all terms and conditions described herein shall be effective November 23, 2018 by the City Council.

SECTION 1.02 Term

The term of this MOU shall commence on April 1, 2023 and shall end on June 30, 2025 .

The parties agree that during the term of this Agreement, either party may request that the other re-open the Agreement to discuss the following items:

- (a) Modifications to the Municipal Code
- (b) Arbitration of claims; and
- (c) Worker’s Compensation Carve Out program.

All changes to these items are subject to mutual agreement.

SECTION 1.03 Management Rights

- A. Except as limited by the specific and express terms of this Memorandum of Understanding, the City hereby retains and reserves unto itself all rights, powers, authority, duty, and responsibilities confirmed on and vested in it by the laws and the Constitution of the State of California and/or United States of America.
- B. The management and the direction of the work force of the City is vested exclusively in the City, and nothing in this Memorandum of Understanding is intended to circumscribe or modify the existing right of the City to direct the work of its employees; hire, promote, demote, transfer, assign, and retain employees in positions within the City, subject to the rules and regulations of the City; suspend or discharge employees for proper cause; maintain the efficiency of governmental operations; relieve employees from duties because of lack of work; take action as may be necessary to carry out the City's mission and services in emergencies; and to determine the methods, means, and personnel by which the operations are to be carried out.

SECTION 1.04 Savings Clause

If any provision or the application of any provision of this Memorandum of Understanding shall be rendered or declared invalid by any final court action or decree, or by reason of any preemptive legislation, the remaining sections of this memorandum shall remain in full force and effect for the duration of said memorandum.

SECTION 1.05 No-Strike Clause

- A. The El Segundo Police Officers' Association agrees that during the term of this Memorandum of Understanding their members employed by the City of El Segundo will not strike or engage in any work stoppage or slowdown, engage in any concerted failure to report for duty, or fail to perform their duties in whole or in part for the purpose of inducing, influencing, or coercing a change in the conditions, or compensation, or the rights, privileges, or obligations of employment.
- B. The Association also agrees that their members employed by the City of El Segundo will not refuse to cross a picket line in performance of their normal and customary duties, nor will the aforementioned employee organization attempt to influence, either directly or indirectly, other employees to honor an existing picket line in the performance of their normal and customary duties as employees.
- C. It is understood that any employee violating this provision may be subject to discipline up to and including termination by the City.
- D. It is understood that in the event this provision is violated the City may be entitled to withdraw any rights, privileges or services provided for in this Agreement or in City policy from any employee and/or the Association.

SECTION 1.06 Association Dues Deduction

The City agrees to:

- A. Provide official dues deductions for all employees who subscribe to Association membership;

- B. Provide official payroll deductions for City-approved Association insurance and welfare plans, not to exceed five programs;
- C. Provide the Association with a list of newly-hired employees in the representation unit monthly.
- D. City agrees to provide the Association with (1) ten days' advance notice of any new employee orientation, (2) the name, job title, department, work location, work home, personal cellular telephone number, personal email address, and home address of any new employee with 30 days of hire or by the first pay period of the month following hire, and (3) the information in #2 above, every 120 days for all employees in represented classifications.

SECTION 1.07 Association Administrative Time

Association is granted a total of four hundred (400) hours (as a group) per calendar year of paid Association Administrative Leave (AAL) for the conduct of Association's business and for its members to participate in activities that further the interests or prestige of the Association. These activities shall include, but shall not be limited to attending the Peace Officers' Research Association of California conference, attending other conference or seminars, instructional classes or participating on various local or statewide committees or boards. AAL must be authorized by the Association President and approved by the Police Chief, or Chief's designee.

SECTION 1.08 Association Hearing Cost Contribution

The Association will pay for one-half of the costs incurred in connection with Los Angeles County Civil Service Commission hearings to a maximum of \$3,000 per year.

SECTION 1.09 Maintenance of Existing Benefits

- A. This Memorandum of Understanding contains all of the covenants, stipulations and provisions agreed upon by the parties. It is understood that all items relating to employee wages, hours and other terms and conditions of employment not covered in this Memorandum of Understanding are covered by existing ordinances, resolutions, policies, and practices of the City, as well as the Personnel Rules and Regulations presently in effect. Therefore, for the life of this agreement, neither party shall be compelled to meet and confer with the other concerning any mandatory meet and confer issues whether specifically discussed prior to the execution of this agreement or which may have been omitted in the discussions which led up to the execution of this agreement, except as provided in this agreement or by mutual agreement of parties.
- B. Nothing herein prevents the City and Association from meeting and consulting on the City's Personnel Rules and Regulations which are within the scope of representation. However, the mutual agreement of both the City and Association are required to effect any change.

SECTION 1.10 Non-Discrimination

- A. The Association and the City recognize and agree to protect the rights of all employees to join and/or participate in protected Association activities or to refrain from joining or participating in Association activities.
- B. The Association and the City agree that they shall not illegally discriminate against any employee because of race, color, sex, age, national origin, political or religious opinions or affiliations and shall act affirmatively to accomplish equal employment opportunities for all employees. The Association and the City shall reopen any provision of this Agreement for the purpose of complying with any final order of a Federal or State agency or court of competent jurisdiction requiring a modification or change in any provision or provisions of this Agreement in compliance with State or Federal anti-discrimination laws.

ARTICLE 2 SALARY

SECTION 2.01 Salary

Effective November 23, 2018, the City shall create a Step F to the Officer and Sergeant Classifications, with a ten percent (10%) differential above Step E. An employee who is at Step E on November 22, 2018 shall progress to Step F on November 23, 2018. All other employees shall progress to Step F after being at Step E for one year.

The City shall provide the following salary increases to employees, per Appendix A:

- 1. Effective April 8, 2023 (the first full pay period in April 2023): Increase base salary by seven percent (7.00%);
- 2. Effective the first full pay period that includes January 1, 2024: Increase base salary by three percent (3.00%);
- 3. Effective the first full pay period that includes January 1, 2025: Increase base salary by three percent (3.00%); and

SECTION 2.02 Regular Rate of Pay

This MOU periodically refers to the “regular rate of pay.” The “regular rate of pay” is defined in 29 CFR § 778.108 et. seq. The “definition” used in this MOU is for general reference and does not override the specific definitions set forth in the FLSA. Therefore, as used in this MOU, the regular rate of pay is the remuneration paid to or on behalf of the employee except gifts, travel expenses, other reimbursable expenses, payments not mandated by the MOU or other rules/regulations, retirement and insurance contributions by the City, overtime and holiday pay. These are examples only and not intended to be an all-inclusive definition of the “regular rate of pay.” Applicable statutes/case law shall prevail over any MOU definitions inconsistent with statutes/case law.

The regular rate of pay shall be calculated in dollars and cents rounded off to two (2) decimal places to the right of the decimal point.

The parties acknowledge that there is a pending dispute between the parties as any City obligation to include the value of the employer paid member contribution to PERS when calculating the regular rate of pay. Without waiving any right, claim or defenses by the parties, it is understood that commencing March 4, 2017, the City shall not pay the employee's nine percent (9%) PERS member contribution and consequently the employer paid member contribution of nine percent (9%) does not apply to this bargaining unit and is not to be calculated as part of the regular rate of pay nor shall it be applied to any leave payouts.

FLSA Work Period – The FLSA Work Period shall be defined as eighty (80) hours in a fourteen (14) day period.

All paid leave shall be considered "hours worked" for purposes of eligibility for overtime.

SECTION 2.03 Step Advancement

Employees hired at Step A shall progress to Step B after six (6) months. Progressions to Steps C, D, and E shall be at twelve month intervals, with satisfactory (or above) performance. Progression from Step E to Step F shall occur automatically after the employee has been at Step E for twelve months.

The Police Chief may recommend to the Human Resources Director for approval by the City Manager that an employee receive an accelerated advancement of part or all of the next salary step increase in the Basic Salary Range (A – F Steps) based on exemplary job performance. The accelerated salary advancement shall not change the affected employee's anniversary date.

SECTION 2.04 Notice Requirement to Withhold Step Increase

The City shall have the option during or after the term of this agreement to provide employees written notice of the intent to withhold a salary step increase and the reasons for same no later than the end of the pay period which begins after the employee's anniversary date.

ARTICLE 3 EDUCATION/CERTIFICATE INCENTIVE

SECTION 3.01 Educational Compensation

Members of this bargaining unit hired before February 21, 2017 shall be frozen at their current level of education compensation/POST Certificate compensation unless a Bachelor's degree is obtained at any time or AA or is conferred/completed by February 21, 2022 or a Master's Degree in conferred/completed by September 30, 2018. Therefore, employees hired on or before February 21, 2017 are entitled to continued incentive compensation for their pre-existing possession of the requisite college units/AA Degree/POST certificate/sworn law enforcement services as to POST pay as set forth in Section 3.01, subsections 1-3. Such employees hired on or before February 21, 2017 are also eligible for education incentive upon conferral of a Bachelor's Degree or Master's Degree as referenced above and more fully described in Section 3.01, subsections 4-5. The Master's Degree incentive will be held in abeyance until the required years of service are met (if not met prior to September 30, 2018). Once obtained, the Bachelor's or Master's Degree pay (whichever is applicable) shall be frozen unless promoted to Sergeant.

POA MOU

April 1, 2023 through June 30, 2025

Effective upon City Council approval and adoption of this MOU, Tier II Educational Compensation is eliminated, and members shall be eligible for education incentive compensation as follows (See chart below):

1. Qualification for and possession of either 60 units, or AA degree, or Intermediate POST Certificate shall entitle employee to Two-Hundred and Ninety Eight Dollars and Ten Cents (\$298.10) for Officers and Three-Hundred Seventy-Three and Forty-Four Cents (\$373.44) for Sergeants.
2. Qualification for and possession of either 60 units, or AA degree, and Intermediate POST Certificate shall entitle employee to Four Hundred and Sixty-Seven Dollars and Twenty-Nine Cents (\$467.29) for Officers and Five Hundred and Sixty Dollars and Sixteen Cents (\$560.16) for Sergeants.
3. Qualification for and possession of Advanced POST Certificate shall entitle employee to Seven Hundred and Seventy Dollars and Seventy-One Cents (\$770.71) for Officers and Nine-Hundred and Fifty One Dollars and Fifty-Six Cents (\$951.56) for Sergeants.
4. Qualification for and possession of Bachelor’s degree shall entitle employee to Nine Hundred and Sixty-Three Dollars and Thirty-Seven Cents (\$963.37) for Officers and One-Thousand, One-Hundred and Twenty Dollars and Thirty-Four Cents (\$1120.34) for Sergeants.
5. Qualification for and possession of Master’s degree shall entitle employee to One Thousand Three-Hundred and Fifty-Three Dollars and Sixty-Two Cents (\$1353.62) for Officers and One Thousand Six Hundred and Twenty-Two Dollars and Eighty Five Cents (\$1,622.85) for Sergeants.

	60 Units or AA or Intermediate POST	AA + Intermediate POST	Advanced POST	Bachelors	Masters
Officer	\$298.10	\$467.29	\$770.71	\$963.37	\$1,353.62
Sergeant	\$373.44	\$560.16	\$951.56	\$1,120.34	\$1,622.85

SECTION 3.02 Longevity Achievement on Merit

1. Employees shall be compensated for longevity in the following circumstances, as set forth below:

- A. Upon completion of ten years of paid, full-time sworn law enforcement service
- B. Upon completion of fifteen years of paid, full-time sworn law enforcement service
- C. Upon completion of twenty years of paid, full-time sworn law enforcement service
- D. Upon completion of twenty-five years of paid, full-time sworn law enforcement service

Longevity Pay per Month (paid over 26 pay periods)				
	10 years	15 years	20 years	25 years
Officer	\$200.00	\$360.00	\$575.00	\$1,150.00
Sergeant	\$265.00	\$485.00	\$680.00	\$1,515.00

2. Consistent with the years-long past practice, any reference to employees being required to have or maintain any performance standard to receive Longevity Pay is hereby stricken as having not been applicable.

ARTICLE 4 TUITION AND BOOK REIMBURSEMENT PROGRAM

SECTION 4.01 Policy and Eligibility

The following college-level tuition and book reimbursement program shall be applicable to all unit members:

SECTION 4.02 Undergraduate Studies (Studies undertaken in pursuit of an Associate's or a Bachelor's degree).

- A. The City shall reimburse each affected employee in an amount equal to 100% of tuition and book expenditures incurred while employed by the City and while a student at any accredited college or university having its campus in the State of California. However, the tuition reimbursement described herein, shall not exceed the per-unit tuition cost required by the University of California or California State University, whichever is higher.
- B. Tuition and book reimbursement shall be provided only for those classes in which a certified college or university transcript evidences the employee attaining a grade of "C" or better (or where classes are taken "pass/fail," evidence must be provided of a "pass" grade) in classes approved pre-enrollment by the Chief of Police or his/her designee.

SECTION 4.03 Post-Graduate Studies (Post-Graduate studies are defined as those undertaken in pursuit of a degree beyond a Bachelor's).

- A. The City shall reimburse each affected employee pursuing post-graduate studies in an amount equal to 100% of tuition and book expenditures incurred while employed by the City and while pursuing said studies at the University of California or California State University;
- B. The City shall reimburse each affected employee pursuing post-graduate studies at other accredited institutions, in an amount equivalent to 80% of the tuition and book expenditures incurred while employed by the City and while pursuing said studies;
- C. Tuition and book reimbursement shall be provided only for those classes in which a certified university transcript evidences the employee attaining a grade of "C" or better (or where classes are taken "pass/fail," evidence must be provided of a "pass" grade) in classes approved pre-enrollment by the Chief of Police or his/her designee.

SECTION 4.04 Tuition Reimbursement Program – effective August 1, 2003

- A. The City will reimburse each applicable employee for the cost of undergraduate and graduate education, in an amount not to exceed 100% of the cost of tuition and book/supplies at UCLA or UCI, whichever is higher. All employees who are enrolled in graduate or undergraduate programs as of August 1, 2003, shall be permitted to complete their respective graduate or undergraduate degrees under the terms of the former Tuition Reimbursement program (See Sections 4.02 and 4.03 above).
- B. Tuition and book reimbursement shall be provided only for those classes in which a certified university transcript from an accredited institution having its campus in the State of California, evidences the employee attaining a grade of “C” or better (or where classes are taken “pass/fail,” evidence must be provided of a “pass” grade) in classes approved pre-enrollment by the Chief of Police or his/her designee.

SECTION 4.05 Certification Requirement for Tuition Reimbursement

Employees who participate in the Educational Reimbursement Program will be required to sign the following agreement:

Educational Reimbursements – “I certify that I successfully completed the course(s), receiving at least a grade of “C” or better” or a grade of “pass”, if the course was offered on a pass/fail basis. (Attach a copy of grade verification) “Further, I agree to refund the City or have deducted from my final paycheck any educational reimbursement funds received under this program if I should leave the City’s employ, voluntarily or through termination, with cause, within one year after completion of the course work for which I am to receive reimbursement, in accordance with the following schedule.”

ARTICLE 5 PROMOTIONS

SECTION 5.01 Salary Differential upon Promotion

The City shall have the option to compensate supervisors newly appointed to their positions at a base rate as long as it is higher than the base rate of their subordinates (no minimum 5% pay differential), exclusive of longevity pay, educational incentive pay, and special assignment pay.

SECTION 5.02 Educational Prerequisites for Promotional Positions

An applicant seeking to participate in any segment of an examination for the positions of Sergeant, Lieutenant or Captain must be qualified for and possess a Bachelor’s degree at the time of participating in any such segment(s) of the examination.

ARTICLE 6 OVERTIME COMPENSATION

SECTION 6.01 Pay for Public Relations Appearances

Police Officers and Police Sergeants who are required by the Chief of Police to make presentations to community groups on an overtime basis shall be compensated at one and one-half times their regular rate of pay.

SECTION 6.02 Court On-Call Pay

A. Except as set forth below, off-duty personnel who are placed in on-call status for court during either the morning or the afternoon session will receive three hours of paid overtime at a rate of time and one-half his/her regular rate of pay as defined in this MOU for each session the officer is in an on-call status. Off duty personnel who are placed in on-call status for court during both the morning and the afternoon sessions will received six hours of paid overtime at a rate of time and one-half his/her regular rate of pay.

Officers will not receive on call pay if they are:

1. Called into court that session (in which case the employee will receive call-back pay):
2. Ordered to report to work;
3. Already receiving pay from the City for any other reason (e.g., I.O.D., administrative leave).

B. Officers shall not have the option of reporting to work in lieu of being in an on-call status.

C. Officers who are in an on-duty status are not eligible for court on-call pay.

SECTION 6.03 Call-Back Pay

A minimum of 4 hours of work time at one and one-half the employee's regular rate of pay shall be credited for all call backs.

SECTION 6.04 Court Call-Back Pay

A. An officer called into court while off duty shall be paid overtime for all time served plus travel time (per Department General Order) or three hours (at time and one-half), whichever is greater. "Off-duty" for the purposes of this section means the officer is not on duty, on paid administrative leave, on paid IOD leave, or being paid for any other reason.

B. The City will pay \$2.00 per meal for police officers required to be in attendance at court during meal periods.

ARTICLE 7 DIFFERENTIAL PAY

SECTION 7.01 Motor Officer, Canine Officer, Detective and Special Assignment Pay

The City shall pay motor officers a monthly differential pay in the amount of \$511.01 (Police Officer) or \$640.19 (Sergeant.). The parties agree that to the extent permitted by law, this is special compensation and shall be reported as such pursuant to Title 2 CCR Section 571(a)(4), Motorcycle Patrol Premium.

The City shall pay detectives, canine officers and employees designated by the Chief of Police as having special assignments, \$425.84 per month. The parties agree that to the extent permitted by law, this is special compensation and shall be reported as such pursuant to Title 2 CCR Section 571(a)(4), Detective Division Premium, Canine Officer Premium, respectively.

SECTION 7.02 Motorcycle Maintenance

The parties agree that motorcycle maintenance shall occur during an employee's regular working hours.

Historical Language for Reference Only (no longer applicable):

By and through the Association, those unit members assigned to motorcycle duty agree that the above monthly stipend is reasonably necessary to provide for the cleaning and maintenance of the assigned motorcycle and that this stipend is intended to compensate unit members assigned to motorcycle duty for all off duty hours spent cleaning and maintaining their assigned motorcycle, in compliance with the FLSA and interpretive cases and rulings..

The parties acknowledge that the FLSA, which governs the entitlement to compensation for motorcycle cleaning and maintenance, entitles the parties to agree to a reasonable number of hours per month for the performance of off duty maintenance and cleaning duties. The hours represented by the above stipend in this agreement were determined after an actual inquiry of the officers assigned to motorcycle duty, as addressed by *Leever v. City of Carson City*, 360 F.3d 1014 (9th Cir. 2004.) It is the intent of the parties through the provisions of this section to fully comply with the requirements of the FLSA. In addition, all parties believe that this section of the MOU does comply with the requirements of the FLSA.

Since at least 2000, the method of agreeing upon the above stipend and its amount have been in accord with requirements of the FLSA.

SECTION 7.03 Canine Unit

The parties acknowledge that the FLSA, which governs the entitlement to compensation for canine care and maintenance, entitles the parties to agree to a reasonable number of hours per month for the performance of off duty care and maintenance duties. The parties hereby agree that canine officers shall be compensated for off-duty care and maintenance of the dog in the amount of fifteen (15) hours monthly, at the applicable minimum wage rate. The hours represented by this payment in this agreement were determined after an actual inquiry of the officers assigned to canine duty, as addressed by *Leever v. City of Carson City*, 360 F.3d 1014 (9th Cir. 2004.) It is the intent of the parties through the provisions of this section to fully comply with the requirements of the FLSA. In addition, all parties believe that this section of the MOU does comply with the requirements of the FLSA.

Members of the Association who are assigned canine officers at the time this Agreement is executed agree

to sign an individual waiver of any potential claim under the FLSA for the performance of off-duty care and maintenance of the dog performed prior to November 23, 2017.

SECTION 7.04 Bilingual Pay

The City will be responsible for utilizing a standardized, industry accepted test to determine applicants' qualification for Bilingual Pay. An employee who demonstrates conversational fluency in Spanish (or another language designated by the Police Chief,) and is assigned to duties in which language skills are regularly used, shall be entitled to premium compensation of \$283.90 (Police Officer) or \$355.66 (Sergeant) monthly. The parties agree that to the extent permitted by law, this is special compensation and shall be reported as such pursuant to Title 2 CCR Section 571(a)(4), Bilingual Premium.).

ARTICLE 8 PHYSICAL FITNESS INCENTIVE PROGRAM

SECTION 8.01 Purpose

It is the purpose of the El Segundo Police Department Physical Fitness Program to improve the level of physical fitness and health among sworn police personnel so that their field performance will be enhanced and also to improve their overall degree of wellness as an enrichment to their personal lives as well as a productivity benefit to the City.

SECTION 8.02 Department Policy

It will be the policy of the Police Department to work with officers individually and assist those that need to improve their lifestyle habits in order that fitness levels can be improved. There is no "failure" in participation, only the identification of needs and the recognition of strengths.

SECTION 8.03 Program Components

The Physical Fitness Program will consist of two basic components; they are a fitness examination and a fitness assessment.

A. Fitness Examination:

The examination will be comprehensive and will include the cardio-vascular system, the pulmonary function, a complete blood work-up, body composition analysis, and the lower digestive tract as well as a strength assessment. It will also include a complete medical history review with a physician and a subsequent review of the findings as well as an exercise/nutritional prescription.

B. Fitness Assessment:

1. The fitness assessment is the voluntary component of the program and will be administered by a department fitness coordinator and fitness committee.
2. The assessment will be a test to measure components of physical fitness which are:

- a. Cardio-vascular
- b. Strength
- c. Body composition
- d. Flexibility

The assessment will be administered quarterly and will apply standards developed and used by the Cooper Aerobics Institute, Dallas, Texas, and will include sliding scales based on age and sex.

- 3. From the assessment will be developed a profile which will categorize participants into levels of fitness. Incentive provisions would then reward participants depending upon their fitness level.
- 4. Rewards would also be available for significant achievements and improvements. These rewards will be in the form of T-shirts, sports bags, sporting equipment and other similar incentives. It is thought that these types of rewards could be influential in maintaining interest and enthusiasm in those participants who would not otherwise qualify for fitness achievement categories.

ARTICLE 9 COMPENSATORY TIME

SECTION 9.01 Maximum Accrual

A separate bank shall be established for the accumulation of compensatory time off, with a maximum accrual of one hundred and twenty (120) hours, and the employee shall not accrue additional time off until the bank drops below one hundred and twenty (120) hours. The time bank shall be divided into separate banks for physical fitness and compensatory time off and the compensatory time bank shall be credited first with the remainder credited to the fitness pay.

SECTION 9.02 Physical Fitness Bank - Maximum Accrual Fitness Compensation

A separate bank shall be established for the accumulation of physical fitness time off, with a maximum accrual of fifty (50) hours. City has the option to pay the employee or increase the time off bank for physical fitness bonus after 50 hours, with no payoff of accrued time upon separation.

SECTION 9.03 Firearms Qualification

Police Officers and Police Sergeants will be compensated at their regular hourly rate of pay for firearms qualification as follows:

<u>Class</u>	<u>Hours per Quarter (3 Calendar Months)</u>
Distinguished Expert	8 hours
Expert	6 hours

Sharpshooter	4 hours
Marksman	2 hours
Qualifying	0 hours

ARTICLE 10 HOLIDAY PAY

SECTION 10.01 Eligible Officers

Employees in this Unit shall be credited with 120 hours of paid holiday leave in their holiday bank. Holiday pay shall be reported to CalPERS as compensation in the pay period in which the holiday falls. Employees shall be paid the holiday pay at the employee's regular rate of pay.

ARTICLE 11 SICK LEAVE

SECTION 11.01 Payment of Sick Leave Accrual - After 10 Years Service

Employees, upon separation, after ten (10) years of service as a sworn law enforcement officer, will be compensated 50% of their accumulated, unused sick leave at the employee's regular rate of pay, excluding the nine percent (9%) PERS member share, in effect at the time of separation. Effective October 1, 2017, sick leave payment shall be at the employee's base rate of pay. The exclusion of the 9% PERS members share from calculation of the regular rate of pay is without prejudice to any rights, claims, or defenses by the parties regarding the pending dispute previously referenced in Section 2.02.

SECTION 11.02 Payment of Sick Leave Accrual - After 20 Years Service

Upon an employee's separation after twenty (20) years of service as a sworn law enforcement officer, the City will pay the employee for 100% of his/her accumulated, unused sick leave at the employee's regular rate of pay, excluding the nine percent (9%) PERS member share, in effect at the time of separation. Upon completing twenty (20) years of service and age 47, an employee may elect to cash out one-third of earned, unused sick leave, prior to separation, for a period not to exceed three years, up to the maximum dollar value of deferred compensation "catch up" permitted by law. In no event, can an employee cash-out a cumulative total greater than that permitted herein, and in no event shall the post-distribution sick leave balance be less than 120 hours. Effective October 1, 2017, sick leave payment, including the "catch-up" into the employee's 457 deferred compensation account, shall be at the employee's base rate of pay. The exclusion of the 9% PERS members share from calculation of the regular rate of pay is without prejudice to any rights, claims, or defenses by the parties regarding the pending dispute previously referenced in Section 2.02.

SECTION 11.03 Payment on Disability Retirement

Employees separating from service because of a disability retirement, after five (5) years of service as a sworn law enforcement officer, will be compensated at 90% of the employee's accumulated, unused sick leave at the employee's regular rate of pay, excluding the nine percent (9%) PERS member share. Effective October 1, 2017, sick leave payment shall be at the employee's base rate of pay. The exclusion of the 9% PERS

members share from calculation of the regular rate of pay is without prejudice to any rights, claims, or defenses by the parties regarding the pending dispute previously referenced in Section 2.02.

SECTION 11.04 Sick Leave Maximum Accrual and Annual Sick Leave Payout

Employees shall accumulate sick leave at the rate of 3.7 hours per payroll period paycheck accumulation for each month's service not to exceed a maximum of eight hundred (800) hours. On or about December 10 of each year, employees who maintain a balance of 800 hours of sick leave accrual shall be paid for seventy-five percent (75%) of the sick leave accumulated and not used during the preceding twelve month period at the employee's base rate of pay.

SECTION 11.05 Family Emergency Leave/Sick Leave Utilization

Employees shall have the right to use nine (9) days of accumulated sick leave for family emergencies. Emergencies are generally of a medical nature, for illness or injury of a family member. Notwithstanding the foregoing, the City shall comply with the Federal and State regulations of the Family and Medical Leave Act, California Family Rights Act, Healthy Workplaces, Healthy Families Act of 2014 ("Paid Sick Leave Law" – AB 1522) and other applicable family leave laws. Depending upon the applicable leave law, "family member" may be defined as including, but not limited to, children, parents (of employee, spouse, or registered domestic partner), spouse, registered domestic partner, siblings, grandchildren, or grandparents.

ARTICLE 12 VACATION LEAVE

SECTION 12.01 Accrual Schedule – For Employees Hired On or After July 1, 1994

Vacation for employees hired on or after July 1, 1994, shall be accrued pursuant to the following schedule:

- A. From commencement of the 1st year of service through and including completion of the 5th year of service – 96 hours per year.
- B. From commencement of the 6th year of service through and including completion of the 10th year of service – 120 hours per year.
- C. From commencement of the 11th year of service through and including completion of the 15th year of service – 144 hours per year.
- D. From commencement of the 16th year of service through and including completion of the 16th year of service – 176 hours per year.
- E. From commencement of the 17th year of service and for all years of service thereafter up to and including the 25th year – an additional 8 hours per years of service (i.e., 17 years = 184 hours, 18 years = 192 hours, 19 years = 200 hours . . . 25 years and each year thereafter = 248 hours). -Effective July 15, 2007, the scale of hours for employees with 17 or more years of service will increase by 8 hours (i.e., 17 years = 192 hours, 18 years = 200 hours, 19 years = 208 hours . . . 25 years and each year thereafter – 256 hours).

SECTION 12.02 Accrual Schedule - For Employees Hired Before July 1, 1994

Vacation for employees hired before July 1, 1994 shall be accrued in accordance with the following schedule:

- A. For the first seven years of continuous service with the City – 96 hours per year.
- B. After seven years and until the completion of fourteen years of continuous service – 136 hours per year.
- C. After fourteen years of continuous service and until the completion of sixteen years of continuous service – 176 hours per year.
- D. From commencement of the 17th year of service and for all years of service thereafter up to and including the 25th year – increasing 8 hours per year of service (i.e., 17 years = 184 hours, 18 years = 192 hours, 19 years = 200 hours . . . 25 years and each year thereafter = 248 hours). Effective July 15, 2007, the scale of hours for employees with 17 or more years of service will increase by 8 hours (i.e., 17 years = 192 hours, 18 years = 200 hours, 19 years = 208 hours . . . 25 years and each year thereafter = 256 hours).

SECTION 12.03 Vacation Sell Back

- A. Qualification for Vacation Cash Out: An employee who has completed one (1) year of service qualifies for vacation cash out.
- B. Cashout Process in 2023: In calendar year 2023, a qualified employee may elect to receive cash payment(s) in lieu of accrued vacation leave up to one hundred percent (100%) of the total amount of vacation leave that the employee can accrue in a year based on their length of service as described above. While employees may elect to exercise this option not more than twice in calendar year 2023, the cumulative amount of vacation leave cashed out may not, in aggregate, exceed total amount of vacation leave that the employee can accrue in a year.
- C. Election Process: A qualified employee may elect to receive cash payment(s) in lieu of accrued vacation leave up to one hundred percent (100%) of the total amount of vacation leave that the employee can accrue in a year based on their length of service as described above.

On or before December 15, 2023 and every December 15th thereafter, a qualified employee who elects to cash out some or all of their accrued vacation for the following year shall submit written request to the Human Resources Department stating their irrevocable election(s).

The employee shall provide the following information as part of their election: (1) The total number of hours of vacation leave that the employee will accrue between January 1 and June 30 in the following calendar year based on their annual accrual rate based on their years of service; (2) The total amount of accrued vacation leave that the employee wants to cash out in July of the following calendar year (The cash-out amount must be equal to or less than the amount accrued between January 1 and June 30); (3) The total number of hours of vacation leave that the employee will accrue between July 1 and December 31 in the following calendar year based on their annual accrual rate based on their years of service; and (4) The total amount of accrued vacation leave that the employee wants to cash out in December of the following calendar year (The cumulative cash-out amount must be equal to or less than the total amount accrued between January 1 and December 30).

D. The City shall administer the cash out twice annually, starting in July 2023 and every July and December thereafter. The City shall make the cash outs in the first full pay period in July and December.

Such cash outs shall be paid at the employee's base salary hourly rate of pay.

E. Regardless of the number of hours that the employee requests to cash out, the City can only cash out vacation hours that the employee has available for their use.

ARTICLE 13 BEREAVEMENT LEAVE

SECTION 13.01 Maximum Leave Time

The practice of granting three (3) working days of bereavement leave per incident shall be increased to 40 hours per incident in those circumstances where travel to a funeral or other memorial proceeding is 500 or more miles one way as measured from the El Segundo City Hall.

SECTION 13.02 Immediate Family Members Defined

The definition of the "immediate family" whose funeral or memorial proceeding qualifies for use of bereavement leave, shall include the children, parents, siblings, grandparents and grandchildren of the employee, parents-in-law, the employee's spouse, domestic partner or significant other.

ARTICLE 14 JURY DUTY

SECTION 14.01 Provision

Employees shall be entitled to a leave of absence for Jury Duty, subject to compliance with all of the following conditions:

- A. The employee must provide written notice of the expected Jury Duty to his or her supervisor as soon as possible, but in no case later than 14 days before the beginning of Jury Duty (defined as the date on which the employee is directed by jury summons to either commence telephone contact with the jury administrator and/or appear in court.) During the first two weeks of Jury Duty, an employee shall be entitled to receive his or her regular compensation.
- B. For any portion of Jury Duty that extends beyond the first two weeks, such extended Jury Duty period shall be without pay unless, the employee presents written evidence that the court estimated during voir dire that the trial would be of two or less weeks duration, or in the alternative the employee presents written evidence that he/she advised the court that City compensation was limited to two weeks, that the employee asked to be excused because of this hardship, and the request was denied.
- C. Any compensation for the first two weeks of Jury Duty, except travel reimbursement pay, must be deposited with the Director of Human Resources.

D. While on Jury Duty, the employee must report to work—during any portion of a day that the employee is relieved of Jury Duty for three or more consecutive hours.

E. The employee must provide documentation of his or her daily attendance on Jury Duty.

ARTICLE 15 HEALTH BENEFITS

SECTION 15.01 Medical Insurance Continuation - On Duty Death

A. If it is determined by the Workers' Compensation Appeals Board and/or the Public Employees' Retirement System that an Association member has died as a direct and proximate result of the performance of duties in the course and scope of his/her employment, then the City shall continue to make group medical insurance premium payments on behalf of the surviving spouse until age 65, Medicare eligibility, whichever comes first, and to the children of the deceased officer until age 18. Said medical premium payments on behalf of the children of a deceased officer shall continue if at age 18, the child commences uninterrupted college enrollment, but not to exceed the age of 23.

B. The City-paid medical insurance premiums described herein shall be in an amount required to fund the level of medical insurance benefits which the deceased officer was receiving at the time of his/her death. For example, if at the time of death, the officer was enrolled in a specific HMO Plan, then future premium payments made pursuant to this article shall be in an amount required to maintain comparable plan benefits.

SECTION 15.02 Optical, Dental, and Life Insurance

The City will pay 100% of the premiums for the agreed upon dental, optical and life insurance for employees and eligible dependents to the maximum dollar amount of \$184.25 per month effective upon approval and adoption of the MOU by City Council. The City will apply the maximum dollar amount to the payment of the various premiums in the following order of precedence: optical insurance first, then life insurance, and finally dental insurance.

A. The City will adopt a dental plan and pay the premium cost for employees only. The City reserves the right to determine the insurance carrier with whom the City will contract for coverage; however, the City agrees to consult with employees through the insurance committee and consider all suggestions and presentations on the insurance plan to be purchased.

B. Upon adoption of the MOU by City Council and as soon as practical, the City will provide every member of the Association with \$50,000 of basic term life insurance at City cost. The City reserves the right to determine the insurance carrier with whom the City will contract for coverage.

C. The City shall make available any city-wide improvements to the dental benefit, to the Association.

D. Selection of the vision insurance plan carrier shall be made by the City.

SECTION 15.03 Retiree Dental and Vision

Upon retirement, an employee and their spouse, registered domestic partner, and/or their eligible dependents

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who are actively enrolled in the City's dental and vision insurance plans may remain enrolled in such plans as a retiree should such plans continue to remain available to current employees, but shall be responsible for full payment of the associated insurance premiums.

In order to be eligible to be covered by such plans, the retiring employee and their spouse, registered domestic partner, and/or and their eligible dependents must be actively enrolled in the plan(s) under which they are seeking continued coverage.

If, upon retirement, the employee declines continued coverage under either plan, they may not enroll at a later time.

Upon retirees death, the surviving spouse, registered domestic partner and/or eligible dependent(s) who are actively enrolled in the City's dental and vision insurance plans may remain enrolled in such plans as surviving dependents should such plans continue to remain available to current employees, and shall be responsible for full payment of the associated insurance premiums.

This provision is not intended to vest either retirees or current employees once retired with any right to remain enrolled in the City's dental and vision insurance plans. The City may decide to change dental or vision insurance plans without regard to the impact that such a decision would have on retirees' eligibility to enroll in such plans.

SECTION 15.04 Medical Contract

The City contracts with the California PERS for the Public Employees' Medical and Hospital Care Program for medical insurance.

SECTION 15.05 City Medical Contribution

Effective for the medical premium in January 2021, the maximum monthly medical contribution by the City is \$1,650 per employee per month. Effective upon approval and adoption of this MOU, the maximum monthly medical contribution shall increase to \$1,700. Effective for the medical premium in January 2024, the maximum monthly contribution shall increase to \$1,750. Effective for the medical premium in January 2025, the maximum monthly contribution shall increase to \$1,800.

SECTION 15.06 Body or Heart Scan

Commencing July 1, 2008, each employee shall be eligible to receive a "body or heart scan" to be conducted once every two (2) years at City expense. Eligibility for the "body or heart scan" shall be determined by the examining physician at the Westchester Medical Group/Center for Heart and Health during the employee's annual examination pursuant to the July 3, 2003 FITNESS FOR DUTY POLICY. The physician shall determine whether or not undertaking a "body or heart scan" is reasonable and appropriate.

ARTICLE 16 UNIFORM AND SAFETY EQUIPMENT

SECTION 16.01 Provision

The City shall provide required uniforms and safety equipment to eligible employees. For purposes of this article, safety equipment shall include a weapon selected by the Police Chief. Effective the date of adoption of the MOU, the uniform allowance shall no longer be provided to members of this bargaining unit.

ARTICLE 17 CELL PHONE STIPEND

SECTION 17.01 Monthly Stipend

Employees designated by the Chief of Police may receive an eighty dollar (\$80) monthly stipend to offset the cost of utilizing their personal devices for work-related purposes.

ARTICLE 18 RETIREMENT BENEFITS

SECTION 18.01 PERS Retirement Formula

- A. The City has implemented the 3% at 50 PERS retirement formula for all affected employees.
- B. Tier II - Employees covered by classifications in this bargaining unit who are hired on or after October 6, 2012 and are otherwise not a “new employee” and/or “new member” of CalPERS under Government Code Section 7522.04 of AB340, also known as the California Pension Reform Act of 2013, shall be subject to the 3%@55 retirement formula.
- C. Effective January 1, 2013, new safety employees and/or members, as defined by AB340, will be subject to the 2.7%@57 retirement formula as well as all other statutory requirements established by AB340.

SECTION 18.02 PERS Payment Pickup

Employees who are “classic” members, as defined by the California Pension Reform Act of 2013 (AB340), shall pay their statutorily required nine percent (9%) employee contribution to CalPERS effective March 4, 2017 and simultaneously with salary increases identified in Section 2.01 (i.e. employees shall pay an amount equal to 9% of compensation earnable as the employee contribution to PERS). In accordance with Resolution No. 4497 the City shall treat this contribution as an employer contribution for purposes of employee federal and state income tax withholding as authorized by Internal Revenue Code (IRC) Section 414(h)(2).

Effective November 23, 2018, “classic” members, as defined by the California Pension Reform Act of 2013 (AB340), shall pay an additional three percent (3%) employee contribution to CalPERS simultaneously with the salary increases identified in Section 2.01. (Employees shall pay an amount equal to twelve (12) percent of compensation earnable as the employee contribution to PERS. These deductions shall be pre-tax and be pursuant to California Government Code section 20516(f) until such time as the City amends its contract with CalPERS to make the deduction pursuant to California Government Code section 20516(a).

SECTION 18.03 Optional PERS Contract Provisions

- A. The City shall provide “Level 4” 1959 Survivors Benefits in accordance with Government Code § 21574.
- B. The City shall provide Pre-Retirement Option 2W Death Benefit in accordance with Government Code § 21548.
- C. The City shall provide the Single Highest Year formula for “classic” members only as defined by AB340, in accordance with Government Code Section § 20042.

SECTION 18.04 Minimum Service with City of El Segundo to Receive Retirement Benefits

Employees who retire must have earned service credit with CalPERS for a minimum of five (5) years to receive the following benefits: the option of continuing to participate in the City’s group insurance programs and the right to receive a contribution toward medical insurance for the retiree and 1 dependent. In addition, employees are eligible for payments of unused sick leave pursuant to Article 11.

SECTION 18.05 Retiree Health Insurance Contribution Program

The City will contribute to a retiree health insurance contribution program for retirees who participate in the Public Employees’ Medical and Hospital Care Program. The program will provide for the following maximum contribution:

Year of Retirement	Amount of Monthly Contribution
1995 and after	Average dollar cost of the premium for an employee and 2 or more dependents for the HMO’s available to employees under PEMHCA

ARTICLE 19 DIRECT DEPOSIT and FLEXIBLE SPENDING ACCOUNT

SECTION 19.01 Direct Deposit

It is agreed between the City and the Police Officers’ Association that it is in the mutual interest of the City and its employees that all covered employees utilize the currently available direct deposit system. Employees who do not desire to utilize direct deposit shall make their wishes known in writing to the City’s Director of Finance, together with a statement of their reasons therefore. Exceptions to this direct deposit policy shall not be unreasonably denied.

SECTION 19.02 Flexible Spending Account

The City will maintain the Flexible Spending Account pursuant to the terms and conditions of the Internal Revenue Code.

ARTICLE 20 CATASTROPHIC LEAVE PROGRAM

SECTION 20.01 Definition of a Catastrophic Illness or Injury

A catastrophic illness or injury is a chronic or long-term health condition that is incurable, or so serious that, if not treated, would likely result in a long period of incapacity.

SECTION 20.02 Eligible Employees for Donation and Program Usage

- A. All permanent full-time or part-time sworn employees will donate 6.00 hours of either sick leave, vacation or compensatory leave time, per year, to the catastrophic leave bank, until a unit total of 1,000 hours have been contributed to the catastrophic leave bank. Employees may donate additional time to the catastrophic leave bank by completing a Catastrophic Leave Time Donation Request Form prior to donating more accumulated leave time. Employees, or their designated representative, requesting use of the leave bank must complete a Request to Receive Catastrophic Leave Time Form as soon as possible prior to, or within a reasonable time frame after, catastrophic illness or injury. Completed forms must be submitted to the Director of Human Resources/Risk Management or his/her designee.
- B. Forms are available from the Human Resources Department. The Human Resources Department will maintain all Catastrophic Leave Policy materials.

SECTION 20.03 Policy Procedures

- A. **Administration** - This bank will be administered by a joint employer/employee committee composed of two (2) representatives from the El Segundo Police Officers' Association, one (1) from the Human Resources Department and one (1) from the Finance Department.
- B. **Donation Requests** - In addition to the July 1 mandatory donation, eligible employees may transfer additional accrued sick leave, vacation or compensatory leave time for donation to an employee, or employees experiencing catastrophic illness/injury and who have exhausted all other personal leaves. Donated time can only be made in increments of four (4) hours. Additionally, employees shall designate whether their 6.00 hour contribution made to the catastrophic leave bank shall be made from the sick, vacation or compensatory leave banks. Should recipient employees not use all their allocated donated time, any balance will remain in the bank for future utilizations.
- C. Transfer requests will be reviewed by the Catastrophic Leave Committee for approval and for verification that the donating employee maintains the required minimum 100 leave hours after his or her donation.
- D. Donations of accumulated time are irrevocable.
- E. Catastrophic leave shall not be used to supplement leaves due to industrial injuries or illness. However, catastrophic leave may be used to supplement long-term disability benefits.

ARTICLE 21 LAYOFF PROCEDURES

SECTION 21.01 Grounds for Layoff

Whenever, in the judgment of the City Council, it becomes necessary to reduce the workforce, an employee may be laid off, reduced in classification or displaced by another employee. Such layoff, reduction or displacement shall result from action of the City Manager or his or her designee. The City Manager shall recommend to the City Council each classification to be affected by any such change.

SECTION 21.02 Notice to Employees

An employee filling a full time position shall be given fourteen (14) calendar days prior notice of layoff. Employees transferred, reduced or displaced shall be given five (5) calendar days' notice. The City Council may approve a reduction in the notice requirements, if so recommended by the City Manager.

SECTION 21.03 At-Will Employees

The City Manager retains the right to layoff or alter the work assignment of the following employees at any time without notice or right of appeal: emergency employees, temporary or seasonal employees, part-time employees, original probationary employees, promotional probationary employees and employees designated at-will. The promotional probationary employee shall revert to his/her previously held classification and position without loss of seniority.

SECTION 21.04 Procedures for Layoff

A permanent employee in a classification affected by a reduction in force shall be laid off based on seniority in City service, that is the employee with the least City service shall be laid off first, followed by the employee with the second least City service, etc. Seniority shall be determined by hire date. City seniority shall be used to effectuate the procedures set forth in this Article. Seniority for part-time employees shall be calculated as one-half ($\frac{1}{2}$) time from the date of hire with the City.

SECTION 21.05 Breaking Ties

In cases where two or more employees have the same date of hire (i.e. equal seniority), retention points for job performance shall be credited on the basis of the average of the overall evaluation ratings for the last three (3) years, provided the last rating had been filed more than thirty (30) days prior to the date of the layoff notice. Retention points are as follows:

Above Standard - 24 points

Standard - 12 points

Below Standard - 0 points

In the event of a tie in seniority, the employee with the lowest average of retention points shall be laid off first. In the event that one or more of the affected employees do not have overall evaluation ratings for the last three (3) years on file, ties shall be broken by a coin toss.

SECTION 21.06 Reduction to a Vacant Position

An employee designated for layoff as a result of abolition of a position or classification may be offered appointment to a vacant position in a lower classification, if the employee is qualified by education and/or experience for such position. If there is more than one qualified employee to be offered such appointment(s), the offer(s) shall be based on seniority, with the employee with the highest seniority offered the position first, then the next highest seniority, etc. If the employees have the same seniority, then the procedure for breaking ties set forth above shall apply. An employee accepting such appointment shall be placed on the step for the lower classification most closely corresponding, but in no case higher, than the salary step of his/her previously held position, and the employee will be assigned a new salary anniversary date on the effective date of the appointment.

SECTION 21.07 Displacement Rights

- A. An employee designated for layoff as a result of abolition of a position or classification may displace ("bump") an employee in a lower classification in which the employee has prior service, provided the laid off employee has greater seniority than the employee in the lower classification.
- B. An employee designated for layoff with greater seniority may displace ("bump") a less senior employee in a lower classification, for which he/she is immediately qualified to perform.

SECTION 21.08 Salary Placement

An employee who is assigned to a lower classification as a result of a displacement (bump) shall be placed on the step of the salary range of the new classification, which is closest to the compensation of the employee in the previous classification, but in no case higher, and the employee will be assigned a new salary anniversary date on the effective date of the appointment. The employee shall, however, retain seniority while his/her name remains on reemployment list or lists.

SECTION 21.09 Reemployment List

The names of permanent employees who have been laid off under this section (including employees who have bumped down) shall be placed, in order of seniority from highest to lowest, on a reemployment list for their classification or any lower classification for which the employee is qualified by education and/or experience. Persons on such lists shall retain eligibility for appointment therefrom for a period of three years from the date their names were placed on the list. As a vacancy within a classification or lower related classification becomes available, the name appearing at the top of the list shall be offered the opportunity to fill the vacancy. The name of an individual selected from the list to fill the vacancy who refuses the reemployment offer shall be permanently removed from the reemployment list without right of appeal. Laid-off employees do not earn seniority credit or benefits while on the reemployment list.

SECTION 21.10 Letter of Layoff

The City shall provide all employees who were laid off from the City a service letter setting forth that the employee was laid off and is eligible for reemployment. Those employees who were displaced to lower positions will be granted, upon the employee's request, a letter from the City stating the employee was reduced in status as a result of a layoff and is eligible for reemployment to the higher level position.

SECTION 21.11 Rights on Reemployment

If a person is reemployed by the City within three years, the employee's seniority, sick leave and vacation accrual rates shall be reinstated. Any accumulated sick leave and/or vacation earnings shall also be reinstated to the extent that the employee did not receive compensation for such earnings at the time of layoff. Upon reemployment, employees will be placed on the same salary step held at the time of layoff.

SECTION 21.12 Appeal

An employee who 1) has not been provided a letter of layoff, per Section 24.10, the employee shall be treated as if he/she had been terminated for disciplinary purposes and shall be permitted to appeal the decision per the Disciplinary Appeal Procedure; or 2) has not been provided proper bumping or displacement rights, may file an appeal to the Director of Human Resources/Risk Management.

ARTICLE 22 GRIEVANCE PROCEDURE

SECTION 22.01 Definition of Terms

Grievance - A grievance is an alleged violation, misinterpretation or misapplication of a specific written departmental or agency rule or regulation or a specific provision of a Memorandum of Understanding. A grievance is distinct from an appeal arising from disciplinary action in that a grievance is a violation, misinterpretation or misapplication of a specific written departmental or agency rule and/or policy or specific provision of a Memorandum of Understanding.

Grievant - A grievant is an employee or group of employees adversely affected by an act or omission of the agency.

Day - A day is a business day (Monday-Friday).

Immediate Supervisor - The first level supervisor of the grievant.

SECTION 22.02 Time Limits

A. **Compliance and Flexibility**-With the written consent of both parties, the time limitation for any step may be extended or shortened.

- B. Calculation of Time Limits-Time limits for the appeal provided in each level shall begin the day following receipt of a written decision or appeal by the parties.
- C. Failure to Meet Time Limits-Failure at any level of this procedure to communicate the decision on a grievance by the City within the specified time limits shall permit lodging an appeal at the next level of the procedure within the time allotted had the decision been given. If the grievance is not processed by the grievant or grievants in accordance with the time limits, the decision last made by the City shall be deemed final.

SECTION 22.03 Procedure

Grievances will be processed as follows:

- A. Level I - Within ten days of the date the employee reasonably knew or should have known of the incident giving rise to the grievance, the employee should make an effort to resolve the grievance informally with the employee's immediate supervisor. The supervisor shall hold discussions and attempt to resolve the grievance within five (5) days.
- B. Level II - If the grievance is not resolved at Level I, the grievant may submit a written grievance to the second level supervisor within five (5) days following the expiration of time at Level I.
 - 1. Procedure for Filing a Grievance - In filing a grievance, the employee should set forth the following information:
 - a. If possible, the specific section of the departmental or agency rules or regulations allegedly violated, misinterpreted or misapplied.
 - b. The specific act or omission which gave rise to the alleged violation, misinterpretation or misapplication.
 - c. The date or dates on which the violation, misinterpretation or misapplication occurred.
 - d. The documents, witnesses or other evidence which support the grievant's position, which are known to the grievant at the time of filing the grievance, shall be presented with the grievance and may be supplied after the initial filing of the grievance.
 - e. The remedy requested.
- C. Level III - If the grievance is not resolved by the second level supervisor, the grievant may present the grievance in writing to the department head within five (5) days. The department head will respond in writing within ten (10) days.
- D. Level IV - If the grievance is not resolved by the department head, the grievant may present the grievance in writing to the City Manager within five (5) days. The City Manager or designee will conduct an informal hearing and render a decision. Each party shall have the right to present witnesses and evidence at the hearing. The conclusions and findings of this hearing shall be final.

SECTION 22.04 Matters Excluded from the Grievance Procedure

- A. The grievance procedure is not intended to be used for the purpose of addressing requests or changes in wages, hours or working conditions.
- B. The procedure is not intended to be used to challenge the content of employee evaluations or performance reviews beyond the department head.
- C. The procedure is not intended to be used to challenge the merits of a reclassification, layoff, transfer, denial of reinstatement, or denial of a step or merit increase.
- D. The procedure is not intended to be used in cases of reduction in pay, demotion, suspension or a termination, but are subject to the formal appeal process outlined in Ordinance 586.

SECTION 22.05 Conferences

Grievant and City representatives, upon request, shall have the right to a conference at any level of the grievance procedure.

ARTICLE 23 POLICIES

SECTION 23.01 Occupational Injury and Illness Policy

The parties have agreed upon an Occupational Injury and Illness Policy, dated July 22, 2003.

SECTION 23.02 Disability Retirement Policy

The parties have agreed upon a Disability Retirement Policy, dated May 2010.

SECTION 23.03 Fitness for Duty Policy

The parties have agreed upon a Fitness for Duty Policy, dated July 3, 2003.

SECTION 23.04 POBR Limited Appeals

The following administrative appeal process is established pursuant to Government Code § 3304.5. It shall supplement, though not replace, the disciplinary appeal process established pursuant to the City of El Segundo Ordinance utilizing the Los Angeles County Civil Service Commission hearing process (Municipal Code § 1-6-16.)

This procedure shall not apply to disciplinary actions for which officers already are entitled to receive an appeal pursuant to the City Ordinance utilizing the Los Angeles County Civil Service Commission hearing process (set forth in Municipal Code § 1-6-16.) It shall only apply to punitive actions, as that term is defined by Government Code § 3303, for which officers do not already receive an appeal hearing before the Los Angeles County Civil Service Commission.

1. Right to Administrative Appeal

- A. Any public safety officer (as defined by Government Code § 3301) who is subjected to punitive action (as defined by Government Code § 3303) consisting of a written reprimand, a transfer for purposes of punishment, specialty, assignment, bonus, or similar pay, or a suspension for five (5) or less days, is entitled to an administrative appeal only pursuant to this procedure. An officer shall not be entitled to appeal an action prior to its imposition.
- B. The City and the Association mutually agree to reopen the Memorandum of Understanding regarding the drafting of a POBR Hearing Policy regarding a reduction in salary caused by a reassignment resulting in a loss of incentive , specialty assignment, bonus ,or similar pay.
- C. An officer who appeals a punitive action under this procedure shall bear his/her own costs associated with the appeal hearing, including but not limited to any and all attorney fees. The cost of a hearing officer shall be equally borne by the Association and the City.

2. Appeal of Written Reprimands

- A. Within five (5) calendar days of receipt by an officer of notification of punitive action consisting of a written reprimand, the officer shall notify the Chief of Police in writing of the officer's intent to appeal the written reprimand.
- B. The notice of appeal shall specify the action being appealed and the substantive and procedural grounds for the appeal.

3. Hearing Officer (Appeal of Written Reprimands Only)

- A. The City Manager shall hear appeals of written reprimands, and may adopt, modify or reject the written reprimand. The City Manager's decision shall be final and binding.
- B. The City Manager level administrative appeal shall not be a trial-type evidentiary hearing. The limited purpose of the hearing shall be to provide the officer with an opportunity to establish a record of the circumstances surrounding the action and to seek modification or rejection of the written reprimand. There shall be no subpoenas issued (for people or documents.)

4. Appeal of Other Punitive Action

- A. Appeal of punitive action consisting of suspensions of five (5) or less days, a transfer for purposes of punishment, or a reduction in salary caused by a reassignment shall be subject to appeal by means of the officer filing an appeal with the Chief of Police within five (5) calendar days of receipt by the officer of notice of punitive action being implemented on a date certain. The officer shall notify the Chief of Police in writing of the officer's intent to appeal said action.
- B. The notice of appeal shall specify the action being appealed and the substantive and procedural grounds for the appeal.

- C. The appeal shall be presided over by a hearing officer selected from a list of nine (9) provided by the State Mediation and Conciliation Service. The hearing officer shall be selected by alternate striking of names by the respective parties.

5. **Conduct of Hearing (5 days or less suspensions, transfers for purposes of punishment, reduction in salary caused by a reassignment.)**

- A. The formal rules of evidence do not apply, although the hearing officer shall have discretion to exclude evidence that is incompetent, irrelevant or cumulative, or the presentation of which will otherwise consume undue time.
- B. The parties may present opening statements.
- C. The parties may present evidence through documents and direct testimony.
- D. The parties shall not be entitled to confront and cross-examine witnesses.
- E. Following the presentation of evidence, if any, the parties may present closing arguments.

6. **Recording of the Hearing**

The hearing shall be audio recorded.

7. **Representation**

The officer may be represented by a representative of his or her choice at all stages of the proceedings. All costs associated with such representation and the presentation of the officer's case, shall be borne by the Association.

The Department shall also be entitled to representation at all stages of the proceedings. The Department shall bear its cost of representation and of presentation of its case.

8. **The hearing officer fees shall be equally borne by the City and the Association.**

9. **Decision**

- A. The decision of the hearing officer shall be final subject to the right of each party to the proceeding to contest the hearing officer's determination by means of a C.C.P. § 1094.5 petition for writ of mandate.

SECTION 23.05 Voluntary Binding Arbitration and Bonus Payment

Voluntary Agreement to Binding Arbitration in Exchange for \$30,000 Bonus Payment: Employees may voluntarily enter into an Arbitration Agreement according to the terms of the agreement. Current POA employees in the classifications of Police Officer and Police Sergeant shall have until December 31, 2023 to enter into the Arbitration Agreement. (See Appendix B.)

For Police Officer and Police Sergeant employees hired during the term of this MOU, they are not eligible to participate in the program unless and until they have satisfactorily completed probation. Upon satisfactory completion of probation,

newly hired employees during the term of this MOU shall have 90 days from satisfactory completion of probation to sign the Arbitration Agreement.

SECTION 23.06 Residency Requirement

In order to ensure prompt response times in an emergency situation, all personnel hired by the El Segundo Police Department following approval and adoption of this Agreement may reside no further than one hundred (100) road miles from Police Headquarters. This presumes that a substantial portion of that distance will be traveled at freeway speed and that personnel can report to Police Headquarters within 90 minutes of the request for call back. Any request to live outside this limit will be evaluated individually to determine the impact on ability to respond in an emergency situation.

ARTICLE 24 "LIMITED USE" TIME OFF

SECTION 24.01 "Limited Use" Time Off

Employees shall be paid at the employee's regular rate of pay for any unused accumulated 'limited use time off' effective February 21, 2017. The calculation of the payout is without prejudice to any rights, claims or defenses by the parties regarding the dispute referenced in Section 2.02."

ARTICLE 25 WORK SCHEDULE

SECTION 25.01 Alternate Work Schedule

Effective coincident with the start of the January 2012 bid, employees assigned to Patrol will work either a 3/12.5 or 3/12.5 - 4/10 hybrid schedule. The determination of which schedule is used shall be made jointly by the police chief and the Association.

- A. 3/12.5 schedule - consists of a weekly schedule of three consecutive work days of 12.5 consecutive hours each (inclusive of paid breaks and a 45-minute paid meal period) followed by three consecutive days off. In addition, each employee shall be scheduled to work one additional shift each of 10 consecutive hours (inclusive of paid breaks and a 45-minute paid meal period) each 28 days.
- B. 3/12.5 – 4/10 hybrid schedule_– consists of having some employees being regularly assigned a 3/12.5 schedule (see above) and others being regularly assigned a 4/10 schedule (see Section 28.01, above). The determination of what days of the week will be assigned either the 3/12.5 or the 4/10 shall be made by mutual agreement of the parties.

ARTICLE 26 EMPLOYEE REFERRAL BONUS

SECTION 26.01 Employee Referral Bonus

Any Unit member who recruits a non-City employee to accept employment for the Department in a sworn position shall be provided a recruitment bonus of Five Thousand Dollars (\$5,000), one-half to be paid upon

the employee's hire, one-quarter upon the employee's completion of their training program and the other one-quarter upon the employee's successful completion of probation. These payments are unconnected to performance and shall not be reflected on any City pay or salary schedule, shall not be the basis for any future negotiated salary increases, and shall not be reported as compensation earnable.

Members of the City's recruitment team and any employee who works a recruitment event shall be eligible for this bonus, but only for an employee he or she recruits separate and apart from their duties as a member of the recruitment team or participation in the recruitment event. Final determinations for eligibility shall be made by the Police Chief.

On June 25, 2018, the City Council passed Resolution No.5095 increasing the amount of the referral bonus it offered employees as a result of recruitment difficulties. Upon the sunset of Resolution No. 5095, Unit employees' recruitment incentive shall be reduced from Five Thousand Dollars (\$5,000) to Three Thousand Dollars (\$3,000), which shall be paid one-half upon the hire of the employee and one-half upon completion of probation.


ARTICLE 27 DISCIPLINE APPEALS

SECTION 27.0 Discipline appeals

- A. Appeals of Dismissals, Demotions, and/or Suspensions without Pay Longer than Six (6) Days, Brought by Police Officer Employees: For police officer employees only, the City shall submit timely appeals of dismissals, demotions and suspensions without pay longer than six (6) days to binding arbitration, pursuant to this Agreement.
1. An employee who has been dismissed, demoted, or suspended longer than six 6 days, shall have ten (10) calendar days following written notification of the dismissal in which to file an appeal. The written appeal must be submitted to the City Manager.
 2. Upon receipt of a timely request for appeal of the dismissal, the City and employee may either mutually select an arbitrator or request a list of seven (7) arbitrators registered with the California State Conciliation and Mediation Service or some other mutually agreed upon source. The Parties shall agree to a mediator within ten (10) days of the timely appeal, unless the Parties mutually agree to extend this time period. If the parties cannot agree on the arbitrator, they shall alternately strike names and the last name remaining shall be selected. Which party strikes first shall be determined by lot.
 3. The role of the arbitrator shall be to determine if the discipline is consistent with just cause. The arbitrator shall hold a hearing at which both sides may present their arguments and evidence, including witnesses and subsequently issue a written decision. The hearing shall commence within 120 days of selection by the Parties, unless the Parties mutually agree to extend this time period.
 4. The decision of the arbitrator shall be final and binding on the Parties. The arbitrator shall issue his/her decision in writing within thirty (30) days of the closing of the hearing.
 5. The costs of the arbitration/hearing (court reporter, arbitration hearing transcripts) shall be divided in half (50/50) between the City and employee representative. Attorney's fees, staff time and witness fees shall not be shared between the Parties and shall be paid by the Party that incurred the cost.

POA MOU
April 1, 2023 through June 30, 2025

For the Association:




Jeff Humphrey, President




Paul Saldana, Vice President



Oscar Haro, Treasurer



Ryan Smith, Secretary



Brandon Browning, Board Member



Josh Gilberts, Board Member

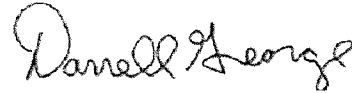


Steve Trujillo, Board Member

Robert M. Wexler, Chief Negotiator

4/27/23
Date

For the City of El Segundo:



Darrell George, City Manager



Rebecca Redyk, Human Resources Director

Laura Drottz Kalty, Chief Negotiator

4/27/2023
Date

**POLICE OFFICERS' ASSOCIATION (POA) PAY
SCHEDULE Effective April 8, 2023 - 7%**

POA									
Police Officers' Association Salary Schedule									
EFFECTIVE DATE	SALARY REVISION EFFECTIVE DATE	AGREEMENT NUMBER	JOB CLASS TITLE	GROUP BU	GRADE	PAY TYPE	HOURLY	MONTHLY	ANNUAL
4/22/2023	4/18/2023	5627	Police Officer	ESPOA	687	Hourly	44.09	7642.13	91705.59
							46.29	8024.24	96290.88
							48.61	8425.46	101105.50
							51.04	8846.73	106160.73
							53.59	9289.07	111468.79
							58.95	10217.97	122615.58
4/22/2023	4/18/2023	5627	Police Sergeant	ESPOA	700	Hourly	55.23	9574.02	114888.21
							58.00	10052.71	120632.57
							60.90	10555.36	126664.29
							63.94	11083.12	132997.49
							67.14	11637.28	139647.33
							73.85	12801.01	153612.11

POLICE OFFICERS' ASSOCIATION (POA) PAY SCHEDULE
Effective December 30, 2023 - 3%

POA									
Police Officers' Association Salary Schedule									
EFFECTIVE DATE	SALARY REVISION EFFECTIVE DATE	AGREEMENT NUMBER	JOB CLASS TITLE	GROUP BU	GRADE	PAY TYPE	HOURLY	MONTHLY	ANNUAL
12/30/2023	4/18/2023	5627	Police Officer	ESPOA	687	Hourly	45.41	7871.40	94456.76
							47.68	8264.97	99179.61
							50.07	8678.22	104138.66
							52.57	9112.13	109345.56
							55.20	9567.74	114812.85
							60.72	10524.50	126294.05
12/30/2023	4/18/2023	5627	Police Sergeant	ESPOA	700	Hourly	56.89	9861.24	118334.86
							59.74	10354.30	124251.55
							62.72	10872.02	130464.22
							65.86	11415.62	136987.42
							69.15	11986.40	143836.75
							76.07	13185.04	158220.47

POLICE OFFICERS' ASSOCIATION (POA) PAY SCHEDULE
 Effective December 28, 2024 - 3%

Appendix A

POA									
Police Officers' Association Salary Schedule									
EFFECTIVE DATE	SALARY REVISION EFFECTIVE DATE	AGREEMENT NUMBER	JOB CLASS TITLE	GROUP BU	GRADE	PAY TYPE	HOURLY	MONTHLY	ANNUAL
12/28/2024	4/18/2023	5627	Police Officer	ESPOA	687	Hourly	46.77	8107.54	97290.46
							49.11	8512.92	102155.00
							51.57	8938.57	107262.82
							54.15	9385.49	112625.92
							56.85	9854.77	118257.24
							62.54	10840.24	130082.87
12/28/2024	4/18/2023	5627	Police Sergeant	ESPOA	700	Hourly	58.60	10157.08	121884.90
							61.53	10664.92	127979.09
							64.60	11198.18	134378.14
							67.84	11758.09	141097.04
							71.23	12345.99	148151.85
							78.35	13580.59	162967.09

ARBITRATION AGREEMENT

This Arbitration Agreement (“Agreement”), is between the City of El Segundo (“Employer” or “City”) and _____ (“Employee”) (collectively “Parties” or “Party” as may be appropriate.) Employer and Employee agree to the following terms and conditions.

1. **Consideration.** In exchange for a total of bonus payments of up to \$30,000, Employee agrees to arbitration as the sole and exclusive remedy for the Arbitrable Claims defined below.

- a. The first payment of \$15,000 is to be paid within 30 days of Employee’s delivery of an executed Agreement to the City, and then the remaining \$15,000 shall be paid in \$5,000 increments every six months thereafter. Employee shall not be entitled to receive more than \$30,000 in payments pursuant to this Agreement, even if Employee’s employment is terminated and the Employee subsequently becomes re-employed by the City.
- b. If an employee’s employment is terminated after receipt of the initial \$15,000 payment but before the employee receives \$30,000 in payments, this Agreement is still in full force and effect and employee has no right to receive to additional payments. However, if Employee becomes re-employed by the City but had not received the entire \$30,000 in payments, the remaining payments shall be made based upon the same payment intervals described above.
- c. If an employee remains employed with City but promotes or otherwise transfers to another bargaining unit and/or an unrepresented position within the City after this Agreement has been executed and the first payment has been made, City shall continue to make payments consistent with Section 1.a. and 1.b. above, and Arbitrable Claims will be subject to binding arbitration regardless of whether the Arbitrable Claims arose while the employee was a member of the POA or while a member of another bargaining unit and/or an unrepresented position within the City.
- d. Once the Employee receives a payment under this Agreement, all Arbitrable Claims shall be subject to the arbitration process outlined below.

2. **Applicable Law.** The Employee and Employer agree that the Arbitrable Claims defined below shall be submitted to and determined exclusively by binding arbitration under the California Arbitration Act, (“CAA”) (Cal. Code Civ. Proc. sec. 1280 et. Seq. Employer and Employee understand and agree that they are knowingly and intentionally giving up any right that they may have to a court trial by judge or jury with regard to the Arbitrable Claims.

3. **Arbitration Procedure.** The Parties shall have the right to conduct discovery pursuant to Cal. Code Civ. Proc. sec. 1283.05 (including all of the CAA's other mandatory and permissive rights to discovery). Nothing in this Agreement shall prevent either Party from obtaining provisional remedies to the extent permitted by Code of Civil Procedure Section 1281.8 either before the commencement of or during the arbitration process. All rules of pleading, (including the right of demurrer), all rules and judgment under Code of Civil Procedure Section 631.8 shall apply and be observed. Resolution of the dispute shall be based solely upon the law governing the claims and defenses pleaded. The arbitration shall be held before a single arbitrator, who shall be an attorney at law and an experienced employment law arbitrator. The arbitrator shall be mutually selected by the Parties. The Arbitrator shall have the power to award all legal relief available in a court of law, including any and all damages that may be available for any of the claims asserted. In addition, each of the Parties shall retain all defenses that they would have in a judicial proceeding, including defenses based on the expiration of the statute of limitations and that the damages being sought are not authorized or are excessive. The Arbitrator shall render a written award within 30 days after the matter is submitted for determination, and the award of the arbitrator shall be final and binding on the City, the Association and the employee.

4. **Definition of Arbitrable Claims.** The following shall be Arbitrable Claims:

- a. The civil claims which are subject to final and binding arbitration shall include, but not be limited to, any and all employment-related claims or controversies, such breach of employment agreement, breach of the covenant of good faith and fair dealing, negligent supervision or hiring, wrongful discharge in violation of public policy, unpaid wages of overtime under the state and federal wage payment laws, breach of privacy claims, intentional or negligent infliction of emotional distress claims, fraud, defamation, and divulgence of trade secrets. This also specifically includes claims that could be asserted under all state and federal anti-discrimination laws, including but not limited to the California Fair Employment and Housing Act, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, and the Family and Medical Leave Act, and claims for discrimination and harassment in employment on the basis of race, age, sex, religion, national origin, alienage, religion, marital status, sexual orientation, disability, political activity, or any other statutorily-protected basis. It shall also include any and all claims an employee may have under the Fair Labor Standards Act, the California Labor Code, and the Industrial Welfare Commission Wage Orders, as well as any other state and federal statutes. This Agreement is further intended to apply to any claim Employee(s) may have against the City and/or any of its directors, employees, or agents, and to any and all past and future employment relationships Employee may have with the City regardless of job position or title. City shall also arbitrate all claims it has against the employee under the same rules and regulations set forth herein.

b. Notwithstanding the provisions of this Agreement, Employee may elect to file a claim for workers' compensation and unemployment insurance benefits with the appropriate state agencies, and administrative charges with the Equal Employment Opportunity Commission, California Department of Fair Employment and Housing, and any similar state agency. Unless otherwise required by applicable law, all other employment-related claims shall be resolved by final and binding arbitration and not by a jury in a court of law.

5. **Class, Collective or Representative Actions.** Class actions, collective actions, and representative actions shall not be asserted or available in any arbitration under this Agreement, and the Arbitrator shall have no authority to proceed with, or preside over, the arbitration of any Arbitrable Claim on a class action, collective action, or representative action basis. The employee may only pursue Arbitrable Claims in their individual capacities and may only submit their own, individual claims in any arbitration required by this Agreement. However, neither the foregoing nor any other portion of this Agreement shall prohibit Employee from discussing any Arbitrable Claim with Employee's current or former coworkers. The City and Employee knowingly and voluntarily waive, to the maximum extent permitted by law, any right to bring, commence, be a party to, or be a member of a class action, collective action, representative action, or proceeding in arbitration or otherwise, with respect to any Arbitrable Claim covered by this Agreement. Accordingly, except as otherwise provided by law, Arbitrable Claims may not be brought or pursued as a class action, collective action, or representative action in arbitration, in court, or in any other forum.

6. **Arbitration Costs.**

a. For arbitrations of disputes for Arbitrable Claims as set out in section 4.a., the City shall bear the costs of any arbitration, including the compensation of the Arbitrator, all of the Arbitrator's administrative expenses, and CSR transcripts for arbitration hearings.

b. For any arbitration conducted pursuant to this Agreement, except as may otherwise be required by law, the Parties shall be responsible for their own attorneys' fees and costs incurred in presenting their case to the Arbitrator, including without limitation deposition related costs.

7. **Term of Agreement.** This Agreement shall continue in full force and effect for the duration of Employee's employment by Employer and survives after the termination of the Employee's employment. This Agreement does not create any express or implied contract of employment and nothing in this Agreement is intended to alter the employment status of Employee.

8. **Integration.** This Agreement sets forth the Parties' mutual rights and obligations with respect to the resolution of Arbitrable Claims. It is intended to be the final,

complete, and exclusive statement of the terms of the Parties' agreements regarding this subject. This Agreement supersedes all other prior and contemporaneous agreements and statements related to the resolution of Arbitrable Claims, whether written or oral, express or implied, on this subject, and it may not be contradicted by evidence of any prior or contemporaneous statements or agreements. To the extent that the practices, policies, or procedures of Employer, now or in the future, apply to Employee and are inconsistent with the terms of this Agreement, the provisions of this Agreement shall control.

9. **Amendments; Waivers.** This Agreement may not be amended except by an instrument in writing, signed by Employee and Employer. No failure to exercise and no delay in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity.

10. **Severability.** If a court or Arbitrator holds any provision of this Agreement to be invalid, unenforceable, or void, the remainder of this Agreement shall remain in full force and effect. In addition, the Parties authorize the Arbitrator or court to add to or revise the language of this Arbitration Agreement in order to make the provision complete and lawful, so as to effectuate to the maximum extent possible the Parties' mutual intent to have all disputes subject to this provision be resolved solely by final and binding arbitration.

11. **Jurisdiction and Venue.** All arbitrations of Arbitrable Claims shall be heard in Los Angeles County, California, and all court proceedings arising out of this Agreement shall be filed in Los Angeles County, California.

"EMPLOYEE"

"EMPLOYER"

CITY OF EL SEGUNDO

Signature of Employee

Signature of Employer Representative

Printed Name of Employee

By:

Name/Title of Employer Representative

Dated

Dated

RESOLUTION NO. Number
FIXING THE EMPLOYER CONTRIBUTION
UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT
AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS
WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION
002 EL SEGUNDO POLICE OFFICERS' ASSOCIATION

- WHEREAS, (1) **City of El Segundo** is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act") for participation by members of **El Segundo Police Officers' Association**; and
- WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and
- WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it
- RESOLVED, (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of **\$1,700.00** per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further
- RESOLVED, (b) **City of El Segundo** has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
- RESOLVED, (c) That the participation of the employees and annuitants of **City of El Segundo** shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that **City of El Segundo** would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further
- RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, the City Clerk to file with the Board a verified copy of this resolution, and to perform on behalf of **City of El Segundo** all functions required of it under the Act; and be it further
- RESOLVED, (e) That coverage under the Act be effective on **July 1, 2023**.

Adopted at a regular meeting of the El Segundo City Council at El Segundo, CA, this 2nd day of May, 2023.

Signed: _____
Drew Boyles, Mayor

Attest: _____
Tracy Weaver, City Clerk

Approved to Form: _____
Mark D. Hensley, City Attorney



City Council Agenda Statement

Meeting Date: May 2, 2023

Agenda Heading: Staff Presentations

Item Number: D.10

TITLE:

Recreation Park Renovation Subcommittee

RECOMMENDATION:

1. Approve Recreation Park Renovation Project Subcommittee and appoint regular member and one alternate member of the City Council to the Committee.
2. Alternatively, discuss and take action related to this item.

FISCAL IMPACT:

None.

BACKGROUND:

The Recreation, Parks, and Library Department will be kicking off the Recreation Park Renovation Project in May 2023. The project will involve renovations and upgrades to several amenities in Recreation Park. Design firm, LPA, will be partnering with City staff to complete the initial site plans for the improvements. Staff will be engaging several user and community groups for feedback and input as the project moves forward.

DISCUSSION:

Staff is requesting the formation of a Recreation Park Renovation Project Subcommittee to assist the Recreation team in this endeavor. Staff is recommending the following appointments to the committee:

- One Councilmember and one alternate Councilmember
- One Recreation and Parks Commissioner and one alternate Commissioner
- Director of Recreation, Parks, and Library Department
- Acting Recreation Superintendent
- Acting Parks Superintendent
- Senior Administrative Analyst of Recreation, Parks, and Library Department

Recreation Park Renovation Subcommittee

May 2, 2023

Page 2 of 2

- One member of the Arts and Culture Advisory Committee

Subcommittee meetings will be held monthly or as needed, dependent on project status.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Equity, 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 4: Develop and Maintain Quality Infrastructure and Technology

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

PREPARED BY:

Linnea Palmer, Recreation Specialist

REVIEWED BY:

Aly Mancini, Recreation, Parks and Library Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

None



City Council Agenda Statement

Meeting Date: May 2, 2023

Agenda Heading: Committees, Commissions and Boards
Presentations

Item Number: E.11

TITLE:

Arts and Culture Advisory Committee Report and Funding Requests for Fiscal Year 2023-24

RECOMMENDATION:

1. Receive and file the Arts and Culture Advisory Committee Report.
2. Approve funding in the amount of \$316,000 for Cultural Development Fund initiatives for FY 2023-24.
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

The expected fund balance for 2023-24 is \$538,088. The ACC requests funding for initiatives for FY 2023-24 in the amount of \$316,000.

BACKGROUND:

On November 19, 2019, the City Council approved Ordinance No. 1594, establishing a Public Art or In-Lieu Fee Requirement and a Cultural Development Program Fund in El Segundo Municipal Code (ESMC) Chapter 15-34. The requirement applies to certain commercial and industrial developments with a project costs of \$2,000,000 and above. Developers have the option of either:

1. Commissioning public artwork on the development site equal to 1% of the project cost; or
2. Depositing the equivalent into the City's Cultural Development Fund in lieu of commissioning artwork

Ordinance No. 1594 ESMC § 15-34-9 requires the staff to promulgate administrative guidelines for the implementation of the Cultural Development Program, subject to City

Arts and Culture Advisory Committee Report and Funding Requests for FY 2023-24

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Manager approval. The current guidelines are attached as Attachment A and reflect the program's requirements, set forth in ESMC § 15-34-7, which limit the City's use of funds to only:

1. The design, acquisition, commission, installation, improvement, relocation, maintenance, conservation, restoration, utility charges, and insurance of artwork;
2. To sponsor or support artistic or cultural services; and
3. The City's costs of administering the Cultural Development Fund and associated programs.

The El Segundo Cultural Development Program helps provide residential and business community members with public spaces, structures, and experiences that enhance the character of the City through the inclusion of art. Artistic and cultural services provided by the program create additional public access to the arts, help drive tourism and revenue to local businesses, contribute towards realizing cultural equity and inclusion, create opportunities for artists and art organizations in the community, and help grow the creative economy.

DISCUSSION:

SUMMARY - CULTURAL DEVELOPMENT PROGRAM ON-SITE PUBLIC ART

For Fiscal Year 2022-23, three private developers chose to commission art on-site for their respective campuses. The combined valuation of the three artworks totals \$294,165.

The on-site public art projects are as follows:

- Beyond Meat, HYBYCOZO's *Plumafolium*, 2022, 120" x 44", \$220,165
- SOFI-XI Two Towers: Brendan Monroe, *Fog Banks*, 113' x 108', \$42,000
- Montana Avenue Capital Partners: Charlie Edmiston, *Pacific Blues*, 8' x 27.5', \$32,000

The valuation of each artwork was determined by a qualified, third party art consulting firm.

SUMMARY - IN-LIEU PAYMENT TO CULTURAL DEVELOPMENT PROGRAM FUND FOR FISCAL YEAR 2022-23

The Cultural Development Program Fund received one in-lieu deposit from the following

Arts and Culture Advisory Committee Report and Funding Requests for FY 2023-24

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developer:

- Kite Pharma: \$28,000

SUMMARY OF APPROVED ART INITIATIVES FOR FISCAL YEAR 2022-23

On June 15, 2022, the City Council approved the following Cultural Development Fund allocations:

- Poet Laureate Program \$8,000
- Operating Fund: \$10,000
- Visual Artists in Community Program, \$35,000
- Arts and Culture Community Engagement Fund, \$35,000
- 2nd City Talks, \$35,000
- Festival of Holidays, \$40,000
- El Segundo Art Walk, \$58,000
- Cultural Arts Coordinator Salary, \$105,000

The total budget request was \$326,000.

The Arts and Culture Advisory Committee (ACC) and City staff have successfully implemented several of the City Council's approved art initiatives over the course of this past year. A detailed summary of FY 2022-23 initiatives can be found in the Recap of Fiscal Year 2022-2023 Allocated Projects (Attachment B).

PROPOSED RENEWAL AND NEW INITIATIVES FOR FISCAL YEAR 2023-2024

With the success of the past year's initiatives, the ACC is presenting the following initiatives for City Council's review and approval for Fiscal Year 2023-24. The six (6) initiatives and one (1) staff salary allocation are detailed below. The Cultural Arts Coordinator will continue to oversee the execution of the recommended projects during the upcoming year under the direction of the Recreation, Parks and Library Director.

Two (2) ACC contributions for the Capital Improvement Projects are also included in this report for Fiscal Year 2023-24.

The total budget request for FY 2023-24 is \$316,000.

RENEWAL OF APPROVED 2022-23 INITIATIVES FOR FISCAL YEAR 2023-24

1. Operating Fund: Requesting \$10,000 to be appropriated into this already established sub-account within the Cultural Development Fund.

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Types of art services needed:

- Collections management such as documentation, record keeping, maintenance and conservation/restoration
- Physical supplies supporting approved art and cultural programs (art supplies, framing, matting, exhibition preparation supplies, paints, etc.)
- Marketing/promotion of art and cultural programs (printing expenses, advertisement, etc.)

Outcomes benefiting El Segundo:

- Establish collections management policy and practices
- Develop a digital archive of art collections and cultural programs (database, archiving digital assets, etc.)

2. Festival of Holidays: Requesting \$25,000

Fund will be used to host the Festival of Holidays event with more focus on collaboration with local community groups and organizations to celebrate a variety of winter holidays.

Types of Art and Cultural Experiences:

- Cultural performances such as dance, live music, and storytelling
- Diverse cultural cuisines and craft-making activities
- Winter market with specialty craft items for purchase

Outcomes benefiting El Segundo:

- Increase tourism and promote economic growth
- Bring local communities together to celebrate Christmas, Diwali, Hanukkah, Kwanzaa, Nochebuena, and Omisoka
- Foster appreciation of diverse cultures and customs
- Educate and enrich the lives of the city's residents and visitors
- Encourage community participation and engagement (people of all ages)

3. Visual Artists in Community Fund: Requesting \$25,000

The funds will be used to establish a visual arts program where four visual artists are selected to represent El Segundo each year. One visual artist per quarter will engage with the community, similar to the Poet Laureate Program. The Visual Artists in

Arts and Culture Advisory Committee Report and Funding Requests for FY 2023-24

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Community program will be overseen by the Cultural Arts Coordinator under the Direction of the Recreation, Parks and Library Director. All art will be approved by the ACC, the Recreation, Parks and Library Director and the City Manager's office.

Types of Visual Art Outcomes:

- Public art—murals, 2D public artworks
- Hard art created in artist's studio—2-dimensional pieces such as painting, drawing, photography, printmaking, collage, etc.

Outcomes benefitting El Segundo:

- Establish El Segundo as a cultural placemaking destination that encourages tourism and increases revenue for local businesses
- Beautify the city's environment and enrich the experiences of the residents and visitors
- Community engagement workshops for all age groups
- Develop the City's permanent art collection, adding value and creating an art portfolio for the City

Each selected artist donates one artwork (public mural or hard art) to the City at the end of term (4 acquisitions per year).

4. Arts and Culture Community Engagement Fund: Requesting \$25,000

An initiative to implement short-term, smaller-scaled art and cultural experiences with community engagement and participation. All programs will be approved by the ACC, the Recreation, Parks and Library Director and the City Manager's office.

Types of Art and Cultural Experiences:

- Music performances, cultural performing arts, theatrical arts, and visiting speaker series (e.g. Inner City Youth Orchestra of Los Angeles, Public Poetry Event at Old Town Music Hall, Women of the West, etc.)
- Other short-term art and cultural initiatives that may arise

Outcomes benefitting El Segundo:

- Educate and enrich the lives of the city's residents and visitors
- Encourage community participation and engagement (people of all ages)
- Activate City-owned locations (e.g., City Hall Plaza, Library Park), City-approved activities at the Thursday Farmers Market, and private businesses such as Old

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Town Music Hall, Main and Richmond Streets eateries, etc.

- Foster diversity, equity, and inclusion

5. Over the last few years, the ACC has recommended funding to support the El Segundo Art Walk (ESAW). The ESAW would like to continue the strong collaboration/partnership with the City staff and ACC. The ESAW 2022 Profit/Loss report is attached (ATTACHMENT C). For ESAW 2023, the ACC recommends the following proposal from El Segundo Art Walk. The total request is \$71,000.

5a. El Segundo Art Walk: Requesting \$41,000

- Operating budget to produce and implement programming for the one-and-a-half-day event
- Duration of Saturday Art Walk: either 3 p.m. to 9 p.m. or 12 p.m. to 9 p.m. (depending on business)

5b. Public Art Install: Requesting \$30,000

- The ESAW will work with the ACC to produce a public art installation to coincide with the Art Walk with the concept of the art to be determined

6. Cultural Arts Coordinator salary: Requesting \$110,000

NEW INITIATIVES FOR 2023-24

7. Literary Arts Fund (includes Poet Laureate Program): Requesting \$10,000
Fund will be used to establish the City's 2nd Poet Laureate and also literary art programs.

Outcomes benefitting El Segundo:

- Community literary workshops to promote and educate the residents and visitors
- Public poetry reading events at Old Town Music Hall, ESMoA, and other local institutions
- Encourage community participation and engagement
- Foster an appreciation for the literary arts

FY 2023-24 CONTRIBUTIONS TO THE CAPITAL IMPROVEMENT PROJECTS

The following contributions for FY 2023-24:

8. Downtown Beautification project \$40,000 (General Fund match of \$60,000)

Arts and Culture Advisory Committee Report and Funding Requests for FY 2023-24

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A visual presentation is attached for the City Council meeting (Attachment D).

SUMMARY

The ACC would like to ask the City Council to review, discuss, and approve the recommended FY 2023-24 initiatives. Formal budget requests will be submitted for approval at the June 2023 City Council budget meeting.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Equity, 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 4: Develop and Maintain Quality Infrastructure and Technology

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

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:

Sam Lee, Cultural Arts Coordinator

REVIEWED BY:

Aly Mancini, Recreation, Parks and Library Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Attachment A - CDP Administrative Guidelines June 2020
2. Attachment B - Recap FY2022-2023 - Allocated Projects
3. Attachment C - ESAW 2022 Financials

**EL SEGUNDO CULTURAL DEVELOPMENT PROGRAM
ADMINISTRATIVE GUIDELINES**

Approved by City Manager

June 2020

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I. EL SEGUNDO CULTURAL DEVELOPMENT PROGRAM

A. History

On November 19, 2019, the El Segundo City Council adopted Ordinance No. 1594 amending Title 15 of the El Segundo Municipal Code establishing a Public Art or In-Lieu Fee Requirement and a Cultural Development Fund. The requirement applies to specific commercial and industrial developments with a project cost exceeding \$2,000,000.

The ordinance gives developers the option of commissioning public artwork on-site equal to 1% of the project cost or paying the 1% to the City's Cultural Development Fund in-lieu of commissioning artwork.

B. Vision and Values

Public art helps to improve the character and physical environment of El Segundo. It promotes and enhances the general welfare by allowing community members to experience and interact with artworks and art programming in an environment that is open to all. Art and cultural services provided by the program create additional public access to the arts, help drive tourism and revenue to local businesses, contribute towards realizing cultural equity and inclusion, create opportunities for artists and art organizations in the community, and help grow the creative economy.

The El Segundo Cultural Development Program indicates the City's commitment to providing residential and business community members with public spaces, structures, and experiences that enhance the character of the City through the inclusion of art.

The Program's values are:

- **Responsibility:** Art that has long-term value and maintainability, is feasible and justifiable, enhances community well-being and shows measurable benefits to the city.
- **Authenticity:** Art that is true to artist, sponsor, and City, is respectful of community history, embraces the vitality and character of the City, and is integral with the City's future direction
- **Intelligence:** Art that evidences and inspires innovative thinking, merges art, technology, and ecology, and is intellectually stimulating.
- **Synergy:** Art that draws strength from dualities, combines the familiar with the challenging, melds personal expression with civic goals, and is multifunctional and dynamic.
- **Equity:** Art that welcomes diverse viewpoints, is inclusive of all community members, and delivers value for all stakeholders.

C. Goals

The Cultural Development Program's goals are:

- **Integrate arts and culture into City life** – Weave art into the City fabric, support school and adult art programs, and support artists in residence.
- **Build a better city with art** – Integrate creative concepts into capital improvements, improve the “quality of place” throughout the City, and bridge downtown, beach, and east of Pacific Coast Highway through art.
- **Make El Segundo a prime tourist destination** – Create landmark art attractions, develop and nurture culture events, festivals, performances and art fairs, and generate media exposure.
- **Support local cultural institutions and artists** – Support museums, theatres, libraries, and performing arts groups, and foster new art by connecting aspirations and community resources.

D. El Segundo Cultural Development Program Administration

The City Council designated the Arts and Culture Advisory Committee (ACC) to be the formal body responsible for reviewing all Cultural Development Program applications in coordination with City staff. The goal is to ensure that all applicants meet program criteria, goals, and objectives.

1. The Building Official in the Department of Building and Safety is responsible for determining Project Cost of the commercial or industrial development and if a project is subject to the Cultural Development requirement.
2. Library Services staff is responsible for administrative processes for reviewing developer art plans; updates to the Cultural Development Program and related guidelines; implementing the Cultural Development Program policies and practices; and reviewing and preparing reports for art and programming funded by the El Segundo Cultural Development Program.
3. The ACC serves as the recommending body for review of public art and programming funded by the Cultural Development Program.
4. The City of El Segundo's Finance Director administers the Cultural Development Fund and the Finance Department collects payments for the Cultural Development Program.

II. DEVELOPER OBLIGATION

The Cultural Development Ordinance requires specific commercial, industrial, and mixed-use developments with a project cost exceeding \$2,000,000 to provide artwork on-site equal to 1% of the project cost or pay an equal amount to the City of El Segundo's Cultural Development Fund in lieu of commissioning artwork. This requirement does not apply to residential components of a mixed-use development project.

A. Project Applicability and Exceptions

1. Projects subject to the Cultural Development Program as stated in Section 15-34-2 of the El Segundo Municipal Code.
 - a. This chapter shall apply to all commercial and industrial projects where the project cost exceeds two million dollars (\$2,000,000.00).
2. The chapter does not apply to the following projects:
 - a. Any project which consists solely of rehabilitation work required for seismic safety or to comply with government mandates, including the American Disabilities Act of 1990 regardless of valuation;
 - b. The reconstruction of structures which have been partially damaged or completely destroyed by fire, flood, wind, earthquake or other calamity;
 - c. Any project constructed by a government agency which is constructed on property exempt from taxation pursuant to California Revenue and Taxation Code Section 214;
 - d. Residential components of a mixed-use development project;
 - e. Commercial and industrial development projects, or portion(s) thereof, that are designed and dedicated to performing arts or museum spaces, so long as the performing arts or museum spaces are maintained within the building, provided the premises continue to be dedicated as such. Acceptable facilities include museums, theaters, performance arts centers, and other similar facilities.

B. Procedures for Providing Artwork on Private Property

The Cultural Development Program review process is a collaborative one, intended to develop the best possible art for the project and the community at large. The art must be an integral part of the development project and the artist should be included as a member of the project design team.

Developers wishing to meet the requirements of the Cultural Development Program by including art on the project site must develop a Public Art Plan concurrently with the design and development phases of the building project. On-site art must be original work, visible and accessible (as defined by the ordinance), produced by a practicing artist, and compatible with the building project site.

1. Artist and Artwork Selection. The developer is responsible for selecting the artist(s) and artwork, provided both meet the program criteria set forth in this policy.
2. Maintenance Requirements. The developer and/or property owner is responsible for operating and maintaining artwork at all times in substantial conformity with the condition the artwork was originally approved by the City. This includes any landscaping and lighting associated with the artwork.

Artwork shall be maintained as stated in the El Segundo Municipal Code Section 15-34-6.

a. Maintenance of Artwork

- i. Installed public artwork shall be maintained by the owner of the site for the life of the building or structure
- ii. If artwork is damaged beyond repair, destroyed, or stolen the City body that approved the original artwork must approve the proposed replacement of the artwork
- iii. The artist shall provide maintenance instructions to the owner of the site and specify the long-term care of the artwork
- iv. The removal of any artwork from the site is prohibited for any reason without the City's prior written authorization. The indefinite removal of an artwork from permanent display whether or not the artwork is disposed, affects the artist's right, and can carry serious legal consequences for the property owner. An owner wishing to remove, modify, destroy or in any way alter artwork must first seek the artist's legal consent and must provide a compelling reason for taking such action with the artwork. Request for removal shall be submitted to the City Council or its designee for consideration and approval, and consent from the original artist. (See Deaccession section below.)

b. Non-maintenance of Installation

If the artwork required by this policy is altered, removed, not maintained in good condition, or not provided as required by this policy, the City of El Segundo may exercise any and all remedies authorized by law, including revocation or suspension of any discretionary permit, as described in ESMC Section 15-34-10.

3. Installation of Artwork

Artwork shall be installed prior to issuance of Certificate of Occupancy, or otherwise agreed upon and approved by the Building Official and Library Services Director. For phased developments, the artwork may be installed in the final phase prior to issue of the Certificate of Occupancy.

4. Project and Art Valuation

The minimum art allocation for each project/development is equal to one percent (1%) of the Project Cost as determined by the Building Official. Value of the art shall be verified by a public art consultant, chosen from the City's pre-selected public art consultant list.

The one percent (1%) art requirement shall include both direct costs of the artwork and direct expenses, such as:

- a. Art valuation by public art consultant.
- b. Consultation regarding art selection and purchase, and direct administration thereof, not to exceed ten percent (10%) of the art requirement.
- c. Insuring the art, up to the time of installation.
- d. Shipping or storage of the art, up to the time of installation.
- e. Preparation of the site, and actual installation.
- f. Other expenses, including waterproofing, lighting, structural engineering, and additional structural support

Direct expenses may not, however, include maintenance of the installed artwork and indirect administrative costs.

C. Application Procedures for Public Art Plan

An application for the Public Art Plan (placement of artwork on private property) shall be submitted to Library Services staff and shall include:

1. Meeting with staff to review requirements, guidelines, and approval process;
2. Completed application, budget breakdown, and other necessary forms;
3. A narrative description of the art plan with design concepts, public spaces, urban design, exterior materials and finishes and project landscaping. The narrative shall demonstrate that the artwork will be displayed in a public space as defined in this policy;
4. Preliminary sketches, photographs, or other documentation with sufficient descriptive clarity to indicate the nature of the proposed artwork and art plan;
5. A résumé and portfolio from the artist who will create the artwork;
6. An appraisal or other evidence of the value of the proposed artwork including acquisition and installation costs;
7. Preliminary plans containing such detailed information as may be required by the reviewing entity to adequately evaluate the location of the artwork proposed, its compatibility with the proposed development project, and its relationship to the goals and objectives of the Cultural Development Program and City Specific Plans (the City reserves the right to discuss placement of artwork with any appropriate City Department);
8. A written agreement executed by the artist who created the artwork, in which he or she expressly waives all rights that may be waived under the California Art Preservation Act, the Visual Artists Rights Act, or other applicable state and federal laws;

9. A written statement executed by the property owner and approved by the City Attorney that requires the landowner of his or her successors and assigns to defend, indemnify and hold the City harmless against any liability, loss, damage, costs, or expenses arising from any claim, action, or liability related to the artwork; and
10. A Public Art Maintenance Covenant stating that the property owner shall be responsible for maintaining the artwork in the condition in which it was approved.

D. Review and Approval of Public Art Plan

The Developer is responsible for meeting with Library Services staff to ensure El Segundo Cultural Development Program requirements are met and the application is complete. Staff will serve as the initial reviewer and will prepare a report for Arts and Culture Advisory Committee review.

1. Completed application and budget breakdown shall be submitted for consideration and approval of the artwork based upon the artwork's conformity to the definition of artwork, its aesthetic quality and harmony with the proposed project, location, and public accessibility.
2. The value of the proposed art shall be determined by a public art consultant that is on the pre-selected list provided to the developer;
3. The ACC must approve the Public Art Plan.
4. Additional approval from the ACC is needed if significant changes are made to the Public Art Plan.
5. Prior to requesting the issuance of a Certificate of Occupancy or other final building approval, the developer will notify Library Services staff that the Public Art is complete and request an on-site inspection.
6. Library Services staff will sign the Certificate of Occupancy after a successful inspection of the on-site art work, the documentation of the art expenditures has been received, an approved art plaque has been installed, and the Public Art Maintenance Covenant has been successfully filed with the LA County Registrar Recorder.
 - a. Developers must incorporate a plaque on or close to the work of art which properly acknowledges the artist and the City's Cultural Development Program. The City approved plaque must be 6" by 9" in a weather resistant material. The plaque must identify the name of the artist and the title of the piece (as approved by the artist), the year of installation, and the following words "El Segundo Cultural Development Program." Any additional wording must be approved by City staff.

E. Deaccession Procedures

It is the goal of the Cultural Development Program to maintain a high quality Public Art Collection within the City of El Segundo. Art works commissioned through the Public Art Program are considered a permanent part of the Public Art Collection, as long as the work maintains its physical integrity, identity and authenticity, and as long as it remains useful to the purposes of the City's Cultural Development Program. When any of these conditions no longer prevail, the ACC may consider removal of the artwork from public display and/or deaccessioning the art.

1. The ACC will review deaccession requests and select one of the following options: (i) request owner replace the deaccessioned artwork with a new art work of equal value or (ii) the owner will enter into a new covenant with the City to release the owner from the existing maintenance requirements for the deaccessioned artwork.
2. The ACC retains the right to: (i) approve or deny a deaccession request, (ii) institute a formal process for removing accessioned objects permanently from the Public Art Collection; and (iii) approve or deny the request to release the property owner from the public art covenant for on-site art work.
3. Owner is responsible to notify the artist of the intent to remove the artwork in accordance with the Visual Artists Rights Act and the California Art Preservation Act.

F. Challenged Decisions

An Appeal Process is stated in the El Segundo Municipal Code Section 15-34-8.

1. Any person may seek review of a decision by either the Building Official or the Arts and Culture Advisory Committee. Appeals of the Building Official's decision must be made pursuant to Section 113.3 of the California Building Code, as amended by Section 13-1-2 of the El Segundo Municipal Code.
2. Appeals of a decision of the Arts and Culture Advisory Committee must be made by filing a written appeal with the City Clerk's Office within 10 working days of the Committee's decision and pay an appeal fee. The City Council shall hold at least one hearing on the Arts and Culture Advisory Committee's decision and the hearing shall be held within forty (40) calendar days of the appeal request. The City Council may affirm, reverse, or modify a decision of the Committee and the decision of the City Council shall be final.

G. Procedures for Paying the In-Lieu Fee to the El Segundo Cultural Development Program Fund

As an alternative to the art plan and installation requirements of the Cultural Development Program, a developer may choose to make a payment to the El Segundo Cultural Development Program Fund in an amount equivalent to one percent (1%) of the project cost as determined by the Building Official. All fees must be paid to the El Segundo Cultural Development Program Fund before the issuance of final building permits.

If the valuation of the project changes during construction, the fee shall be adjusted accordingly. The balance of the fee, if any, shall be paid prior to final building inspection.

Payment instructions follow.

Payments by mail (check only)

City of El Segundo Finance Department
REF: Cultural Development Program
350 Main Street
El Segundo, CA 90245

- Make checks payable to City of El Segundo
- Write your Planning and Building Safety Permit/Application# in the memo
- Federal Tax ID# 95-6000706

Payments in person (cash, check, or credit card)

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

- Monday-Thursday 7 AM-5 PM and Friday 7 AM-4 PM
- Call for holiday hours (310) 524-2300

Payments via wire transfer

City of El Segundo (ART)
Account# 235126957
ABA/Routing 021000021

Please email remittance for proper payment posting to:

treasury@elsegundo.org

For questions regarding wire transfer, please call: (310) 524-2310

III. CULTURAL DEVELOPMENT FUND

A. Cultural Development Fund

As an alternative to the art plan and installation requirements of the Cultural Development Program, a developer may choose to contribute to the El Segundo Cultural Development Program Fund in an amount equivalent to one percent (1%) of the project cost. These funds are kept in the El Segundo Cultural Development Fund, administered by the City of El Segundo's Director of Finance.

B. Cultural Development Fund Public Art and Programming

The Cultural Development Fund shall be used to provide art in public places in order to further the intent and purpose of the Cultural Development Program. Expenditures of funds are limited to the following uses:

1. For the design, acquisition, commission, installation, improvement, relocation, maintenance, conservation, restoration, utility charges, and insurance of artwork;
2. To sponsor or support artistic or cultural services;
3. For the City's costs of administering the Cultural Development Fund and associated programs.

The Fund shall also be used as a depository for monetary endowments, bequests, grants, or donations made for public art purposes. Such sums may be expended as set forth above.

The ACC will propose an annual budget to be considered and approved by the City Council during the regular budget process. Recommended expenditure categories will include funding for artistically enhanced capital projects, permanent art, community experiences, grants, and project-based public art consultants.

The City Council will approve the Cultural Development Program priorities and annual budget as well as expenditures/contracts over \$50,000, but not individual art projects. This process may be adjusted in the future if needed.

C. Artist and Project Selection

The ACC, in coordination with City staff, shall determine procedures for selecting artists, artwork, and public art programming supported with the El Segundo Cultural Development Fund. Staff will assist in the selection of artists, artworks, and proposals for consideration and approval.

The selection process for artwork and public art programming may include the following depending on the scope of the project:

1. Open competition;
2. Limited competition;
3. Invitation;
4. Direct purchase;
5. Donations; and
6. Any combination of the above

All decisions involving selection of an artist or group of artists for non-City projects will involve a public process using one of these methods: Requests for Qualifications (RFQ), Requests for Proposals (RFP), or Invitational Competition. Proposals will be evaluated by a jury of ACC members, other community members, and City staff using the criteria outlined in the Cultural Development Ordinance, Administrative Guidelines, and project-specific Calls for Artists.

1. Requests for Qualifications (RFQ): This is the preferred method to be used by the ACC to select the artist or group of artists. A short list of finalists will be invited to interview and one artist and an alternate will be selected by the jury. If the design process is sufficiently advanced that a context has been established for the artists to respond to, each of the finalists may be asked to develop a preliminary proposal, which will be evaluated during an interview. If a preliminary proposal is requested, an honorarium will be paid to the artists.
2. Requests for Proposals (RFP):
 - a. This method is appropriate for selection of artists where there is an existing site or building or for projects with small budgets where local artists are being targeted.
 - b. The City may issue an RFP requesting conceptual proposals and detailing the proposal requirements. The respondents' proposals will provide the jury members with an understanding of the artists' thought process or approach. The ACC may choose to invite several finalists to interview before making a final selection. Artists responding to an RFP will not be compensated for proposals.
3. Invitational Competition:
 - a. This process may be appropriate in the case of complex projects where a limited numbers of artists may be capable of successful completion. It is also appropriate in a case where there are severe schedule restrictions.
 - b. Based on the project requirements, submittal of qualifications or a specific proposal may be requested. Invitational competitions may also be conducted in two stages, with the first phase based on qualifications and the second phase based on a proposal. Artists

invited to develop proposals will be compensated in the same manner as described in the RFQ process.

Final selection of artwork will be by a review panel and will take into account the following:

- Frank discussions and thoughtful deliberations using the criteria and guidelines approved in the Ordinance, Administrative Guidelines, and Calls for Artists/Proposals
- Community representatives providing valuable information about what artist's work and process are most suited to the community
- Decisions based on artistic distinction and best fit of artist and project

The ACC is committed to public outreach and engagement in the preliminary phases of a public art project. Examples include:

- Visioning of the project prior to artist selection
- Interaction with the artist finalists prior to development of an artwork proposal
- Initial introduction of a selected artist to the community
- Guided tours and visits to the project site

ACC members will not participate in agenda items or decisions in which they have a financial interest. The City Attorney's Office will provide guidance when questions arise.

D. Approval of Public Art and Programming funded by the Cultural Development Fund

Public Art proposals to be funded by the Cultural Development Fund shall be submitted to the Arts and Culture Advisory Committee and shall include:

1. Preliminary sketches, photographs, or other documentation with sufficient descriptive clarity to indicate the nature of the proposed art plan.
2. A narrative description of the public art with design concepts, public space, context, materials, finishes and project landscaping. The narrative shall demonstrate that the artwork will be displayed in a public place as defined in this policy.
3. An appraisal or other evidence of the value of the proposed art plan including acquisition and installation costs.
4. Preliminary plans containing such detailed information as may be required to adequately evaluate the location of the art proposed, its compatibility with the site and proposed development project, and its relationship to the goals and objectives of the Cultural Development Program and City Specific Plans.
5. A résumé and portfolio from the artist who will create the artwork.

6. A written agreement executed by the artist who created the artwork, in which he or she expressly waives all rights that may be waived under the California Art Preservation Act, the Visual Artists Rights Act, or other applicable state and federal laws.
7. The ACC shall consider each artist and proposed public art plan on a case-by-case basis, and if necessary, with a recommendation from City staff.

Funding decisions for programming funded by the Cultural Development Fund and not sponsored by the City will be handled in a way similar to public art decisions. Support will be grant based and proposals will be evaluated by a jury consisting of ACC and other community members as well as City staff.

Criteria for evaluating proposals may include artistic vision, qualifications and experience, target audience, anticipated audience size, outreach plans, funding requested, cost for people attending (should be free or low-cost for programs on City property), and fit for El Segundo.

As used in the previous sentence, “Fit for El Segundo” means programming should take into consideration the location and community and have some relevancy to the City. It should highlight and/or relate to El Segundo’s history and neighborhoods, demographic groups, and major industries, have an arts and culture component, and align with the City’s values of equity and inclusiveness.

APPENDIX I

DEFINITIONS

1. **Artist.** An individual, team of individual artists, or team composed of a lead artist and other individuals from other disciplines, whose body of work and/or professional activities demonstrate serious commitment to the fine arts.
2. **Artistic and Cultural Services.** Performances and experiences, including but not limited to, performing arts, literary arts, media arts, arts education, art events, temporary artworks, and festivals.
3. **Artwork.** Original creations of art which is intended for and capable of being displayed outdoors, including but not limited to, sculpture, murals, mosaic, fountains, artist-designed landscape features, streetscape features and earthworks. These categories may be realized through such mediums as steel, bronze, stained glass, concrete, wood, ceramic tile and stone, as well as other suitable materials.
4. **Commercial and industrial Development.** Any project which results in the development of property in any land use categories, except for single and multi-family residential projects designed for long-term occupancy.
5. **Development Project.** Any development, including remodeling, which requires a building permit or permits as described on the precise plan submitted for approval to the city.
6. **Durable.** Lasting, enduring, and highly resistant to deterioration due to weather or the passage of time.
7. **Nonprofit.** An organization that is registered with the California Secretary of State as a 501(c)3 under the Internal Revenue Service tax code.
8. **Project Developer.** The owner, including its successor and assigns, of the subject property.
9. **Project Valuation.** The total value of a development project, as indicated on the building permit or permits, and determined by the Building Official.
10. **Public Accessibility.** Artworks must be visible from a public right-of-way, by pedestrian or motorists, twenty-four (24) hours of the day. The Arts and Culture Advisory Committee may recommend approving exception to the 24-hour public accessibility requirement, provided that the location is still accessible to the general public during normal business hours.
11. **Public Art Plan.** The Public Art Plan shall include detail of the artwork, including materials, landscaping, lighting, programming, and public accessibility. In addition, the Public Art Plan shall include details of installing and maintaining the work.

CULTURAL DEVELOPMENT PROGRAM

STEPS FOR DEVELOPERS

- 01** • **Obtain Cultural Development Application** from *Development Services Department* during plan check
 - Review Ordinance & Administrative Guidelines
 - If project exceeds \$2 million, choose an option (On-site Art or Cultural Development Fund Contribution) within 90 days of plan submittal
 - For *On-site Art* option, \$75K or larger budget is recommended (consider hiring a professional public art consultant too)
 - Obtain 1% Cultural Development Requirement from El Segundo Building Official
 - Refer any questions regarding the program to the Cultural Arts Coordinator

- 02** • **Submit Application** to *Development Services Department*
 - A signed agreement with city is needed for either option prior to issuance of building permit
 - If contributing to Cultural Development Fund, submit payment to Finance Department

- 03** • For On-site Art option, submit **Public Art Plan** to the *Library Services Department*
Be sure to include:
 - Context within the project
 - Artist Selection Process and Artist Qualifications
 - Schematic Designs by Artist
 - Budget Breakdown
 - Art appraisal by pre-approved public art consultant
 - Signed agreements with the artist and city, including provisions for long-term maintenance of the art work

- 04** • **Obtain Public Art Plan Approval** by Arts and Culture Advisory Committee (ACC)
 - Once approval is received, proceed with project
 - Contact the Cultural Arts Coordinator before making changes to the Public Art Plan
 - Additional approval by the ACC is needed for significant changes

- 05** • **Project Implementation & Closeout**
 - For *On-site Art* option:
 - Submit a Complete Record
 - Install approved Art Plaque
 - Complete successful On-site Inspection of Art with *Cultural Arts Coordinator*

To meet the Cultural Development Program requirement, final approval by Community Services Director is needed to obtain Certificate of Occupancy.



APPENDIX III

FORM A

CULTURAL DEVELOPMENT PROGRAM APPLICATION

Return the completed application to the

Department of Development Services within 90 days of plan submittal

The Cultural Development Ordinance requires specific commercial, industrial, and mixed-use developments with a project cost exceeding \$2,000,000 to provide artwork on-site equal to 1% of the project cost or pay an equal amount to the City of El Segundo’s Cultural Development Fund in lieu of commissioning artwork. This requirement does not apply to residential components of a mixed-use development project.

DEVELOPMENT ADDRESS:	PROJECT VALUATION (obtain from Building Official):
	ESTIMATED DEVELOPMENT SIZE (square feet):
APPLICANT/ARCHITECT:	
ADDRESS:	
PHONE:	EMAIL:
OWNER:	
ADDRESS:	
PHONE:	EMAIL:

Note: If the final project cost exceeds the estimated amount on the application, the 1% requirement will be based on the higher valuation. Multiple building permits issued for a single project site shall be considered in the aggregate in determining the Cultural Development requirement.

1% of Project Cost: \$ _____

Please choose one of the following options:

- Placement of public art on-site
- Payment of in-lieu fee to the Cultural Development Fund

Property Owner Signature: _____

Date: _____

DEPARTMENT OF DEVELOPMENT SERVICES

El Segundo City Hall

350 Main Street

El Segundo, CA 90245

- Monday-Thursday 7 AM-5 PM and Friday 7 AM-12 PM and 2 PM-4 PM

IN-LIEU FEE PAYMENT OPTIONS

Payments by mail (check only)

City of El Segundo Finance Department

REF: Cultural Development Program

350 Main Street

El Segundo, CA 90245

- Make checks payable to City of El Segundo
- Write your Planning and Building Safety Permit/Application# in the memo
- Federal Tax ID# 95-6000706

Payments in person (cash, check, or credit card)

El Segundo City Hall

350 Main Street

El Segundo, CA 90245

- Monday-Thursday 7 AM-5 PM and Friday 7 AM-4 PM

Payments via wire transfer

City of El Segundo (ART)

Account 235126957

ABA/Routing 021000021

- Please email remittance for proper payment posting to treasury@elsegundo.org
- For questions regarding wire transfer, please call 310-524-2310

CONTACT INFORMATION

- Sam Lee, Cultural Arts Coordinator, Cultural Development & Communications, slee3@elsegundo.org or 310-524-2771
- Sia Poursabahian, Building Official, spoursabahian@elsegundo.org or 310-524-2339
- Dino Marsocci, Deputy City Treasurer, dmarsocci@elsegundo.org or 310-524-2310

CULTURAL DEVELOPMENT PROGRAM WEBSITE

<https://www.elsegundolibrary.org/about-us/cultural-development-program-268521>

APPENDIX IV

FORM B



**CITY OF EL SEGUNDO CULTURAL DEVELOPMENT PROGRAM
DEVELOPER'S ACKNOWLEDGMENT & AGREEMENT**

The City of El Segundo Cultural Development Program provides developers a way to make a lasting and visible contribution to the community to mitigate impacts of development. The Cultural Development Ordinance (Ordinance No. 1594) was adopted by the El Segundo City Council in November 2019.

Projects valued at more than \$2,000,000 must either:

- (a) commission or acquire and install new artwork in a location on or in the vicinity of the project site, with the appraised value of such artwork and any direct expenses as described herein being equal to or exceeding one percent of the project cost; or
- (b) pay to the City an amount equal to one percent of the project cost.

More details about the Cultural Development Program may be found in the ordinance and in the administrative guidelines. Copies of these documents may be provided upon request.

ACKNOWLEDGMENT & AGREEMENT

I, as the developer or property owner for this project, agree to the following (*check one*):

_____ I agree to pay to the City the 1% in-lieu fee by: _____ (*date*).
I acknowledge that the City will not issue a building permit for the project until the total fee has been paid.

_____ I agree to provide public art at the project site. Accordingly, I acknowledge and agree to the following:

- If the undersigned is not the property owner, I agree to submit a letter from the property owner, in a form acceptable to the City, acknowledging the property owner’s understanding and acceptance of this agreement.
- I agree to submit an application for the Public Art Plan to the City’s Library Services staff by: _____ (date). The application will include preliminary plans that include the proposed location of the artwork and any other documents reasonably required pursuant to the guidelines.
- I acknowledge that the Arts and Culture Advisory Committee shall review the completed application for the Public Art Plan and approve, approve with conditions, or deny the proposed artwork, and its proposed location, based on the “Standards for Artworks” outlined in ESMC Section 15-34-6. The committee’s decision is subject to appeal pursuant to ESMC Section 15-34-9.
- I agree to fully comply with the City’s Cultural Development Ordinance.
- I acknowledge that the City will not issue a certificate of occupancy unless and until (a) the application for the Public Art Plan has been approved, the artwork has been installed at the project site, and the artwork complies with the Cultural Development Ordinance and (b) the property owner executes and records with the Los Angeles County Registrar-Recorder’s office, a covenant regarding the maintenance of the artwork, as required by Section 15-34-7.
- I, along with my successors and assigns, agree to defend, indemnify and hold harmless the City of El Segundo, and its officers, volunteers, employees and representatives, from and against any liability, loss, damage, costs, or expenses arising from any claim, action, or liability related to the artwork.

Project Name: _____ Project Location: _____

Project Description:

Owner: _____ Phone: _____

Developer: _____ Phone: _____

Address: _____ Email: _____

Estimated In-Lieu Fee (*if applicable*): _____

I attest to the fact that I have read and understand, and agree to be bound by, the requirements of City of El Segundo's Cultural Development Program as a condition of approval of my Project. I further understand and agree that once I have submitted this acknowledgement and agreement form to the City, that the agreement is irrevocable, the selection made above cannot be changed and that any amounts paid to the City of El Segundo pursuant to this form are non-refundable.

Signature: _____ Date: _____

APPENDIX V

PUBLIC ART PLAN CHECKLIST

Please submit the following application materials to the City of El Segundo Library Services Department. Staff must receive all application materials prior to scheduling a review meeting with the Arts and Culture Advisory Committee.

1. Public Art Plan Application
2. Artist statement, describing artist's style, artistic concept and content, relationship between proposed artwork and the project. The developer should explain to the Arts and Culture Advisory Committee why the proposed work was chosen and how it will enhance the development, complement the existing Cultural Development Program, and engage public viewing and comments.
3. Current and complete curriculum vitae of artist, including slides, photographs, and other collateral of past works.
4. Site plan of the development, including the following:
 - a) Proposed placement of the artwork
 - b) Distance in measurement between the artwork and public streets
5. Photographs or computer enhanced design of the site, which clearly shows the sculpture in relation to the site/building, as the public at ground level would see it. Please make to scale.
6. Landscape plan, including the locations(s) and types(s) of trees and shrubbery, in relation to the artwork.
7. Lighting plan for artwork, specifying location, number, and type of fixtures to be used.
8. Drawing or maquette(s) of the proposed artwork. The maquette may be brought to the review meeting.
9. Sample materials or finished of the proposed artwork.
10. Installation design of the proposed artwork, stamped by a licensed Structural Engineer, certifying the art as structurally sound, safe, and durable.
11. Edition number of the proposed work (if part of a limited edition series) and locations of all other pieces in the series.
12. Budget breakdown including artist fees for design concept, materials, fabrication, transportation, installation, and art consultant fees. The total budget should equal or exceed the minimum 1% art allocation.

13. The artist's maintenance instructions for routine and long-term preservation. The instructions may be amended as needed, pending the results of the final review.
14. A written agreement executed by the artist who created the artwork, in which he or she expressly waives all rights that may be waived under the California Art Preservation Act, the Visual Artists Rights Act, or other applicable state and federal laws.
15. A covenant stating that the property owner shall be responsible for maintaining the artwork in the condition, which it was approved.

Dedication/Unveiling Plans:

BUDGET	
Artist/Design	\$
Artwork Material	\$
Art Consultant (<i>if applicable, not to exceed 10% of requirement</i>)	\$
Insurance	\$
Transportation of Artwork	\$
Structural Engineering	\$
Lighting/Electrical (<i>for artwork only</i>)	\$
Water related expenses (<i>if applicable</i>)	\$
Art Appraisal (<i>consultant must be selected from City list</i>)	\$
Installation of Artwork (<i>include site preparation</i>)	\$
Other Expenses (<i>please list</i>)	\$
1.	
2.	
3.	
TOTAL:	\$

The total should equal or exceed the minimum 1% art allocation for the project.

LIBRARY SERVICES DEPARTMENT

El Segundo Public Library
 111 W. Mariposa Avenue
 El Segundo, CA 90245

CONTACT INFORMATION

- Sam Lee, Cultural Arts Coordinator, slee3@elsegundo.org or 310-524-2771

CULTURAL DEVELOPMENT PROGRAM WEBSITE

<https://www.elsegundolibrary.org/about-us/cultural-development-program-268521>

APPENDIX VII

FORM D

PUBLIC ART MAINTENANCE COVENANT

(pursuant to El Segundo Municipal Code § 15-34-6)

THIS PUBLIC ART MAINTENANCE COVENANT is entered into _____, 202__, by and between _____ (“Property Owner”) and the City of El Segundo, California (“the City”).

RECITALS:

1. Property Owner owns that certain real property located at _____ in the City (“the Property”) and more particularly described by Exhibit “A” attached hereto and incorporated herein by this reference.
2. On or before the date of this Covenant, Property Owner engaged in development activity on the Property that was subject to El Segundo Municipal Code (ESMC) Chapter 15-34, entitled “Cultural Development.”
3. With City approval and in accordance with ESMC Chapter 15-34, Property Owner acquired and placed at the Property the artwork described and/or depicted on Exhibit “B” attached hereto and incorporated herein by this reference (“the Artwork”).
4. ESMC Section 15-34-6(C) requires, among other things, that Property Owner execute and record a covenant acceptable to the City for maintenance of the Artwork. The parties intend for this Covenant to satisfy that requirement.

COVENANTS:

1. Property Owner shall preserve the Artwork in good repair and in a safe, functional, accessible and clean condition, all in a manner acceptable to the City, and in accordance with the Artist’s maintenance instructions, as applicable.

2. Property Owner shall not deface, mutilate or alter the Artwork nor knowingly allow other persons to do so.
3. Property Owner shall secure and maintain insurance applicable to the Artwork sufficient to protect it against damage or loss from fire, theft, vandalism, and all other insurable occurrences typically covered by an all-risk policy, in an amount to be determined by the City's Risk Manager but not to exceed the reasonable estimated replacement cost of the Artwork.
4. Property Owner shall not move the Artwork from its present location at the Property, as depicted in Exhibit B attached hereto, without the City's prior written approval.
5. Property Owner grants the City an irrevocable license to photograph and otherwise make two-dimensional reproductions of the Artwork and to use such reproductions for commercial and noncommercial purposes as the City sees fit.
6. Within a reasonable period of time following a request by the City, Property Owner shall allow the City and its authorized agents access onto the Property for the purpose of inspecting and photographing the Artwork and ensuring that Property Owner is meeting its obligations under this Covenant.
7. In the event repair of the Artwork is required, the artist who created it shall be given the first opportunity to do that work for a reasonable fee. In the event the artist is unable or unwilling to do so, the City or the Property Owner may proceed to contract for such repair with another qualified artist.
8. In the event the City declares the Artwork a public nuisance pursuant to the El Segundo Municipal Code, the Property Owner must promptly abate the nuisance.
9. This Covenant shall be recorded in the official records of Los Angeles County and shall run with the land described herein as the Property, binding and/or benefiting the parties' respective successors in interest, including but not limited to any purchasers, heirs, devisees, transferees, assignees, tenants, grantees, trustees, and beneficiaries. Should any court find this Covenant unenforceable at law, the parties intend that it be enforceable in equity.
10. To the extent reasonably possible, Property Owner shall provide actual notice of the Covenant to any successors in interest. Failure of Property Owner to provide actual notice shall not preclude enforcement of this Covenant against anyone who receives constructive notice.
11. This Covenant shall be governed by the laws of the State of California.

12. No modification of this Covenant shall be valid unless made in writing and signed by both parties hereto.
13. No waiver of performance by any party shall be construed as or operate as a waiver of any subsequent default.
14. Should any action or proceeding be brought to enforce the terms of this Covenant, the prevailing party shall be entitled to reasonable attorney's fees and costs.
15. Property Owner agrees to defend, indemnify, protect and hold City and its agents, officers and employees harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to Property Owner's employees, agents, officers or invitees, which arise from or are connected with or are caused or claimed to be caused by the acts or omissions of Property Owner and its agents, officers or employees, as a result of any act or obligation of Property Owner arising out of this Public Art Maintenance Covenant, and all expenses of investigating and defending against same; provided however, that Property Owner's duty to indemnify and hold harmless shall not include any claims or liability arising from the established sole active negligence or willful misconduct of the City, its agents, officers or employees.

EXECUTION:

This Covenant shall be deemed executed as of the date first above written. The undersigned parties shall acknowledge their respective signatures before a California notary.

PROPERTY OWNER

By: _____

CITY OF EL SEGUNDO

By: _____

[PROPERTY OWNER'S AND CITY'S SIGNATURES MUST BE NOTARIZED]

APPROVED AS TO FORM:

City Attorney

EXHIBIT "A"

LEGAL DESCRIPTION

EXHIBIT "B"

DESCRIPTION OR DEPICTION OF ARTWORK

APPENDIX VII

**FORM E
PROGRAMMING APPLICATION**

(Note: City staff may adapt this application for specific programming sponsored or supported by the Cultural Development Fund.)

- Organization Name (if applicable)

- Contact Person Full Name *

 First Name Last Name

- E-mail *
- Organization website

- Phone Number *
-Area Code Phone Number

- Address *

 Street Address
 City State /
Province
 Postal / Zip
Code

- Proposed Location *

- Title of Program *

 The name of your program in 8 words or less.

- Please describe your program in detail. *

Use this space to completely describe your program.

- Who is the target audience for your program? *

- Anticipated Audience Size *

- How do you plan to reach out to potential audiences? (List type of outreach and potential audience from each source; i.e, Facebook: 1000 fans, Email list: 250 people)

- What is the time frame for starting and completing the project or program? *

Projected/desired date(s) for the program.

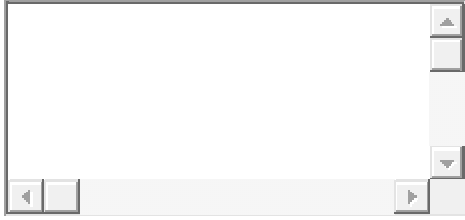
- Are you requesting funding from the Cultural Development Program to present the program? (Please note: There is limited funding available and a secondary funding application may be necessary to approve funding requests. Funding, if provided, is intended to support the actual creation of art or necessary costs associated a successful event, and not for auxiliary costs.) *

No Yes

- Will there be a fee or ticket cost for people attending? (Charging is generally not allowed for programs on City property and/or sponsored by the Cultural Development Fund, and require additional approval from another body) *

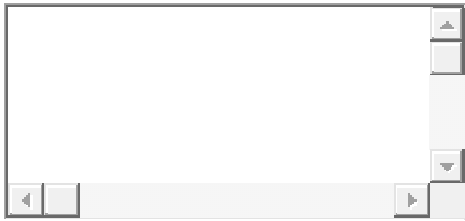
No Yes

- Organization History *



Provide a brief history and description of what the artist/organization does (mission and primary programs).

- Describe the organization’s relationship to El Segundo and/or its communities. *



- You may include a link to any supporting documentation here (i.e., a film clip, event program pages, etc.)

- You may upload any supporting documents or pictures that you would like the committee to see here in a single scanned file. If you are proposing an exhibit you should upload a list and images of all of the images you are proposing.

Upload a File

- Please note, if your program involves a book, a hard copy must be submitted for the Committee to review. Hard copies may be dropped off or mailed to:

City of El Segundo, Attn: Sam Lee, Cultural Arts Coordinator

El Segundo Public Library

111 W Mariposa Avenue

El Segundo, CA 90245

Please make sure your name, email address and the name of your proposed program are on the book.

If you are proposing an exhibition, it is important that the Arts and Culture Advisory Committee has a chance to see all (or at least most) of the actual images that are proposed as part of the exhibit. Please upload a single file in the field above with all of the images.

Exhibitions intended for the City of El Segundo facilities should take into consideration the location and community served and have some direct relevancy to the City of El Segundo. As such, the Arts and Culture Advisory Committee includes the following criteria in considering potential exhibits.

- Highlight and/or relate to aspects of El Segundo's history and neighborhoods
- Highlight and/or relate to El Segundo's major demographic groups and major industries
- Align with the City of El Segundo and Arts and Culture Advisory Committee's support for equity and inclusion

ARTS AND CULTURE ADVISORY COMMITTEE REPORT

ATTACHMENT A - RECAP OF FISCAL YEAR 2022-2023 ALLOCATED PROJECTS:

- Poet Laureate: Award-winning poet Hope Anita Smith serves as an advocate for poetry, language, and the literary arts who actively inspires and promotes civic pride (\$8,000).
 - Led a Community Public Poetry Reading event at the Old Town Music Hall, Wednesday, April 19, 7-8:30pm
 - Will lead two community public reading events: *Mother and Daughter Poetry Tea* for Mother's Day at ESMoA and *Daddy and Me* for Father's Day at Fire Station 1 – May and June 2023
 - Led two poetry writing workshops at the El Segundo Public Library: March 15 and March 22, 2023
 - Commemorative poem will be composed about El Segundo by Ms. Smith at the end of her term
 - A variety of community workshops and events are being planned and organized for the remaining year with Ms. Smith

- El Segundo Public Engagement Fund: \$35,000
 - Inner City Youth Orchestra of Los Angeles performed on Saturday, January 7, 2022, at the El Segundo Performing Arts Center (\$5,000); 400 attendees
 - Women of the West performed at the El Segundo Performing Arts Center, celebrating Women's History Month, March (\$2,475); 450 attendees
 - Native American performers Shelley Morningsong & Fabian Fontenelle performed at the gazebo in Library Park to celebrate National Native American Heritage Month, November (\$1,500); 100 attendees
 - South Bay Swing Trio performed American songbook classics in Library Park (\$450)
 - Community exhibitions: *Summertime Summertime* and *Small Treasures II*, highlighting the artistic talents of El Segundo residents and visitors (\$311.29)
 - Temporary art exhibitions by local artists: *Best in Show: Dog Portraits* by Stephen Holman and *Slightly Askew: Images Made from the Diana Camera* by Steven Nilsson (\$778.57)
 - Lecture series: Environmentalist Kathleen Jacecko spoke about how her family reduced their carbon footprint through inexpensive and uncomplicated life hacks and gadgets (\$300)
 - Creative programs: 1) cyanotype workshop led by artist Hadley Holliday, participants made their own photographic cyanotype prints in Library Park; 2) painting workshop with teens led by artist John Idefonso (\$699.33)
 - Ukulele workshops/classes: purchased 10 tenor ukuleles and offered music classes for El Segundo residents (\$1,143.11)
 - Live model drawing classes: forthcoming

- El Segundo Visual Artists in Community Program: \$35,000
 - Four visual artists were selected to create artworks that engage and reflect the El Segundo community
 - Lindsay Carron creates a mural in the El Segundo Public Library and coloring book for community distribution
 - Soo Kim establishes a series of light post art banners throughout El Segundo from feedback/responses by El Segundo residents
 - Miles Lewis paints a series of portraits of high school students who excel in their field (science, sports, art, and social impacts)
 - Jovi Schnell makes a mural in the El Segundo Public Library from community engagement
 - Numerous public engagement workshops led by each visual artists were offered to teens and adults, fostering education and appreciation of the visual arts
 - Projects vetted by the El Segundo Arts and Culture Advisory Committee, Aly Mancini, Barbara Voss, and Darrell George
 - Four artwork acquisitions will kickstart El Segundo's permanent art collection in June 2023

- Festival of Holidays: on Saturday, December 3, 2022, 3pm-7pm, the City combined the traditional Christmas tree lighting with the celebration of other winter holidays through food, music, crafts, and hands-on workshops in the City Hall Plaza and Main Street (\$40,000)
 - Variety of cultural entertainment provided: El Segundo Recreation and Parks Adult Tappers, Mexican folklorico dancing, African drumming, Indian Kathak dancing, Jewish Klezmer live music performing, Christmas music by the El Segundo High School Orchestra
 - Volunteer-led, hands-on craft-making stations for attendee participation: diya lamp making, dreidel painting, Filipino parol lanterns constructing, and holiday card decorating
 - Cultural foods provided for purchase: Indian cuisine, Mexican tamales, Japanese soba, and vegan potato latkes
 - Holiday train ride, visit with Santa and gift-giving sponsored by Mattel, and holiday light show by Jeff Cason
 - Holiday market vendors sold DIY To-Go Christmas craft kits, Mexican crafts, and unique hand-made Japanese lamps and trinkets
 - Over 2,000 people attended the event

- El Segundo Art Walk 2022: Improved the local community, inspired culture, and created economic opportunities for artists, art galleries and businesses (\$58,000)
 - Participation exceeded expectations including 31 businesses, 48 artists, 9 musical acts, and a large format mural
 - Operating budget produced and implemented programming for the one-and-a-half-day event
 - Kick-Off event was partnered with ESMoA with music concert on Friday evening

- Duration of Saturday Art Walk: 12pm to 9pm
- ESAW worked with NOW Art to put out RFPs for a public mural and also a temporary augmented reality art installation in the City
- Mural location – 109’ north wall of John Labib & Associates’ building on Main Street
- Augmented reality installation activated City Hall Plaza

Unused FY 2022-2023 initiative funding remains in the Cultural Development Program Fund. City staff recommends maintaining a 20% fund balance reserve.

Expenses: El Segundo Art Walk

2022Aug

Production / Event	August totals:	Vendor	2022Aug
	August totals:		\$17,737
	Tent + Event Rentals	Above the Top Rentals	\$10,930
	Bathroom Rental (Friday + Saturday)	Diamond Environmental	\$1,495
	Sound + Engineer	Bell Events	\$5,312
Entertainment	August totals:		\$4,880
	Live Music	(10) bands:	\$4,880
Art Install	August totals:		\$21,459
	Mural Art Project		\$14,901
	Augmented Reality Install		\$6,558
Staffing	August totals:		\$5,201
Marketing	August totals:		\$6,532
Printing	August totals:		\$2,757
Permits / Insurance	August totals:		\$3,066
Production Materials	Monthly totals:		\$718
Art Walk Management			INC
	(2) Day Event Coordination (August) ESAW - Team (3)		-
	ESAW Artist Review + Business Coordination - Team		-
	Event Prep, Vendor Acquisition, & Event Permitting		-
	Mural + AR Site Discovery, Building Contract, and Coordination		-
	Mural + AR Artist Acquisition & Review Process - (20% project)		-
	ESAW Magazine Content Creation + Sponsor Acquisition		-
	New ESAW Digital Mag Website Creation + Launch		-
	Event Marketing, Social Media Managment, and Press		-
	ACC Presentation, Council Presentation, City Coordination		-
	Finance + Accounting		-
			-
Web Development			INC
	ESAW Web Development		-
Total CITY Cost			\$62,350
Costs of Goods	Monthly totals:		\$9,530
Consessions Staffing +Tips	Monthly totals:		\$5,281
Donation +Business Costs	Totals:		\$2,900
Total Event Cost			\$80,061

Income: 2022 ESAW

2022Aug

<i>Event Sponsorships</i>	<i>Event totals:</i>	<i>Sponsor Type</i>	\$9,900
<i>ESAW Magazine</i>	<i>Totals:</i>	<i>Description</i>	\$3,500
<i>Food + Beverage</i>	<i>Event totals:</i>		\$28,423
	Friday Night Concert	Square	\$3,558
	ESAW Saturday	Square	\$18,910
	ESAW Saturday	Square	\$5
	Business Event Fees	Square	\$1,207.79
	Cash Sales		\$4,742.00
<i>City Involvement</i>	<i>Event totals:</i>		\$58,000
	City Sponsorhip		
TOTAL			\$99,823

P&L Statement

2022Aug

<i>Total Expenses</i>	<i>Event Cost:</i>	\$80,071
<i>Total Income</i>	<i>Event Sales + Sponsorships</i>	\$99,823
	<i>ESAW Mangement Expenses</i>	INC
	TOTAL	\$19,752



City Council Agenda Statement

Meeting Date: May 2, 2023

Agenda Heading: Committees, Commissions and Boards

Presentations

Item Number: E.12

TITLE:

Diversity, Equity and Inclusion Committee - Community at Large Report

RECOMMENDATION:

1. Receive and file the Diversity, Equity and Inclusion Committee Community at Large Report.
2. Direct staff to work with the Diversity, Equity and Inclusion Committee to implement recommended activities.
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

There will be direct and indirect fiscal impacts to the City's General Fund, including staff time and possibly funds for additional community engagement activities, if approved. If there are greater financial needs, staff will return to City Council for separate budget appropriation requests.

BACKGROUND:

At its June 16, 2020 meeting, City Council directed staff to establish a new Diversity, Equity, and Inclusion (DEI) Committee to address El Segundo residents' concerns about local racial diversity issues, inclusion, police policy, experiences at local schools, and other matters.

City Council asked the DEI Committee to focus on the following study topics:

1. Citywide Organization (including a review of City government policies, practices, training, diversity, etc.) - Report presented to City Council on January 18, 2022.
2. Public Safety (including a review of Police Department policies, practices, training, and diversity) - Report presented to City Council on February 1, 2022.

DEI Committee - Community at Large Report

May 2, 2023

Page 2 of 2

3. Local Economy (including a review of private sector diversity policies, practices, training, etc.) - Report presented to City Council on August 16, 2022
4. Community at Large (including a review of City demographic data, history, trends, etc.)

The DEI Committee established four subcommittees to research each of the study topics above and report findings and recommendations to City Council. The Community at Large Report is the final of four reports and fulfills City Council's initial direction to the DEI Committee.

DISCUSSION:

The attached Diversity, Equity, and Inclusion Committee Community at Large Report includes a summary of research conducted, actions taken, key findings, and recommendations for City Council's consideration.

CITY STRATEGIC PLAN COMPLIANCE:

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

Objective 1A: El Segundo provides unparalleled service to internal and external customers.

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

PREPARED BY:

DEI Committee - Community at Large Subcommittee

APPROVED BY:

DEI Committee

ATTACHED SUPPORTING DOCUMENTS:

1. DEI Committee - Community at Large Report

City of El Segundo
Diversity, Equity & Inclusion Committee
Community-at-Large Report
May 2, 2023

City Strategic Plan

The DEI Community-at-Large Subcommittee had the opportunity to review and explore diversity, equity and inclusion efforts as it relates to the community. The subcommittee identified multiple actions to support and advance Goal 1 of the City of El Segundo’s Strategic Plan.

Strategic Plan – Goal
Enhance customer service, engagement and communications; Embrace diversity, equity and inclusion

Overview

1. DEI Community-at-Large: Background
 2. DEI & City of El Segundo: The Landscape
 - A. History of El Segundo (with a DEI lens)
 - B. Data & Statistics
 - C. Community Experiences & Feedback
 - D. Examples from Other Communities
 3. Recommendations & Next Steps
-

DEI Community-at-Large: Background

The DEI Committee aims to inspire and activate efforts to integrate diversity, equity and inclusion into City of El Segundo decisions, service-delivery and policies to improve the well-being of all our communities. We commit to:

- Listening and advising with an equity lens as we help foster a healthy, just and inclusive El Segundo, instilling a sense of understanding, healing and belonging for all who live, work and play here.
- Engaging the community and holding ourselves accountable to acknowledge and correct historical inequities and current disparities, and change outdated, harmful narratives.
- Moving forward with urgency and purpose, allyship and collaboration, to support transparent and actionable solutions that will remedy these inequities and serve our diverse community.

The Community-at-Large Subcommittee has met regularly (every other week) starting March 5, 2021 (shortly after subcommittees were assigned) and has focused on community experiences as they relate to living, visiting and working in El Segundo. For the purposes of this report, community members are defined as those who live, work and/or attend school in El Segundo.

AREAS OF FOCUS

1. Design and implement a community-wide survey to serve as a baseline and help prioritize DEI's efforts.
2. Research and gather historical and current data, statistics and narratives/anecdotes. This may include a process to gather information from community partners who have and are currently collecting information from the community as it relates to DEI.
3. Working with the group to analyze and distribute the data to inform all our efforts.

KEY TAKEAWAYS

1. Community is committed to collaborating with the DEI Committee and continues to interact and engage.
2. Education is needed for the greater community regarding the meaning and purpose of DEI as well as the role of the DEI Committee.

DEI & City of El Segundo: The Landscape

A. HISTORY OF EL SEGUNDO

Regional Considerations

The city of El Segundo was founded in 1917 in the middle of the petrochemical boom in Southern California. It is estimated that in the 1920s, almost 20% of the world's oil production came from the Los Angeles metro area. In order to meet increased demand, oil companies recruited tens of thousands of workers from the Midwest and the South.

As the population in Southern California swelled, these new migrants found themselves settling into neighborhoods along racial lines. This practice of redlining not only impacted cities like El Segundo then - it also continues to be a major factor in the current demographics today.

Redlining

[Redlining](#) is a term that is used to describe the practice of segregating cities or neighborhoods along racial and/or ethnic lines. During the Great Depression, the Federal Government created the Home Owners' Loan Program in an effort to stabilize the housing market which had suffered a severe crash. Undesirable terrain, proximity to pollution, and other factors were considered hazards; however, the most damaging for minorities was that their own race was considered a hazard as well. These individuals could only live and own homes in the "red" areas on the map (those communities that received a D or lower on the grading scale) and thus could not reside in El Segundo.

Even though El Segundo was "a company town founded by Standard Oil, where 'oil wells, refinery and tank farms' were all derogatory influences, and the beach was defiled by a large outfall sewer and oil tanker docks and loading facilities, redlining was ruled out because residents protected their properties against 'racial hazards.' El Segundo received a high yellow grade and was even lauded as a model for neatness and upkeep." (Daniel G. Cumming NYU & C108 HOLC 1939)

The use of real estate covenants (which was outlawed after the Fair Housing Act) was widely used in El Segundo with evidence of such documents still available today. These covenants explicitly banned the sale of a house to non-Whites, thus locking out members of all other races from ownership.

Klan Influence/Titus Alexander

While we only have anecdotal evidence that El Segundo was a "sundown town", we do know that there was a contingent of Ku Klux Klan members in the city. In fact, "Los Angeles County's South Bay, which includes El Segundo, was a hotbed for the Ku Klux Klan a century ago. In 1922, an estimated 12,000 people — including an El Segundo contingent — attended a Klan rally in Whittier Hills. In 1923, the El Segundo Herald recounted how members of the Methodist church got "a real thrill" one Sunday when 10 white-robed Klan members "walked solemnly down the aisle, asked for prayer and left \$120" to pay the church's debts." (Meg Loe, LA Times)

This presence served to intimidate and discourage any non-White person from opening a business, visiting or residing in El Segundo. Titus Alexander, a prominent Black entrepreneur, had visions of a luxurious beach retreat for the growing Black population in Southern California. Although the city of Los Angeles initially agreed in 1923 to lease him the land, his plans were met with stringent opposition in El Segundo and other beach cities and he was forced to abandon the project.

1940s-1990s

As in most beachside communities in Southern California this time period, El Segundo's demographics stayed almost exclusively White. During WWII, an El Segundo resident and business owner erected a

sign at the NW corner of Oak and Main that advertised discrimination towards Jewish and Japanese Americans. This public display of racism and religious intolerance was common in Southern California, reflecting the attitudes of many residents in the area.

Nevertheless, there were citizens with progressive views who lived in town as well. Frank Snow, editor of the El Segundo Herald, opined that the sign reflected poorly on the city and that “Negro people are entitled to be treated as human beings”.

During the 1960s and 70s, many communities such as Hawthorne, Inglewood, Lynwood, and Compton begin to see a dramatic shift in their demographics. This phenomenon - known as “white flight” - changes communities almost overnight from predominantly White to almost all Black or Latino. In El Segundo, however, there was hardly any increase in diversity with African Americans only making up 0.5% of the population in 1980.

Present Day El Segundo

In the past 20 years, the city has found itself in the midst of a demographic shift. Roughly 3 in 10 residents are minorities and there are a wide array of religious faiths practiced in El Segundo.

Nevertheless, there are many residents who still feel unwelcome in El Segundo. “Black in Mayberry”, a documentary released in 2021 by Tanya Taylor, illustrated life in El Segundo through the lens of various Black residents who described their experiences of racism, tokenism, and fear. The documentary was widely watched and received widespread support.

B. DATA & STATISTICS

There are hundreds of bias-related incidents experienced by community members and visitors that have been shared with local community organizations, El Segundo schools, El Segundo-based employers, and the DEI Committee. Bias-related incidents and experiences of El Segundo community members have been shared through a recent [documentary](#) and in prominent local [newspapers](#). Some have led to legal action, lawsuits, and litigation as well.

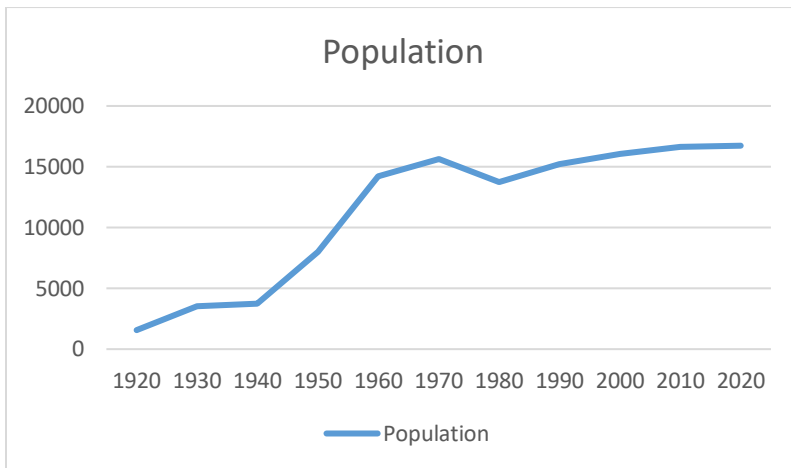
And these are just the incidents that have been shared. According to [Police Chief Magazine](#), it is estimated that only one-third of hate crimes are reported, not including hate incidents. Per the [State of California](#), a **hate crime** is a crime against a person, group, or property motivated by the victim's real or perceived protected social group. You may be the victim of a hate crime if you have been targeted because of your actual or perceived: (1) disability, (2) gender, (3) nationality, (4) race or ethnicity, (5) religion, (6) sexual orientation, and (7) association with a person or group with one or more of these actual or perceived characteristics. A **hate (or bias) incident** is an action or behavior motivated by hate but which, for one or more reasons, is not a crime. Examples of hate incidents include name-calling, insults, displaying hate material on your own property, posting hate material that does not result in property damage, and distribution of materials with hate messages in public places.

Under-reporting is just one of the challenges facing our collective efforts to address and improve DEI. Other potential barriers and challenges include a lack of dedicated paid staff/resources and DEI committee turnover. In light of these challenges, this report includes key takeaways, actions and recommendations from the Community-at-Large Subcommittee.

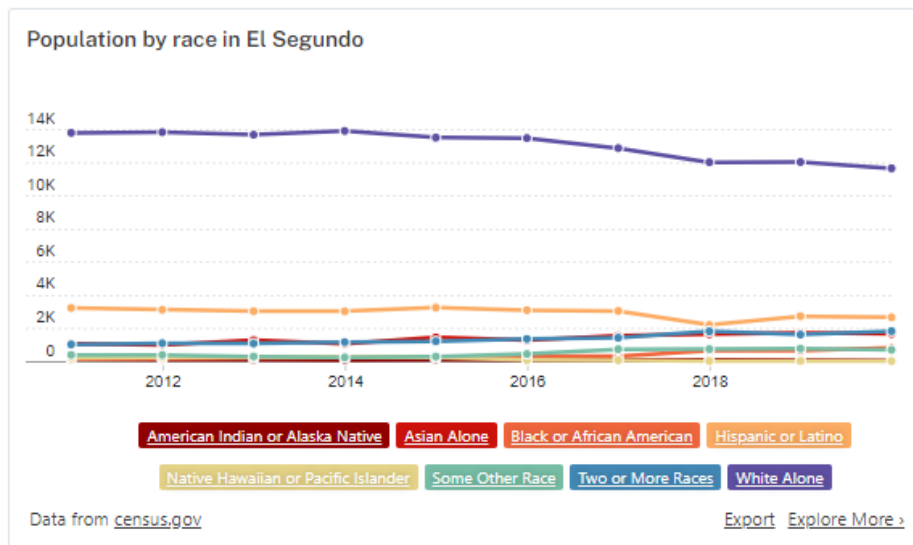
KEY FINDINGS

- 1920-1970 population increased by **899%**, 1970-2020 population increased by **7%**, and population only increased by **0.5%** from 2010-2020
- From 2012 to 2020 Caucasian population is only race steadily decreasing

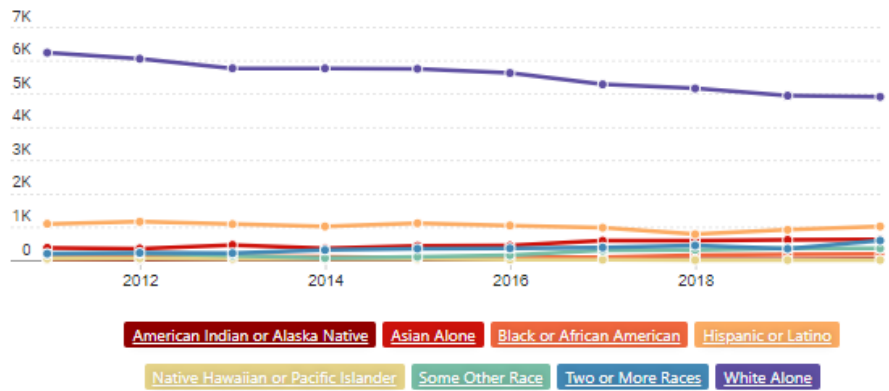
- Housing units occupied by “White alone” is steadily decreasing
- Asian population showing steady increase in income, has highest median household income by race
- Median age for African Americans in El Segundo decreased from 50 in 2010 (highest overall) to 16 by 2019. Older African Americans and those without school-aged children are leaving El Segundo. We are the only of the six cities surveyed in this area that has any race where median age is that of a minor.
- As of 2017 El Segundo has no residents identifying as Native Hawaiian or Pacific Islander
- More males in El Segundo have bachelor’s degrees while more females have graduate or professional degrees.
- More than 50% are not homeowners...majority renters



https://datacommons.org/place/geoid/0622412?utm_medium=explore&mprop=count&popt=Person&hl=en



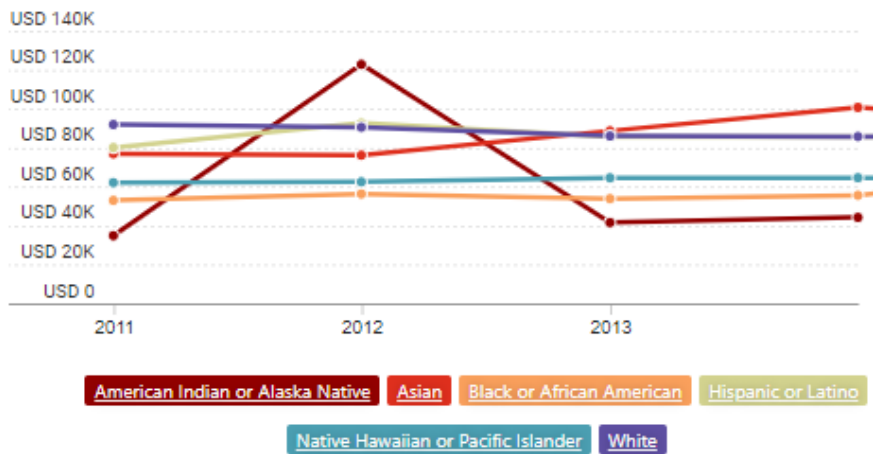
Housing units by householder race in El Segundo



Data from census.gov

[Export](#) [Explore More >](#)

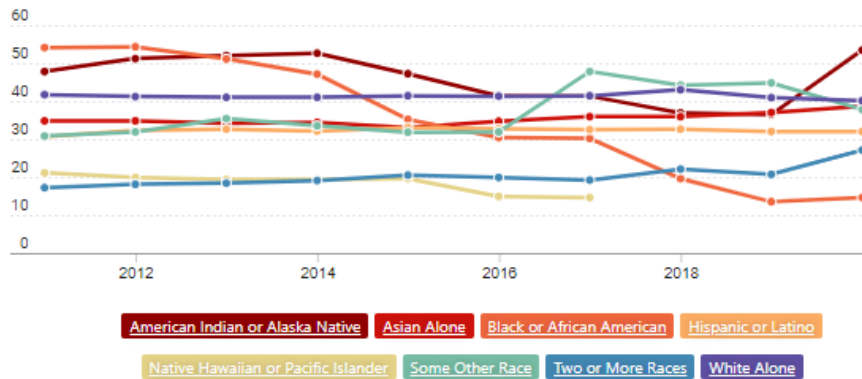
Median household income by race in El Segundo



Data from census.gov

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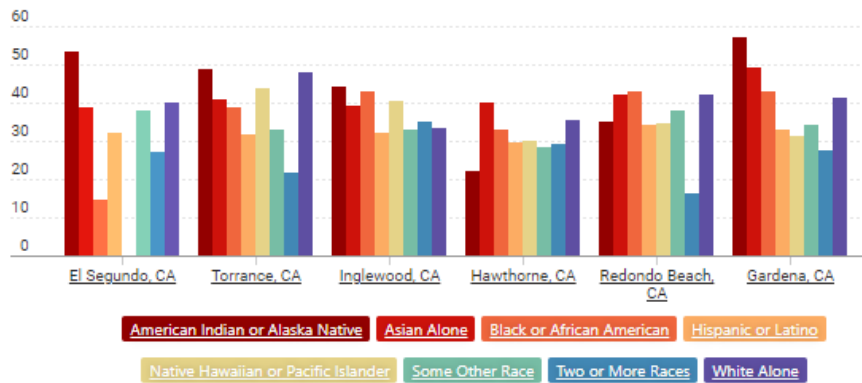
Median age by race in El Segundo



Data from census.gov

[Export](#) [Explore More >](#)

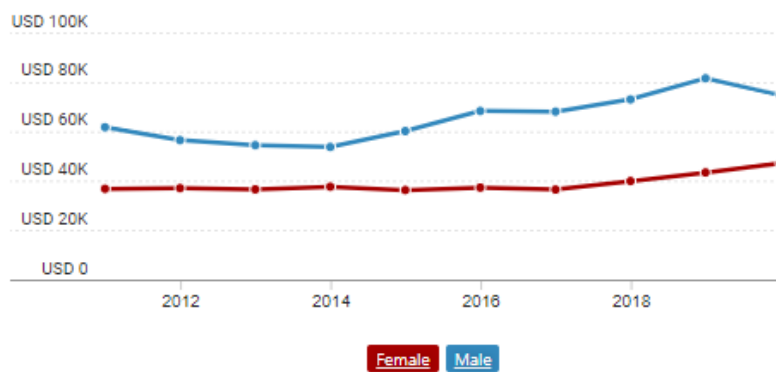
Median age by race: cities near El Segundo (2020)



Data from census.gov

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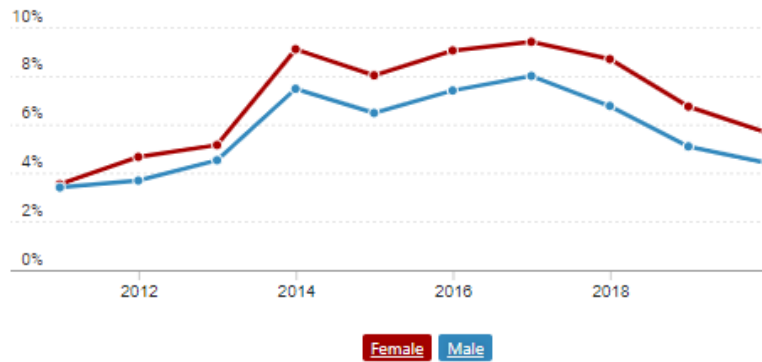
Median income by gender in El Segundo



Data from census.gov

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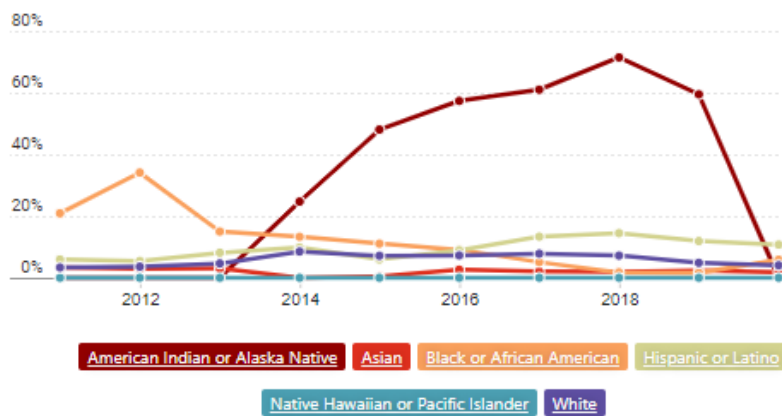
Poverty rate by gender in El Segundo



Data from [census.gov](https://www.census.gov)

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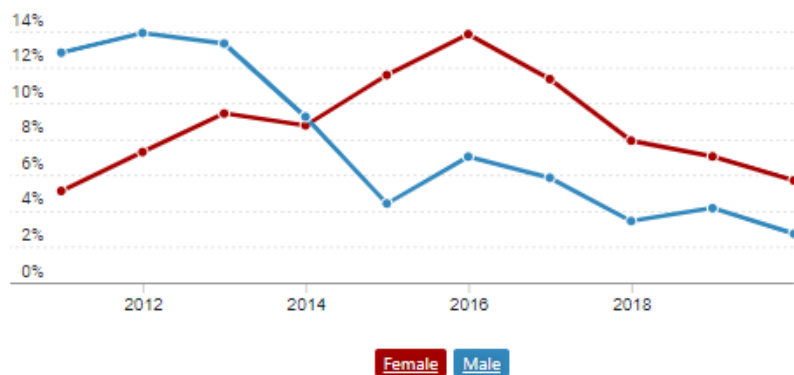
Poverty rate by race in El Segundo



Data from [census.gov](https://www.census.gov)

[Export](#) [Explore More >](#)

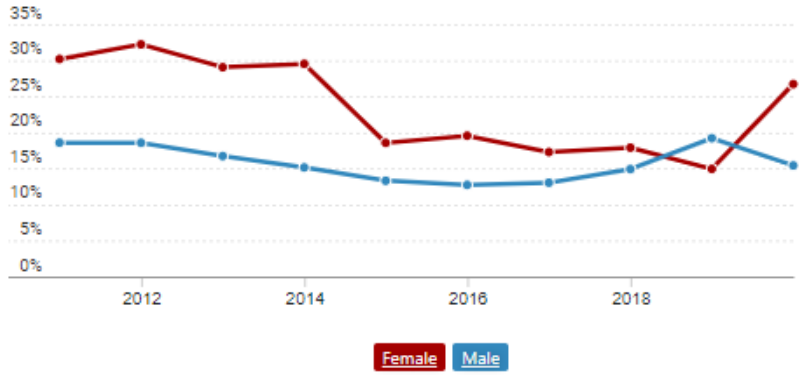
Rate of associate degree attainment by gender in El Segundo



Data from [census.gov](https://www.census.gov)

[Export](#) [Explore More >](#)

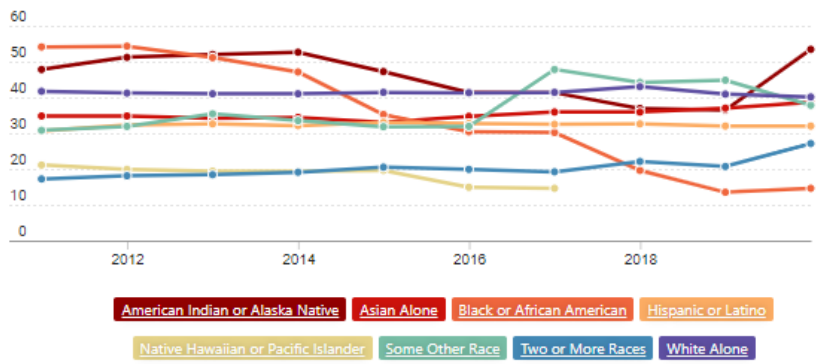
Rate of graduate or professional degree attainment by gender in El Segundo



Data from census.gov

[Export](#) [Explore More >](#)

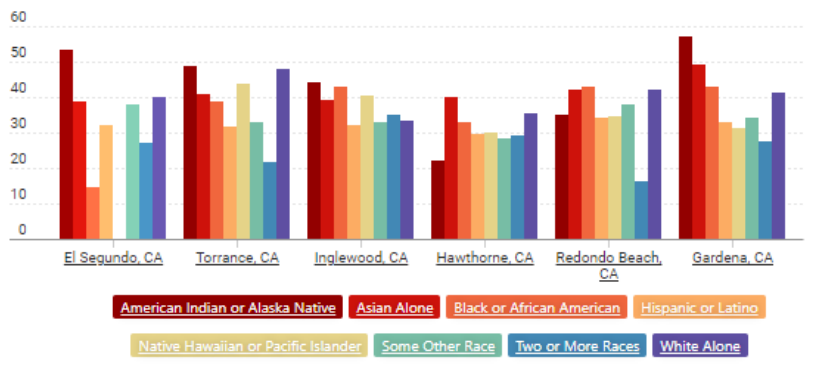
Median age by race in El Segundo



Data from census.gov

[Export](#) [Explore More >](#)

Median age by race: cities near El Segundo (2020)



Data from census.gov

[Export](#) [Explore More >](#)

C. COMMUNITY EXPERIENCES & FEEDBACK

Through the City's DEI Survey, community interactions at the farmer's market, public comments at DEI Committee meetings and community members reaching out to us, we began to explore and identify DEI-related needs of community members. The most prevalent themes are listed below. Please note: The complete survey data is not included due to the fact that the percentage of survey responses received is not sufficient to be considered representative of the El Segundo community. Since the survey's launch in July 2022, the City has received 486 responses to the DEI Survey.

KEY FINDINGS

1. Community dialogue and education

While one hate incident is one too many, there are dozens of hate, bias and DEI-related incidents happening to residents and community members in El Segundo each year. This is evidenced by the high number of community experiences shared at events, on film, in media; mentions in communications, conversations and public comments with the DEI Committee and the City; the significant amount of feedback, stories, and requests for support with issues that take place within El Segundo schools; and information collected from local businesses, not to mention the personal experiences of members of the DEI Committee itself.

However, some DEI Survey responses indicate the scope of residents who do not understand the purpose and concept of DEI, are not aware of the demographic make-up of El Segundo residents and community members (including those who work and attend school here), don't see value in DEI, or are against DEI as a whole and see it as a threat to our city. See some of these survey responses below.

Here is a summary of research identifying [reasons behind resistance to DEI](#).

Survey Responses

"Stop with this dei bulls*** and leave our town alone."

"You're making a big deal for less than 1% of population."

"Everything is fine with the city. The inclusion committee is not even necessary. Racism is something mostly made up by the media."

"Who cares. DEI is made up nonsense that has no use."

"Again the Idea of somehow legislating DEI is the stupidest idea in the history of stupid ideas"

"The city should not be wasting time and money on fake DEI. El Segundo is a welcoming community, and the ESPD does its job to keep us safe."

"Committees like DEI foster separation between citizens, cause resentment, and encourage kids to view themselves either as victims or guilty of perceived bias based on their skin color. Keep CRT out of our schools and save the drag queens for adult venues."

"Good management, staff - no need to accommodate DEI pushers."

"The DEI needs to be shut down and Jimmy Peet sued to give back the money he gifted from the city. This committee is a racist joke."

2. City support of DEI and City-sponsored DEI initiatives

The survey and community feedback revealed a desire for more communication from the city regarding support for DEI and as well as for City-sponsored DEI events and initiatives. Residents and community members feel it is not enough to allow other groups to sponsor these types of events in town.

Residents and community members are equally as supported in the statement made by City-hosted events as they are in the events themselves. *Inform about differentiation between what schools handle and City

Survey Responses

“I feel the City could communicate a stronger message of inclusivity by creating events that honor or celebrate the different cultures of our residents.”

“Our current city council administration needs to take DEI matters much more seriously than they do. Step outside your bubble.”

“I’ve always felt the city did not, until recently, even acknowledge diversity and inclusion. I worry that the city is only now addressing it because they need to, not because they want to.”

“I do not know what programs there are for school-aged children to promote DEI.”

“El Segundo government, specifically the city council, should be more diverse in all intersections including gender, race, ethnicity, gender identity, economic status, and other marginalized communities as to best represent the citizens of El Segundo.”

“I feel that the city needs to make a clear stance that all are welcome in El Segundo and that we will fight for the rights of all. If it is not clearly said and just implied as it is now then some will try to twist the meaning.”

“Please be bold in your efforts to advance DEI efforts in our community and don’t bow to the few but loud voices trying to thwart these efforts.”

“City leadership remains largely quiet on the topic of inclusion outside of forming a DEI committee.”

“Verbal commitments and actions from city leadership. Town halls to hear directly from diverse communities. Maybe block parties to incorporate the two.”

“We have not shown a dedication to DEI. You can’t have a DEI committee to ‘check a box’ and feel you are doing enough. We don’t celebrate diversity along all marginalized groups.”

3. Support for the LGBTQIA Community

Community feedback has shown a feeling of underrepresentation and lack of support for the LGBTQIA community in city events and initiatives. The city has made recent strides in declaring June pride month starting in 2021. However, this proclamation occurred 22 years after President Clinton declared the first pride month in June 1999. There have not, to date, been any City sponsored Pride related events. There are currently no members of the LGBTQIA community in leadership positions nor on the DEI Committee.

Survey Responses

“I don’t feel that many diverse groups are being represented, especially the LGBTQIA community. I work with, and worry about, our LGBTQIA+ and other marginalized youth. I don’t think our town does enough to acknowledge and embrace differences.”

“I feel that there should be more arts and culture, as well as education and celebration, of BIPOC, LGBTQIA (and other non-white, lower income) communities. Particularly in our public spaces and in our schools. Although I myself am a high-income cis gender highly educated white person, I really wish I lived in a community that was not only inclusive but truly embraced diversity. Raising a black child in El Segundo sometimes feels scary, as there seems to be an undercurrent of racism and bigotry. Yet, I am very encouraged by this DEI efforts and I hope that meaningful change will occur.”

“I would love to see more PRIDE events in June.”

“I think there should be some way to publicly and physically display diversity in the community along with some way to show that we're looking for more. Something like theming of main street, storefronts, banners, pride days/weeks, business involvement for products, clear celebration of equal opportunity employment and diversity in staff and residents. I feel like we don't see these things in Public because people would fear being targeted for hate crimes or vandalism. and that the police would not show up quickly or effectively to stop or investigate these issues (and if you're rolling your eyes right now, that's a big issue.)”

D. Examples from Other Communities

Below are innovative examples of how other cities have shown their commitment to DEI. These ideas are budget conscious, high impact initiatives that can be easily adapted and implemented in El Segundo.

- Jacksonville’s [One City, Our City, My City](#) campaign was designed to promote respect, caring and collaboration between all citizens in Jacksonville and encourages them to learn about their neighbors’ cultures.
- Huntington’s [Open to All Campaign](#) actively promotes an inclusive environment for all people in the City of Huntington by encouraging all businesses, houses of worship, civic groups and nonprofit organizations to take the “Open to All Pledge” and maintain a safe and welcoming environment for all employees, customers, visitors and vendors.
- San Luis Obispo’s DEI website is a shining example of acknowledging a city’s past while committing to a better future: [Office of Diversity, Equity, and Inclusion | City of San Luis Obispo, CA \(slocity.org\)](#).
- City of Manhattan Beach directed staffing, use of City facilities, and funding to support the South Bay Community Coalition Against Hate (SBCCAH) in October 2022 (City of El Segundo is a member), and adopted a [resolution of apology for historic racism](#) on Tuesday, April 4, 2023, formally apologizing to the families involved in the City’s racially motivated acquisition of Bruce’s Beach, as well as to the Black community who experienced intimidation, harassment, and racial discrimination.

Recommendations & Next Steps

DEI's Community-at-Large Subcommittee looks forward to continuing to partner with the community to further analyze and determine action items to improve DEI in the City of El Segundo.

For prior reports, eight actionable items have been explored. The items are in various phases of completion.

	Item	Progress	Relevant Information
1.	Design and implement a community-wide survey to serve as a baseline and to prioritize DEI efforts	Complete	The community-wide survey launched in July 2022. We continue to work with the City to promote the survey and encourage more participation.
2.	Research and gather historical and current data, statistics and narratives/anecdotes.	Ongoing	
3.	Formalize a system and protocol for the flow of information when we are contacted. Implement and manage ways for community members to contact the DEI Committee (contact form, questions@ email address).	Complete	We worked with the City to set up a Let us know! online form for community members to contact us. As of the launch of the online form on July 29, 2021, we have received three contacts discussing a range of DEI topics including hate/bias incidents and personal DEI-related experiences.
4.	Offer face-to-face opportunities for dialogue, information-sharing and feedback from residents, organizations, and other community members	Ongoing	To date, the DEI Committee has hosted one panel discussion (featuring Aerospace), activities in honor of United Against Hate Week (2021 and 2022), as well as presence at the Farmer's Market.
5.	Identify and collaborate with partners (such as the Arts Council and ESUSD) as they relate to using the data and community feedback to inform and implement public education and awareness initiatives.	Ongoing	Examples of these efforts include a partnership with Arts Council on Festival of Holidays/Joy Around the World events and our committee's participation on the South Bay Community Coalition Against Hate.
6.	Explore opportunities to address the complete history of El Segundo.	In progress	This may include a panel featuring historians, a mural or historical walking tour, and proclamations acknowledging DEI and taking a stand against DEI-related injustice and hate.
7.	Distribute a regular communication to the city (newsletter, City Council meeting updates)	Initial planning	
8.	Maintain a calendar of events or cultural/historical months.	Initial planning	

Below is a summary of recommendations and next steps, in addition to the items presented in the chart above. Once approved, the DEI Committee will prioritize and add tasks/timing.

1. Support actions by City Council to promote healing, signal El Segundo's commitment to DEI, and acknowledge and take accountability for historic inequity, exclusion, racism and discrimination. This may include City proclamations, signage/statue/artwork (such as at the corner of Oak and Main), dedicated space in City Hall (or other similar space in the City) that highlights notable past and present diverse residents, or an update to the City's website recognizing El Segundo's problematic past and reinforcing the City's commitment to a better future.
2. Provide resources (such as online tools and training) and support interactive and/or in-person DEI training/education sessions for City Council, City staff, and the larger community, including sessions where participants can ask questions and have a safe space for respectful dialogue. Topics may include unconscious/implicit bias, bystander intervention, the meaning of DEI, microaggressions, and anti-harassment. These educational sessions can also be used to gather more community feedback.
3. Host City-sponsored, family-friendly events during Pride in June, in addition to a proclamation and lighting of the water tower and building and strengthening partnerships and collaboration with LGBTQIA organizations and school clubs. Host similar events for Juneteenth, Hispanic & Latinx American History Month, and other celebrations of historically underrepresented communities in El Segundo.
4. Create a citywide pledge similar to the "Open to All Campaign" so community organizations, businesses and others can show solidarity and their commitment to making El Segundo a more open, welcoming community. This campaign can be extended to residents who can show their commitment through posters, yard signs etc.
5. Create a network of "Community Liaisons" for the DEI Committee to consult regarding events and communications geared toward a particular demographic.
6. Work with the City and other partners to further promote the survey and gather data through community dialogue, awareness and education efforts, and other opportunities to build bridges and foster a culture of empathy and inclusion, especially for the many residents and community members who don't feel as safe or welcome as others.
7. Allocate City resources, such as a dedicated City team member with expertise and experience in DEI to implement DEI initiatives and recommendations approved by City Council and a clear budget for DEI initiatives.