



## AGENDA

### REGULAR MEETING OF THE MAYWOOD CITY COUNCIL AND THE SUCCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY

Maywood City Council Chambers  
4319 E. Slauson Avenue, Maywood, CA 90270  
Wednesday, October 23, 2019 at 7:00 p.m.

#### Rules of Decorum

*"Members of the Public are advised that all **ELECTRONIC DEVICES, CELLULAR TELEPHONES and any OTHER COMMUNICATION DEVICES** are to be turned off upon entering the City Council Chambers." If you need to have a discussion with someone in the audience, kindly step out into the lobby.*

#### Reglas de Comportamiento

*"Al público en general se le avisa que todos los **teléfonos celulares, pagers y demás aparatos de comunicación deben ser apagados** al entrar a la sala de audiencias del Consejo Municipal de la Ciudad." Si usted necesita tener una conversación con alguien que está en la audiencia, amablemente le pedimos que salga del recinto y tenga su conversación en el vestíbulo de la sala de audiencias.*

#### ROLL CALL:

Eduardo De La Riva, Mayor  
Ricardo Lara, Mayor Pro Tem  
Ramon Medina, Councilmember  
Carlos Alvarez, Councilmember  
Heber Marquez, Councilmember  
Gloria Viramontes, City Treasurer  
Gerardo Mayagoitia, City Clerk  
Jennifer Vasquez, City Manager  
David Mango, Director of Building and Planning  
Anthony Rainey, Interim Finance Director  
Roxanne Diaz, City Attorney

*In order to address the Council, please complete a Public Comment Card.  
No Public Comment Cards will be accepted after 7:15 p.m. Time allotted per speaker: 3 minutes.  
No agenda item may be taken after 9:00 p.m. without a motion to extend time by the majority of Council present.*

## **INVOCATION\* AND PLEDGE OF ALLEGIANCE**

*\*In permitting a nonsectarian invocation, the City does not intend to proselytize, advance, or disparage any faith or belief. Neither the City nor the City Council endorses any particular belief or form of invocation.*

## **COUNCIL MEMBERS' COMMENTS (3 MINUTES EACH)**

## **PUBLIC PARTICIPATION (Agenda Items Only)**

At this time speakers wishing to address the City Council on items on the agenda will be called upon in the order that the speaker card is received. The maximum time allotted for individuals to speak shall not exceed three (3) minutes.

## **PRESENTATION(S)**

LA County Sheriff's Report – A report regarding public safety in the community  
Presented by Sergeant Bearse

Eco-Rapid JPA Presentation by Shawn Ashton, Eco-Rapid Representative of City of Downey

## **PUBLIC HEARING**

Public Hearing to consider a resolution of the City Council of the City of Maywood establishing recurring administrative fees applicable to the renewal of commercial cannabis business licenses for businesses that cultivate, dispense, distribute and manufacture cannabis and cannabis containing products located within the City and for conducting criminal background checks for all owners, principals, managers, employees and volunteers who operate said businesses.

## **CONSENT CALENDAR**

*All matters listed under CONSENT CALENDAR are considered to be routine and can be acted on by one roll call vote. There will be no separate discussion of these items unless members of the City Council request specific items to be removed from the Consent Calendar for separate discussion or action.*

1. Minutes for 10/09/19 Council Meeting.
2. Minutes for 10/14/19 Special Council Meeting
3. Resolution of the City Council of the City of Maywood and Successor Agency to the Maywood Community Redevelopment Agency Approving Prepaid Warrants.
4. Consideration of approving a crossing guard agreement with American Guard Services, INC.

5. Consider the adoption of a resolution authorizing application submittal for and receipt of Senate Bill No. 2 Planning Grant Program Funds through the Department of Housing and Community Development.
6. Consideration of selecting December 2, 2019 as the date for the State of the City.
7. Consideration of partnering with the Tri-City Wildcats (Wildcats) to host a trunk or treat Community Event on October 30, 2019.
8. Consider a proposal submitted by HDL Companies to extend and modify the services included in an existing contract to provide cannabis business management services.
9. Second reading of Ordinance 19-06 amending the Maywood Zoning Ordinance to implement the City's Housing Element by establishing definitions, designating uses, and adopting local planning and approval requirements for senior and affordable housing, density bonuses, and emergency shelters.
10. Consideration of a contract with the Los Angeles County Department of Animal Control for services from July 1, 2019 to June 30, 2024.
11. Consideration of approving Letter of Intent (LOI) for an Investment Grade Audit (IGA) with ABM Building Solutions, LLC (ABM).

## **DISCUSSION/ACTION ITEMS**

### **CLOSED SESSION**

Conference with Legal Counsel, Anticipated Litigation-Initiation of Litigation, Government Code Section 54956.9(d)(4); Number of potential cases: 1

### **PUBLIC PARTICIPATION (Non-Agenda Items)**

At this time speakers wishing to address the City Council on an item not on the agenda will be called upon in the order that the speaker card is received. The maximum time allotted for individuals to speak shall not exceed three (3) minutes.

**ADJOURNMENT** - The next Regular Meeting of the Maywood City Council is on November 13, 2019.

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### **PUBLIC ACCESS TO CITY COUNCIL MEETING AGENDA AND AGENDA PACKETS**

I, Gerardo Mayagoitia, Gerardo Mayagoitia, City Clerk or Guillermo Padilla, Deputy City Clerk, hereby certify that this agenda was duly posted by law at 4319 E. Slauson Avenue, Maywood, CA 90270 and the City Website. Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the Maywood City Hall, 4319 E. Slauson Avenue, Maywood CA 90270. If you challenge in court any discussion or action taken concerning an item on this Agenda, you may be limited to rising only those issues you or someone else raised during the meeting or in written correspondence delivered to the City at or prior to the City's consideration of the item at the meeting. In compliance with the ADA, if you need special assistance for the meeting, call (323) 562-5714 within 72 hours prior to the meeting so the City can make reasonable arrangements to ensure accessibility.



AGENDA 1  
ITEM NO. \_\_\_\_\_

October 9, 2019

**MINUTES OF THE REGULAR MEETING  
OF THE MAYWOOD CITY COUNCIL HELD IN THE COUNCIL CHAMBERS,  
4319 EAST SLAUSON AVENUE, MAYWOOD, CALIFORNIA**

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Mayor opened the meeting at approximately 7:00 p.m.

**ROLL CALL:** Eduardo De La Riva, Mayor  
Ricardo Lara, Mayor Pro Tem  
Ramon Medina, Councilmember  
Carlos Alvarez, Councilmember  
Heber Marquez, Councilmember  
Gloria Viramontes, City Treasurer (Absent)  
City Clerk, Gerardo Mayagoitia (Absent)  
City Manager, Jennifer Vasquez  
Director of Building and Planning, David Mango  
Interim Director of Finance, Anthony Rainey  
City Attorney, Roxanne Diaz

**COUNCIL MEMBERS' COMMENTS (3 MINUTES EACH)**

**PUBLIC PARTICIPATION (Agenda Items Only)**

At this time speakers wishing to address the City Council on items on the agenda will be called upon in the order that the speaker card is received. The maximum time allotted for individuals to speak shall not exceed three (3) minutes.

The following spoke on Agenda Items only:

1. Maria Villatoro;
2. Barbara Castellanos.

**PRESENTATION(S)**

ABM presentation by Dominic Cardenas of ABM Solutions, LLC.

## **PUBLIC HEARING**

Public hearing to consider Ordinance 19-06 of the City of Maywood amending the Maywood Zoning Ordinance to implement the City's Housing Element by establishing definitions, designating uses, and adopting local planning and approval requirements for senior and affordable housing, density bonuses, and emergency shelters, and making a finding of exemption under the California Environmental Quality Act.

The following spoke on the Public Hearing:

1. Heather Wilson
2. Christina Gura
3. Maria Villatoro
4. Barbara Castellanos
5. Veronica Duran

**Motion to consider Ordinance 19-06 of the City of Maywood amending the Maywood Zoning Ordinance to implement the City's Housing Element by De La Riva. Second by Lara. AYES: Marquez, Lara, and De La Riva. NOES: Alvarez and Medina. PASSES**

## **CONSENT CALENDAR**

*All matters listed under CONSENT CALENDAR are considered to be routine and can be acted on by one roll call vote. There will be no separate discussion of these items unless members of the City Council request specific items to be removed from the Consent Calendar for separate discussion or action.*

1. Minutes for 09/25/19 Council Meeting. **Motion to approve by Lara. Second by Marquez. AYES: Marquez, Alvarez, Medina, Lara, and De La Riva. PASSES**
2. Resolution of the City Council of the City of Maywood and Successor Agency to the Maywood Community Redevelopment Agency Approving Prepaid Warrants. **Motion to approve by Lara. Second by Marquez. AYES: Marquez, Alvarez, Medina, Lara, and De La Riva. PASSES**
3. Revenue Report for September 2019. **Motion to approve by De La Riva. Second by Marquez. AYES: Marquez, Alvarez, Medina, Lara, and De La Riva. PASSES**
4. Consider the adoption of Resolution 6071 amending Resolution 6062 establishing city-wide policy regarding permitting requirements and development standards for wireless telecommunication facilities. **Motion to approve by Lara. Second by Marquez. AYES: Marquez, Alvarez, Medina, Lara, and De La Riva. PASSES**
5. Adopt a Resolution delegating authority to the City Manager and establishing policies and procedures to accept or reject donations or gifts. **Motion to approve by De La Riva. Second by Marquez. AYES: Marquez, Lara, and De La Riva. NOES: Alvarez and Medina. PASSES**

6. Proposed City Hall Closure December 23, 2019 – December 30, 2018. **Motion to approve by De La Riva. Second by Lara. AYES: Marquez, Alvarez, Lara, and De La Riva. NOES: Medina. PASSES**
7. Consideration of a resolution designating an all-way stop control at East 56th Street and Loma Vista Avenue. **Motion to approve by Lara. Second by Marquez. AYES: Marquez, Alvarez, Medina, Lara, and De La Riva. PASSES**
8. Consideration of a resolution amending the City's classification plan to add Administrative Analyst, Community Services Liaison and Public Works Lead Maintenance Worker. **Motion to approve by Lara. Second by Marquez. AYES: Marquez, Alvarez, Medina, Lara, and De La Riva. PASSES**

#### **DISCUSSION/ACTION ITEMS**

9. Review of City's Financial Statement Audit, Fiscal Year ended June 30, 2018. **Motion to Receive and File by De La Riva. Second by Alvarez. AYES: Marquez, Alvarez, Medina, Lara, and De La Riva. PASSES**

#### **CLOSED SESSION**

1. Conference with Legal Counsel, Anticipated Litigation-Initiation of Litigation, Government Code Section 54956.9(d)(4); Number of potential cases: 1 **No reportable action.**
2. Conference with Real Property Negotiators, Government Code Section 54956.8; 5600 Heliotrope Avenue, City of Maywood Negotiator: Jennifer Vasquez, City Manager; Negotiating Party: Felipe Velarde; Under Negotiation: Price and Terms of Payment. **No reportable action.**

#### **PUBLIC PARTICIPATION (Non-Agenda Items)**

At this time speakers wishing to address the City Council on an item not on the agenda will be called upon in the order that the speaker card is received. The maximum time allotted for individuals to speak shall not exceed three (3) minutes.

The following spoke on Non-Agenda Items:

1. Dominic Quintana
2. Veronica Duran;

**ADJOURNMENT** Meeting adjourned at approximately 9:30 p.m. on October 9, 2019 to October 23, 2019 at 7:00 pm for the regular meeting of the Maywood City Council.

A handwritten signature in blue ink, appearing to read 'Eduardo De La Riva', written over a horizontal line.

**Eduardo De La Riva, Mayor**

**ATTEST:**

A handwritten signature in blue ink, appearing to read 'Gerardo Mayagoitia', written over a horizontal line.

**Gerardo Mayagoitia, City Clerk**



AGENDA 2  
ITEM NO. \_\_\_\_\_

October 9, 2019

**MINUTES OF THE SPECIAL MEETING  
OF THE MAYWOOD CITY COUNCIL HELD IN THE COUNCIL CHAMBERS,  
4319 EAST SLAUSON AVENUE, MAYWOOD, CALIFORNIA**

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Mayor opened the meeting at approximately 7:00 p.m.

**ROLL CALL:**

Eduardo De La Riva, Mayor  
Ricardo Lara, Mayor Pro Tem  
Ramon Medina, Councilmember  
Carlos Alvarez, Councilmember  
Heber Marquez, Councilmember  
Gloria Viramontes, City Treasurer (Absent)  
City Clerk, Gerardo Mayagoitia (Absent)  
City Manager, Jennifer Vasquez  
Director of Building and Planning, David Mango (Absent)  
Interim Director of Finance, Anthony Rainey  
City Attorney, Roxanne Diaz

**COUNCIL MEMBERS' COMMENTS (3 MINUTES EACH)**

**PUBLIC PARTICIPATION (Agenda Items Only)**

At this time speakers wishing to address the City Council on items on the agenda will be called upon in the order that the speaker card is received. The maximum time allotted for individuals to speak shall not exceed three (3) minutes.

There were no Public Speakers on Agenda Items only.

**PRESENTATION(S)**

Sexual Harassment training by Rebecca Green of Richard Watson Gershon.

**PUBLIC HEARING**

## **CONSENT CALENDAR**

*All matters listed under CONSENT CALENDAR are considered to be routine and can be acted on by one roll call vote. There will be no separate discussion of these items unless members of the City Council request specific items to be removed from the Consent Calendar for separate discussion or action.*

## **DISCUSSION/ACTION ITEMS**

## **CLOSED SESSION**

1. Conference with Legal Counsel, Anticipated Litigation-Initiation of Litigation, Government Code Section 54956.9(d)(4); Number of potential cases: 1 **No reportable action.**

## **PUBLIC PARTICIPATION (Non-Agenda Items)**

At this time speakers wishing to address the City Council on an item not on the agenda will be called upon in the order that the speaker card is received. The maximum time allotted for individuals to speak shall not exceed three (3) minutes.

There were no Public Speakers on Non-Agenda Items only.

**ADJOURNMENT** Meeting adjourned at approximately 9:23 p.m. on October 14, 2019 to October 23, 2019 at 7:00 pm for the regular meeting of the Maywood City Council.



**Eduardo De La Riva, Mayor**

**ATTEST:**



**Gerardo Mayagoitia, City Clerk**

**COUNCIL AGENDA**

**ITEM No. 3**

**RESOLUTION NO. 6075**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
MAYWOOD AND SUCCESSOR AGENCY TO THE MAYWOOD COMMUNITY  
REDEVELOPMENT AGENCY APPROVING THE WARRANTS FOR PAYMENT**

**WHEREAS**, the following listed demands have been reviewed by the Interim Director of Finance, and

**WHEREAS**, the Interim Director of Finance has certified to the accuracy and availability of funds for payment thereof, and

**WHEREAS**, the register of audited demands is hereby submitted to the City Council of the City of Maywood and Successor Agency to the Maywood Community Redevelopment Agency for approval.

**NOW, THEREFORE, BE IT RESOLVED**, that the listed Warrants and Wire Transfers/Automated Clearing House (ACH) Transactions for \$576,903.38 are hereby ratified:

- Exhibit A – Summary of Warrants and Wire Transfers/ACH Transactions
- Exhibit B – Detail of Warrants
- Exhibit C – NOTES-Summary Warrants for Payment and Wire Transfers/ACH Transactions

**PASSED, APPROVED AND ADOPTED THIS 23rd day of October, 2019.**

  
Eduardo De La Riva, Mayor

**ATTEST:**

  
Gerardo Mayagoitia, City Clerk

**APPROVED AS TO FORM:**

  
Roxanne Diaz, City Attorney

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES  
CITY OF MAYWOOD

)  
)  
)

I, Gerardo Mayagoitia, City Clerk of the City Council of the City of Maywood, do hereby certify that foregoing Resolution No. 6075 was duly passed and adopted by the City Council of the City of Maywood, at a regular meeting of the City Council held on the 23rd of October, 2019 by the following roll call vote, to wit:

AYES: Marquez, Alvarez, Medina, Lara, De La Riva

NAYES:

ABSENT:

ABSTAINED:

  
Gerardo Mayagoitia, City Clerk

**City of Maywood**  
**Summary Warrants for Payment and Wire Transfers/ACH Transactions**  
**Council Meeting Date**  
**Wednesday, October 23, 2019**

|                                                                                       |           |                   |
|---------------------------------------------------------------------------------------|-----------|-------------------|
| <b>Accounts Payable</b>                                                               |           | <b>Amount</b>     |
| Accounts Payable prepaid warrants for payment: Checks No. 086518 - 086537             | \$        | 31,983.90         |
| Accounts Payable regular warrants for payment: Checks No. 086538 - 086553             | \$        | 507,056.60        |
|                                                                                       | Sub-total | \$ 539,040.50     |
| <b>Wire Transfers/ACH Transactions</b>                                                |           |                   |
| 10/04/19 Lease Payment for Front Counter Cash Registers - October 2019                | \$        | 129.57            |
| 10/04/19 CalPERS Health Premium and Admin Fee- October 2019                           | \$        | 25,552.23         |
| 10/08/19 California Joint Powers Insurance Authority (CJPIA) repayment plan agreement | \$        | 12,000.00         |
| 10/11/19 ADP Payroll Fees                                                             | \$        | 181.08            |
|                                                                                       | Sub-total | \$ 37,862.88      |
| <b>Total Demands</b>                                                                  | <b>\$</b> | <b>576,903.38</b> |

**City of Maywood**  
**Detail Warrants for Payment**  
**Warrants No. 086518 to 086553**

**EXHIBIT B**

| Check No. | Prepays | Date       | Vendor Name                                        | Check Amt | Transaction Description                                                                                                                   |
|-----------|---------|------------|----------------------------------------------------|-----------|-------------------------------------------------------------------------------------------------------------------------------------------|
| 086518    | P       | 10/14/2019 | Aladdin Lock Key Service                           | 556.65    | Repair City Hall Gate                                                                                                                     |
| 086519    | P       | 10/14/2019 | CSU Fullerton/C-REAL/CSUF Philanthropic Foundation | 5,000.00  | Scholarship Awards & Maywood Education Fair                                                                                               |
| 086520    | P       | 10/14/2019 | Calmex Graphics                                    | 85.41     | Business Cards: Accounting Specialist                                                                                                     |
| 086521    | P       | 10/14/2019 | CoreLogic Solutions, LLC.                          | 632.90    | Property Finder September 2019                                                                                                            |
| 086522    | P       | 10/14/2019 | Dave And Frank Automotive                          | 762.17    | City Fleet Vehicles: Mount and Balance tires                                                                                              |
| 086523    | P       | 10/14/2019 | Dewey Pest Control                                 | 92.00     | October 2019 Pest Control City Hall                                                                                                       |
| 086524    | P       | 10/14/2019 | Dove Communications Inc                            | 100.00    | Labor-Voice Remote Programming                                                                                                            |
| 086525    | P       | 10/14/2019 | Los Angeles Regional Food Bank                     | 450.00    | Mobile Food Pantry January 2019<br>Mobile Food Pantry July 2018<br>Mobile Food Pantry September 2019                                      |
| 086526    | P       | 10/14/2019 | Mapcon Technologies, Inc.                          | 83.00     | Mapcon Building & Planning Software                                                                                                       |
| 086527    | P       | 10/14/2019 | Maywood Mutual Water No.3                          | 2,093.00  | 5000 Slauson Avenue 09-01-2019 to 09-30-2019<br>5950 Walker Avenue 09-01-2019 to 09-30-2019                                               |
| 086528    | P       | 10/14/2019 | OnTrac                                             | 21.53     | Document Shipping/Delivery Service: Building & Planning                                                                                   |
| 086529    | P       | 10/14/2019 | Postmaster                                         | 235.00    | Renewal Annual Fees Permit (Newsletter Bulk Mail)                                                                                         |
| 086530    | P       | 10/14/2019 | Preferred Benefit Insurance Administrators, Inc.   | 2,294.30  | Dental & Vision Insurance: October 2019                                                                                                   |
| 086531    | P       | 10/14/2019 | QDoxs                                              | 83.70     | Copier Base Charge: 10/01/2019 - 10/31/2019                                                                                               |
| 086532    | P       | 10/14/2019 | Southern California Edison                         | 17,795.53 | Various Locations 08-23-2019 to 09-24-2019                                                                                                |
| 086533    | P       | 10/14/2019 | The Gas Company                                    | 57.59     | 4317 Slauson Ave. (09-06-2019 - 10-07-2019)<br>4319 Slauson Ave. (09-06-2019 - 10-07-2019)<br>4323 Slauson Ave. (09-06-2019 - 10-07-2019) |
| 086534    | P       | 10/14/2019 | Time Warner Cable                                  | 628.96    | Internet & Phone Service: October 2019                                                                                                    |
| 086535    | P       | 10/14/2019 | Vernon, City of                                    | 133.37    | Slauson & Downey 07-30-2019 to 08-28-2019                                                                                                 |
| 086536    | P       | 10/14/2019 | Xerox                                              | 503.39    | September 2019 Base Charge and Printing Fee                                                                                               |
| 086537    | P       | 10/14/2019 | Xerox Financial Services                           | 375.40    | Copier Lease: 09-15-2019 - 10-14-2019                                                                                                     |
| 086538    |         | 10/14/2019 | Robert Half Company International / Accountemps    | 852.50    | Temp Labor: Administrative Assistant                                                                                                      |
| 086539    |         | 10/14/2019 | Bremer, Whyte, Brown & O'Meara, LLP                | 4,185.00  | Legal Services September 2019                                                                                                             |

**City of Maywood**  
**Detail Warrants for Payment**  
**Warrants No. 086518 to 086553**

| Check No.     | Prepays | Date       | Vendor Name                                             | Check Amt           | Transaction Description                                    |
|---------------|---------|------------|---------------------------------------------------------|---------------------|------------------------------------------------------------|
| 086540        |         | 10/14/2019 | California Consulting, Inc.                             | 3,000.00            | Grant Writing Services October 2019                        |
| 086541        |         | 10/14/2019 | Carpenter Rothan & Dumont LLP                           | 6,956.62            | Legal Services August 2019                                 |
| 086542        |         | 10/14/2019 | Daily Journal Corporation                               | 13,449.70           | Publication of Official Notices                            |
| 086543        |         | 10/14/2019 | Graffiti Protective Coatings                            | 16,263.20           | September 2019 Bus Shelter Maintenance                     |
| 086544        |         | 10/14/2019 | Hinderliter, de Llamas & Assoc.                         | 10,000.00           | CityWide Graffiti Removal August 2019                      |
| 086545        |         | 10/14/2019 | Jani-King of California, Inc. Los Angeles/Colton Region | 2,162.29            | Cannabis Management Program                                |
| 086546        |         | 10/14/2019 | JCL Traffic Services                                    | 2,300.05            | Park Custodial September 2019                              |
| 086547        |         | 10/14/2019 | Municipal Code Corporation                              | 900.00              | 15 Stop Signs with hardware                                |
| 086548        |         | 10/14/2019 | MunieTemps - Municipal Staffing                         | 7,920.00            | Annual Internet Municipal Code Renewal 10/01/19 - 09/30/20 |
| 086549        |         | 10/14/2019 | Sheriff's Department                                    | 385,742.05          | Temp Labor: Interim Finance Director                       |
| 086550        |         | 10/14/2019 | Staples Business Advantage                              | 750.19              | Public Safety Services - August 2019                       |
| 086551        |         | 10/14/2019 | Van Lant & Fankhanel, LLP                               | 34,485.00           | Office Supplies                                            |
| 086552        |         | 10/14/2019 | Veronica Tam & Associates                               | 16,840.00           | City's 2017-2018 Rendered Annual Audit Services            |
| 086553        |         | 10/14/2019 | West Coast Arborists, Inc.                              | 1,250.00            | Housing Element Scope/Schedule/Reports/Zoning              |
| <b>TOTAL:</b> |         |            |                                                         | <b>\$539,040.50</b> | Tree Stump Removal Randolph Street                         |

**NOTES – Summary Warrants for Payment and Wire Transfers/ACH Transactions**

- I. **Accounts Payable** – This is depicted on:
  - A. The first section of **EXHIBIT A Summary Warrants for Payment and Wire Transfers/ACH Transactions** for Checks 086518 through 086537 – designated with a “P” for “Prepays” on **EXHIBIT B, Detail Warrants for Payment** totaling \$31,983.90.
  - B. The first section of **EXHIBIT A Summary Warrants for Payment and Wire Transfers/ACH Transactions** for Checks 086538 through 086553 on **EXHIBIT B, Detail Warrants for Payment** totaling \$507,056.60. **EXHIBIT B** portrays the respective dates, vendor names, check amounts, and a brief transaction description of each “warrant” by its respective check number.
- II. **Wire Transfers/Automated Clearing House (ACH) Transactions** – This is depicted on:
  - A. Within the second section of **EXHIBIT A 10/04/19 Summary Warrants for Payment and Wire Transfers/ACH Transactions** for **Lease Payment for Front Counter Registers –October 2019** totaling \$129.57. This is the City’s payment to the lease the Point of Sale equipment for the front counter registers.
  - B. Within the second section of **EXHIBIT A 10/04/19 Summary Warrants for Payment and Wire Transfers/ACH Transactions** for **CalPERS Health Premium and Administrative Fee –October 2019** totaling \$25,552.23. This is the City’s contributions to the California Public Employees’ Retirement System (CalPERS) for health premiums (health insurance) for Active and Retired City employees including the CalPERS administrative fee.
  - C. Within the second section of **EXHIBIT A 10/08/19 Summary Warrants for Payment and Wire Transfers/ACH Transactions** for **California Joint Powers Insurance Authority (CJPIA) repayment plan agreement** totaling \$12,000.00. This is the City’s retrospective deposit payment to be applied to the outstanding liability program balance.
  - D. Within the second section of **EXHIBIT A 10/11/19 Summary Warrants for Payment and Wire Transfers/ACH Transactions** for **ADP (Automatic Data Processing Inc.) Payroll Fees** totaling \$181.08. This is the City’s payment for payroll processing services.



## COUNCIL AGENDA

ITEM No. 4

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### CITY COUNCIL STAFF REPORT

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**DATE:** OCTOBER 23, 2019

**TO:** HONORABLE MAYOR, AND MEMBERS OF THE CITY COUNCIL

**FROM:** JENNIFER E. VASQUEZ, CITY MANAGER

**RE:** **CONSIDERATION OF APPROVING A CROSSING GUARD AGREEMENT WITH AMERICAN GUARD SERVICES, INC.**

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#### **RECOMMENDATION**

Staff recommends that the City Council approve the attached agreement with American Guard Services (AGS), in the form approved by the City Attorney, appropriate \$19,200 from the Gas Tax available fund balance and find that waiver of the bidding requirements is in the best interests of the City.

#### **FISCAL IMPACT**

Currently, \$61,800 is budgeted in the Gas Tax fund for crossing guard services.

The previous year's hourly rate was \$16.11 per hour; the new hourly rate is \$19.11 per hour. This \$3.00 an hour minimum wage was not included in the budget; therefore if the Council accepts the increase and the attached agreement an additional \$19,200 will need to be appropriated from the Gas Tax available fund balance to cover this increase. After the proposed increase the new Gas Tax available fund balance will be \$155,400.

#### **LEGAL REVIEW**

City Attorney has reviewed this report.

## **BACKGROUND**

The City has used AGS since October 2011. They are currently providing seven (7) crossing guards; servicing Nueva Vista Elementary, Loma Vista Elementary, Heliotrope Elementary, Fishburn Elementary and Maywood Elementary.

The City has funded crossing guard services for Los Angeles Unified School District (LAUSD) at the various sites listed above to promote safety on streets near designated elementary schools throughout Maywood. Crossing guard services are complemented by a comprehensive series of traffic measures designed to promote school area pedestrian safety. Measures used to address safety include warning signs and street markings, variable speed limit signs, stop signs, parking controls and curb-use zones. Crossing guard locations are selected based on factors such as volume of traffic and pedestrians at times when children are coming to and from designated school sites.

## **DISCUSSION**

Initially in 2011, the City contracted with AGS for personnel at five (5) locations. Since that time the City added personnel at Maywood Elementary and an additional crossing guard at Loma Vista Elementary.

At this time the City has budgeted for coverage at seven (7) locations as explained above.

AGS has implemented a \$3 per hour wage increase due to mandates set forth by the City of Los Angeles and County of Los Angeles. Furthermore, AGS has explained that because both entities adopted minimum wage ordinances they had to implement the wage increases. The increase allows AGS to offer a fair, competitive wage and will assist with retention of their guards.

As part of Staff's review of existing agreements, staff desires to continue services with AGS for the upcoming year. Staff will also draft a Request for Proposals to go out to bid for crossing guard services as required both by our municipal code and best practices.

In the meantime, it is important that these services continue for the safety and welfare of the students. Under the City's Municipal Code, an award of a professional service contract that would exceed thirty thousand dollars can be awarded by the City Council pursuant to either formal or informal bidding procedure (Section 3-4.08). Any award is to be based on the contractor who will best serve the interests of the City, taking into account demonstrated competence, professional qualifications and suitability for the project in general (Section 3-4.08(e)). Notwithstanding, Section 3-4.13 lists the exceptions to competitive bidding and paragraph (e) provides that the purchasing officer (the

Chief Administrative Officer aka City Manager) can determine that it is in the best interest of the City and its administrative operations to dispense with bidding. In this case, this finding can be made as the City has an immediate need to continue the cross guard services for the welfare and safety of the students and their family. The Municipal Code requires that the City Council concur that the waiver of the bidding requirements is in the best interests of the City by a four-fifths vote.

### **ATTACHMENTS**

- 1) AGS Crossing Guard Agreement

**ATTACHMENT NO. 1**



# AMERICAN GUARD SERVICES, INC.

1125 W 190<sup>th</sup> St  
Los Angeles, CA 90248  
Phone: (310) 645-6200  
CA State License No. PPO 12969

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## CROSSING GUARD AGREEMENT

This Agreement made on October 16<sup>th</sup>, 2019 by and between **American Guard Services, Inc. ("AGS")** and **City of Maywood**, its partners, affiliates, divisions, subsidiaries, agents or consultants ("Client").

Together, AGS and Client may be referred to as Party or Parties herein.

### THE PARTIES AGREE AS FOLLOWS:

1. LOCATION: Client requests that AGS furnish Client AGS's Crossing Guard and related equipment at Client's premises as set forth on Exhibit A ("Premises").

2. POST ORDERS/SCOPE OF SERVICES:

2.1 Post Orders. The services to be rendered under this Agreement by AGS shall be in conformity with written operating procedures ("Post Orders") mutually agreed upon by Client and AGS as attached hereto as Exhibit B. Post Orders are subject to change as required by Client and must be communicated to AGS in writing and consistent with the notices provision of this Agreement contained in Section 8.8.

2.2 Out of Scope. If, at the request of Client, Crossing Guards are assigned duties other than those agreed to by AGS in the Post Orders, Client shall assume any and all liability arising there from. AGS has the right to remove from service, any officer who, in AGS's opinion, is not qualified to perform the work assigned.

2.3 Hours. See Schedule of Coverage attached hereto as Exhibit C.

3. PERSONNEL:

3.1 Authorization to Enter Premises. Client authorizes and empowers AGS's personnel, including but not limited to Crossing Guards, to enter onto and into the Premises for the purpose of rendering services pursuant to this Agreement and all other purposes and activities reasonably related thereto. Client warrants and represents that it is in legal possession of the Premises, or that it is duly authorized to enter into this Agreement and make the authorization set forth in this paragraph, on behalf of the person or entity in legal possession of the premises.

3.2 Independent Contractor. It is understood and agreed that AGS in performing Services described in this Agreement shall be considered at all times and in every manner an independent contractor with Client. Nothing in this Agreement, expressed or implied, is intended or shall be construed to create a joint venture, partnership or other business relationship between the parties other than the contractual terms contained in this Agreement. All Crossing Guards and other personnel of AGS are the employees or



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agents solely of AGS, and not the Client. AGS reserves the right to hire, suspend, discipline or discharge any and all of its Crossing Guards and other personnel. If Client is dissatisfied with the services of a particular Crossing Guards and if Client notifies AGS, in writing, of its dissatisfaction, then so long as such dissatisfaction is reasonable, AGS shall replace such Crossing Guards with another Crossing Guards upon receipt of such request. AGS is acting solely as an independent contractor

- 3.3 Non-Circumvention. Unless otherwise agreed to by the Parties, Client agrees not to knowingly employ, directly or indirectly, any person who has been employed by AGS within one hundred and eighty (180) days following the last day AGS employed such person. In the event Client breaches this provision, then in addition to any and all other remedies to which AGS is entitled, Client agrees to pay AGS forthwith the sum of Five Thousand Dollars (\$5,000.00) per person to cover AGS recruitment, screening and training costs.

#### 4. UNIFORMS:

- 4.1 Unless otherwise requested by Client, Client understands that Crossing Guards shall be equipped with conventional crossing guards' uniforms or other appropriate attire. The rates and charges as set forth under "Rates" are based upon crossing guards being equipped with conventional wearing apparel.
- 4.2 Uniforms and apparel are not designed as protective clothing, are not flame retardant or acid resistant, and do not provide barrier protection for chemicals or other hazardous materials.

#### 5. BILLING, TERMS AND RATES:

- 5.1 Schedule of Charges & Billing Rates. The number of Crossing Guards, the times at which Crossing Guards shall render services to Client, the equipment to be furnished by and the rates and amount to be paid by Client for such services and equipment are set forth in the Schedule of Charges for crossing guard Services and Equipment which is set forth on **Exhibit D**. AGS is providing such services and equipment subject to all of the terms and conditions hereof
- 5.2 Billing. AGS will render invoices to Client on a weekly basis. Invoices will be dated by AGS the last day of each billing period and are due and payable in full, without offset or deduction, by Client upon receipt. Client shall make all payments via ACH as set forth in **Exhibit E**. All amounts not paid within thirty (30) days of the date of invoice will be deemed overdue and will bear a late fee of 1.5% per month but in any event, no greater than the maximum percentage allowed by law.
- 5.3 Notice. Client hereto agrees that AGS shall have the right to increase the hourly rates provided for herein at any time or times after the expiration or one (1) year from the date



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hereof, upon giving Client written notice thirty (30) days in advance of the effective date of such increase. If Client desires not to pay such increased charge, Client must notify AGS in writing ten (10) days prior to the effective date of any such increase. Failure by Client to give AGS such notice shall be deemed agreed to by Client to the increased rates.

- 5.4 Legislative Changes. Notwithstanding anything to the contrary herein, in the event the labor cost of AGS are increased by virtue of any increase in local, state or federal minimum wage rates, other government act, including but not limited to, Federal or state mandated health care, regulation, or taxes, AGS may increase its rates to reflect such increase. Any such increase would go into effect one full billing cycle after Client's receipt of written notification of the increase. In addition, upon mutual agreement by the parties the rates may be reasonably increased in the event of any strike or emergency conditions which render the services more difficult to provide. In the event of any such increase, Client may, at Client's option, immediately terminate this agreement.
- 5.5 Additional Crossing Guards. Should AGS and/or Client, at any time reasonably determine that additional Crossing Guards are required to properly and adequately perform said Services and Client, AGS, or anyone of its authorized Clients agree with said determination for additional Services, Client shall pay for such additional Services according to the rate as set forth herein or as otherwise determined by the Parties. In the event that AGS requests additional Agents and Client refuses such request, Client shall hold harmless and defend AGS from any lawsuit, claims, or injuries that arise out of or allegedly result from the lack of additional Crossing Guards.
- 5.6 Strike Coverage. Due to the nature of labor disputes, this contract does not provide Crossing Guard Coverage for strikes. Should the need arise to provide Client with strike coverage, a separate contract and pricing must be negotiated.
6. PROPERTY: Client acknowledges and agrees that this Agreement is for the providing of services only, that all equipment furnished by AGS pursuant to this Agreement shall be for the use of AGS's personnel, that title and possession of such equipment shall remain in AGS at all times, and that the personnel of AGS may enter onto and into the Premises at any time for the purpose of removing any or all such equipment. Removal of any or all such equipment shall be without prejudice to the rights of AGS to the collection of all amounts due under this Agreement.
7. LIMITS OF LIABILITY: Client acknowledges that AGS is not an insurer, and that the crossing guard services provided hereby do not constitute maximum security. The security services are intended to act only as a deterrent and to provide only a degree of security to carry out the written operating procedures or Post Orders. The amounts payable to AGS under this Agreement are not based upon the value of the Client's property, nor the property of others located in or about Client's premises. The services provided under this Agreement are solely for the benefit of Client and neither this Agreement nor any services rendered hereunder shall create or be deemed to create any rights in any other party as a third-party



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beneficiary Client agrees to indemnify, defend, and hold AGS harmless against any and all claims by such third parties. AGS shall not be liable for any claim, demand or liability resulting in whole or part from any negligent act or will fill misconduct of Client, or any of Client's employees, officers, directors or representatives. Client acknowledges and agrees that the duty to defend is distinct and separate from the indemnity obligation. AGS shall maintain Workers' Compensation Insurance covering its Crossing guards and other personnel engaged in the furnishing of services under this Agreement. In addition, AGS shall maintain for its own protection Comprehensive General Liability and Automobile coverage.

8. TERMINATION AND RIGHTS: If Client shall fail to pay any amount hereunder within thirty (30) days after the same is due and payable, or if Client shall fail to substantially perform any other provision hereof within ten (10) business days after AGS shall have requested in writing the performance thereof, or if any proceeding in bankruptcy, receivership of insolvency shall be commenced by or against Client or Client's property, or if Client makes any assignment for the benefit of creditors, AGS shall have the right, without prior notice to Client, immediately to terminate this Agreement and cease rendering all services to Client hereunder, and AGS shall be entitled to recover the existing amount due from Client and all other sums to which AGS may be entitled under law, and shall be entitled to remove from the Premises all equipment furnished by AGS located or installed thereon. Removal of any such equipment or the cessation of any such services supplied by AGS shall not be a breach by AGS of this Agreement or a waiver by AGS of any damages or rights.
9. MISCELLANEOUS:
  - 9.1 Client agrees to pay AGS the reasonable costs incurred by AGS in collection of any amounts owed by Client, or in enforcing any other rights of AGS hereunder, including, in the event AGS institutes legal proceedings to collect such 31110tUltS or enforce such rights, reasonable attorney's fees and disbursement incurred in such proceedings.
  - 9.2 AGS assumes no liability for delay or interruption of the services of any personnel of AGS due to strikes, riots, floods, fires, acts of the public enemy, terrorism, and any other unforeseeable cause beyond the control of AGS, or any act of God or matter of force majeure.
  - 9.3 This Agreement shall be governed by, and its terms construed in accordance with, the laws of the State of California. Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall first be submitted to mandatory mediation with a mutually agreed mediator. If the parties are unsuccessful in mediation, the matter shall be settled at arbitration in accordance with the JAMS Arbitration Rules, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Such arbitration shall take place at JAMS in Los Angeles, California. Any party hereto may obtain any provisional remedy, including but not limited to an attachment in any court of competent jurisdiction, without waiving the right to arbitration.
  - 9.4 In the event any of the terms or provisions of this Agreement shall be invalid or inoperative, all of the remaining terms and provisions shall remain in full force and effect.



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- 9.5 This Agreement is intended by the parties as a final expression of their agreement and is a complete and exclusive statement of the terms thereof. This Agreement supersedes all prior representations, understandings, and agreements of the Parties and the Parties rely upon the contents of this Agreement in executing it. This Agreement can only be modified by an agreement signed by the parties. No waiver of a breach of any term(s) or condition(s) of this Agreement shall be construed to be a waiver of any succeeding breach of any other term or condition of this Agreement. The Parties agree that each Party and such Party's counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement or any amendment hereto or thereto or exhibits herein or therein.
- 9.6 This Agreement contains no implied terms. Nothing herein shall be deemed to be for the benefit of any person, party, or entity not a party hereto.
- 9.7 The section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.
- 9.8 Any notices, demands, or other communications required or desired to be given hereunder by any party hereto shall be in writing and shall be deemed to have been given if delivered personally, delivered by a reputable overnight courier, or sent by registered or certified mail with return receipt requested (deposited in postage prepaid) to the party at the address set forth at end of this Agreement (unless and until a party shall give notice of change of address and such new address shall be the place to which notices, demands, or other communications can be delivered or mailed).
- 9.9 American Guard Services, Inc. is an Equal Opportunity Employer and provides a drug-free workplace. All Clients are expected to comply with the regulations that pertain to both.



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**IN WITNESS WHEREOF**, The Parties have caused this Agreement to be executed on its behalf by its duly authorized agent as of the day and year indicated below.

CITY OF MAYWOOD

Client's Address

Authorized Signature

-----  
Signer's Name (Typed or Printed)

-----  
Operations Manager

-----  
Date

AMERICAN GUARD SERVICES, INC  
CA State Lic. #PPO-12969

1125 W 190<sup>th</sup> St.  
Los Angeles, CA 90248

Authorized Signature

-----  
Signer's Name (Typed or Printed)

Adolfo Avendano  
Operations Manager

-----  
Date



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### EXHIBIT A (Locations)

#### **MAYWOOD SCHOOL District #15002**

1. Nueva Vista Elementary
2. Loma Vista Elementary
3. Loma Vista Elementary
4. Loma Vista Elementary
5. Heliotrope Ave Elementary
6. Fishburn Elementary

#### **CITY OF MAYWOOD District #11588**

1. Maywood Elementary



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### **EXHIBIT B (Post Orders)**

**TBD**



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### EXHIBIT C (Schedule of Coverage)

#### MAYWOOD SCHOOL DISTRICT #15002

1. Nueva Vista Elementary (323-562-3015); (Randolph / Pine)  
*Maria Salazar MS-8003* (323-560-4962) REG. 3HRS 15 HRS.  
M, T, W, TH, F 06:45-08:15am and 1:45-3:15PM Tues early outs 12:45- 3:15PM
2. Loma Vista Elementary (323-562-6153) (Loma Vista / 58th)  
*Reyna Silva RS-7811* (323-351-9585) REG. 3HRS 15 HRS.  
M, T, W, TH, F 07:00-08:30AM and 1:45-3:15PM Tues early outs 12:45- 3:15PM
3. Loma Vista Elementary (323-582-6153) (Loma Vista/57th)  
*Elena Velez EV-1125* (323-963-1357) REG. 3HRS 15 HRS.  
M, T, W, TH, F 07:00-08:30AM and 1:45- 3:15PM Tues early outs 12:45- 3:15PM
4. Loma Vista Elementary (323-582-6153) (Slauson/ Loma Vista)  
*Garbiela Vazquez GV-7989* (323-283-4478) REG. 3HRS 15 HRS.  
M, T, W, TH, F 07:00-08:30AM and 1:45- 3:15PM Tues early outs 12:45- 3:15PM
5. Heliotrope Ave Elementary (323-560-1230) (Slauson/ Heliotrope)  
**OPEN POST ()** REG. 3HRS 15 HRS.  
M, T, W, TH, F 07:00-08:15AM and 1:45- 3:15PM
6. Fishburn Elementary (323-560-0878) (Slauson / Fishburn)  
*Edelmira Ruelas ER-6960* (323-840-9325) REG. 3HRS 15 HRS.  
M, T, W, TH, F 07:00-08:30AM and 13:45-15:15PM

**Total: 90 hours per week**



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### **CITY OF MAYWOOD #11588**

1. Maywood Elementary (323-890-2440) (Slauson / Fishburn)

*Harvey Leveston HL-5961* (310-213-0139) REG. 3HRS 15 HRS.

M, T, W, TH, F 6:45AM-08:15AM and 1:45- 3:15PM Tues early outs 12:45- 3:15PM

**Total: 15 hours a week**



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### EXHIBIT D (Schedule of Charges for Crossing Guard Services and Equipment)

| Position       | Bill Rate |
|----------------|-----------|
| Crossing Guard | \$19.11   |

Equipment Billing. Client also acknowledges and agrees that this Agreement is for the providing of services only and that all equipment furnished by AGS pursuant to this Agreement shall be for the use of AGS's personnel, that title and possession of such equipment shall remain in AGS at all times, and agrees to pay AGS the following rates for equipment listed:

N/A

Overtime. The Overtime rate is for each hour of service rendered by each Crossing Guards in excess of eight (8) hours on any single shift within a twenty-four (24) hour period or in excess of forty (40) hours in any single week For each crossing guard who is required to appear in court or at a deposition as a witness as a result of an occurrence at Client's facility, AGS shall bill Client at the Overtime rate for the amount of hours the Crossing Guard is required to be present in court, plus parking charges and travel time to and from court.

Holiday Rate. The Holiday rate is for services by each Crossing Guards on any of the following holidays:

|                |               |
|----------------|---------------|
| New Year's     | Labor Day     |
| Day Presidents | Veterans Day  |
| Day Memorial   | Thanksgiving  |
| Day            | Day Christmas |
| Independence   | Day           |
| Day            |               |

Additional Service. AGS, at its option, may accommodate requests for additional service. Any additional service must be requested at least seventy-two (72) hours prior to start time. Failure to give adequate notice (72 hours) will result in service being billed at overtime rates. All additional services rendered will be billed at a four (4) hour minimum regardless of notice.



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Notice. If Client takes exception to any services performed hereunder or claims that AGS has failed to perform any services or with any invoice, such exception or claim must be submitted in writing to AGS within five (5) business days of the invoice or date of services rendered as applicable, or the services in question shall be deemed accepted by Client.

Reasonable Expenses. Client shall reimburse for all reasonable expenses and the mileage cost traveled by guards for each mile beyond the Location and/or Post Order zone at the IRS mandated rate.



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### EXHIBIT E (Client ACH Information)

Client Name: -----

Banking Institution: -----

Bank Address: -----

Account Type: -----

Bank Routing Number: -----

Account Number: -----

Copy of Voided Check: ☐ Yes



## COUNCIL AGENDA

ITEM No. 5

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### CITY COUNCIL STAFF REPORT

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**DATE:** OCTOBER 23, 2019

**TO:** HONORABLE MAYOR, AND MEMBERS OF THE CITY COUNCIL

**FROM:** JENNIFER E. VASQUEZ, CITY MANAGER

**BY:** DAVID MANGO, DIRECTOR OF BUILDING AND PLANNING

**RE:** CONSIDER THE ADOPTION OF A RESOLUTION AUTHORIZING APPLICATION SUBMITTAL FOR AND RECEIPT OF SENATE BILL NO. 2 PLANNING GRANT PROGRAM FUNDS THROUGH THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

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#### **RECOMMENDATION**

Staff recommends that the City Council considers adopting the proposed Resolution enabling the City to apply for \$160,000 in non-matching, noncompetitive SB 2 Planning Grants Program ("PGP") funds through the State Department of Housing and Community Development. These grant funds are to be used in the preparation of environmental documents and planning processes to streamline housing approvals and accelerate housing production.

#### **FISCAL IMPACT**

There is no fiscal impact associated with the Adoption of this Resolution.

#### **LEGAL REVIEW**

The City Attorney has reviewed this report.

## **BACKGROUND**

Senate Bill No. 2 (SB 2), the Atkins, Building Homes and Jobs Act, made legislative findings and declarations to establish a permanent, ongoing source of funding to support the production of affordable housing.

The California Department of Housing and Community Development (HCD) released a Notice of Funding Availability (NOFA) on March 28, 2019, identifying the amount of \$123 million available to local governments under the SB 2 Planning Grants Program (PGP). Funding for each locality is based on population estimates published by the Department of Finance. The City of Maywood is defined as a small size locality, with a population up to 60,000 people, thus the maximum award the City can receive is \$160,000.

To be eligible for a planning grant, the City's proposed projects must demonstrate a nexus to housing production acceleration or meet the State's proposed Priority Policy Area (PPA) categories. Applications proposing a project that falls into one of the PPA categories are looked upon favorably; the project is automatically deemed as one that would accelerate housing production, and one that does not need to demonstrate further benefits or provide further documentation in the application. As defined by HCD, PPAs feature one of the following zoning, design, and policy characteristics:

- Rezone to permit housing by-right
- Objective design and development standards
- Specific plans or form-based codes coupled with CEQA streamlining
- Accessory dwelling units (ADU) or other low-cost building strategies
- Expedited processing
- Housing related infrastructure financing and fee reduction strategies

As part of the grant application process, HCD requires that the City Council adopt a resolution authorizing application for, and receipt of, PGP funds.

## **DISCUSSION**

The purpose of this grant is to receive technical assistance planning grant funds intended for the preparation, adoption, and implementation of plans that streamline housing approvals and lead to the acceleration of housing production. Staff proposes the following SB 2 funded Projects:

### **Project 1: Accessory Dwelling Unit (ADU) Resources | Estimate Budget \$60,000**

The R-3 (residential) zoning designation makes up nearly 60% of all developable land in the City and it allows for single-family development by right. Parcels developed with single-family homes can provide opportunities to produce housing units through ADUs. Accessory dwelling units can be affordable to

construct and provide flexible housing options for homeowners to share independent living area with family members, allow seniors to age in place, or provide an extra source of income for the homeowner. ADUs also provide a legal avenue for homeowners to replace non-permitted and generally substandard garage-conversion type dwellings.

Currently the City has not adopted a local ADU ordinance and in accordance with State law, the City complies with state standards specified in California Government Code section 65852.2. Although there have been numerous inquiries, ADU construction has not been very productive. Since the State ADU law went into effect on January 1, 2017, only four ADUs have been constructed in the City of Maywood.

The City will facilitate ADU production through the development of useful guides, prototypes, and resources that equip homeowners undertaking construction of an ADU and expedite the permitting process. The City will produce or update resources, such as: create a website for property owners, develop a submittal checklist across all City departments, provide a project calculator, work with stakeholders and develop pre-approved construction details and if feasible with allocated grant funding, prototypes of architectural designs that property owners may apply toward ADU construction.

**Project 2: Objective Design and Development Standards for SB 35 and HAA  
| Estimated Project Cost \$50,000**

The 2017 Housing Bills, including SB 35 and as well as revisions to the Housing Accountability Act, allow certain projects that meet affordability requirements and objective standards to be eligible for a streamlined review process within 90 days or 180 days, while also meeting other statutory requirements. Such projects can only be subject to a ministerial review process, unlike the discretionary review process typical for planning permits. Therefore, projects can only be reduced or denied based on "objective standards" or a specific adverse effect on health and safety.

Currently, the City of Maywood Zoning Code contains subjective standards and guidelines. The City must identify and revise subjective guidelines into objective standards to have these standards apply to qualifying ministerial projects. The City will identify and prioritize which subjective guidelines need to be modified to serve as objective standards for housing projects. In addition, the City will propose modifications to findings and standards set forth in the zoning code update and lastly clarify the SB 35 application process for applications through the preparation of forms and submittal requirements. Proposed changes to the zoning ordinance will be reviewed by the Planning Commission, prior to City Council review and adoption.

**Project #3: CEQA Clearance for Housing Approval | Estimated Project Cost  
\$50,000**

The City of Maywood has two adjacent properties identified for infill housing at Cudahy Avenue and District Blvd. To help facilitate housing, conducting CEQA clearance would assist in expediting the review and permitting of housing on the properties. A Mitigated Negative Declaration document would be the level of environmental documentation needed for the future residential development.

### **Application Details**

Upon City Council adoption of the proposed Resolution, staff will proceed with the application for the SB 2 funds. Grant funds must be expended by June 30, 2022, and will be awarded to jurisdictions that submit applications prior to the deadline in November, 2019. Funding will be disbursed upon the completion of the application.

### **ATTACHMENT(S)**

1. Proposed Resolution
2. SB 2 (2019) NOFA

**ATTACHMENT NO. 1**

**RESOLUTION NO. 6077**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MAYWOOD  
AUTHORIZING APPLICATION SUBMITTAL FOR AND RECEIPT OF SENATE BILL  
NO. 2 PLANNING GRANT PROGRAM FUNDS THROUGH THE DEPARTMENT OF  
HOUSING AND COMMUNITY DEVELOPMENT**

**WHEREAS**, the State of California, Department of Housing and Community Development (Department) has issued a Notice of Funding Availability (NOFA) dated March 29, 2019, for its Planning Grants Program (PGP); and

**WHEREAS**, the City Council of the City of Maywood desires to submit a project application for the PGP program to accelerate the production of housing and will submit a 2019 PGP grant application as described in the Planning Grants Program NOFA and SB 2 Planning Grants Program Guidelines released by the Department for the PGP Program; and

**WHEREAS**, the Department is authorized to provide up to \$1.2 million under the SB 2 Planning Grants Program from the Building Homes and Jobs Trust Fund for assistance to Counties (as described in Health and Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)) related to the PGP Program; and

**WHEREAS**, the funds will be distributed on an "over the counter," non-competitive basis and do not require a funding match or other fiscal impact from the City.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MAYWOOD FINDS, RESOLVES AND DETERMINES AS FOLLOWS:**

**SECTION 1.** The recitals set forth above are true and correct and incorporated herein as if set forth in full.

**SECTION 2.** The Maywood City Council is hereby authorized and directed to apply for and submit to the Department the 2019 Planning Grants Program application released March 29, 2019 in the amount of \$160,000.

**SECTION 3.** In connection with the PGP grant, if the application is approved by the Department, the Maywood City Council is authorized to enter into, execute, and deliver a State of California Standard Agreement (Standard Agreement) for the amount of \$160,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the PGP grant, the City's obligations related thereto, and all amendments thereto (collectively, the "PGP Grant Documents").

**SECTION 4.** The City of Maywood shall be subject to the terms and conditions as specified in the Standard Agreement, the SB 2 Planning Grants Program Guidelines, and any applicable PGP guidelines published by the Department. Funds are to be used for allowable expenditures as specifically identified in the Standard Agreement. The application in full is incorporated as part of the Standard Agreement. Any and all activities

funded, information provided, and timelines represented in the application will be enforceable through the executed Standard Agreement. The Maywood City Council hereby agrees to use the funds for eligible uses in the manner presented in the application as approved by the Department and in accordance with the Planning Grants NOFA, the Planning Grants Program Guidelines, and 2019 Planning Grants Program Application.

**SECTION 5.** The City Council hereby authorizes and directs the City Manager, or her designee, to execute the City's Planning Grants Program Application, the PGP Grant Documents, and any amendments thereto, on behalf of the City as required by the Department for receipt of the PGP Grant.

**SECTION 6.** The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

**PASSED, APPROVED AND ADOPTED** this 23<sup>RD</sup> day of October, 2019.

  
Eduardo De La Riva, Mayor

ATTEST:

  
Gerardo Mayagoitia, City Clerk

APPROVED AS TO FORM:

  
Roxanne Diaz, City Attorney

I, Gerardo Mayagoitia, City Clerk of the City of Maywood, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Maywood held on the 23<sup>rd</sup> day of October, 2019 by the following vote:

AYES: Marquez, Alvarez, Medina, Lara, De La Riva

NOES:

ABSTAINED:

ABSENT:

  
Gerardo Mayagoitia, City Clerk

**ATTACHMENT NO. 2**

# **PLANNING GRANTS PROGRAM (SB 2, 2017) 2019 NOTICE OF FUNDING AVAILABILITY**



**State of California  
Governor Gavin Newsom**

**Alexis Podesta, Secretary  
Business, Consumer Services and Housing Agency**

**Ben Metcalf, Director  
Department of Housing and Community Development**

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Division of Housing Policy Development**

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March 29, 2019

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# 2019 NOTICE OF FUNDING AVAILABILITY

## SB 2 PLANNING GRANTS PROGRAM

### I. Introduction

The Department is releasing this Notice of Funding Availability (NOFA) for approximately \$123 million to make funding available to all local governments in California under the Senate Bill 2 (SB 2) Planning Grants Program (PGP). The PGP program is intended for the preparation, adoption, and implementation of plans that streamline housing approvals and accelerate housing production.

The PGP is authorized by Health and Safety Code sections [50470 et seq.](#) (Chapter 364, Statutes of 2017, ([SB 2](#))). Funding is subject to the December 2018 [Planning Grants Program Guidelines](#) (hereinafter referred to as the "Guidelines"), which includes detailed information on eligibility requirements, conditions, and procedures for awarding funds.

### II. Program Summary

SB 2 (2017) is part of a [15 bill housing package](#) aimed at addressing the state's housing shortage and high housing costs. Specifically, SB 2 established a permanent source of revenue intended to increase the affordable housing stock in California.

PGP grants are funded through 50 percent of the revenues collected during the first calendar year (January through December, 2018). The PGP program is a one-time component of SB 2 that, among other provisions, provides financial and technical assistance to local governments to update planning documents in order to:

- Accelerate housing production;
- Streamline the approval of housing development affordable to owner and renter households at all income levels;
- Facilitate housing affordability, particularly for all income groups;
- Promote development consistent with the State Planning Priorities; and
- Ensure geographic equity in the distribution and expenditure of allocated funds

The Department, in conjunction with the Governor's Office of Planning and Research, will provide technical assistance to localities pursuant to the provisions set forth in Article VII, Section 700(a) through (e) of the Guidelines. For further information, contact the Department at [sb2planninggrant@hcd.ca.gov](mailto:sb2planninggrant@hcd.ca.gov) for details regarding local technical assistance.

Please refer to the Guidelines for other administrative provisions not summarized in this NOFA.

### III. Program Timeline

Pursuant to Section 500(a) of the Guidelines, funds will be initially available to eligible applicants on a noncompetitive, over-the-counter (OTC) basis. Applications will be accepted over an eight-month period, commencing from the date of the release of this NOFA (Section 500(b) of the Guidelines). See Table 1 below for the projected timeline for awards for the initial OTC period.

Table 1: Projected Timeline for Awards for OTC Applications

| Event                                       | Date(s)               |
|---------------------------------------------|-----------------------|
| NOFA release                                | March 28, 2019        |
| NOFA-Application Workshops / Webinar Period | April 1 - May 1, 2019 |
| Final due date for OTC applications         | November 30, 2019     |
| Supplemental round                          | TBD                   |
| Anticipated end of grant term               | June 30, 2022         |

The Department anticipates awards in 2-3 month intervals, depending on the volume of applications, and reserves the right to make adjustments to the projected timeline at any time. If OTC funds are not fully awarded at the end of the eight-month period, the Department may extend the final OTC application due date or consider a supplemental funding round (Section 500(g) of the Guidelines). During any supplemental round, top priority will be given to localities that have not submitted a previous request for funding. All other applicants may be subject to competitive scoring criteria during any supplemental round (Section 500(g)(2) of the Guidelines).

### IV. Funding Available

The Department determined maximum award amounts for large, medium, and small localities, based on population estimates from the Department of Finance (DOF). Table 2 below shows the minimum and maximum awards available pursuant to Article IV, Section 400 of the Guidelines. Applicants can view maximum award amounts for all jurisdictions [here](#).

Table 2: Minimum and Maximum Award Amounts

| All Localities           | Large Localities –<br>Defined as<br>≥ 200,000 people | Medium Localities –<br>Defined as 60,000 to<br>200,000 people | Small Localities –<br>Defined as<br>≤ 60,000 people |
|--------------------------|------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------|
| Minimum award<br>amount: | Maximum award<br>amount:                             | Maximum award<br>amount:                                      | Maximum award<br>amount:                            |
| <b>\$25,000</b>          | <b>\$625,000</b>                                     | <b>\$310,000</b>                                              | <b>\$160,000</b>                                    |

For a link to the 2018 DOF Population Estimates, E-5, see:  
<http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-5/>

Applicants seeking partnerships with other local governments will be additive. For example, two large localities could submit a proposal for up to \$1.25 million; three small localities up to \$480,000, etc. Note: All applicants, including those who are forming partnerships, must submit separate, complete and signed application packages, pursuant to section X of this NOFA, to the Department in order to be awarded funds.

## **V. Eligible Applicants**

Pursuant to Article II, Section 200 of the Guidelines, eligible applicants are limited to local governments, i.e., cities and counties. However, local governments may partner through legally binding agreements with other forms of governments or entities where the proposal will have a direct effect on land-use or development within the locality. This includes, but is not limited to, partnerships with other localities, regional governments, housing authorities, school districts, special districts, community based organizations, or any duly constituted governing body of an Indian Reservation or Rancheria.

Multi-jurisdictional partnerships between local governments are encouraged in order to coordinate with regional governments, leverage regional and state investment, promote consistency with the sustainable communities strategy, and affirmatively further fair housing.

Note: All localities must pass the Threshold Criteria as stated in section VIII of this NOFA. To ensure compliance with section VIII, all applicants, including those who are forming partnerships, must submit separate, complete and signed application packages, including resolutions, to the Department in order to be awarded funds.

## **VI. Eligible Activities**

Applicants proposing Priority Policy Areas, as defined in section VIII of this NOFA, are automatically deemed to accelerate housing production without any documentation or demonstration to the Department.

Pursuant to Article III, Section 300 of the Guidelines, a variety of planning documents, planning activities and strategies, are considered eligible activities and must demonstrate a nexus to accelerating housing production, which may include:

- (1) Updates to general plans, community plans, specific plans, local planning related to implementation of sustainable communities strategies, or local coastal plans;
- (2) Updates to zoning ordinances;
- (3) Environmental analyses that eliminate the need for project-specific review;
- (4) Local process improvements that improve and expedite local planning;
- (5) A smaller geography with a significant impact on housing production including an overlay district, project level specific plan, or development standards modifications proposed for significant areas of a locality, such as corridors, downtown or priority growth areas;
- (6) The creation or enhancement of a housing sustainability district pursuant to AB 73 (Chapter 371, Statutes of 2017);
- (7) Workforce housing opportunity zone pursuant to SB 540 (Chapter 369, Statutes of 2017);

- (8) Zoning for by-right supportive housing, pursuant to Government Code section 65651 (Chapter 753, Statutes of 2018);
- (9) Zoning incentives for housing for persons with special needs, including persons with developmental disabilities;
- (10) Rezoning to meet requirements pursuant to Government Code Section 65583.2(c) and other rezoning efforts to facilitate supply and affordability;
- (11) Rezoning for multifamily housing in high resource areas (according to Tax Credit Allocation Committee/Housing Community Development Opportunity Area Maps);
- (12) Pre-approved architectural and site plans;
- (13) Regional housing trust fund plans;
- (14) SB 2 funding plans;
- (15) Infrastructure financing plans;
- (16) Environmental hazard assessments; data collection on permit tracking; feasibility studies, site analysis, or other background studies that are ancillary and part of a proposed activity with a nexus to accelerating housing production; and
- (17) Other planning activities demonstrating a nexus to accelerating housing production.

Eligible activities may be part of a larger planning effort (e.g., a comprehensive zoning code update) if proposed activities have not been completed prior to the NOFA date, are distinct, and demonstrate a nexus to accelerating housing production.

As part of the PGP program, HCD, in coordination with the Governor's Office of Planning and Research (OPR), will work with a team led by Placeworks to provide technical assistance (TA) to applicants throughout the application period. The TA team will work closely with regions, sub-regions, and counties to help jurisdictions identify activities and provide tools that will accelerate housing production. For further information, contact the Department at [sb2planninggrant@hcd.ca.gov](mailto:sb2planninggrant@hcd.ca.gov) for details regarding local technical assistance.

## **VII. Eligible Uses**

Pursuant to Article III, Section 302 of the Guidelines, grant funds shall be used for the costs of preparing and adopting the proposed activity. Subcontracting is allowable under conditions set forth in Section 302(c) of the Guidelines. Pursuant to Section 302(b) of the Guidelines, grant funds may not be used for administrative costs of persons employed by the grantee for activities not directly related to the proposed activity. No more than 5 percent of the grant amount may be used for administrative costs for any proposed use, to be approved by the Department upon disbursement.

Only approved and eligible costs incurred for work after the NOFA date, continued past the date of the Standard Agreement, and completed during the grant term, will be reimbursable. Approved and eligible costs incurred prior to the NOFA date are ineligible

(Section 601(c) of the Guidelines).

Refer to Section 301 of the Guidelines for a list of all ineligible activities.

### **VIII. Threshold Requirements**

In accordance with Article II, Section 201 of the Guidelines, all applicants must meet the following threshold requirements:

- (1) **Housing element compliance:** The applicant must have a housing element that has been adopted by the jurisdiction's governing body by the date the applicant submits the application package, and is subsequently determined to be in substantial compliance with state housing element law pursuant to Gov. Code Section 65585 by the time of award. A jurisdiction's current housing element compliance status can be obtained by referencing the Department's website at <http://www.hcd.ca.gov/community-development/housing-element/index.shtml> or emailing the Department at [sb2planninggrant@hcd.ca.gov](mailto:sb2planninggrant@hcd.ca.gov). For more information on housing element requirements, please contact Paul McDougall at [paul.mcdougall@hcd.ca.gov](mailto:paul.mcdougall@hcd.ca.gov).

Pursuant to Section 201(a)(2) of the Guidelines, applicants not meeting housing element requirements may be considered to meet this threshold requirement at the discretion of the Department on a case by case basis by applying factors such as significant progress in meeting housing element requirements (e.g., a draft found to meet statute, rezoning near completion), proposing activities to meet housing element requirements (e.g., rezoning to accommodate housing needs pursuant to Gov. Code Section 65583(c)(1)) and adoption of a compliant element prior to the award of funds.

- (2) **Annual Progress Report (APR) on the housing element:** The applicant must submit the APR to the Department, as required by Gov. Code section 65400, for the current or prior year by the date the applicant submits the application package.
- (3) **Nexus to accelerating housing production:** The applicant must propose and document plans or processes that accelerate housing production. The application must demonstrate a significant positive effect on accelerating housing production through timing, cost, approval certainty, entitlement streamlining, feasibility, infrastructure capacity, or impact on housing supply and affordability. An application not utilizing Priority Policy Areas must include an explanation and documentation of the nexus plans or processes impact on accelerating housing production based on a reasonable and verifiable methodology and must utilize the Department's form (see Attachment 2 in the Application). A verifiable methodology may include a statement of support from a non-profit or for-profit developer that is active in the locality.

Applicants proposing Priority Policy Areas do not require a nexus demonstration and are automatically deemed to accelerate housing production without any documentation. Pursuant to Section 102(q) of the Guidelines, Priority Policy Areas means any of the following:

- (a) Rezone to Permit By-right: Rezoning for significant additional housing capacity without, or lesser, discretionary review, or establishing zoning to permit residential development by-right, particularly multifamily, without discretionary action pursuant to Government Code Section 65583.2(h) and (i).
- (b) Objective Design and Development Standards: Developing objective design standards or pre-approved site and architectural plans that facilitate non-discretionary permitting.
- (c) Specific Plans or Form based Codes Coupled with CEQA Streamlining: Designating and rezoning for additional housing capacity or preparing specific plans or form codes that include zoning and development standards and plan-level environmental analysis that can be used to streamline future housing projects and facilitate affordability.
- (d) Accessory Dwelling Units (ADU) or Other Low-Cost Building Strategies: Encouraging ADUs and other low-cost building types through actions above state law such as, outreach, fee waivers, pre-approved plans, website zoning clearance assistance, and other homeowner tools or finance tools. Also, establishing other approaches to intensify existing lower density residential areas and “missing model” typologies to encourage significantly more residential development (e.g., duplexes, triplexes) in lower density residential areas.
- (e) Expedited Processing: Speeding up approvals and permit processing, including instituting programs that streamline or consolidate the review process or create a separate process for expedited review of housing projects.
- (f) Housing Related Infrastructure Financing and Fee Reduction Strategies: Develop and implement approaches to local, regional or sub-regional housing related infrastructure financing. Create plans and programs to finance and increase infrastructure with accompanying enhanced housing capacity, such as enhanced infrastructure financing districts. Fee reduction and rationalization approaches, such as reassessing fees to adhere to best practices in reducing costs, deferrals, sliding scales or proportionate impacts fees (e.g., ADUs, transit oriented, and infill development, special needs housing), or fee transparency measures including publically available fee calculators.

**Note:** HCD will be rolling out best practice toolkits and technical assistance in these topic areas over the course of 2019.

**Note:** If the applicant is proposing only Priority Policy Areas ((PPA), as defined in section VIII, subsection (3) of the NOFA), do not fill out Attachment 2. However, if the applicant is proposing to fund PPAs AND other activities that are not considered PPAs, the application must demonstrate how these other activities have a nexus to accelerating housing production by filling out Attachment 2 of the application.

- (4) **State Planning and Other Planning Priorities:** Applicants must demonstrate that the locality is consistent with State Planning or Other Planning Priorities.

Consistency may be demonstrated through activities (not necessarily proposed for SB 2 funding) that were completed within the last five years. Applicants must self-certify utilizing the Department's form (see Attachment 1 in the Application).

## **IX. NOFA Application Workshops**

The Department will hold workshops and a webinar to review the PGP NOFA and application, and will be conducting technical assistance to aid applicants throughout the OTC period. For a list of dates, times, and locations for the workshops as well as information on technical assistance, please visit the Department's [SB 2 Planning Grants webpage](#), or [register here](#).

## **X. Application Submission Requirements**

In order to be eligible for grant funding, an applicant must submit a complete, signed original application and an electronic copy on CD or USB flash drive. Applications will be accepted on an OTC basis for an eight-month period anticipated to end **November 30, 2019**. Note: All localities must pass the threshold criteria as stated in section VIII of this NOFA. To ensure compliance with section VIII, all applicants, including those who are forming or have formed partnerships, must submit separate, complete and signed application packages, including resolutions, to the Department in order to be awarded funds.

The Department will only accept applications through a postal carrier service that provides date stamp verification confirming delivery to the Department's office, such as the U.S. Postal Service, UPS, FedEx, or other carrier services. No facsimiles, late applications, incomplete applications, application revisions, electronically submitted, or walk-in application packages will be accepted. All applications must be submitted to the Department at the following address:

**Department of Housing and Community Development  
Division of Housing Policy Development / Land Use Planning Unit  
2020 West El Camino Ave, Suite 500  
Sacramento, CA 95833**

Applications must be on Department forms and cannot be altered or modified by the applicant. Program applications and forms are available on the Department's website located at <http://www.hcd.ca.gov/grants-funding/active-funding/planning-grants.shtml#forms>.

## **XI. Application Review Process**

Each application will first be reviewed for completeness, threshold eligibility requirements, and accuracy. In order to be considered complete, an application must contain all requested information and supporting documentation. All applications must also meet the eligibility and threshold requirements as specified in this NOFA and the

Guidelines. If the application is ineligible, it will not be considered for funding. Applicants may resubmit their applications prior to the November 30, 2019 deadline. All applicants not meeting the eligibility and threshold requirements will be informed within 60 days from the date the Department receives the application.

## **XII. Applicant Notification**

Applicants will be notified within 60 days of the Department's receipt of their application regarding the status of their application and/or if any additional information is required (Section 500(e)) of the Guidelines). Applicants will receive an official letter of award after the Department approves funding recommendations (Section 500(f) of the Guidelines).

## **XIII. Award Letter and Standard Agreement**

Successful applicants will receive an Award Letter from the Department and will be awarded funds through the Standard Agreement process that will specify, among other things, the amount of funds granted, timeline for expenditure of funds, and the approved use of funds. Expenditure report dates and other requirements will also be identified in the SB 2 Planning Grants Program Standard Agreement.

## **XIV. Appeals**

### **(1) Basis of Appeals:**

- (a) Upon receipt of the Department's notice deeming an application incomplete or ineligible, applicants under this NOFA may appeal such decision(s) to the Director pursuant to this Section.
- (b) No applicant shall have the right to appeal a decision of the Department relating to another applicant's eligibility, point score, award, denial of award, or any other related matter.

### **(2) Appeals Process and Deadlines:**

- (a) Process. In order to lodge an appeal, applicants must submit to the Director by the deadline set forth in subsection (b) below, a written appeal which states all relevant facts, arguments, and evidence upon which the appeal is based. No new or additional information will be accepted. Once the written appeal is submitted to the Director, no further information or materials will be accepted or considered thereafter. Appeals are to be submitted to the Director at following address:

Department of Housing and Community Development  
Division of Housing Policy Development  
2020 W. El Camino Avenue, Suite 500  
Sacramento, California 95833  
[sb2planninggrant@hcd.ca.gov](mailto:sb2planninggrant@hcd.ca.gov)

The Director will accept appeals delivered through a carrier service such as

the U.S. Postal Service, UPS, Fed Ex, or other carrier services that provide date stamp verification of delivery. Deliveries must be received during the Department's weekday (non-state holiday) business hours of 9:00 a.m. to 5:00 p.m. Pacific Standard Time. Additionally, emails to the email address listed above will be accepted if the email time stamp is prior to the appeal deadline.

- (b) Filing Deadline. Appeals must be received by the Director no later than (5) five business days from the date of the Department's determination.

(3) Decision:

Any request to amend the Department's decision shall be reviewed for compliance with the December 2018 Guidelines and the March 29, 2019 NOFA. The Director shall render his/her decision in writing within fifteen (15) business days of receipt of the applicant's written appeal. The decision of the Director shall be the Department's final decision, and shall not be appealable to any court or tribunal.

(4) Effectiveness:

In the event that the statute and/or guidelines governing the PGP program contain an existing process for appealing decisions of the Department with respect to NOFA awards made under such programs, this Section shall be inapplicable and all appeals shall be governed by such existing authority.

## **XV. Right to Modify or Suspend**

The Department reserves the right, at its sole discretion, to suspend, amend, or modify the provisions of this NOFA at any time, including, without limitation, the amount of funds available hereunder. If such an action occurs, the Department will notify all interested parties and will post the revisions to the Department's website. You may subscribe to the Department's email list here: [http://www.hcd.ca.gov/HCD\\_SSI/subscribe-form.html](http://www.hcd.ca.gov/HCD_SSI/subscribe-form.html).



## COUNCIL AGENDA

ITEM No. 6

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### CITY COUNCIL STAFF REPORT

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**DATE:** OCTOBER 23, 2019

**TO:** HONORABLE MAYOR, AND MEMBERS OF THE CITY COUNCIL

**FROM:** JENNIFER E. VASQUEZ, CITY MANAGER *JV*

**RE:** **CONSIDERATION OF SELECTING DECEMBER 2, 2019 AS THE DATE FOR THE CITY'S STATE OF THE CITY**

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#### **RECOMMENDATION**

Staff recommends that the City Council selects December 2, 2019 at 6:30 p.m. as the date and time for the presentation of the State of the City.

#### **FISCAL IMPACT**

Currently, the City Council budgeted \$5,000 for community events. There is a balance of \$2,000 remaining in this budget; if there are costs associated with this event it is proposed that staff would utilize these funds. However, at this time since the event is proposed to take place in the Council Chambers it is anticipated that there will be no additional funds needed.

#### **LEGAL REVIEW**

City Attorney has reviewed this report.

#### **BACKGROUND/DISCUSSION**

The City Council has expressed a need to bring additional community events to the City.

In efforts to achieve success in the City Council's vision to unify the community and keep them informed, staff recommends presenting a State of the City. This community event, led by the Mayor, is an opportunity for the public to come

together with its city leaders to learn more about Maywood. It is recommended that the City host the State of the City on December 2, 2019 from 6:30 p.m. to 8:00 p.m. in the City's Council Chambers.



## COUNCIL AGENDA

ITEM No. 7

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### CITY COUNCIL STAFF REPORT

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**DATE:** OCTOBER 23, 2019

**TO:** HONORABLE MAYOR, AND MEMBERS OF THE CITY COUNCIL

**FROM:** JENNIFER E. VASQUEZ, CITY MANAGER *JV*

**RE:** CONSIDERATION OF PARTNERING WITH THE TRI-CITY  
WILDCATS TO HOST A TRUNK OR TREAT COMMUNITY  
EVENT ON OCTOBER 30, 2019

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#### **RECOMMENDATION**

Staff recommends that the City Council approve the partnership with the Tri-City Wildcats to host a Trunk or Treat event on October 30, 2019.

#### **FISCAL IMPACT**

The proposed project is estimated to cost \$156.00. This is the estimate for special event insurance.

Currently, the City Council budgeted \$5,000 for community events. There is a balance of \$2,000 remaining in this budget and if the event is approved there will be a balance of \$1,844.

#### **LEGAL REVIEW**

City Attorney has reviewed this report.

#### **BACKGROUND**

The City Council at its May budget session expressed a desire to bring community events to the City.

In efforts to succeed in the City Council's desire to unite the community, the City Council has approved a newsletter, Halloween and Christmas home decorating contests. By approving this partnership the City continues the effort to bring community unity and pride.

### **DISCUSSION**

The Trunk or Treat community event will take place on Wednesday, October 30 2019 from 6:00pm to 9:00pm in the City Hall parking lot and will be led by the Tri-City Wildcats. The Wildcats are a youth football and cheer team comprised of residents from Maywood and the neighboring community.

Limited staff support will be needed to make this a success as volunteers from the community and the Wildcats will be assisting with decorating their trunks to allow for youth to go "trick-or-treating" from vehicle to vehicle in City Hall's parking lot. Since the vehicles will be parked and the parking lot closed to traffic this will allow for a safe and controlled area for the youth to come and gather treats. To help make the event more enjoyable the Wildcats will be hosting free games and selling snacks as a fundraiser for their organization.



## COUNCIL AGENDA

ITEM No. 8

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### CITY COUNCIL STAFF REPORT

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**DATE:** OCTOBER 23, 2019

**TO:** HONORABLE MAYOR, AND MEMBERS OF THE CITY COUNCIL

**FROM:** JENNIFER E. VASQUEZ, CITY MANAGER

**BY:** DAVID MANGO, DIRECTOR OF BUILDING AND PLANNING

**RE:** CONSIDER A PROPOSAL SUBMITTED BY HDL COMPANIES TO  
EXTEND AND MODIFY THE SERVICES INCLUDED IN AN  
EXISTING CONTRACT TO PROVIDE CANNABIS BUSINESS  
MANAGEMENT SERVICES

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#### **RECOMMENDATION**

Staff recommends that the City Council consider Approval of the attached proposal submitted by the HdL Companies ("HdL") to modify existing cannabis business management services and to direct staff to execute an agreement approved by the City Attorney to implement the new audit and facilities inspection procedures.

#### **FISCAL IMPACT**

Revenue neutral. A separate fee resolution is being proposed which provides for the full recovery of the City's consultant and administrative costs in processing applications for cannabis business license renewals and also for annual criminal background checks.

#### **LEGAL REVIEW**

The City Attorney has reviewed this report.

## **BACKGROUND**

On May 11, 2017, the City entered into an agreement with Hinderliter de Llamas and Associates ("HdL") for Cannabis Management Services. The initial agreement provided for the development of a commercial cannabis licensing program, developed program fees on a cost recovery basis and provided analysis and scoring of applications received.

On September 28, 2019, Maywood ordinance 19-03 entitled "An Ordinance of the City of Maywood amending Chapter 45 of the Maywood Municipal Code to prohibit the commercial cultivation, dispensing, manufacture, distribution and testing of cannabis, except for legal nonconforming uses citywide, and making a finding of exemption under the California Environmental Quality Act" took effect. Since no new applications could be submitted, the HdL cannabis management agreement became obsolete.

However, Ordinance 19-03, established a renewal procedure and a frequency of renewal required of all commercial cannabis business licenses. All renewed commercial cannabis licenses would be valid for one year. The criteria utilized to determine the suitability for license renewal would focus upon the ongoing operation of the cannabis facilities with regard to compliance with State and local laws, the criminal background requirements of owners and employees, and compliance with the voter approved local cannabis tax.

## **DISCUSSION**

Ordinance 19-03 states that "the Building Official shall cause investigations to be made by the Chief of Police, Fire Chief and Building Official to verify the information contained in the renewal application and the original application on file with the City. The Building official shall also ascertain whether or not the applicants have been convicted of or plead guilty or no-contest to: (i) a felony or misdemeanor involving the illegal possession, for sale, sale, manufacture, transportation, or cultivation of a controlled substance within the past four (4) years, (ii) a violation of a city, county, or city and county law for unlicensed commercial cannabis activity within the past three (3) years, or (iii) any crime involving theft, embezzlement, or moral turpitude. The Building Official shall also cause to investigate and report as to compliance with building and fire regulations."

The ordinance states further, "nothing in this section is intended to limit the City Manager or Building Official's ability to request additional information deems necessary or relevant to determining an applicant's suitability for renewal of a license. An application shall provide any additional information requested by the City no later than seven days after the request, unless otherwise specified by the City."

To provide the City Council with good assurance that cannabis businesses are complying with all State and local regulations, Staff is proposing that all cannabis facility premises will be inspected on a quarterly basis, all owners or employees operating these businesses will submit to a background check annually, and a full financial audit will be conducted annually. All deficiencies or violations will be corrected and all fees owed the City will be paid prior to the issuance of a license renewal.

The following cost for consultant services has been submitted by HdL:

Scope of Service Objectives Estimated Cost

Conduct Quarterly Compliance Inspections  
\$1,250 per inspection;  
\$5,000 per business per year

Conduct Annual Financial Audits  
\$6,000 per business per year

Background Checks (initial)  
\$300 owner/manager  
\$100 employee

Background Checks (renewal)  
\$100 owner/manager  
\$75 employee

TOTAL COST PER BUSINESS:  
\$11,000/year plus background checks

**ATTACHMENT(S)**

Attachment No. 1 - HdL Proposal

**ATTACHMENT NO. 1**

# City of Maywood

## **Cannabis Management Services**

October 7, 2019

# HdL<sup>®</sup> Companies

### **SUBMITTED BY**

HdL Companies  
120 S. State College Blvd., Ste 200  
Brea, CA 92821  
[hdlcompanies.com](http://hdlcompanies.com)

### **CONTACT**

David McPherson  
T: 714.879.5000  
E: [dmcpherson@hdlcompanies.com](mailto:dmcpherson@hdlcompanies.com)

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October 7, 2019

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## I. LETTER OF TRANSMITTAL

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October 7, 2019

David Mango  
Community Development Director  
City of Maywood  
4319 E. Slauson Avenue  
Maywood, CA 90270

**Re: Proposal for Cannabis Business Inspections and Audits**

Dear Mr. Mango,

Thank you for the opportunity to submit this proposal for cannabis management services for the City of Maywood. The enclosed scope of services provides for the development of an application process, merit-based review and scoring of cannabis business applications and applicant interviews, as well as general technical assistance and subject matter expertise.

HdL was incorporated in 1983 and has over 30 years of experience providing revenue enhancement and consulting services to local governments in California. HdL is a consortium of three companies established to maximize local government revenues by providing audit, compliance, economic development, consulting services and software products. Its audit and consulting services include sales, use and transaction taxes, property taxes, transient occupancy taxes, and a Cannabis Management Program. HdL's systematic and coordinated approach to revenue management and economic data analysis is currently being utilized by over 500 agencies in six states. The firm currently serves 49 counties, 311 cities and 132 transactions tax districts in California.

Our knowledgeable team of professionals have more than 46 years' combined experience in the establishment and implementation of cannabis regulatory programs including establishing land-use regulations, registration processes, operation regulations for cannabis facilities, staffing plans, cost recovery, structuring cannabis business taxes and conducting compliance and financial audits.

We look forward to the opportunity to partner with the City of Maywood in developing a strategy which meets your program needs. If you have any questions or require additional information, please feel free to contact me by email at [anickerson@hdlcompanies.com](mailto:anickerson@hdlcompanies.com) or David McPherson at [dmcpherson@hdlcompanies.com](mailto:dmcpherson@hdlcompanies.com) or by phone at 714.879.5000.

Sincerely,



Andy Nickerson  
President, HdL Companies

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## II. PROPOSED SCOPE OF SERVICES

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The City of Maywood has retained HdL since November of 2017 to assist with a range of cannabis-related services, including a review and selection process for cannabis business applications and compliance inspections and financial audits of permitted cannabis businesses. The City's current contract with HdL is set to expire on November 28<sup>th</sup>, 2019.

The City is now requesting that HdL provide a new proposal to extend and modify the services included in the existing contract. Specifically, the City is requesting that HdL provide four compliance inspections per year for each permitted cannabis business, along with an annual financial audit. The City is also requesting that HdL provide supplemental background checks of owners, managers and employees of all cannabis businesses.

### **Objective 1: Conduct Quarterly Compliance Inspections**

HdL will conduct a series of four on-site compliance inspections annually for each permitted cannabis business to determine compliance with State and/or local laws. If HdL identifies any non-compliant activities, we will provide the City with a recommended appropriate action to address the deficiency and to ensure future compliance by the permittee. The cost for these services includes all of the following:

- Notifying permittee of pending inspection
- 2-hour on-site inspection to ensure that each business complies with all State and local laws and regulatory protocols for all of the following:
  - Inventory management
  - Cash handling procedures
  - Access control
  - Video surveillance
  - Product safety
  - Alarm system maintenance and safety
  - Lock standards
  - Packaging and labeling
  - Waste management
  - Transportation documentation
  - Surveillance equipment maintenance
  - Occupational badges
  - Business records
  - Other items as necessary to ensure compliance with laws
- Preparation of a draft report detailing the findings of the inspection and providing recommendations for improvement where needed. If the inspection identifies any violations of law or other non-compliance issues, then HdL will prepare a notice to comply as an included part of the report.
- All travel costs associated with the inspection

- All phone, email and other communications involved in preparing for, scheduling and coordinating the inspections and providing the report.

This cost for this service does not include any follow-up re-inspection or review of any supplemental documents provided to address or contest any findings of non-compliance, nor does it include any assistance with the appeal of any enforcement action by the City. Any costs associated with such additional services would be billed at HdL's hourly rate.

### **Objective 2: Conduct Financial Audits**

HdL will conduct one annual financial audit of each permitted cannabis business to verify the accuracy of the revenue reported to the City during the review period and will recommend a tax assessment should the audit reveal any unreported revenue. As part of the process, HdL will conduct a risk based analytical review of the business using the proprietary Cannabis Analytical Tracking Solution (CATS™) program to ensure there is no diversion of product or cash. Our unique audit approach allows us to identify if a cannabis operator is under-reporting its taxes or diverting product from its facility. HdL audit staff will also use information gathered as part of any onsite inspections to assist with the financial audit.

HdL will help the City prepare a notification letter to send to the business to start the audit. The letter will contain pertinent information about the audit, including a list of the records requested and a request for access to the business' point of sale system. HdL recommends the notification letter be sent by the City to encourage cooperation from the business and communicate HdL's authority to conduct the audit. The audit shall include:

- Field visit
- Gross receipts verification
- Risk based CATS™ Analytic Review
- Inventory review (subject to access to the track and trace system)
- POS data entry requirements review
- Preparation and issuance of report
- Exit conference with the City

HdL will provide a draft audit report to the cannabis business. The business will be given appropriate time to respond or appeal the report in accordance with the City ordinance. HdL will review any documentation provided by the business to dispute the findings and will adjust the tax assessment appropriately prior to issuing the final report to the City.

### **Objective 3: Background Checks**

HdL is qualified to provide supplemental background checks for principals and employees of cannabis businesses as part of the application process. This service is not included as a part of this proposal but can be provided at an additional cost of \$300 per person for owners or managers, and \$100 per person for employees or line staff. Annual renewals are priced at \$100 per person for owners or managers, and \$75 per person for employees or line staff. These prices include an employee identification badge designed by HdL with the City logo which will meet all State regulatory requirements.

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**Objective 4: Subject Matter Expertise and Technical Assistance**

Consultant shall provide up to 34 hours of general consulting in the form of technical assistance and subject matter expertise to be utilized on an as-needed basis at the City's request. Such assistance may include monitoring of changes to State laws and regulations, understanding of the industry, participation in conference calls, responding to staff inquiries via phone and email, reviewing staff reports to the City Council, assisting with responses to inquiries from the public, or other issues yet to be determined as requested by the City.

**Scheduling of Audits and Inspections**

The City will provide HdL with a list of all permitted cannabis businesses and will inform HdL when a new cannabis business receives permission to operate (i.e., through the issuance of a development agreement, conditional use permit, certificate of occupancy or other indication the business has opened). HdL will then work with the City to schedule quarterly compliance inspections and annual financial audits. HdL will coordinate with the City as the time for each inspection and audit approaches.

**Additional Services**

This proposal does not include any additional services that are not specifically enumerated herein, such as follow-up re-inspection or review of any supplemental documents provided to address or contest any findings of non-compliance or assistance with the appeal of any enforcement actions by the City. Any costs associated with such additional services would be billed at HdL's hourly rate.

**Conflicts of Interest and Non-Disclosure**

HdL Companies works solely with public agencies and has no private-sector clients in the cannabis industry. All cannabis business applications will be kept confidential by HdL and will not be shared internally beyond those HdL employees who are required to have access for purposes of conducting reviews or interviews, or for administrative purposes as necessary.

### III. COST

The services to be provided are broken down into specific line items in the cost table below. This proposal includes certain objectives that would be billed as fixed costs and others that would be billed on a per-unit basis. The actual costs would be billed on an invoice basis, based on the number of applications received/reviewed, the number of applicant interviews, and the hours of technical assistance used.

The hours and costs in the table below do not include any additional items that are not contemplated by this scope of services, such as follow-up re-inspection or review of any supplemental documents provided to address or contest any findings of non-compliance or assistance with the appeal of any enforcement actions by the City. Prices are valid for 90 days from October 7, 2019.

| Scope of Service Objectives                                               | Estimated Cost                                              |
|---------------------------------------------------------------------------|-------------------------------------------------------------|
| <b>Objective 1:</b> Conduct Quarterly Compliance Inspections <sup>1</sup> | \$1,250 per inspection;<br>\$5,000 per business<br>per year |
| <b>Objective 2:</b> Conduct Annual Financial Audits <sup>1</sup>          | \$6,000 per business                                        |
| <b>Objective 3:</b> Background Checks (initial) <sup>1, 2</sup>           | \$300 owner/manager<br>\$100 employee                       |
| Background Checks (renewal) <sup>1, 2</sup>                               | \$100 owner/manager<br>\$75 employee                        |
| <b>Objective 4:</b> Subject Matter Expertise and Technical Assistance     | \$8,500                                                     |
| <b>TOTAL COST PER BUSINESS:</b>                                           | <b>\$11,000/year plus<br/>background checks</b>             |
| <sup>1</sup> Costs would be directly recoverable from each business.      |                                                             |
| <sup>2</sup> The number of background checks varies per business          |                                                             |

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#### IV. OPTIONAL SERVICES

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The prices in this proposal are based on the hourly rates for HdL staff as shown in the chart below. The prices do not include costs for any services not specifically contemplated by this proposal. Among these are re-inspection of facilities and assistance with any appeals. Any such additional services requested by the City that are not specifically described in this proposal would be billed at the standard rate for the assigned staff person.

| HdL Staff                                              | Title                       | Hourly Rate |
|--------------------------------------------------------|-----------------------------|-------------|
| David McPherson                                        | Compliance Director         | \$300       |
| Matt Eaton                                             | Deputy Compliance Director  | \$250       |
| Billie-jo Naysmith                                     | Compliance Manager          | \$250       |
| Tim Cromartie                                          | Senior Policy Advisor       | \$250       |
| Mark Lovelace                                          | Senior Policy Advisor       | \$250       |
| Christina Altringer                                    | Audit Manager               | \$250       |
| Kami Miller                                            | Senior Compliance Inspector | \$195       |
| Elizabeth Eumurian                                     | Senior Auditor              | \$195       |
| Alfredo Marquez                                        | Senior Auditor              | \$195       |
| Michelle Shaw                                          | Compliance Inspector        | \$195       |
|                                                        |                             |             |
|                                                        |                             |             |
|                                                        |                             |             |
| All rates current as of October 7 <sup>th</sup> , 2019 |                             |             |

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## IV. EXPERIENCE AND RESOURCES

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### Company Profile

Founded in 1983, HdL is a consortium of three companies established to maximize local government revenues by providing audit, compliance, economic development, consulting services and software products. Its audit and consulting services include sales, use and transaction taxes, property taxes, transient occupancy taxes, and a Cannabis Management Program. The firm also provides a variety of enterprise software processing tools for business licensing, code enforcement, animal control, building permits and tracking/billing of false alarms. HdL's systematic and coordinated approach to revenue management and economic data analysis is currently being utilized by over 500 agencies in six states. The firm currently serves 49 counties, 311 cities and 132 transactions tax districts in California.

HdL's key staff has extensive experience serving local government and many have previously held positions in city management, finance, planning, economic development or revenue collection. HdL is a Corporate Partner of the League of California Cities and California State Association of Counties and works extensively with the County Auditor's Association of California, California Society of Municipal Finance Officers (CSMFO) and California Municipal Revenue and Tax Association (CMRTA) on anticipation and planning of programs to strengthen local government revenues.

This close understanding of local government needs coupled with extensive databases and advanced methodology provides for the most relevant, productive and responsive revenue recovery; forecasting; and economic services available.

Our team of professionals has over 46 years of direct experience establishing and implementing cannabis regulatory and taxation programs, including establishing land-use regulations, permit processes, staffing plans, and cost recovery fees; structuring cannabis business tax fees; regulatory compliance; financial audits; and law enforcement training. Our team has conducted over 16,000 cannabis compliance inspections and investigations in Colorado, California and Nevada.

### Key Personnel

#### **David McPherson, Cannabis Compliance Director**

David McPherson works with local agencies to prepare them to mitigate regulatory issues surrounding Proposition 64 and SB 94. Prior to joining HdL, David served 28 years in local government for the County of Orange and the cities of Newport Beach, San Jose and Oakland. David's experience as a law enforcement officer, compliance auditor, and tax administrator has provided him a wealth of experience that makes him uniquely qualified to manage HdL's Cannabis Management Program. While working for the City of Oakland, he became the first Tax Administrator in the country to successfully tax, regulate and audit medical marijuana businesses. David has over 8 years of experience working with cannabis regulatory programs.

David is one of the state's most recognized experts in cannabis regulatory policies, compliance implementation and tax policies. His knowledge of horticulture, processing and dispensary operations while working for the City of Oakland has made him one of the pioneers in creating a Cannabis Management Program. He uses his experience to assist local and state agencies in developing cannabis policies for regulation, compliance, auditing and economic development. He worked closely with the League of Cities and lobbyists on the development of the Medical Cannabis Regulation and Safety Act (MCRSA) and helped shape SB 94, the Medicinal Adult-Use Cannabis Regulation and Safety Act (MAUCRSA).

David provides technical support on cannabis-related matters to the League of Cities, the Police Chief's Association, Rural County Representatives of California and the California State Association of Counties. In addition, David is working collaboratively with the Department of Consumers Affairs, Department of Food & Agriculture, Department of Health Services and the State Board of Equalization on the implementation of best practices for regulating the cannabis industry for local agencies.

David received his Bachelor's Degree in History from California State University, Fullerton and his Master's Degree in Public Administration from California State University, Long Beach. While at Long Beach, he was named "Future Urban Administrator of the Year".

#### **Tim Cromartie, Senior Cannabis Advisor**

Tim Cromartie is a Senior Cannabis Advisor at HdL, in which his primary role is providing policy expertise related to cannabis regulatory and tax policies at the state and local level. Prior to joining HdL, Tim served as the legislative representative covering public safety issues for the League of California Cities since 2013, with a heavy emphasis on shaping legislation governing state and local regulation of marijuana. He has been actively involved in educating cities on changes in the law resulting from the Medical Cannabis Regulation and Safety Act, as well as Proposition 64, the Adult Use of Marijuana Act. When these two Acts were merged into a single regulatory structure in 2017, Tim successfully advocated for clarification of local government's regulatory and enforcement authority in the cannabis context, and for related environmental safeguards in cultivation operations, protections against over-concentration of businesses, regulation of testing labs, and the inclusion of fire safety standards and a definition of volatile solvents in state law governing cannabis manufacturing operations. Since then he has been engaged in educating local governments on the more recent Medical and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), as well as advocating for a reduction in the cumulative state tax rate for cannabis, improvements in the state's track-and-trace program, and the restoration of a statewide cultivation cap.

Prior to the League, he held a variety of positions in the Legislature and state government, including legislative representative for CalPERS Governmental Affairs, legislative director and public safety consultant to former state Senator Gloria Romero, and field representative for Congresswoman Barbara Lee during her term in the state Senate. Mr. Cromartie holds degrees from the University of California at Berkeley (B.A. Political Science) and UC Hastings College of the Law. Tim is an ardent aviation buff and a member of the California Aerospace Museum at the site of the former McClellan Air Force Base in Sacramento.

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### **Matt Eaton, Cannabis Compliance Manager**

Matt Eaton is the Cannabis Compliance Manager at HdL and plays a critical role in implementing the Cannabis Compliance Program for local agencies. Prior to joining the firm, he was a progressive law enforcement professional with 29 years' experience conducting criminal/regulatory investigations, and corporate/individual background investigations.

While working as a Supervisory Investigator at the Colorado Department of Revenue in the Marijuana Enforcement Division (MED), Matt managed criminal investigators and civilian staff in the Denver Metro and Longmont field offices. During his six-year tenure at the MED, he conducted approximately 10,000 criminal investigations and compliance reviews which included regulatory and financial investigations. In addition, he is a subject matter expert on track and trace systems. He understands the complexity of reviewing data to ensure businesses are in compliance with state and local regulations. Matt was responsible for planning, developing and implementing report and field inspection protocols for the agency. He also played an instrumental role in recommending changes to current regulations and identifying essential language for new legislation in Colorado. Matt is well known for his ability to maintain working relationships with cannabis industry leaders and external stakeholders in resolving issues.

Matt received his Bachelor of Science Degree from Biola University and currently maintains a Colorado Post Certificate. He has also served as an adjunct instructor teaching law enforcement principle related to criminology, correctional processes, procedural law, interviews, interrogations and criminal evidence at AIMS Community College in Greeley, Colorado.

### **Billie-jo Naysmith, Cannabis Compliance Manager**

Billie-jo Naysmith is a Cannabis Compliance Manager at HdL in which she plays a diverse role in implementing the Cannabis Compliance Program for local agencies in both California and Colorado. Prior to joining the firm, she was a progressive law enforcement professional with 23 years' experience conducting criminal/regulatory investigations, cannabis applicant background investigations and complex financial investigations.

While working in the Office of the Colorado Attorney General as a Criminal Investigator she investigated Financial and Securities Fraud specializing in cannabis business activity. In addition, she worked closely with forensic accountants analyzing financial records to determine if criminal activity occurred.

During her tenure as a Supervisory Investigator at the Colorado Department of Revenue in the Marijuana Enforcement Division (MED), Billie-jo managed criminal investigators and civilian staff in the Denver Metro and Longmont field offices. During her five-year stretch at the MED, she conducted approximately 5,000 criminal investigations and compliance reviews which included regulatory and financial investigations. In addition, she is a subject matter expert on track and trace systems where she has conducted data analysis in order to assist in complex cannabis regulatory investigations. She understands the complexity of reviewing data to ensure businesses follow state and local regulations. Billie-jo was

responsible for assisting in the strategic planning for the division which included providing training for investigators. Furthermore, Billie-jo participated in collaborative rulemaking work groups and focus groups with cannabis industry leaders and external stakeholders to develop best practice regulations. She also provided critical recommendations for the agencies cannabis rules and regulations by addressing key loop holes in the Colorado legislation which was subsequently amended. In addition, Billie-jo formed essential partnerships with federal, state and local law enforcement agencies as well as local licensing authorities.

Billie-jo received her Bachelor of Science Degree in Business Administration from Colorado Christian University where she graduated with the distinction of Summa Cum Laude. She also currently maintains a Colorado POST Certificate.

### **Christina Altringer, Audit Manager**

Christina Altringer is the Audit Manager at HdL. Her primary role is to oversee audit staff, conduct forensic audits, review staffs reports, and be the point person to work directly with client cities and counties on financial audits. Christina is also responsible for managing and developing HdL's proprietary data intelligence CATS™ program and conducts Tax Analytical Remittance Report (TARR) summaries to evaluate under-reporting or anomalies in the remittance of tax payments to inform forensic audits.

Christina previously worked as a Forensic Accountant for the Federal Bureau of Investigation (FBI). In this role, she investigated alleged violations of federal and state laws for bribery and kickbacks, corruption, money laundering, white collar and health care fraud as well as drug trafficking. She also conducted blockchain analysis for virtual currency transactions. Prior to working with the FBI she worked at a Public Accounting firm as a Certified Public Accountant.

She earned her Bachelor of Science degree in Accounting from Minnesota State. Christina is also a Certified Public Accountant and a Certified Fraud Examiner.

### **Mark Lovelace, Cannabis Policy Advisor**

Mark Lovelace has 16 years of broad experience in public policy, community engagement and advocacy and is recognized as a leader in advancing the statewide discussion of medical and recreational cannabis as a policy issue in California.

Mark served on the Humboldt County Board of Supervisors from 2009 through 2016 where he was instrumental in developing a comprehensive approach to regulating cannabis, including a voter-approved tax on commercial cultivation and an innovative track and trace pilot program. Mark established and co-chaired the Medical Marijuana Working Group for the California State Association of Counties (CSAC) and helped draft CSAC's legislative platform for cannabis issues. Mark pioneered the first regional summit on cannabis issues in 2015 which helped guide the development of SB 643 and AB 243, two components of the Medical Cannabis Regulation and Safety Act (MCRSA).

Mark has worked extensively with public agencies and statewide associations on cannabis issues, including CSAC, Rural County Representatives of California, the Association of

California Water Agencies, the North Coast Resource Partnership, California Department of Fish and Wildlife, the State Water Board, the North Coast Regional Water Board, the Bureau of Cannabis Control, State legislators, and others. He has led numerous presentations, workshops and panel discussions on cannabis issues and has been a sought-after speaker on the topic for government agencies, community organizations and industry groups.

Mark received his Bachelor of Science degree in Industrial Design from California State University, San Jose. Prior to his time on the Board, he worked for many years as a respected advocate on land use, planning, development and environmental issues.

### **Kami Miller, Cannabis Senior Auditor**

Kami Miller is a Cannabis Senior Auditor at HdL whose primary role is to ensure cannabis compliance and identify the risk assessment in the supply chain process of each permitted business. Prior to joining the firm, she served three years as a Marijuana Compliance Manager for the Department of Public Behavior and Health (DPBH) for the State of Nevada. During this time Kami played a key role in Nevada's implementation of its Medical Marijuana Program in which she was responsible for statewide monitoring of medical marijuana facilities that included cultivation, production, testing labs and retail stores.

During her tenure at the DPBH, Kami managed compliance auditors and support staff in the Las Vegas office. She conducted approximately 1,000 compliance and financial inspections for which she developed the inspection protocols documentation to create comprehensive reports. In addition, her experience with various cannabis track and trace systems allowed her to develop industry supply chain practices for the Department of Taxation.

Kami received her Bachelor of Business Administration in E-Commerce and Supply Chain Management from Tennessee State University.

### **Elizabeth Eumurian, Cannabis Senior Auditor**

Elizabeth Eumurian is a Cannabis Senior Auditor at HdL. Her primary role is to conduct financial audits, evaluate cannabis applications and conduct background checks. As part of the audit program, she will be conducting and preparing analytical information through the CATS™ program to prepare Tax Analytical Remittance Reports (TARR) summaries to evaluate under reporting or anomalies in the remittance of tax payments to local jurisdictions.

Elizabeth previously worked as a senior auditor in the entertainment industry. In this role, she executed testing procedures for targeted audit programs, analyzed findings and prepared audit and compliance reports. She also has experience working for a large financial institution analyzing data for reporting anomalies and performing internal audits. Elizabeth has recently done work for Blythe, California City, Coachella, Cotati, Desert Hot Springs, Long Beach, Mammoth Lakes, Moreno Valley, Perris, San Bernardino, and Vallejo.

Elizabeth earned her Bachelor of Arts degree in History from California State University and holds a certificate in CannaBusiness from Oaksterdam University.

### **Michelle Shaw, Cannabis Compliance Inspector**

Michelle is a Cannabis Compliance Inspector at HdL and is tasked with conducting onsite inspections, examinations and other actions to monitor compliance with established standards for local licensed cannabis businesses. Prior to joining HdL, she was a Compliance Specialist Officer at a large, multinational bank where she managed, validated and oversaw the effectiveness and accuracy of numerous compliance issues within the consumer retail space. Throughout her eight years of experience at the bank, she performed onsite assessments of affiliate businesses to determine compliance/non-compliance of their processes and procedures pursuant to bank standards and state regulations.

A graduate of Cypress College, Michelle holds a Foundations of Banking Risk certificate from the Global Association of Risk Professionals and a paralegal certificate from the Southern California College of Business and Law.

### **Alfredo Marquez, Cannabis Senior Auditor**

Alfredo Marquez is a Cannabis Senior Auditor at HdL. His primary role is to conduct financial audits. Alfredo previously worked for Teledyne Technologies analyzing risk assessments for acquiring new businesses and various units in the organization. In this role he worked with people at various levels in the organization and successfully conducted financial, Sarbanes Oxley and compliance audits across North America, Latin America, Europe, and Asia. Alfredo has recently done work for Cotati, Cloverdale, Desert Hot Springs, Mammoth, Perris, and Vallejo. He earned his Bachelor's Degree in Accounting from the University of La Verne.

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## V. REFERENCES

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Assistant City Manager

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## COUNCIL AGENDA

ITEM No. 9

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### CITY COUNCIL STAFF REPORT

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**DATE:** OCTOBER 23, 2019

**TO:** HONORABLE MAYOR, AND MEMBERS OF THE CITY COUNCIL

**FROM:** JENNIFER E. VASQUEZ, CITY MANAGER

**BY:** DAVID MANGO, DIRECTOR OF BUILDING AND PLANNING

**RE:** SECOND READING OF ORDINANCE 19-06 AMENDING THE MAYWOOD ZONING ORDINANCE TO IMPLEMENT THE CITY'S HOUSING ELEMENT BY ESTABLISHING DEFINITIONS, DESIGNATING USES, AND ADOPTING LOCAL PLANNING AND APPROVAL REQUIREMENTS FOR SENIOR AND AFFORDABLE HOUSING, DENSITY BONUSES, AND EMERGENCY SHELTERS

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### RECOMMENDATION

Staff recommends that the City Council adopt Ordinance No. 19-06 entitled as follows: "An Ordinance of the City of Maywood Amending the Maywood Zoning Ordinance to Implement the City's Housing Element by Establishing Definitions, Designating Uses, and Adopting Local Planning and Approval Requirements for Senior and Affordable Housing, Density Bonuses, and Emergency Shelters."

### FISCAL IMPACT

There is no fiscal impact associated with the approval of this ordinance. However, the changes proposed in ordinance 19-06 are required to implement the City's Housing Element. Failure to adopt a Housing Element that will be subsequently certified by the California Department of Housing and Community Development before November 30, 2019, will result in the loss of \$162,000 in SB-2 grant funding.

## **LEGAL REVIEW**

The City Attorney has reviewed this report.

## **BACKGROUND**

The State of California (State) requires that all jurisdictions adopt a General Plan. A General Plan provides a vision for a city's future and directs policy decisions that guide future growth and development of the particular community. The chapters of a General Plan are called "elements." State law requires that General Plans include eight elements, summarized below:

- **Land Use:** The Land Use Element designates the type, intensity, and general distribution of uses of land.
- **Circulation:** The Circulation Element is correlated with the land use element and identifies the general location and extent of existing and proposed roads, utilities, and facilities.
- **Conservation:** The Conservation Element addresses the conservation, development, and use of natural resources, including water, air quality, and energy; biological resources, such as plants and wildlife; and cultural and historical resources.
- **Open Space:** The Open Space Element details plans and measures for the long-range preservation and conservation of open space lands, including open space for the preservation of natural resources, the managed production of resources, outdoor recreation, and public health and safety.
- **Noise:** The Noise Element identifies and appraises noise problems within the community and informs land use distribution.
- **Safety:** The Safety Element establishes policies and programs to protect the community from risks associated with natural and human-made hazards, including seismic, geologic, flood, and wildfire hazards.
- **Environmental Justice:** The Environmental Justice Element is a newly required element. It differs from other General Plan elements because it only applies to jurisdictions with "disadvantaged communities" and requires those jurisdictions to identify objectives and policies to reduce the unique or compounded health risks found in these communities. Maywood is a disadvantaged community and will be required to prepare an Environmental Justice Element when the City's General Plan is updated.
- **Housing Element:** The State requires that all local governments adequately "plan" to meet the housing needs of everyone in each jurisdiction. Each jurisdiction must demonstrate land use capacity to accommodate its share of the region's housing needs—this "share" is called the Regional Housing Needs Allocation (RHNA), which is determined by the State's Metropolitan Planning Organizations (MPOs). The MPO that Maywood is part of is the Southern California Association of

Governments (SCAG). Local governments meet this requirement by adopting housing plans as part of their General Plan, also required by the State. State law mandating that housing be included as an element of each jurisdiction's General Plan is known as "housing element law." California Department of Housing and Community Development (HCD) reviews each jurisdiction's Housing Element for consistency with State housing element law. An element is "certified" if HCD finds it to be consistent; if not, HCD issues written findings that identify changes that must be made for HCD to certify the Housing Element. In some cases, funding from state/federal housing programs can *only* be accessed if the jurisdiction has a compliant Housing Element.

**Status of Maywood's Housing Element:** Housing Elements must be completed, submitted, and certified by HCD within timeframes established by the State; these are referred to as Housing Element "cycles." The 5th cycle for Maywood covers the time period from 2013-2021. The City submitted the draft Housing Element to HCD in January of 2014. In a response letter, HCD acknowledged receipt of the draft element, but notified the City that it would not be found in full compliance until "Maywood amends its zoning ordinance to permit year-round emergency shelter(s) without discretionary action." Along with the emergency shelter deficiency, HCD also requested:

- That adequate sites would need to be zoned or rezoned to address any portion of unaccommodated need (RHNA).
- That the sites inventory in the draft element realistic capacity and suitability for development of vacant and non-vacant sites.
- That the City provide a timeline for implementation of housing programs to meet unaccommodated need.
- That the City amend zoning to allow the siting and permit process for manufactured housing in the same manner as conventional stick-built house.
- Further comments included the need to provide quantified objectives for housing production by income category and the need for public input.

Despite this notification of non-compliance, the City adopted the draft Housing Element in February of 2014 without making any revisions to address the findings.

New State laws passed in 2017 and 2018 provide authorize HCD to refer non-compliant to the State Attorney General for potential legal actions. In February of 2019 a revised draft was submitted to HCD. This draft failed to address the 2014 findings, so in consultation with HCD, the City procured a more qualified consultant (Veronica Tam & Associates Inc.) to prepare the current draft element.

On August 12, 2019, a joint City Council/Planning Commission Study Session was held to discuss HCD's findings, which must be addressed to achieve a compliant Housing Element; consider Staff's recommendations; and provide direction to Staff.

In addition to making revisions to the draft Housing Element, the City must bring the zoning ordinance into compliance with current State law prior to the submittal of the 5<sup>th</sup> cycle Housing Element to HCD. HCD's key findings and the proposed revisions to the zoning ordinance (Ordinance 19-06) to address HCD's findings are discussed below.

On September 17, 2019, the Planning Commission held a duly noticed public hearing to amend the City's Zoning Ordinance to achieve a compliant Housing Element. The Planning Commission received public testimony and thereafter approved a resolution recommending that the City Council approve ordinance 19-06.

On October 9, 2019, the City Council held a public hearing to consider this ordinance. After receiving a report delivered by staff and input provided by community members in attendance; the City Council voted 3-2, to introduce the ordinance and make the finding of exemption from environmental review.

## **DISCUSSION**

Each of HCD's three key findings is summarized below; each summary includes background information, a brief discussion of HCD's findings; and an overview of how the proposed Ordinance 19-06 (Attachment A) addresses HCD's findings.

### **1. UNACCOMMODATED HOUSING NEED FOR LOWER INCOME HOUSEHOLDS**

**Background:** State law requires that Housing Elements include a parcel-specific inventory of sites ("sites inventory") that demonstrates the ability to accommodate each jurisdiction's unaccommodated housing need for lower income households. Maywood's unaccommodated need for the 5<sup>th</sup> cycle is 21 lower income units (13 very low and 8 low income households). The inventory must estimate the number of units that could be accommodated on each site based on existing zoning, existing uses, and known constraints; otherwise, the City must rezone within one year of adoption of the Housing Element to demonstrate compliance.

The State requires that the land included in the sites inventory be zoned for a minimum of 30 dwelling units per acre to facilitate lower income housing, and that the development be allowed by right (without discretionary review).

**HCD Findings:** HCD found the City's sites inventory to be inadequate because the residential density for R-3 (Multi-family Residential) and mixed use zones is a maximum of 20 dwelling units per acre; the City could not demonstrate that the unmet need could be accommodated; and the rezoning to accommodate the unmet need had not been completed within the required one-year time frame.

**How the Proposed Zoning Ordinance Addresses HCD's Findings Regarding Unaccommodated Housing Need for the 5<sup>th</sup> Cycle:** The City has an existing overlay (§4020—Residential, Specialty (R-S)) that allows senior citizen housing at a base density of 48 dwelling units per acre, although the City Council may determine actual density. The R-S overlay exists on 30 parcels, with two existing senior housing developments at densities of ±100 dwelling units per acre. Staff recommends changing the existing R-S overlay to an R-SA (Residential, Senior and Affordable) overlay. As proposed, the R-SA overlay would:

- Continue to allow senior housing as a permitted use;
- Revise the base density for senior housing to 72 dwelling units per acre;
- Add housing affordable to lower-income households as a permitted use;
- Establish a base density of 48 dwelling units per acre by-right for affordable housing developments;
- Allow the density bonus provision (discussed in #2 below) to apply to the new R-SA overlay. (Note: If a developer requests the State-required density bonus for senior housing and also proposes that some or all of the senior housing dwelling units will be affordable, the State-required density bonuses will be additive for the senior units that are also affordable.)
- Allow rezoning to add the R-SA overlay to be initiated either by the City Council or by a developer.

Staff proposes that the revised R-SA overlay continue to apply to the properties that are currently zoned with the R-S overlay, and also recommends that existing Successor Agency owned properties be rezoned to include the R-SA overlay.

## **2. DENSITY BONUS**

**Background:** State law requires every jurisdiction to adopt an ordinance that complies with the State's law regarding density bonuses and other incentives. The City has an existing density bonus ordinance (§4025—Housing for Very Low Income

and Lower Income Households), but it has not been updated to remain current with State law.

**HCD Finding:** The City's existing density bonus ordinance (Housing for Very Low Income and Lower Income Households) must be updated to be consistent with State law.

**How the Proposed Zoning Ordinance Addresses HCD's Findings Regarding Density Bonus:** Staff recommends that §4025 (Housing for Very Low Income and Lower Income Households) be renamed "Density Bonus" for clarity and that it be updated to be consistent with the requirements of State density bonus law. The City Density Bonus Program does comply with State law in many areas but has not been updated to reflect recent changes in State law. For instance, the Maywood program

requires that the developer provides at least 20 percent of the total housing units for Lower Income Households, or 10 percent for Very Low Income Households, or 50 percent for qualifying Senior Citizen Household.

In contrast, the current State Density Bonus Law is more inclusive. Incentives allowed under the State law include:

- At least 5% of the housing units are restricted to very low income residents.
- At least 10% of the housing units are restricted to lower income residents.
- At least 10% of the housing units in a for-sale common interest development are restricted to moderate income residents.
- At least 10% of the housing units are for transitional foster youth, disabled veterans or homeless persons, with rents restricted at the very low income level.
- The project donates at least one acre of land to the city or county for very low income units, and the land has the appropriate general plan designation, zoning, permits and approvals, and access to public facilities needed for such housing.
- The project is a senior citizen housing development (no affordable units required).
- The project is a mobile home park age-restricted to senior citizens (no affordable units required).

Staff recommends that, rather than reproduce the State density bonus requirements in the zoning ordinance, the City's density bonus ordinance refer to State regulations so that it will remain consistent if/when the State regulations are revised.

### 3. EMERGENCY SHELTERS

**Background:** State law (SB 2) requires every jurisdiction to identify at least one zone that allows emergency shelters "by right" without discretionary review to accommodate each jurisdiction's unsheltered homeless population. Maywood's unmet shelter need is 24 homeless persons—this number is determined by the Los Angeles Homeless Services Authority.

SB 2 does not obligate the City to construct, fund, operate, or provide emergency shelters. In fact new models of state and federal homeless programs focus on providing rapid re-housing and permanent supportive housing instead of emergency shelters or transitional housing. There is also currently no proposal or expressed interests in developing a shelter in Maywood.

Under SB 2, emergency shelters may only be subject to development and operational standards that apply to residential or commercial development in the same zone, except that the local government may include zoning provisions that are consistent with State law (as specified in Government Code section 65583(a)(4)(A)).

Maywood's Zoning Ordinance was amended in 1995 to include provisions to permit emergency shelters in the Commercial Manufacturing (CM) zone, subject to a Conditional Use Permit (CUP). Since a CUP is a discretionary act, Maywood's zoning ordinance is not consistent with state law. The City's 4th Cycle Housing Element included a program (Program 3.3.8) to amend the City's zoning ordinance to allow emergency shelters by right within one year of adoption of the Housing Element. Program 3.3.8 was not implemented, and it was carried forward to the City's 5th Cycle draft Housing Element.

**HCD Findings:** HCD determined that the Housing Element cannot be found in compliance with State law until the required zoning amendment to allow emergency shelters by right is complete.

**How the Proposed Zoning Ordinance Addresses HCD's Findings Regarding Emergency Shelters:** Staff recommends that an emergency shelter (ES) overlay be created (new §4045—Emergency Shelters (ES)) and applied to properties identified on the map in Attachment 1.

The locations for the ES overlay are recommended for the following reasons:

- Provide enough potential locations for a shelter that could accommodate 24 homeless persons.
- Properties are located on a public transit route.
- Properties are located close to services and facilities that homeless persons may use or need.

The proposed ordinance also includes development and operational standards that are consistent with State law, as follows.

- Development standards:
  - Minimum structure requirements;
  - On-site waiting and intake areas;
  - Common facilities;
  - Lighting;
  - Security;
  - Parking;
  - Minimum separation between emergency shelters.

- Operational standards:
  - Supervision;
  - Security;
  - Limited term of stay;
  - Prohibition of camping/sleeping in vehicles.
- The requirement for a Management Plan that addresses specified items.

The proposed ordinance also includes revisions to §2020 (Definitions) to implement the revisions and additions to the Maywood zoning ordinance.

Failure to establish a zone to accommodate emergency shelters by right opens the City to risk of litigation (e.g., San Clemente and Pomona). State law also states without an adopted ordinance to specifically identify a zone or portions of a zone as an overlay, an emergency shelter operator would be allowed to establish a shelter anywhere in the zoning district identified in the Housing Element - In this case the entire CM zone; by right.

### **ENVIRONMENTAL ASSESSMENT**

The actions contemplated by the proposed ordinance are exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) in that the Ordinance does not have the potential for causing a significant effect on the environment.

### **ATTACHMENT(S)**

Attachment No. 1 – Ordinance 19-06

Attachment No. 2 – ES Overlay Map

Attachment No. 3 – R-SA Overlay Map

## ORDINANCE NO. 19-06

**AN ORDINANCE OF THE CITY OF MAYWOOD AMENDING THE MAYWOOD ZONING ORDINANCE TO IMPLEMENT THE CITY'S HOUSING ELEMENT BY ESTABLISHING DEFINITIONS, DESIGNATING USES, AND ADOPTING LOCAL PLANNING AND APPROVAL REQUIREMENTS FOR SENIOR AND AFFORDABLE HOUSING, DENSITY BONUSES, AND EMERGENCY SHELTERS**

**THE CITY COUNCIL OF THE CITY OF MAYWOOD DOES ORDAIN AS FOLLOWS:**

Section 1. On October 9, 2019, the City Council held a duly noticed public hearing to amend the City's Zoning Ordinance. The City Council received public testimony and thereafter introduced this Ordinance.

Section 2. This Ordinance is consistent with the objectives, principles, and standards of the General Plan. The 2014-2021 Housing Element ("Housing Element") contains several policies that call for the provision of housing opportunities as outlined by the Regional Housing Needs Assessment, zoning for emergency shelters, and updates to existing density bonus regulations. Several of these policies call for the City's Zoning Ordinance and its development regulations to be updated to implement the goals and policies of the Housing Element. Accordingly, the City Council finds that this Ordinance conforms to the City's General Plan, including the Housing Element.

Section 3. Section 2020.010 ("A" Definitions) of the Maywood Zoning Ordinance is amended to add a new definition "Affordable Housing Development" to read as follows, with all other definitions to remain the same:

**"Affordable Housing Development** – Affordable housing development means a residential development where 100 percent of the dwelling units are restricted for lower income, very low, and/or extremely low income households, where "lower income," "very low income," and "extremely low income" have the meanings assigned to these terms in Sections 50079.5, 50105, and, 50106, respectively, of the California Health and Safety Code, as may be amended from time to time."

Section 4. Section 2020.040 ("D" Definitions) of the Maywood Zoning Ordinance is amended to add a new definition "Disabled Housing" to read as follows, with all other definitions to remain the same:

**"Disabled Housing** – Any housing development or dwelling unit that is designed and physically improved to accommodate persons with disabilities."

Section 5. Section 2020.050 ("E" Definitions) of the Maywood Zoning Ordinance is amended to add a new definition "Emergency Shelter" to read as follows, with all other definitions to remain the same:

**"Emergency Shelter** – Housing for homeless persons that has the same meaning as defined in subdivision (e) of Section 50801 of the California Health and Safety Code, as may be amended from time to time."

Section 6. Section 2020.080 ("H" Definitions) of the Maywood Zoning Ordinance is amended to delete the following definitions: "Handicapped Housing," "Housing, Low Cost," "Housing, Moderate Cost," and "Housing, Very Low Cost".

Section 7. Section 2020.190 ("S" Definitions) of the Maywood Zoning Ordinance is amended to revise the existing definition of "Senior Citizen Housing Complexes" to read as follows:

**"Senior Citizen Housing Complex** – Senior citizen housing complex means licensed or unlicensed housing for persons 55 years of age or older, where care is not provided, and each dwelling unit has individual living, sleeping, or living/sleeping, bathing, and kitchen facilities, and includes such housing facilities as retirement villas, apartments, condominiums, etc. Senior citizen housing does not include state licensed rest homes, group homes, convalescent hospitals, etc., which are regulated by other provisions of this Ordinance."

Section 8. Chapter 4020 (Residential Specialty) of the Maywood Zoning Ordinance is amended in its entirety to read as follows:

## **"4020 RESIDENTIAL, SENIOR AND AFFORDABLE HOUSING (R-SA)**

### **4020.10 Intent and Purpose**

The City recognizes that affordable housing in the community is a scarce resource and that the City has a responsibility to establish provisions that will work toward meeting the City's State-mandated housing goals for very low income and lower-income households, as outlined in the Maywood General Plan. The City also recognizes the special housing needs of the senior citizen population in terms of housing affordability, accessibility to medical care, and proximity to retail and service commercial uses. The Residential – Senior and Affordable (R-SA) district is established as an overlay district as a means of creating opportunities for development, by right, of higher density affordable housing developments, where "affordable housing development" has the meaning assigned to the term in Subsection 2020.010 of the Maywood Zoning Ordinance; and senior citizen housing complexes, where "senior citizen housing complex" has the meaning assigned to the term in Subsection 2020.190 of the Maywood Zoning Ordinance.

### **4020.20 Permitted Uses**

The primary permitted uses shall be affordable housing developments or senior citizen housing complexes. The underlying zone district shall determine other uses

permitted, unless otherwise indicated in Appendix A, Regulation of Uses by Zone District.

#### **4020.30 General Provisions**

- A.** The R-SA overlay district shall apply to certain areas in the City as specified on the Zoning Map.
- B.** Establishment of an R-SA overlay district may be initiated by the City Council or by an applicant in accordance with Section 5090 (Amendments) of the Maywood Zoning Ordinance.
- C.** Once an R-SA overlay district is established in accordance with Section 4020.30(B), development shall be permitted subject to Site Plan Review by the Director of Building and Planning.

#### **4020.40 Qualifications, Agreement, and Terms**

##### **A. Affordable Housing Development**

- 1. In order for a project to qualify as an affordable housing development, 100 percent of the dwelling unit in the development shall be provided for lower income, very low income, and/or extremely low income households; a mix of income levels is permissible. The income levels for the various units shall be prescribed in the Housing Agreement required pursuant to subsection (2) of this subsection.
- 2. In order to ensure the dwelling units remain available and affordable in accordance with this Section, the applicant shall comply with the requirements of Subsection 4025.70 (Housing Agreement and Terms).

##### **B. Senior Citizen Housing Complex**

- 1. In order for a project to qualify as a senior citizen housing complex, every dwelling unit within the development shall be occupied by at least one person 55 years of age or older.
- 2. A deed shall be recorded against the property restricting the dwelling units to senior citizens for a minimum of 55 years, or any longer time period specified in loan agreements or subsidy programs associated with the project. The deed restriction shall be recorded prior to issuance of a building permit for any structure in the development. The deed restriction shall run with the land and bind all future owners and successors in interest.

**4020.50                      Development Standards – General**

Unless otherwise modified by the provisions of this Section, the development standards for the base zone district shall apply to all development subject to this Section.

**4020.60                      Required Area and Dimensions**

A minimum lot size of 5,000 square feet shall be required.

**4020.70                      Maximum Lot Coverage**

Lot coverage shall not exceed 70 percent.

**4020.80                      Maximum Density**

**A. Affordable Housing Development**

The maximum permitted density shall be 48 units per acre.

**B. Senior Citizen Housing Complex**

The maximum permitted density shall be 72 units per acre.

**C. Density Bonus**

1. The provisions of this chapter do not preclude an applicant from applying for a density bonus in accordance with Section 4025 (Density Bonus).
2. Density bonuses as provided for in Section 4025 are additive to the base densities provided in this Section.

**4020.90                      Height Limit**

The maximum permitted height shall be 50 feet or four stories, whichever is greater.

**4020.100                      Minimum Dwelling Unit Size**

**A. Affordable Housing Development**

The following minimum dwelling unit sizes shall apply:

| <i>Type of Unit</i> | <i>Minimum Size</i>                     |
|---------------------|-----------------------------------------|
| Bachelor            | 350 sq. ft.                             |
| One bedroom         | 500 sq. ft.                             |
| Two bedroom         | 750 sq. ft.                             |
| Three bedroom       | 900 sq. ft.                             |
| Four+ bedroom       | 150 sq. ft. for each additional bedroom |

## **B. Senior Citizen Housing Complex**

The following minimum dwelling unit sizes shall apply:

| <i>Type of Unit</i> | <i>Minimum Size</i> |
|---------------------|---------------------|
| Bachelor            | 350 sq. ft.         |
| One bedroom         | 500 sq. ft.         |
| Two bedroom         | 650 sq. ft.         |
| Three+ bedroom      | 800 sq. ft.         |

## **4020.110 Special Requirements for Senior Citizen Housing Complexes**

The following special features shall be incorporated into all senior citizen housing complexes.

### **A. Disabled Access**

All on-site facilities shall be accessible to persons with disabilities. This requirement shall also apply to any drop-off zones, bus stops, sidewalks, and similar features constructed in conjunction with the project.

### **B. Disabled Housing**

At least 10 percent of the dwelling units shall accessible to persons with disabilities. Those units shall meet the standards set forth by Title 24, Part II of the California Administrative Code.

### **C. Elevators**

Elevators shall be provided in all buildings which exceed one story in height. The number of elevators provided shall be consistent with building code requirements.

## **4020.120 Medical Facilities for Senior Citizen Housing Complexes**

Medical facilities, if provided, shall not occupy more than 20 percent of the gross floor area of the development. The facilities shall be available only to residents of the development.

#### **4020.130     Parking and Loading**

Parking and loading facilities shall be provided as required by Chapter 4100 of this Ordinance.

#### **4020.140     Open Space Standards**

##### **A. Affordable Housing Development – Required Open Space**

1. **Total required open space.** A minimum of 100 square feet of open space shall be provided for each dwelling unit, including both private and common open space, as provided in this Subsection (A). Required front and side yards, driveways, and areas devoted to parking cannot be included in the calculation to satisfy open space standards.
2. **Private open space.** A minimum of 40 square feet per dwelling unit of the total open space required in Subsection (A)(1) shall be provided as private open space, directly accessible from the dwelling unit. Patios and balconies used to satisfy private open space shall have no dimension less than six feet.
3. **Common open space.** A minimum of 40 square feet per dwelling unit of the total open space required in Subsection (A)(1) shall be provided as common open space. The minimum dimension used to satisfy this requirement shall be 10 feet. Common open space shall be designed for use by all residents within the development, including both adults and children, and shall be conveniently accessed by all residents. Common open space may be provided as a yard, courtyard, or other open space, or as an enclosed space, or a combination thereof. An on-site community garden may be used to satisfy up to 20 percent of the total required open space.

##### **B. Senior Citizen Housing Complex – Required Open Space**

1. **Total required open space.** A minimum of 60 square feet per dwelling of open space shall be provided for each dwelling unit. Total required open space may be provided as private or common open space, or a combination thereof. Required front and side yards, driveways, and areas devoted to parking cannot be included in the calculation to satisfy open space standards.

2. **Private open space.** If private open space is provided to meet the total open space required in Subsection (B)(1), it shall be directly accessible from the dwelling unit and shall have no dimension less than six feet.
3. **Common open space.** If common open space is provided to meet the total open space required in Subsection (B)(1), it shall be designed for use by all residents within the development and shall be conveniently accessed by all residents. The minimum dimension used to satisfy this requirement shall be 10 feet. Common open space may be provided as a yard, courtyard, or other open space, or as an enclosed space, or some combination thereof. An on-site community garden may be used to satisfy up to 20 percent of the required common open space."

Section 9. Chapter 4025 (Housing for Very Low Income and Lower Income Households) of the Maywood Zoning Ordinance is hereby amended in its entirety to read as follows:

**"4025 DENSITY BONUS**

**4025.10 Intent and Purpose**

The City of Maywood recognizes that affordable housing is a scarce resource in the community and is committed to providing incentives which encourage development of such housing. This section establishes provisions that will work toward meeting the City's housing goals for very low income and lower income households, as outlined in the Maywood General Plan. These provisions implement Chapter 4.3 of California Planning and Zoning Law, California Government Code Division 1, Title 7 relating to density bonuses.

**4025.20 References to State Law**

This Section references Chapter 4.3 of California Planning and Zoning Law, California Government Code Division 1, Title 7, hereinafter referred to as the "state density bonus law," as may be amended from time to time. The terms used in this section shall have the meanings as set forth in the state density bonus law.

**4025.30 General Provisions**

When an applicant requests a density bonus for a housing development within, or for the donation of land within, the City, the

applicant shall receive a density bonus in accordance with the provisions of the state density bonus law and this Section.

**4025.40      Application Process and Project Review Procedures for Density Bonus**

All project applications for which a density bonus is being requested shall be subject to the following application process and project review procedures.

- A. A pre-application meeting shall be held between the project developer and the Building and Planning Director, or his designee. The purpose of the meeting will be to review any preliminary development plans prepared by the developer and to discuss the type of density bonus the applicant will be requesting, and, if proposed, incentives or concessions, waivers or reduction of the City's development standards, and parking ratios, as provided for in the state density bonus law.
- B. Following the pre-application meeting, the applicant for a density bonus shall submit the type of application ordinarily required for the type of project proposed (for example, a site plan for a multi-family residential development). The applicant also shall submit the additional the submittal requirements for a density bonus pursuant to Subsection 4025.50 concurrently with the application for the proposed project.
- C. The Building and Planning Director shall notify the applicant for a density bonus whether the application is complete in accordance with the procedures established in Chapter 4.5 of California Planning and Zoning Law, California Government Code Division 1, Title 7, known as the Permit Streamlining Act.
- D. If the Building and Planning Director notifies the applicant that the application is deemed complete, the Director shall provide the applicant with a determination as to the following:
  - 1. The amount of density bonus, calculated pursuant to subdivision (f) of Section 65915, for which the applicant is eligible.
  - 2. If the applicant request incentives or concessions pursuant to subdivision (d) or waivers or reductions of development standards pursuant to subdivision (e) of Section 65915, whether the applicant has provided adequate information

for the City to make a determination as to those incentives, concession, or waivers or reduction of development standards.

3. If the applicant requests a parking ratio pursuant to subdivision (p) of Section 65915, the parking ratio for which is applicant is eligible;
  4. Any determination under this Subsection shall be based on the development project at the time the application is deemed complete. The applicable decision-maker shall adjust the amount of density bonus and parking ratios awarded pursuant to this Section based on any changes to the project during the course of development.
- E. The project shall be subject to those applicable review procedures for the type of project proposed, as provided for in the Maywood Zoning Ordinance.

#### **4025.50 Additional Submittal Requirements for Density Bonus**

In addition to and concurrently with the submittal requirements for the applicable type of housing project proposed, the applicant shall submit the items listed below as reasonable documentation to establish eligibility for a requested density bonus, incentives or concessions, waivers or reduction of the City's development standards, and parking ratios as described in the state density bonus law.

- A. A description of the requested density bonus, including:
1. The density and maximum number of dwelling units possible under the existing zoning without a density bonus.
  2. The percentage increase and number of dwelling units requested above the maximum allowable density.
  3. The number and percentage of dwelling units proposed by income level.
  4. Any proposed occupancy restrictions, such as restrictions to occupancy by seniors or to special needs tenants, and whether the units are proposed to be offered for sale or for rent.

- B.** If the application requests concessions or incentives, as defined in California Government Code Section 65915(k), the applicant shall include the following:
1. A description of the requested concessions or incentives.
  2. All documentation the applicant wishes to rely on to demonstrate how the incentives or concessions would result in identifiable and actual cost reductions necessary to meet affordability levels as opposed to the project without the concessions or incentives.
  3. If the applicant requests a waiver or reduction of any development standard based on an assertion that the development standard physically precludes the construction of a qualifying affordable housing development per California Government Code Section 65915(e), include the following:
    - a. A detailed description of the requested waiver or reduction of development standards.
    - b. All documentation the applicant wishes to rely on to show how the development standards physically preclude the construction of the qualified affordable housing development.
    - c. All documentation the applicant wishes to rely on to show that the waiver or reduction would not have a specific adverse impact, as defined in California Government Code Section 65589.5(d)(2), upon health, safety or the physical environment, including proposed mitigation or avoidance measures.
- C.** If the application requests parking ratios pursuant to California Government Code Section 65915(p), the following information shall be included:
1. The requested parking ratio.
  2. Information on the number of dwelling units and number of bedrooms in each dwelling unit.
- D.** If the application requests parking ratios per California Government Code Section 65915(p)(2) or (3), evidence to show

the proposal meets the criteria in those sections, including the distance to the nearest major transit stop, information on access to and any impediment to that transit stop from the housing development, information on the service provided at the transit stop, paratransit service available and its frequency, and any occupancy restrictions proposed.

- E. Citations to the legal standards and criteria upon which the density bonus, concession, incentive, waiver, reduction in development standards, or parking ratio is requested and an explanation, evidence, and findings showing how the applicant contends the proposal meets the applicable standards and criteria.
- F. Fees as required in accordance with Section 5060 (Fees and Deposits).

#### **4025.60**

#### **Decisions and Findings**

- A. The decision-making authority shall review the application for the density bonus and may approve, approve with conditions, or deny the request based on the applicable standards and criteria as provided for in the state density bonus law. The decision-making authority shall adopt findings supporting the decision.
- B. The decision-making authority shall not disprove the incentives or concessions requested by the applicant unless it makes written findings, based upon substantial evidence in the record, as to any of the following:
  - 1. The incentives or concessions do not result in identifiable and actual cost reductions, as defined in the state density bonus law, to provide for affordable housing costs, as defined in Section 500525.5 of the California Health and Safety Code, or for rents for the targeted units as specified in the state density bonus law.
  - 2. The incentives or concessions would have a specific, adverse impact, as defined in paragraph (2) of subdivision (b) of Section 65589.5 of the California Government Code, upon the health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific,

adverse impact without rendering the development unaffordable to low-income and moderate income households.

3. The concession or incentive would be contrary to state or federal law.

#### **4025.70 Housing Agreement and Terms**

In order to ensure that the units remain available and affordable as described in a density bonus application, as approved, the applicant shall enter into a Housing Agreement with the City and shall be recorded as a deed restriction on the property, as provided for in this subsection.

- A. The Housing Agreement shall be executed prior to recording any final or parcel map for the underlying property, or, where the housing development does not include a map, prior to the issuance of any building permit for the housing development.
- B. The Housing Agreement shall run with the land and be binding on all future owners and successors of interests in the housing development.
- C. The Housing Agreement shall follow a form determined by the City and be approved by the City Attorney and shall, at a minimum:
  1. Identify the unit(s) and income type of affordable housing unit(s) as approved;
  2. Require that the affordable housing unit(s) be kept available only for members of the identified income group(s), subject to the affordability restrictions for the qualifying households;
  3. Identify the means by which such continued availability shall be secured and enforced and the procedures under which the affordable housing units shall be leased and shall contain other such provisions the City may require.
- D. The units shall be made available to qualifying households as designated in the Housing Agreement for a minimum of 55 years, or any longer time period specified in loan agreements or subsidy programs associated with the project.

**4025.80      Density Bonus Program Administration**

The responsible Housing Authority will establish procedures for administration of the affordable units once they have been constructed. The affordability of the units specified in the Density Bonus Housing Agreement shall be monitored for compliance by the responsible Housing Authority."

Section 10. A new Chapter 4045 (Emergency Shelter (ES)) is hereby added to the Maywood Zoning Code read as follows:

**"4045            EMERGENCY SHELTER (ES)**

**4045.10        Intent and Purpose**

In accordance with State law, the City of Maywood recognizes it has a responsibility to identify at least one zone where an emergency shelter, necessary to meet the needs of the City's homeless population, can be located by-right in the city without a conditional use permit or any other discretionary permit. This Emergency Shelter (ES) district is established as an overlay district as a means of meeting the requirements of State law in an area near needed services and facilities.

**4045.20        Permitted Uses**

The primary permitted use shall be an emergency shelter. The underlying zone district shall determine other uses permitted, unless otherwise indicated in Appendix A, Regulation of Uses by Zone District. To accommodate the city's emergency housing need as required by Section 65583(a)(4) of the California Government Code, emergency shelters shall be allowed by right, subject to a Site Plan Review by the Director of Building and Planning and the provisions set forth herein.

**4045.30        General Provisions**

- A. The ES overlay district shall apply to certain areas in the General Commercial/Manufacturing (CM) zone district identified on the Zoning Map of the City. All emergency shelters shall be located within the physical boundaries of the ES overlay district.
- B. Emergency shelters shall be subject to those development standards that apply to development within the CM zone district.

- C. In addition, all emergency shelters shall comply with the standards as specified in Section 4045.40, as provided for in Government Code section 65583, subdivision (a)(4)(A).
- D. No individual or household may be denied emergency shelter because of an inability to pay.

**4045.40**

**Standards Specific to Emergency Shelters in the ES Overlay District**

- A. The following development standards shall apply to all emergency shelters:
  - 1. **Minimum Structure Requirements:** Each emergency shelter shall be located within an entirely enclosed, permanent structure. The structure must comply with all applicable adopted building and fire codes, including maximum occupancy restrictions.
  - 2. **On-Site Waiting and Intake Area:** Each emergency shelter shall provide an indoor area designated for waiting and client intake services. If the indoor area cannot accommodate all potential clients reasonably expected at any one time, an enclosed or screened exterior waiting area shall be designated that is located entirely on the subject property to prevent queuing into the public right-of-way.
  - 3. **Common Facilities:** The development may provide one or more of the following specific common facilities for the exclusive use of the residents and staff:
    - a. Central cooking and dining room(s).
    - b. Recreation room.
    - c. Counseling center.
    - d. Child care facilities.
    - e. Other support services.
    - f. Laundry Facilities
  - 4. **Lighting:** Adequate external lighting shall be provided for security purposes. The lighting shall be stationary, directed away from adjacent properties and public rights-

of-way, and of an intensity compatible with the neighborhood.

5. **Security:** Parking and outdoor facilities shall be designed to provide security for residents, visitors and employees.
  6. **Parking:** One (1) parking space shall be provided for each employee and non-client who will be on-site during peak periods as designated in the management plan in 4045.5 (4), plus one space per five (5) beds.
  7. **Minimum Separation:** Emergency shelters shall be located a minimum of three-hundred (300) feet apart, measured in a straight line between property lines of each shelter without regard to intervening structures or objects.
- B. The following operational standards shall apply to all emergency shelters:
1. **Supervision:** A minimum of one (1) supervisory level staff member must be present on-site during hours of operation.
  2. **Security:** A minimum of one (1) security guard/officer must be present during all hours when the shelter is open. The security guard/officer shall be in addition to supervisory personnel required by subsection (G).
  3. **Limited Term of Stay:** The maximum length of stay at any one time for any person shall be six (6) months in any twelve (12) month period. The days shall not be required to be concurrent.
  4. **Camping/Sleeping in Vehicles Prohibited:** There shall be no camping or sleeping in vehicles permitted on the site of the shelter.

#### **4045.50 Management Plan.**

The emergency shelter operator/provider shall prepare and submit a written management plan with the application for Site Plan/Plot Plan Review—Administrative Approval, which demonstrates compliance with the requirements of this chapter. The management plan shall be approved by the Director prior to start of operations. The operator shall maintain the standards in the management plan at all times. The management plan shall include but is not limited to the following:

- A. Management, supervisory staff, and support staff.
- B. Eligibility criteria and number of clients to be served.
- C. Services to be provided.
- D. Estimated number of employees and non-clients (e.g., service providers, volunteers, etc.) anticipated to be on-site during peak periods.
- E. On-site security: In addition to the requirement for a security guard/officer pursuant to 4045.40 (B)(2), the management plan shall include provisions for onsite security, including lighting, security cameras, and other measures appropriate to provide for adequate health and safety of clients and management and to aid in avoiding the potential for nuisances near the site.
- F. Hours of operation and lights-out times. The hours of operation shall be posted on or by the main entrance door of the facility.
- G. Timing and location of outdoor activities.
- H. Loitering control.
- I. Standards governing expulsions.
- J. Good neighbor policies and practices.
- K. Refuse collection.
- L. Bed bug prevention.
- M. Separation of sleeping areas and restrooms by gender and for families.
- N. Emergency contact information. The most current emergency contact information shall be posted on or by the main entrance door of the facility.
- O. A floor plan and site plan that demonstrate compliance with all standards of this Chapter.

**4045.60 Denial of an Emergency Shelter.**

The City shall not disapprove an emergency shelter, or condition the approval of an emergency shelter in a manner that makes its development infeasible, except in accordance with Government Code Section 65589.5(d) or its successor provisions."

Section 11. Table 4100.60 (Number of Parking Spaces Required) of the Maywood Zoning Ordinance is hereby amended to list a new Residential Use titled

"Affordable Housing Development" with the Required Number of Spaces to read as follows:

- "1 space/unit for bachelor and 1-bedroom units
- 2 spaces/unit for 2- and 3-bedroom units
- 2.5 spaces/unit for 4-bedroom units
- 0.5 space/bedroom for each additional bedroom, plus 1/4 guest space/unit"

Section 12. Appendix A (Regulation of Uses By Zone District) of the Maywood Zoning Ordinance is hereby amended to revise the title of "Senior Citizen Housing Development" and to provide land use listings for "Affordable Housing Development" and "Emergency Shelter" as follows, with all other listings to remain the same:

|                                | R-3 | R-SA | CC | C | CM | M | OS | PF | ES |
|--------------------------------|-----|------|----|---|----|---|----|----|----|
| Affordable Housing Development | X   | P    | X  | X | O  | X | X  | X  | X  |
| Emergency Shelter              | X   | X    | X  | X | C  | X | X  | X  | P  |
| Senior Citizen Housing Complex | O   | P    | X  | O | O  | X | X  | X  | X  |

Section 13. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance or its application to any person or circumstance, is for any reason held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, phrase hereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

Section 14. CEQA. The City Council hereby finds that it can be seen with certainty that there is no possibility that the adoption and implementation of this Ordinance may have a significant effect on the environment. This Ordinance is therefore exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations. Accordingly, the City Council, directs that a Notice of Exemption be filed with the County Clerk of the County of Los Angeles in accordance with CEQA Guidelines.

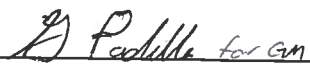
Section 15. Any provisions of the Maywood Municipal Code, or appendices thereto, or any other resolution or ordinance of the City, to the extent that they are inconsistent with this Ordinance, and no further, are hereby repealed.

Section 16. The City Clerk shall certify to the adoption of this Ordinance and shall cause the same to be published or posted in the manner prescribed by law.

PASSED, APPROVED AND ADOPTED this 23<sup>RD</sup> day of October, 2019.

  
Eduardo De La Riva, Mayor

ATTEST:

  
Gerardo Mayagoitia, City Clerk

APPROVED AS TO FORM:

  
Roxanne Diaz, City Attorney

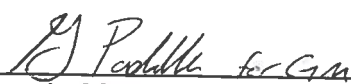
I, Gerardo Mayagoitia, City Clerk of the City of Maywood, do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Maywood held on the 23<sup>rd</sup> day of October, 2019 by the following vote:

AYES: Marquez, Lara, De La Riva

NOES: Alvarez, Medina

ABSTAINED:

ABSENT:

  
Gerardo Mayagoitia, City Clerk



## COUNCIL AGENDA

ITEM No. 10

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### CITY COUNCIL STAFF REPORT

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**DATE:** OCTOBER 23, 2019

**TO:** HONORABLE MAYOR, AND MEMBERS OF THE CITY COUNCIL

**FROM:** JENNIFER E. VASQUEZ, CITY MANAGER

**RE:** CONSIDERATION OF A CONTRACT WITH THE LOS ANGELES  
COUNTY DEPARTMENT OF ANIMAL CONTROL FOR  
SERVICES FROM JULY 1, 2019 TO JUNE 30, 2024

---

#### **RECOMMENDATION**

Staff recommends that the City Council approve the contract with Los Angeles County Department of Animal Control for five (5) year term from July 1, 2019 through June 30, 2024

#### **FISCAL IMPACT**

The City receives 100% of the revenue collected from the County for animal control licensing fees. This amount is estimated to be \$16,320 per year, which is subtracted from the monthly invoice the City receives for animal services from the County.

The City has budgeted \$110,000 in the 2019/2020 fiscal year budget for animal control services with the County of Los Angeles. There is balance of \$88,120 remaining in this budget.

#### **LEGAL REVIEW**

City Attorney has reviewed this report.

#### **BACKGROUND/DISCUSSION**

The City entered into a five (5) year agreement with Los Angeles County Department of Animal Control for animal services from January 2016 through June 30, 2019. To continue to provide animal care and field enforcement services as it pertains to animal control, staff recommends entering into a new five (5) year contract.

### **ATTACHMENTS**

Attachment No. 1 - Los Angeles County Department of Animal Control Contract

**ATTACHMENT NO. 1**



LOS ANGELES COUNTY  
**ANIMAL CARE  
& CONTROL** | redefining  
**CARE**



Marcia Mayeda, Director

May 6, 2019

Mr. Donald J. Wagner  
Interim City Administrator  
City of Maywood  
4319 East Slauson Avenue  
Maywood, CA 90270

Dear Mr. Wagner:

**NEW SERVICES AGREEMENT, FISCAL YEAR 2019-20  
SERVICE LEVELS, AND BILLING RATES**

Thank you for your ongoing partnership in protecting the people and animals in your city and the County of Los Angeles. As we advised in our letters dated January 16, 2019, and March 28, 2019, the current five-year City-County Municipal Services Agreement (Agreement) for animal care and control services is due to expire on June 30, 2019. The purpose of this letter is three-fold and will address the new Services Agreement, Fiscal Year (FY) 2019-20 service levels, and billing rates.

**City-County Municipal Services Agreement and Service Level Request**

The new Agreement (enclosed) was approved by the County of Los Angeles Board of Supervisors (Board) on April 30, 2019. The Department of Animal Care and Control (Department) is seeking your cooperation in executing the Agreement to ensure uninterrupted services within your jurisdiction. This new Agreement will be effective upon the execution of both parties. Please review, obtain the signature of your authorized representative, and submit two copies to the Department by Thursday, June 13, 2019. A copy of the executed Agreement will be provided to you, following the signature by our Director.

Agoura ACC  
29525 Agoura Road  
Agoura Hills, CA 91301  
(818) 991-0071

Baldwin Park ACC  
4275 N Elton Street  
Baldwin Park, CA 91706  
(626) 962-3577

Carson/Gardena ACC  
216 W Victoria Street  
Gardena, CA 90248  
(310) 523-9566

Castaic ACC  
31044 N. Charlie Canyon Rd.  
Castaic, CA 91384  
(661) 257-3191

Downey ACC  
11258 S. Garfield Ave.  
Downey, CA 90242  
(562) 940-6898

Lancaster ACC  
5210 W Avenue I  
Lancaster, CA 93536  
(661) 940-4191

Palmdale ACC  
38550 Sierra Highway  
Palmdale, CA 93550  
(661) 575-2888

Administrative Office  
5898 Cherry Avenue  
Long Beach, CA 90805  
(800) 253-3555

Mr. Donald J. Wagner  
May 6, 2019  
Page 2 of 3

The completed documents should be submitted to:

County of Los Angeles  
Department of Animal Care and Control  
Attention Contract Management Division  
5888 Cherry Avenue  
Long Beach, CA 90805

To ensure the implementation or continuation of requested services within your jurisdiction, please complete and include the enclosed Service Level Request (SLR) (Attachment B). We request that your city submit the initial SLR form by the deadline to ensure newly selected services will take effect on the first day of July. Your City is only required to complete the attached SLR one time for the duration of the five-year contract unless you wish to amend services.

The completion of this SLR is consistent with the terms of the Services Agreement, providing the Department with an acknowledgment of planned services and allowing for operational planning and deployment of resources. You may submit an amended SLR at any time. Any additions or deletions to services will be scheduled for implementation upon agreement by both parties.

#### **Fiscal Year 2019-20 Billing Rates and Methodology**

As we have previously communicated, the County of Los Angeles Board of Supervisors (Board) has suspended the implementation of the new billing methodology presented to your city last year. A consultant will be engaged to perform a fiscal and operational audit of the Department after which the Board will determine what further action, if any, should be taken.

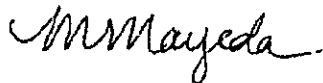
The initial billing rates for FY 2019-20 have been developed in accordance with the methodology that has been used for the last five years which provides for annual adjustments by the County Auditor-Controller (A-C). We will advise you of any changes to billing rate calculations upon the completion of the fiscal and operational audit. The billing rates for FY 2019-20, beginning July 1, 2019, include rate increases determined by the A-C, based on the current methodology. The rates are summarized on the first page of the City-County Municipal Services Billing Rates (Attachment C).

The FY 2019-20 rate for Dog and Cat Kennel Services per day (depicted on Attachment C) has been determined by the Auditor-Controller to be \$49.03. This compares to the FY 2018-19 rate of \$44.85, as referenced in the June 14, 2018, correspondence to you.

Mr. Donald J. Wagner  
May 6, 2019  
Page 3 of 3

If you have any questions, concerns, or are interested in scheduling a meeting, please contact Ms. Whitney Duong, Contract Management Division Liaison, at (562) 256-2412 or via e-mail at [wduong@animalcare.lacounty.gov](mailto:wduong@animalcare.lacounty.gov).

Sincerely,



MARCIA MAYEDA  
Director

MM:BW:AMJ:WD:mr

s:\cc\sa\fy 19-20\new sa ltr to cities (may 2019) final.doc

Enclosures

CITY-COUNTY MUNICIPAL SERVICES AGREEMENT  
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COUNTY OF LOS ANGELES DEPARTMENT OF ANIMAL CARE  
AND CONTROL AND CITY OF MAYWOOD

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## CITY-COUNTY MUNICIPAL SERVICES AGREEMENT

### COUNTY OF LOS ANGELES DEPARTMENT OF ANIMAL CARE AND CONTROL AND CITY OF MAYWOOD

THIS MUNICIPAL ANIMAL CARE AND CONTROL AGREEMENT ("Agreement") between the COUNTY OF LOS ANGELES ("the County") and the CITY OF MAYWOOD ("the City"), together known as "the Parties," is made and entered into July 1, 2019, or when signed by all Parties, whichever is later.

#### RECITALS

- a. The City desires to contract with the County to perform the animal care and control functions described in this Agreement; and
- b. The County is agreeable to providing such services on the terms and conditions set forth in this Agreement; and
- c. Such agreements are authorized and provided for by the provisions of Section 56-1/2 and 56-3/4 of the Charter of the County of Los Angeles and Section 51300 et seq. of the Government Code of the State of California.

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for good and valuable consideration, the Parties mutually agree as follows:

#### 1.0 AGREEMENT TO PROVIDE SERVICES UNDER STATE AND LOCAL STATUTES

- 1.1 The County agrees, through the County Department of Animal Care and Control ("the Department"), to provide general animal care and control services within the corporate limits of the City to the extent and in the manner stated in the Agreement and its Attachments.
- 1.2 Except as otherwise specifically stated in the Agreement, the services will only encompass duties and functions of the type coming within the jurisdiction of and customarily provided by the County under the Charter of the County, the Los Angeles County Code, and the statutes of the State of California. The County will provide services in accordance with the provisions of Title 10, "Animals," of the Los Angeles County Code, and all amendments enacted to Title 10, except as otherwise agreed by the Parties in the most recently executed Service Level Request.

## 2.0 ADMINISTRATION OF PERSONNEL

- 2.1 The County will control all aspects of the services provided by the County including, but not limited to, standards of performance, discipline of officers and staff, and all employment-related matters.
- 2.2 In the event of a dispute between the Parties regarding the duties and services to be provided, or the minimum level or manner of performance of such services, the City will be consulted and agreement between the Parties attempted. If agreement cannot be reached, the County will make the final and conclusive determination of the dispute.
- 2.3 All City employees who work with the Department under the Agreement will remain employees of the City and will not have any claim or right to employment, civil service protection, salary, benefits, or claims of any kind from the County. No City employee will become an employee of the County unless by specific additional agreement in the form of a merger contract, which must be concurrently adopted by the City and the County. Except as otherwise specifically set forth in the Agreement or in the attached Service Level Request, to the extent the County provides the City with animal licensing services, neither the City employees nor their agents will perform any function related to the licensing of animals, including collection of license fees, penalties, or field enforcement fees. Field enforcement fees will only be collected by the Department for services performed by employees of the Department.
- 2.4 For the purposes of performing services under the Agreement, and only for the purpose of giving authority for Department staff to provide these services, every County officer and/or employee engaged in performing any service will be deemed to be a contracted officer or employee of the City while performing service for the City, provided the service is within the scope of the Agreement and is a municipal function.
- 2.5 The City will not assume any liability for the direct payment of salaries, wages, or other compensation to County personnel performing services under the Agreement. Except as described under Section 5.0, the City will not be liable for compensation or indemnity to any County employee or agent of the County for injury or sickness arising out of his/her employment while providing services under the Agreement.
- 2.6 The County agrees that it is subject to the County Civil Services Rules prohibiting discrimination based on non-merit factors.

### 3.0 DEPLOYMENT OF PERSONNEL

- 3.1 The Department in cooperation with the City will determine how to provide the services required by the Agreement.
- 3.2 The City agrees to complete an Attachment B, Service Level Request form, specifying the level of service to be provided, which will be signed and authorized by the City and the Department representative and attached to the Agreement. The Department will issue annual notifications of any change to the billing rate as stated in Paragraph 8.2. Unless the City changes other provisions within the most recent executed Service Level Request, it is not necessary to execute a revised Service Level request to reflect a billing rate change.
- 3.3 The City may at any time request a change in level of service by completing a revised Attachment B, Service Level Request form, and submitting the form to the Department. The revised level of service to be provided and current fiscal year billing rate will be signed and authorized by the City and the Department representative and attached to the Agreement as an amendment. Changes requested at times other than the beginning of the fiscal year will be implemented as soon as practical, as determined by the Department. The Department reserves the right to approve or disapprove requests on the Service Level Request in accordance with Section 3.1 of this Agreement.
- 3.4 The City is not limited to the services indicated but may also request any other services in the field of public safety, animal welfare, or related fields within the legal power of the Director of the Department to provide. The County reserves the right to determine, in its sole discretion, whether the Department can provide requested services.

### 4.0 PERFORMANCE OF CONTRACT

- 4.1 For performing services under the Agreement, the County will provide all necessary labor, supervision, equipment, communication facilities, and supplies necessary to maintain the agreed level of service.
- 4.2 Nothing in the Agreement prohibits the City from providing, at the City's expense, additional resources for the County to utilize in performance of the services.
- 4.3 Any use of special supplies, stationery, notices, forms, in other than standard Department format, must be approved by the Director of the Department and supplied by the City at its own cost and expense.

- 4.4 If requested, the Department will use its best efforts to attend one in-person meeting with the City, up to three hours duration, per quarter at no charge to the City. Additional meetings may be scheduled under unusual or urgent circumstances as agreed upon by the Department. The City will pay the hourly rate listed in Attachment C, City-County Municipal Services Billing Rates, for any additional hours of the Department's contract management staff's time at meetings requested by the City. Due to a lack of availability of meeting space in County facilities, the City will provide a mutually agreed upon meeting space and location for all in-person meetings or meet at the Department's headquarters in Long Beach, California.
- 4.5 If requested, the Department will use its best efforts to send representatives to the City's Council meetings for proposed ordinance changes, contract revisions, or any related animal issues where input from the Department is needed.
- 4.6 If requested, the Department will use best efforts to coordinate a conference call meeting once per month at no charge to the City. Additional meetings may be scheduled under unusual or urgent circumstances as agreed upon by the Department. The City will pay the hourly rate listed in Attachment C, City-County Municipal Services Billing Rates, for any additional hours of County representatives' time at meetings requested by the City.
- 4.7 The Department will make available upon request, at no charge to the City, the reports listed on the Attachment A, Description of Services, at the intervals indicated in that attachment. For any additional reports that are not included on Attachment A, Description of Services, or those requested at more frequent intervals, the Department will account for the hours of staff time required to produce the reports. The County will provide, at no charge to the City, up to 12 hours of staff time annually for any additional requested reports. The City will be responsible for any excess hours at the current billing rate for staff time as listed in Attachment C, City-County Municipal Services Billing Rates.

## 5.0 INDEMNIFICATION

- 5.1 The Parties have executed an Assumption of Liability Agreement approved by the Board of Supervisors on December 27, 1977, and/or a Joint Indemnity Agreement approved by the Board of Supervisors on October 8, 1991, and/or a revised Joint Indemnity Agreement approved by the Board of Supervisors on August 9, 1993. Whichever of these documents the City has signed later in time is currently in effect and hereby made a part of and incorporated into the Agreement as if set out in full in the Agreement.

- 5.2 In the event the Board of Supervisors later approves a revised Joint Indemnity Agreement and the City executes the revised agreement, the subsequent agreement as of its effective date will supersede the Joint Indemnity Agreement previously in effect between the Parties.

## 6.0 TERM OF CONTRACT

- 6.1 Unless sooner terminated as provided for in the Agreement, the Agreement will be effective July 1, 2019, or when signed by the Parties, whichever is later, and will remain in effect until June 30, 2024, unless sooner terminated or extended.
- 6.2 At the option of the Board of Supervisors and with the consent of the City Council, the Agreement may be renewable for successive periods not to exceed five (5) years each.

## 7.0 RIGHT OF TERMINATION

- 7.1 Either Party may terminate the Agreement as of the first day of July of any year upon notice in writing to the other Party of at least sixty (60) days before the termination date.
- 7.2 Despite any provision to the contrary in the Agreement, the City may terminate the Agreement upon notice in writing to the County given within sixty (60) calendar days of receipt of written notice from the County of any increase in the rate for any service to be performed under the Agreement. In such an event the Agreement will terminate sixty (60) calendar days from the date of the City's notice to the County.
- 7.3 The Agreement may be terminated at any time, with or without cause, by either Party upon written notice given to the other Party at least one hundred eighty (180) days before the date specified for that termination.
- 7.4 In the event of an unresolved dispute, either Party may terminate the Agreement by giving not less than sixty (60) days' notice in writing to the other Party. A dispute is unresolved when both Parties agree that there is no resolution and no intent by either Party to continue to seek a resolution.
- 7.5 In the event of a termination, each Party will fully discharge all obligations owed to the other Party that accrued before the date of the termination, and each Party will be released from all obligations which would otherwise accrue after the date of termination.

## 8.0 CONTRACT SUM

- 8.1 The City will pay for the services provided under the terms of the Agreement at the current fiscal year rate established by the County

Auditor-Controller and set forth in the current Attachment C, City-County Municipal Services Billing Rates.

- 8.2 The rates indicated in the City-County Municipal Services Billing Rates form will be readjusted by the County annually, effective the first day of July each year, to reflect the cost of services in accordance with the policies and procedures for the determination of rates established by the County.
- 8.3 The City will be billed based on the current service level described in the latest Attachment C, City-County Municipal Services Billing Rates form, submitted by the City and approved by the County.
- 8.4 The cost of additional services requested under the Agreement and not set forth in the Service Level Request form will be determined by the Department in accordance with the policies and procedures established by the County.

## 9.0 PAYMENT PROCEDURES

- 9.1 The County, through the Department, will submit a summary invoice covering all services performed during the month to the City within twenty-five (25) days after the close of each calendar month. The City will pay the County for all undisputed amounts within thirty (30) days after the date of the invoice.
- 9.2 If payment is not delivered to the County office described on the invoice within sixty (60) days after the date of the invoice, the County is entitled to recover interest on the unpaid amount. For all disputed amounts, the City will provide the County with written notice of the dispute including the invoice date, amount, and reason(s) for the dispute within twenty-one (21) days after receipt of the invoice. The Parties will confirm the resolution of the dispute in writing. For any disputed amounts, interest will accrue if payment is not received within sixty (60) days after the date of the written resolution.
- 9.3 Interest will be calculated at the rate of seven percent (7%) annually or any portion thereof, from the last day of the month for which the services were performed, or in the case of disputed amounts, from the date of the written resolution.
- 9.4 Despite the provisions of Government Code Section 907, if payment is not delivered to the County office described on the invoice within sixty (60) days after the date of the invoice, or in the case of disputed amounts, from the date of the written resolution, the County may satisfy such indebtedness, including interest on unpaid amounts, from any funds of the City on deposit with the County, without giving further notice to the City of the County's intention to do so.

## 10.0 NOTICES

10.1 Each Party must designate a Primary Contact, identified in Attachment B, Service Level Request, to facilitate the services which are the subject of the Agreement. Except for necessary communications required for day-to-day facilitation of the services under the Agreement, which may be delivered by telephone, email, or in person, all notices or demands required, permitted, or desired to be given by one Party to the other must be in writing and mailed to the other Party's Primary Contact at the address identified in Attachment B, Service Level Request. Addresses and persons to be notified may be changed by either Party by giving written notice to the other Party.

10.2 Notices to the County of Los Angeles must be addressed as follows:

County of Los Angeles Department of Animal Care and Control  
Contract Management Division  
Attn: Contract City Liaison  
5898 Cherry Avenue  
Long Beach, CA 90805  
Phone: (562) 256-2412

10.3 Notices to the City must be addressed to the contact person listed on the most recent Service Level Request on file and/or the current City Official or City Manager.

## 11.0 AMENDMENTS

11.1 All changes, modifications, or amendments to the Agreement must be in writing and duly executed by the Director of the Department, or his/her designee, and an authorized representative of the City.

## 12.0 AUTHORIZATION WARRANTY

12.1 The City represents and warrants that the person executing the Agreement for the City is an authorized agent who has actual authority to bind the City to each term, condition, and obligation of the Agreement and that all requirements of the City have been fulfilled to provide such actual authority.

12.2 The County represents and warrants that the person executing the Agreement for the County is an authorized agent who has actual authority to bind the County to each term, condition, and obligation of the Agreement and that all requirements of the County have been fulfilled to provide such actual authority.

### 13.0 ENTIRE AGREEMENT

- 13.1 The Agreement, including Attachment A, Description of Services, the most recent Attachment B, Service Level Request, and the latest Attachment C, City-County Municipal Services Billing Rates, along with the applicable Assumption of Liability or Joint Indemnity Agreement referenced under Section 5.0, constitute the complete and exclusive statements of the Parties which supersede all previous agreements, written or oral, and all communications between the Parties relating to the subject matter of the Agreement. All changes or amendments to the Agreement must be in writing and mutually executed by authorized personnel on behalf of the Parties. The Director of the Department or his/her designee is authorized by the County to execute amendments.

### 14.0 CONSTRUCTION OF AGREEMENT

- 14.1 Each Party has participated in the drafting and preparation of the Agreement, and each Party agrees that the Agreement will not be construed against any Party on the grounds that the Party drafted the Agreement.

### 15.0 IMPLEMENTATION OF AGREEMENT

- 15.1 Each Party agrees to execute the documentation required and to take such other actions as may be reasonably necessary to accomplish the purposes of the Agreement.

### 16.0 COUNTERPARTS

- 16.1 The Agreement may be executed in counterparts (including via facsimile), which will become effective only when every Party has signed and delivered a counterpart. The originals of any counterpart signature pages will be delivered to the County and retained as part of the original Agreement.

CITY-COUNTY MUNICIPAL SERVICES AGREEMENT  
COUNTY OF LOS ANGELES DEPARTMENT OF ANIMAL CARE  
AND CONTROL AND CITY OF MAYWOOD

IN WITNESS WHEREOF, the County of Los Angeles, by order of its Board of Supervisors has caused the Agreement to be executed by the Director of the Department of Animal Care and Control and the City has caused the Agreement to be executed on its behalf by its authorized representative.

CITY OF MAYWOOD

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
City of Maywood, City Manager      Date

By \_\_\_\_\_  
MARCIA MAYEDA      Date  
Director, Animal Care and Control

By \_\_\_\_\_  
City Clerk      Date

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By \_\_\_\_\_  
City Attorney      Date

By \_\_\_\_\_  
Deputy County Counsel      Date

**COUNTY OF LOS ANGELES  
DEPARTMENT OF ANIMAL CARE AND CONTROL  
DESCRIPTION OF SERVICES**

**I. Animal Care Services**

The Department maintains several animal care centers that accept stray and relinquished animals. The Department also receives and maintains animals that are victims of abuse or neglect, under a quarantine order, or that pose a risk to the public. Stray or lost animals are held for an initial period to give an owner the opportunity to reclaim them. Owner-relinquished animals are held for an initial period prior to euthanasia pursuant to State law. The hold period may vary and may be extended in an attempt to reunite the animal with an identified owner or for other reasons.

The Department is dedicated to providing appropriate and safe housing to all animals in the Department's animal care centers. The Department is required by law to provide a safe environment with proper food, water, shelter, opportunity for exercise, and medical care for the animals it houses. Medical care may be provided by Department staff or, at the Department's sole discretion, outsourced to a contracted veterinarian.

As requested by the City in Attachment B, Service Level Request, the Department will provide the City with Full Care Center Services; Animal Care for Transfer only; or No Care Center Services.

**A. Full Care Center Services**

All animals collected in the field within the boundaries of the City or determined to have originated within the boundaries of the City may be housed at a County animal care center. Impounded animals will be vaccinated and provided medical care, food, and shelter. The Department may post an animal's picture on the Department's website to assist residents in reclaiming a lost or missing pet. Residents may also visit the associated animal care center to find their lost or missing pet. The hours of operation of each animal care center may be found on the Department's website.

The Department will make reasonable attempts to house animals from the City at the animal care center closest to the City. The nearest animal care center to the City will be designated as the primary animal care center. There may be circumstances in which the Department will house animals collected from the City at an alternate location.

Full Animal Care Center services include:

- Providing food, water, shelter, enrichment, and medical care for animals in the Department's care;
- Holding stray animals and attempting to reunite them with their owners;
- Accepting unwanted animals surrendered by their owners;
- Making best efforts to find new adoptive homes for domestic animals and livestock;
- Quarantine and observation of animals for rabies and other diseases at the direction of the Department of Public Health;
- Working with wildlife rehabilitators to rescue sick and injured wildlife;
- Providing emergency care and housing to pets and livestock displaced by wildfires or other disasters;
- Holding animals that are the subject of criminal investigations or other legal or administrative proceedings;
- Spay and neuter services for dogs and cats pursuant to State law;
- Medical treatment and surgeries to make animals more adoptable;
- Euthanizing sick, injured, dangerous, unweaned, feral, or un-adopted animals;
- Public services, including prevention of animal abuse, neglect, or abandonment through outreach and education, and intervention through finding alternatives to relinquishment and assisting at-risk populations;
- Filing annual reports to the State of California as required by law;
- Disposal of dead animals;
- Maintaining a website with pictures of stray and surrendered animals to facilitate reuniting the animals with their owners or finding new adoptive homes;
- Connecting pet owners to services to increase owner retention of pets; and
- Maintaining regular hours of operation for the public.

#### **B. Animal Care for Transfer**

If the City has opted for animal care for transfer services in Attachment B, the Department will provide temporary housing until the City has transported the animal(s) to another animal care facility. Services will be the same as described for Full Shelter Service above. The Department will only release animals to be transported to an animal care facility approved in advance by the Department and documented in Attachment B. The Department will only release an animal to persons capable of transferring an animal safely in a vehicle appropriate for the humane transfer of the animal. The City will be responsible for all costs of the temporary care and housing at the Department's animal care center, as well as the subsequent costs of transportation, care, and housing at the animal care location of the City's

choice. The Department may refuse to release an animal for transport if, in the reasonable assessment of the Department, the vehicle in which the City desires the animal(s) to be transported poses an unacceptable risk of harm to the animal(s) or others, or if the animal is ill or injured to the extent that transportation would cause further injury or suffering.

The Department will not provide transportation from the field or from a County animal care center to any alternate animal care location, except as necessary for the needs of the County. If necessary, the Department may transport an animal(s) to an alternative animal care location of the City's choice and the City will be responsible for the cost of such transport at the current billing rate for field service staff.

The City will be responsible for all costs for the impound, care, and housing at the Department's animal care center, as well as the subsequent costs of care and housing at any animal care facility of the City's choice. The City's designated shelter location is listed in Attachment B, Service Level Request.

## **II. Field Services**

The County will provide the services set forth below in accordance with the provisions of the Los Angeles County Code, Title 10, "Animals," and all future amendments, except as otherwise agreed to by the Parties in Attachment B, Service Level Request.

A request by the City for the Department to enforce Los Angeles County Code, Title 10, Chapter 37, will authorize the Department to provide an administrative hearing process to accomplish the enforcement when applicable.

In order to harmonize the terms of this Agreement with the provisions of the City's municipal code, the City must adopt Title 10 "Animals" of Los Angeles County Code ("Title 10"). The City may adopt or opt out of provisions of Title 10 only as agreed to by the Department. The City is encouraged, but not required to, adopt Title 10 in such a way as to incorporate all future amendments.

The Department will inform the City of any proposed changes to Title 10 with as much advance notice as practical, with the intention to provide the City with an opportunity to submit input to the Department and the County related to the proposed changes. The Department shall notify the City of the passage of any change to Title 10 by the County Board of Supervisors as soon as practical. The Department will inform the City whether the City may adopt or opt out of the changes to Title 10.

## **Description of Field Services**

The Department will provide sufficient resources and services for animal control field services. Services consist of Department personnel performing a variety of tasks utilizing appropriate equipment. These tasks include:

- Promptly responding to reports of vicious and dangerous animals that pose a threat to public safety;
- Capturing and impounding stray domestic animals;
- Capturing and impounding or returning domestic animals at large;
- Accepting and caring for animals surrendered by their owners;
- Removal of dead land animals (limited to a maximum of 150 pounds) from public and private property as set forth in Section 10.12.130 of the County Code;
- Educating the public and enforcing State laws and local ordinances, including leash laws, animal cruelty laws, and the laws relating to keeping of wild or exotic animals;
- Investigating cases for possible criminal prosecution, including misdemeanor and felony crimes; issuing citations; collecting evidence; preparing reports; testifying in court and other hearings;
- Investigating appropriate cases for potential administrative actions pertaining to animals; preparing appropriate documentation to pursue administrative declarations; conducting administrative hearings, consistent with state and County laws; and defending declarations that are challenged in court;
- Rescuing ill, injured, or abused animals;
- Enforcing animal nuisance complaints such as excessive animal noise and other violations; issue administrative or criminal citations as appropriate;
- Assisting local law enforcement with their investigations when animals are involved, such as the service of search warrants and impounding animals belonging to persons taken into custody;
- Responding to emergencies such as fires, earthquakes, floods, and other natural or manmade disasters to rescue and temporarily house animals, or to provide care for animals in evacuation zones;
- Maintain a 24 hour dispatch and communications center to receive calls for service and dispatch staff for field response as appropriate; and
- Maintaining records as necessary.

### **A. Standard Service Plan**

The standard service plan includes answering calls for service 24 hours per day, seven days per week, dispatching or assigning field staff, and performing duties in the field based on priority, location, and availability of staff. Services provided under the Standard Service Plan are similar to those services the Department provides to unincorporated communities in Los Angeles County.

## **B. Limited Service Plan**

The limited service plan includes standard services on a part-time basis during days and hours specified in the Service Level Request. Billing rates are described in Attachment C, City-County Municipal Services Billing Rates.

## **III. Individual Animal Licensing Services**

Adult dogs four months and older are required by State law to have individual licenses. The City may request that the Department enforce licensing requirements in the City for dogs, cats, or other animals as described in Attachment B. The City may adopt the County's fees for animal licenses or set its own fees as permitted in Attachment B.

License renewal notices are mailed or transmitted by the Department to the animal owner of record. The renewal and payment is received and processed annually on a fee-per-license basis. A current license will be required before an animal will be released to a resident of the City. Fees from licenses collected will be credited to the City monthly in arrears.

The Department's animal licensing services include:

- Issuing animal licenses for pets as requested by the City;
- Processing license applications, payments, and information changes;
- Issuing license renewal notices;
- Assessing and collecting fees, penalties, and other financial remittances; and
- Maintaining a database for animal licensing, records of calls for service, and actions taken.

## **IV. Additional Outreach and Enforcement Services Options**

The City may request the Department to provide additional services as outlined below.

### **A. Animal License Enforcement Services**

License Enforcement Services provides staff to perform individual animal license enforcement in designated areas within the City. This program includes:

- Issuing new licenses and renewing expired licenses;
- Issuing citations to violators of animal licensing ordinances;
- Collecting license revenue, delinquency charges, and authorized fees; and
- Recording licensing data in the Department's database.

## **B. Animal Facility Licensing**

The Department's Animal Facility Licensing program provides staff to perform animal facility inspection and licensing to animal-related businesses or organizations that require a license under Title 10 of the County Code. Animal-related facilities are inspected annually to ensure the well-being of the animals as well as the health and safety of the public. Licensees are provided a letter grade based on the results of the inspection.

The Department retains facility license fees to offset the cost of annual inspections and related administrative costs. Staff time for licensing and inspections are not billed to the City. Investigations in response to complaints about activities at a licensed location are conducted by field officers based in the Department's animal care centers, and are billed in accordance with Attachment C, City-County Municipal Services Billing Rates.

This program includes:

- Annual inspection of any premise used by an animal related business or non-profit organization, including grooming shops, pet shops, boarding facilities or breeding facilities, animal menageries, and all other places where animals are maintained for profit or business activities;
- Issuing grades to animal facilities consistent with the requirements of Section 10.28.270 of the County Code;
- Follow-up inspections of animal facilities as necessary;
- Collection of license fees to offset the cost of services; and
- Documentation and maintenance of records as necessary.

## **C. Vaccination and Microchip Clinics**

California Health and Safety Code Section 121690(f) states that every city and county, "shall provide dog vaccination clinics, or arrange for dog vaccination at clinics". The Department holds periodic low cost rabies vaccination and microchip clinics at its animal care centers. If the City chooses additional rabies vaccination and microchip clinics, the following services are offered:

- Providing or assisting in arranging for low cost vaccinations and microchips;
- Staffing low cost vaccination and microchip clinics with medical personnel and necessary support staff, subject to availability;
- Licensing animals vaccinated at the clinic; and
- Assisting jurisdictions in promoting these community based clinics.

#### **D. Spay/Neuter Trust Fund**

The City may elect to contribute \$5.00 per altered and unaltered dog license to the Spay/Neuter Trust Fund. Participation in the Spay/Neuter Trust Fund allows the Department to offer a low-cost or free spay/neuter program for the City's residents who wish to have their pets spayed or neutered. The Department staff will work with animal care center veterinary clinics and mobile veterinary clinics to assist qualified residents in obtaining spay/neuter services in an area near them.

#### **V. Records**

Upon reasonable notice, the Department shall make available to authorized representatives of the City, for examination, audit, excerpt, copy, or transcription, any pertinent transaction, activity, or other record relating to the Agreement. The City shall ensure such records are handled in a manner consistent with all applicable privacy laws and all laws related to the Public Records Act (Government Code sections 6250 et. seq.).

Upon request, the following standard reports are available from the Department on a monthly basis:

1. Dogs and/or Cats Impounded
2. Animals Returned to Owners
3. Dogs and/or Cats Abandoned
4. Special Intake Dog & Cat
5. Other Animals Impounded
6. Quarantined Dogs and/or Cats
7. Special Intake Other Animals
8. Private Veterinarian (Outside Medical Expense)
9. Dead Animal Pick Up Requests
10. Types of Calls for Service
11. Location of Impound

In accordance with Section 4.7 of the Services Agreement, the Department will provide up to 12 hours of staff time annually for producing special reports to the City at no cost. Additional staff time will be charged to the City at the current reimbursement rate for applicable staff time.

**CITY-COUNTY MUNICIPAL SERVICES AGREEMENT**

**COUNTY OF LOS ANGELES  
DEPARTMENT OF ANIMAL CARE AND CONTROL**

**AND**

**THE CITY OF**

**MAYWOOD**

**FISCAL YEAR 2019-20 SERVICE LEVEL REQUEST**

**I. Animal Care Center Services**

The level of animal care center service that the City requests and the County agrees to, is (select one of the three options below):

☒ Full Service

Primary animal care center: Downey Animal Care Center

☐ Animal Care Center Services for Transfer

City's Animal Care Facility contact information:

Agency Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

☐ No Animal Care Center Services

## II. Field Services

The level of field service that the City requests and the County agrees to, is (select one of the three options below):

☒ Standard Service Plan

☐ Limited Service Plan (check all applicable boxes below)

|                                                                                                                              |  |
|------------------------------------------------------------------------------------------------------------------------------|--|
| <b>Full County Field Services</b>                                                                                            |  |
| County provides service on following days/times (please identify):                                                           |  |
| Weekend days and holidays (please identify days and hours):                                                                  |  |
| <b>Priority County Field Services - Priority 1 Calls Only (As Determined by Department Policy)</b>                           |  |
| County provides service on following days/times (please identify):                                                           |  |
| Weekend days and holidays (please identify days and hours):                                                                  |  |
| <b>Standby County Field Services (Service Requests only from City Personnel; the City will screen calls from the public)</b> |  |
| County provides service on following days/times (please identify):                                                           |  |
| Weekend days and holidays (please identify days and hours):                                                                  |  |
| <b>Humane Investigations only – as needed</b>                                                                                |  |

City's Animal Control (Field Services) contact information:

Department Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

Address: \_\_\_\_\_

☐ No Field Services

### III. Individual Animal Licensing

☒ The City agrees to have the County provide individual animal licensing and has adopted the license fees outlined in Los Angeles County Code.

☐ The City agrees to have the County provide individual animal licensing and has adopted the following license fees (please provide a copy of the applicable ordinance or resolution):

|                                            |                          |                                   |      |
|--------------------------------------------|--------------------------|-----------------------------------|------|
| Altered Dog                                | \$                       | Altered Cat                       | \$   |
| Unaltered Dog                              | \$                       | Unaltered Cat                     | \$   |
| Senior-owned Altered Dog                   | \$                       | Senior age is defined as age      |      |
| Military Veteran w/ Disability Altered Dog | \$                       |                                   |      |
| Delinquency Charge                         | \$                       | Delinquency charge applies after: | days |
| Other Special License Fee                  | \$                       | Description/criteria:             |      |
| Field Enforcement Fee* (select one)        | <input type="checkbox"/> | \$40.00                           |      |
|                                            | <input type="checkbox"/> | \$0.00                            |      |

\*Only applicable when licensing is initiated in the field by Department employees.

Current license fees adopted by the City on \_\_\_\_\_, 20\_\_\_\_\_.

☐ No Animal Licensing Services

#### IV. Outreach and Enforcement Services

##### A. Animal License Field Enforcement

- ☐ The City requests the County to provide animal license field enforcement in the City, in the area(s) designated by the City and agreed to by the Department.
- ☒ No animal license field enforcement services.

##### B. Animal Facility Inspection and Licensing (Costs included in overhead—not billed)

- ☐ The City requests the County to license animal-related facilities (including inspection and grading services) in the City.
- ☒ No animal facility licensing services--the City will conduct its own program. (Please provide contact information below.)

The City's animal facility program contact information:

Department Name: Building and Planning  
Telephone: 323-562-5723  
Address: 4319 Stanson Ave  
Maywood, CA 90270

##### C. Vaccination and Microchip Clinic(s)

- ☒ The City requests the County to provide or assist in arranging for vaccination clinic(s) in the City, utilizing Department personnel to also license animals during the vaccination clinic(s), at the applicable rate for staff time.
- ☐ No vaccination or licensing clinic services.

##### D. Spay/Neuter Trust Fund

- ☐ Participate in the Spay/Neuter Trust Fund to allow residents access to low-cost spay/neuter services.
- ☒ No participation in the Spay/Neuter Trust Fund.

## V. Enforcement of County Code

- ☒ The City agrees to the enforcement of Title 10 with no exceptions.
- ☐ The City agrees to the enforcement of Title 10 with the following pre-approved exception(s): (please mark all that apply)
- ☐ 10.20.350: Mandatory Spay and Neuter. The City does not require the spay/neuter of:
    - ☐ Dogs
    - ☐ Cats
  - ☐ 10.20.185: Mandatory Microchipping. The City does not require the microchipping of:
    - ☐ Dogs
    - ☐ Cats
  - ☐ 10.20.038: Number of dogs and cats. In the City the following number of animals are allowed per household:  
Dogs \_\_\_\_\_ Cats \_\_\_\_\_ Total of \_\_\_\_\_ dogs/cats
  - ☐ 10.20.030: Mandatory Cat Licensing. Domestic cats are subject to:
    - ☐ Voluntary Cat Licensing
    - ☐ No Cat Licensing
  - ☐ 10.28.020: Animal Facility Licensing. The County will not license/inspect animal facilities.
  - ☐ 10.40.060: Excessive Animal Noise Complaints. The City will conduct its own noise enforcement.

City's Animal Noise Complaint contact information:

Department Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail: \_\_\_\_\_

## VI. Requested Additions to Title 10 Enforcement

Please list individual municipal code sections requested to be enforced by the Department. (Please ensure your municipal code contains adequate enforcement authority.)

| COUNTY                |                         |          |              |
|-----------------------|-------------------------|----------|--------------|
| City Code Section No. | City Code Section Title | Approved | Not Approved |
|                       |                         |          |              |
|                       |                         |          |              |
|                       |                         |          |              |
|                       |                         |          |              |
|                       |                         |          |              |
|                       |                         |          |              |
|                       |                         |          |              |

## VII. Contact Information

### County Primary Contact

Name: Whitney Duong  
Title: Contract Management Division Liaison  
Address: 5898 Cherry Avenue  
Long Beach, CA 90805  
Telephone: (562) 256-2412  
E-mail: WDuong@animalcare.lacounty.gov

### County Alternate Contact

Name: Marissa Muller  
Title: Contract Management Analyst  
Address: 5898 Cherry Avenue  
Long Beach, CA 90805  
Telephone: (562) 256-2417  
E-mail: MMuller@animalcare.lacounty.gov

### City Primary Contact

Name: Arturo Ramirez  
Title: Senior Inspector  
Address: 4319 Slauson Ave  
Maywood, CA 90270  
Telephone: (323) 562-5723  
E-mail: art.ramirez@cityofmaywood.org

### City Alternate Contact

Name: David Mango  
Title: Director of Building and Planning  
Address: 4319 Slauson Ave  
Maywood, CA 90270  
Telephone: (323) 356-0013  
E-mail: david.mango@cityofmaywood.org

**VIII. Annual/Amended Service Request Approval**

For the City:

\_\_\_\_\_  
Authorized City Representative  
(Printed Name)

\_\_\_\_\_  
Authorized Signature  
(Signature)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Telephone Number

For the County:

Marcia Mayeda  
\_\_\_\_\_  
Director  
Dept. of Animal Care and Control

\_\_\_\_\_  
Authorized Signature  
(Signature)

\_\_\_\_\_  
Date

**COUNTY OF LOS ANGELES  
DEPARTMENT OF ANIMAL CARE AND CONTROL  
CITY-COUNTY MUNICIPAL SERVICES  
BILLING RATES**

**I. Billing Period**

These billing rates are effective as of July 1, 2019 through June 30, 2020, or sooner.

**II. Billing Rates**

| <b>Animal Care Center Services</b>                                                                            |                       |
|---------------------------------------------------------------------------------------------------------------|-----------------------|
| <b>Shelter Services:</b>                                                                                      |                       |
| Daily Rate for stray or relinquished dogs and cats (up to a maximum of 5 days)                                | \$49.03 per day       |
| Daily Rate for stray or relinquished other species of animals (up to a maximum of 5 days)                     | \$12.28 per day       |
| Daily Rate for dogs and cats of "legal hold" animals (See Paragraph III.D "Billing for 'legal hold' animals") | \$49.03 per day       |
| Daily Rate for other species of "legal hold" animals (See Paragraph III.D "Billing for 'legal hold' animals") | \$12.28 per day       |
| Dead Animal Disposal per animal                                                                               | \$20.24 per animal    |
| Animal License Field Enforcement per hour                                                                     | \$76.19 per hour      |
| Dog/Cat License Processing per license                                                                        | \$3.26 per license    |
| Field Services per hour                                                                                       | \$107.58 per hour     |
| <b>Additional Administrative Services</b>                                                                     |                       |
| Attendance at meetings in excess of contract allowance                                                        | \$233.52 per hour     |
| Production of reports in excess of contract allowance                                                         | \$109.16 per hour     |
| <b>Liability Trust Fund</b>                                                                                   |                       |
| Liability Trust Fund                                                                                          | 4.5 % of hourly rate* |

\*Percentage is based on, and in addition to, the hourly rate for hours actually billed for Field Services and animal license Field Enforcement.

### **III. Billing Methodology for Care Center Services**

The City is financially responsible for the care of animals impounded within the City's jurisdiction. If an animal is claimed by its owner, the redemption fees collected from the owner will be credited to the City up to the maximum amount billed to the City for that animal. The County assumes responsibility for the physical care and disposition of all animals coming into the Department's possession or custody.

#### **A. Cost Allocation for Care Center Services**

During the billing period, the costs of providing Care Center Services are allocated as follows:

Daily rate per dog, cat, and other species of animals impounded:

- a. A daily dog/cat and other species of animals impoundment rate is established annually based upon the costs of housing animals. The daily rate is billed for all dogs/cats and other species of animals housed, up to the maximum amount of days for each type, except as outlined in paragraph D below. During the billing period, the cost of care for dog/cat and other species of animals in excess of capped days are subsidized, except as outlined in paragraph D below.
- b. For dogs, cats, and other species of animals impounded in circumstances described in paragraph D below, that are held beyond the maximum billed length of stay, a daily impoundment rate is established annually based upon the costs of the time allocated to the impoundment, care (including medical care), and feeding of those animals. The City will be billed at the daily rate for all days those animals are housed by the Department.

#### **B. Medical Costs**

Medical costs (excluding spay/neuter surgeries) provided by the Department's medical staff are included in the overhead to establish the cost-recovery rate for boarding, and are not billed separately or in addition to that rate. The Department reserves the right to send any animal to a private veterinary facility for examination, treatment, and/or hospitalization as the Department deems necessary in its sole and absolute discretion. All expenses incurred by the Department for outside medical services, for animals from the City, will be billed to the City.

### C. Cost Offsets

The City will receive a credit from the County for all applicable redemption fees collected from or on behalf of the owner of an animal that is claimed from the custody of the Department, up to the maximum amount billed to the City for that animal. The Department reserves the right to waive fees when appropriate in the Department's sole and absolute discretion.

The City will not receive any credit for adoption fees (whether paid by an individual or an organization).

### D. Billing for "Legal Hold" and Other Shelter Services:

Dogs, cats, and other species of animals that are housed for a "legal hold" and other shelter services are billed at the daily rate for the time the animal is housed by the Department (from intake to disposition). Legal hold animals are held in accordance with applicable statutory guidelines, and/or at the sole and absolute discretion of the Department based on pending or anticipated criminal, civil, or administrative action.

| "Legal Hold" and Other Shelter Type Descriptions |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Total<br>Number of<br>Days Billed |
|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| <b>Quarantine<br/>Observation<br/>Animals</b>    | <p>Per applicable state law, any animal of a species susceptible to rabies that bites a person and breaks the skin is required to be quarantined for 10 to 30 days (depending on the species). Animals susceptible to rabies that have contact with a wild (potentially rabid) animal must be quarantined for 30 days or six months (depending on the species and vaccination status).</p> <p>Animals in the custody of the Department that are reported to have either bitten or been exposed to a potentially rabid animal, will be placed in quarantine/isolation and observed for symptoms of rabies for the required period.</p> <p>Additionally, although rare, the Department of Public Health has the authority to quarantine animals for other specified diseases. Any quarantine for a disease other than rabies will be specified by disease.</p> | Unlimited<br>days                 |

|                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>Special Intake:</b>          | <p>Animals that are seized pursuant to a search warrant, Penal Code Sections 597.1 or 599aa, or as evidence in a criminal investigation may be held up to the time of disposition of the criminal matter.</p> <p>Animals subject to the jurisdiction of the Coroner's Office may be held until released by that Office.</p> <p>Animals in the custody of the Department that are the subject of anticipated or pending civil litigation or administrative regulation may be held through the pendency of that action, and any appeal stemming from that action.</p> | Unlimited days |
| <b>Return to Owner Animals:</b> | Any animal with traceable identification that is brought to the Animal Care Center, whether by the Department staff or the public, will be held for ten (10) calendar days for the owner to reclaim it. The owner or person entitled to the custody of any animal impounded can redeem such animal by paying impound, boarding, and private veterinary fees accruing up to the time of such redemption.                                                                                                                                                             | 10 days        |
| <b>Abandoned Animals:</b>       | Animals that are found to be abandoned in a private property will be held at the Animal Care Center at least fifteen (15) calendar days to determine whether the owner had an agreement with someone to care for the animal in their absence.                                                                                                                                                                                                                                                                                                                       | 15 days        |



## COUNCIL AGENDA

ITEM No. 11

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### CITY COUNCIL STAFF REPORT

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**DATE:** OCTOBER 23, 2019

**TO:** HONORABLE MAYOR, AND MEMBERS OF THE CITY COUNCIL

**FROM:** JENNIFER E. VASQUEZ, CITY MANAGER

**RE:** **CONSIDERATION OF APPROVING LETTER OF INTENT (LOI)  
FOR AN INVESTMENT GRADE AUDIT (IGA) WITH ABM  
BUILDING SOLUTIONS, LLC (ABM)**

---

#### **RECOMMENDATION**

Staff recommends that the City Council approve the LOI for IGA with ABM Building Solutions, LLC to participate in the Bundled Energy Solutions program

#### **FISCAL IMPACT**

In the event ABM meets the project parameters stated in the LOI (attached) and the City does not enter into an Agreement with ABM within thirty (30) days of submittal of the IGA, the City shall pay ABM for IGA costs incurred in the amount of Fifteen Thousand Dollars (\$15,000).

As this is not a budgeted item the funding will come from the City's available fund balance.

#### **LEGAL REVIEW**

City Attorney has reviewed this report.

#### **BACKGROUND**

On May 22, 2019 the City approved the Letter of Authorization for Preliminary Assessment of the City's energy efficiencies with ABM. ABM consequently

proceeded with the preliminary assessment of the facilities and the investigation of potential funding solutions that are available to the City.

### **DISCUSSION**

Staff met with the ABM team and toured the cities facilities and parks. ABM documented all of the systems that consume energy and water, and interviewed staff to gain an understanding of the use and operation of both the facilities and parks. Additionally, as part ABM's preliminary analysis they reviewed 24 months of the City's utility bills. Based on this analysis, ABM has proposed ways the City can save on its energy costs. These retrofitting savings and other infrastructure improvements were presented to Council at the October 9, 2019 meeting. Within the attached preliminary assessment, ABM has identified a total of \$43,871 spent on electricity and water for fiscal year 2018-2019. The program proposed by ABM will save the City approximately \$14,091.

At this time, ABM is requesting the City to sign a LOI to proceed with the IGA. Upon completion of the IGA, should all project parameters detailed in the attached LOI be met, the City may enter into an Energy and Water Conservation Program Agreement with ABM. In the event ABM cannot meet these project parameters, there will be no charge to the City for engineering, pre-construction activities, project development or estimating costs incurred by ABM for the development of the IGA.

### **ATTACHMENTS:**

Attachment No. 1 – Letter of intent

Attachment No. 2 – Preliminary Energy Assessment

**ATTACHMENT NO. 1**



ABM Building Solutions, LLC  
14201 Franklin Ave  
Tustin, CA 92780

Attn: Dominic Cardenas

Re: Letter of Intent (LOI) for Investment Grade Audit for the City of Maywood

Dear Mr. Cardenas,

The City of Maywood ("the City" or "Maywood") requests that ABM proceed with the Investment Grade Audit (IGA) for the final development of the City's Energy and Water Conservation Program, which will reduce operating costs and upgrade aging infrastructure.

The purpose of the IGA is to determine the feasibility of entering into a negotiated Energy Services Performance Contract (ESPC) per the California Government Code, Section 4217, for energy conservation (Agreement) to be provided at various facilities and infrastructure that is owned and/or operated by the City.

The City intends to enter into an Agreement with ABM if the following project parameters ("Project Parameters") are met:

**Budget Impact:** Project must be budget neutral unless the City would like to make capital contribution on an annual basis to pay for longer payback items (i.e. roof replacement/windows, etc.).

**Annual Savings:** Must meet annual project costs at minimum.

**Energy Savings:** 100% of utility (energy/natural gas/water/ etc.) and any other operating cost savings goes directly to the City. Savings is not shared with ABM or any other party.

**Financing:** The City shall qualify for 3rd party financing or Equivalent.

**Financing Term:** Shall not exceed 20 years or the useful life of the proposed upgrades, whichever is shorter.

**Rebate/Grant Application:** Program shall include management of all grants & rebates.

**Procurement Method:** Procurement shall meet provisions of California Government Code 4217

In the event ABM cannot meet these Project Parameters, there will be no charge to the City for engineering, pre-construction activities, project development or estimating costs incurred by ABM for the development of the IGA.

In the event ABM meets the Project Parameters as stated on the prior page, and the parties execute the Agreement, then the costs associated with engineering, pre-construction activities, project development, estimating cost of the IGA shall be incorporated into the final Lump Sum Fixed Price of the Agreement.

In the event ABM meets the Project Parameters on the prior page and the City does not enter into the Agreement with ABM within thirty (30) days of submittal of the IGA, then the City shall pay ABM for IGA costs incurred in the amount of: Fifteen Thousand Dollars and Zero Cents (\$15,000.00).

Sincerely,

---

Jennifer Vasquez  
City Manager  
City of Maywood

Accepted and Agreed:

**ABM Building Solutions, LLC**

---

Dominic Cardenas  
Account Executive  
14201 Franklin Ave  
Tustin, CA 92780

---

Kecia Davison  
Vice President, Energy Solutions  
14201 Franklin Ave  
Tustin, CA 92780

**ATTACHMENT NO. 2**



# City of Maywood Preliminary Energy Assessment (PEA)

Presented by:

ABM Building Solutions, LLC

September 25, 2019

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## Section 1: Executive Summary

ABM's BES Team, consisting of energy and water conservation specialists has performed a Preliminary Energy Assessment (PEA), of the facilities for the City of Maywood, California along with significant participation from Abel Hernandez and Art Rodriguez (Public Works), David Mango from Building & Planning, at the direction of City Manager Jennifer Vasquez. This analysis was offered as part of ABM's Program at no cost to the City of Maywood to qualify and determine if the City would benefit from a comprehensive energy project offered through ABM's BES Program.

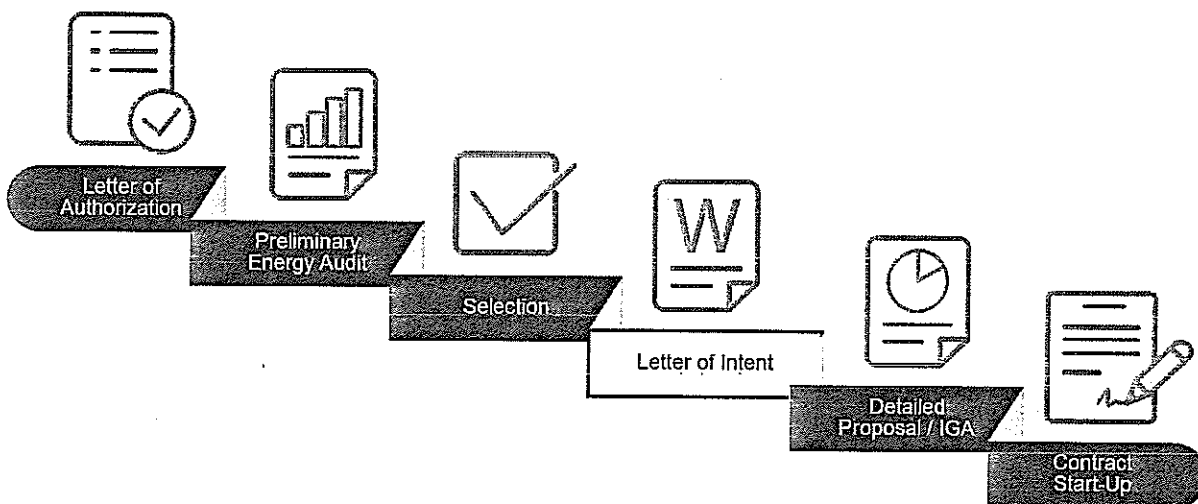
Over the last two months, ABM toured and documented all systems that consume energy and water at all city-owned facilities. Our team has interviewed staff at length to fully understand how the facilities are used and operated. We have reviewed the city's electrical and water consumption and costs. We have benchmarked your facilities and have compared them to other cities across California to identify where the greatest opportunities for savings can be found.

As part of our Preliminary Assessment you will see that this report details a program that will:

- Upgrade critical building equipment in City-owned buildings (HVAC, lighting, building automation, etc.)
- Replace all Heating, Ventilation & Air-Conditioning (HVAC) equipment at the "end-of-life" stage (75% of the City's HVAC equipment)
- Identify the cost savings that will fund the project over time and require no additional out-of-pocket capital contribution from the City of Maywood, apart from the cost savings
- Eliminate the City's significant capital risk using existing budget

In order to meet the City's needs to reduce operating costs and upgrade critical building systems, our team has identified a package of Energy and Water Conservation Measures that will satisfy both needs, while paying for itself over time through escalating cost savings. This program will result in significant savings that will help the City of Maywood replace systems in dire need of replacement and become more fiscally sustainable.

We have reviewed the preliminary recommendations of the program with the City of Maywood's Staff and Management. The next step of the process is to enter into a Letter of Intent (LOI) with the City of Maywood. The LOI is required in order to cover a larger commitment of resources that ABM will undertake moving into the Investment Grade Audit (IGA) phase of the project. In this phase, the ABM team will deploy significant engineering and design resources to determine energy savings that will support financial investment. At the same time, our project estimating team will develop a fixed-firm price for the City of Maywood which is inclusive of all costs related to this program, with the assurance of no change orders once the fixed-firm price has been delivered. The ABM Bundled Energy Solutions Program offers a shared risk model for these services.



1. If the initial savings projections and funding solutions are budget-neutral per the LOI, and the City of Maywood moves ahead with the implementation of the program, all engineering and development fees are rolled into the total program cost.
2. If ABM energy engineering determines that we can't meet the targeted savings that we originally stated in the LOI, there is no charge to the City of Maywood for our services.
3. If ABM meets the savings projections as originally presented in the LOI, but the City of Maywood decides not to move forward, then ABM would ask that the City reimburse ABM for the engineering and project development costs incurred. That amount is predetermined and clearly stated in the LOI.

In summary, ABM looks forward to partnering with the City of Maywood in order to reduce operating expenses, upgrading aging infrastructure, improve the environment for building and facility occupants, and minimize the City's financial and technical risk. Please feel free to give me a call should you have any questions or concerns.

Sincerely,

**Dominic Cardenas**  
Sales Executive, Bundled Energy Solutions

Mobile: 949.473.4932  
Email: dominic.cardenas@abm.com

**ABM Building Solutions, LLC.**  
14201 Franklin Ave  
Tustin, California 92780

## Section 2: ABM Industries Incorporated

### A Trusted Facilities Provider

Electrical & lighting, energy solutions, facilities engineering, HVAC & mechanical, janitorial, landscape & turf, mission critical solutions, and parking – ABM Industries (NYSE: ABM) provides these comprehensive, custom facility solutions in urban, suburban, and rural areas to properties of all sizes through stand-alone or integrated solutions. With revenues of approximately \$6.4 billion, we have become a leading provider of facility solutions since being founded in San Francisco, CA in 1909. Now headquartered in New York City, ABM operates through our subsidiaries, confident in the expertise of over 130,000 employees in 350+ offices across the United States and various international locations.

#### Purpose

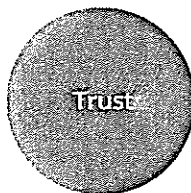
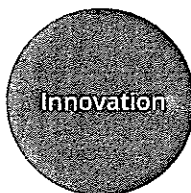
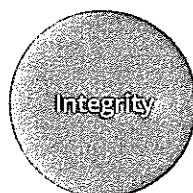
To take care of the people, spaces, and places that are important to you.

#### Vision

To be the clear choice in the industries we serve through engaged people.

#### Mission

To make a difference, every person, every day.



Over ABM's 100+ year history, we have developed an outstanding reputation in the marketplace. Our brand continues to stand for excellence as we strive to find new ways of Building Value for our clients. Over the past year, ABM launched our 2020 Vision – a bold initiative that transformed our business from a company organized by service lines to a company organized by industry, aligning us more closely with our clients and allowing us to continue to be a highly valued partner.

We recently restructured ABM into seven different Industry Groups. In addition to our ABM UK unit, these include:



Aviation



Business & Industry



Education



Government



Healthcare



Technology & Manufacturing

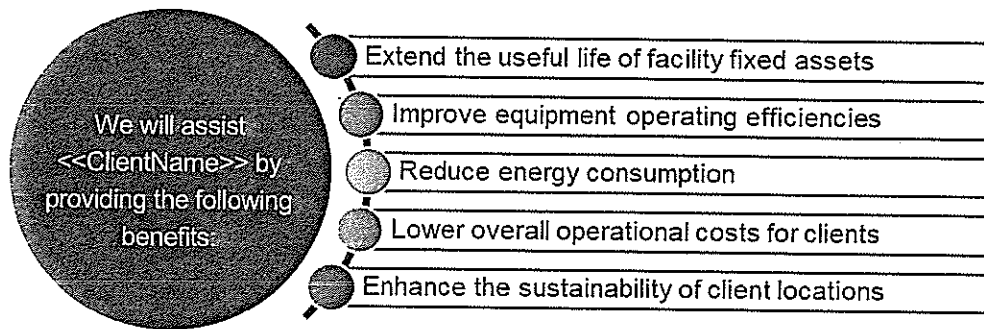


Technical Solutions

We have established a consistent and reliable operational platform with three goals in mind – increase service quality, improve onsite management and service effectiveness, and impact how we respond to specific requirements in our clients' facilities. This allows us to better understand our clients and deliver facility solutions unique to their industry challenges, goals, and opportunities.

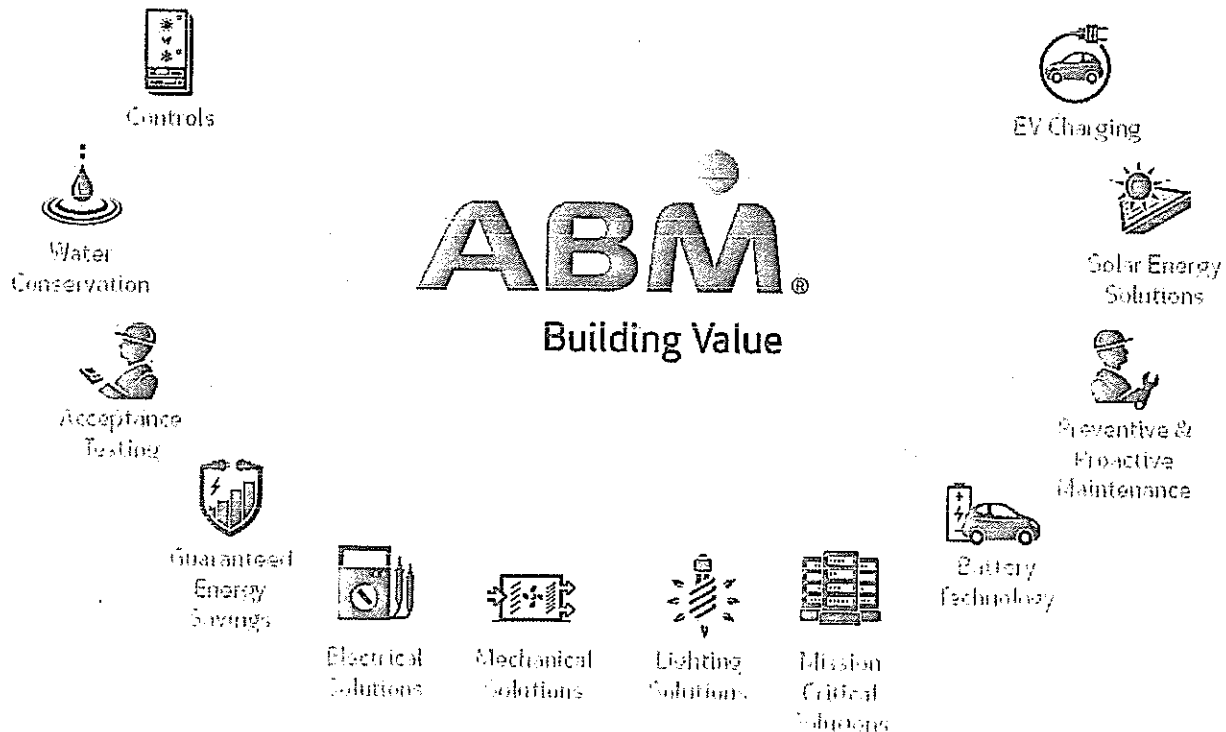
## ABM Technical Solutions

ABM Technical Solutions, a division of ABM Industries Inc., provides custom energy and other maintenance and repair services for clients in the public and private sectors. Our Technical Solutions Group is divided into HVAC & Mechanical, Electrical & Lighting, Electrical Power & Mission Critical, and Bundled Energy Solutions.



We provide Comprehensive Facility Services to over 20,000 building systems nationally. The Comprehensive Facility Services program is performance-based and custom-designed to fit the Building Owner's long-term (lifecycle) cost of operation. This life cycle cost evaluation includes initial installation, functional requirements and needs, maintenance, and energy costs to operate your facility.

We base our planned service programs on many years of industry knowledge, exceptional technical skills, and professional application of the latest technologies and methods. These programs allow us to consistently deliver quality services in a responsive manner at a fair value.



## ABM Technical Solutions Capabilities



### HVAC & Mechanical

- Professional Engineering Support Services
- Programs Management
- Upgrades for Energy Consumption
- Direct Digital Controls
- Sheet Metal Service In-House
- Plumbing and Piping Services
- Process Piping
- Testing and Balancing - Air and Water
- Commissioning - System Start-Ups
- Tenant Space Build Out
- Mechanical Systems Fabrication & Installation
- Energy Management
- Mechanical Design-Build Construction
- Building Automation
- Performance Contracting
- Remote Alarm Monitoring
- C.F.C. Refrigerant Changeovers
- Indoor Air Quality Programs
- Building Operation and Maintenance
- Mechanical Systems Maintenance
- Facilities Management
- Chiller Services



### Electrical & Lighting

- Electrical Troubleshooting/Repair
- Thermal Imaging
- Traditional and Digital (LED) Sign Repair
- Fixture (LED) and Pole Upgrade/Replacement
- Energy/Rebate Program Administration
- Electrical & Lighting Design/Engineering
- Turnkey Electric Vehicle Charging Stations
- Ultrasonic Pole Inspection
- Emergency/Exit Lighting
- Interior Lighting Maintenance
- Exterior Lighting Maintenance
- Electrical Service Upgrades
- Landscape Lighting
- Group Relamping



### Electrical Power

- NFPA 70E Compliance Programs
- Acceptance Testing & Commissioning
- Maintenance & solutions of electrical distribution systems from 480 volts to high voltage
- Start-Up and Commissioning
- Arc Flash Protection Programs
- Power Quality Solutions
- Life Extension, Modernization & Overhaul Services and Solutions
- Customized Training Programs
- Engineering Services
- Reliability and Acceptance Testing & Maintenance
- Acceptance Testing
- Electrical Maintenance Programs
- EV Charger Installation & Services
- Mission Critical and 24/7 Facility Service

## Bundled Energy Solutions

Our Bundled Energy Solutions offering is a high-efficiency conservation, facility modernization, and technical service program that addresses both the facility upgrades and funding needs of cities, counties, k-12 schools, and government buildings. This program assists our clients by providing a cost-effective way to make necessary energy and infrastructure improvements.

### ABM's Bundled Energy Solutions include:



- Initial Feasibility and Measurement & Verification
- Identification & Processing of Utility Rebates and EPA Tax Incentives



- Engineering Calculations & Design; Planning & Construction of Project
- Commissioning & On-Site Training



- Structuring Financing Terms to Generate Positive Cash Flow



- Energy and Operational Audits
- On-Going Maintenance Services

### **Bundled Energy Services are designed for each customer's specific requirements, resulting in:**

- Capital generation for asset replacement
- Guaranteed operating cost and energy savings
- Reduced downtime and equipment costs
- Improved occupant comfort and safety
- Increased staff productivity
- Reduced environmental impact

Our strong financial backing has allowed us to make strategic partnerships with many premier financial institutions that focus on lending to the guaranteed energy savings performance contracting market. We have secured millions of dollars' worth of energy projects and have financed projects from a multitude of different markets. These relationships have strengthened over the years due to ABM's continued success, driven by meeting project schedule requirements, little to no cost overruns, and meeting or exceeding guaranteed savings.

### We have financed projects through:

- Municipal tax-exempt leases with non-appropriation clauses
- Operating leases (taxable and tax-exempt)
- Certificates of participation (COPs)
- Special purpose entities
- Standard capital leases

We are exploring the cost-effective options for Build America Bonds and Energy Conservation Bonds which are backed by the U.S. Treasury. **Additionally, our current bonding limits are \$70M on a single project and \$500M aggregate.**

## Firm Location and Description

### Corporate Office

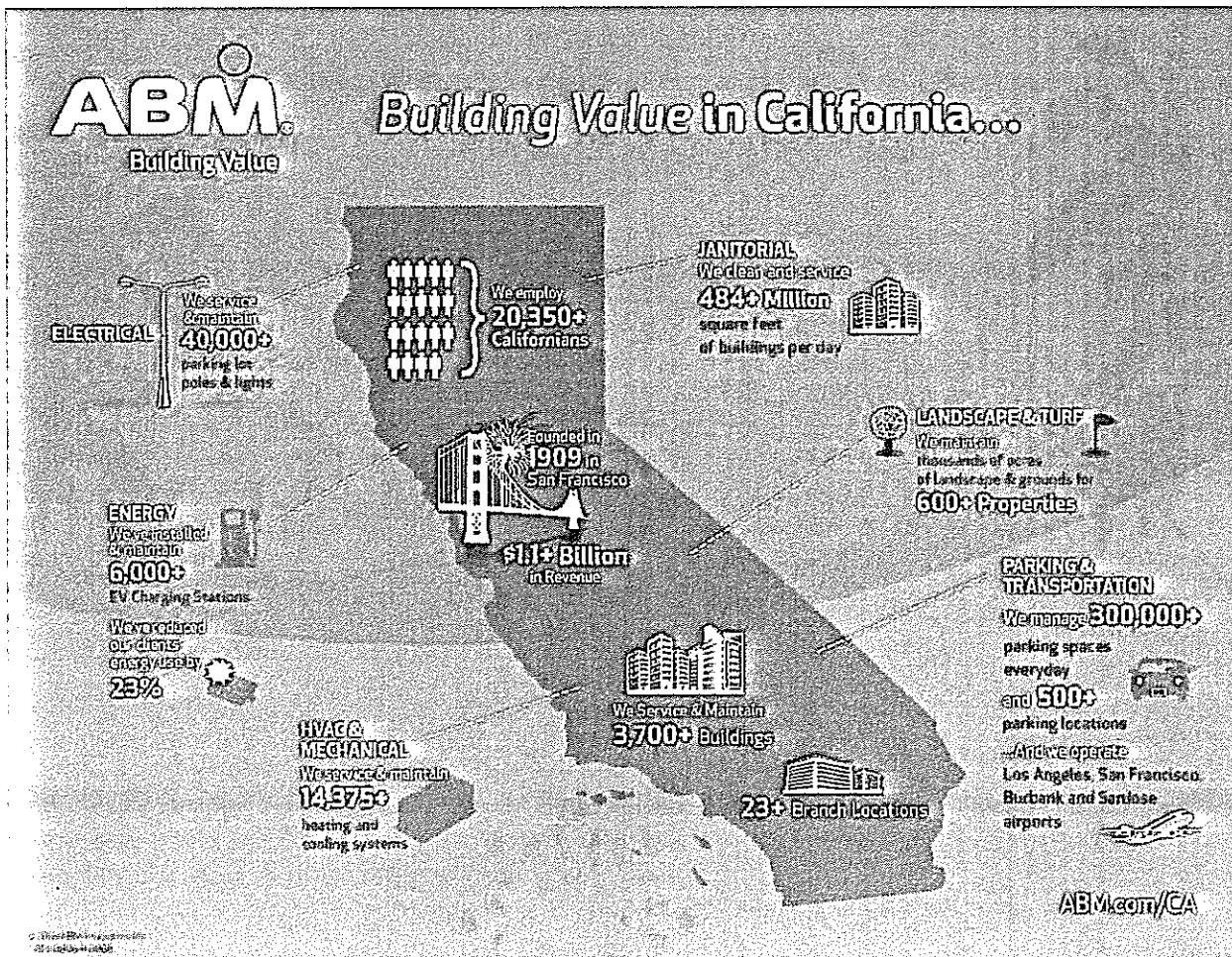
ABM Industries, Inc.  
551 Fifth Avenue, Suite 300  
New York, NY 10176

### Local Office

ABM Building & Energy Services, LLC.  
14201 Franklin Avenue  
Tustin, CA 92780

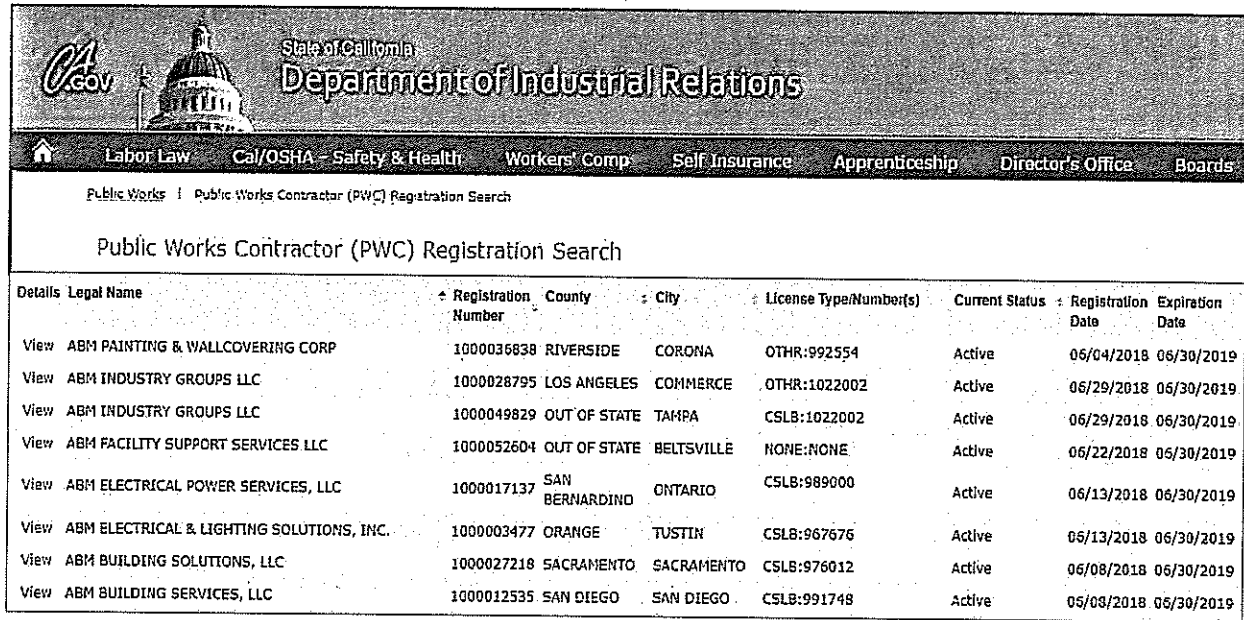
### Firm Detail

- Founded in San Francisco in 1909
- \$1.5 billion in revenue in California
- 20,000 + customers and approximately 21,000 employees in the state
- Multiple offices throughout the State of California
- Ability to implement guaranteed energy savings projects across the entire state



## Licenses & Certifications

ABM Building Solutions, LLC, CSLB license number #976012 for Sacramento, Benicia and Irvine locations. ABM Building Services, LLC, CSLB license number #991748 for our San Diego location.



| Details | Legal Name                                | Registration Number | County         | City       | License Type/Number(s) | Current Status | Registration Date | Expiration Date |
|---------|-------------------------------------------|---------------------|----------------|------------|------------------------|----------------|-------------------|-----------------|
| View    | ABM PAINTING & WALLCOVERING CORP          | 1000035838          | RIVERSIDE      | CORONA     | OTHR:992554            | Active         | 06/04/2018        | 06/30/2019      |
| View    | ABM INDUSTRY GROUPS LLC                   | 1000028795          | LOS ANGELES    | COMMERCE   | OTHR:1022002           | Active         | 06/29/2018        | 06/30/2019      |
| View    | ABM INDUSTRY GROUPS LLC                   | 1000049829          | OUT OF STATE   | TAMPA      | CSLB:1022002           | Active         | 06/29/2018        | 06/30/2019      |
| View    | ABM FACILITY SUPPORT SERVICES LLC         | 1000052604          | OUT OF STATE   | BELTSVILLE | NONE:NONE              | Active         | 06/22/2018        | 06/30/2019      |
| View    | ABM ELECTRICAL POWER SERVICES, LLC        | 1000017137          | SAN BERNARDINO | ONTARIO    | CSLB:989000            | Active         | 06/13/2018        | 06/30/2019      |
| View    | ABM ELECTRICAL & LIGHTING SOLUTIONS, INC. | 1000003477          | ORANGE         | TUSTIN     | CSLB:967676            | Active         | 05/13/2018        | 06/30/2019      |
| View    | ABM BUILDING SOLUTIONS, LLC               | 1000027218          | SACRAMENTO     | SACRAMENTO | CSLB:976012            | Active         | 06/08/2018        | 06/30/2019      |
| View    | ABM BUILDING SERVICES, LLC                | 1000012535          | SAN DIEGO      | SAN DIEGO  | CSLB:991748            | Active         | 05/09/2018        | 06/30/2019      |

\*Picture from <http://www.cslb.ca.gov/>.

## Classifications

- B – General Building Contractor
- C-4 – Boiler, Hot Water Heating and Steam Fitting
- C-7 – Low Voltage Systems
- C10 – Electrical
- C20 – Warm-Air Heating, Ventilating and Air-Conditioning
- C36 – Plumbing
- C38 – Refrigeration
- C43 – Sheet Metal
- C-61 / D62 – Air and Water Balancing
- C-61 / D65 – Weatherization and Energy Conservation

## ABM Associations and Participation

- ❖ **Member of the National Association of Energy Savings Corporations - NAESCO**
- ❖ **State of California Preapproved ESCO**
  - Department of General Services
  - California Department of Corrections
  - Government Services Administration
- ❖ **California Energy Commission & California Department of Education Prop. 39 Experience**

### ❖ **Utility Rebate & Administration Alliance**

- Southern California Edison (SCE)
- Southern California Gas (SCG)
- Pacific Gas & Electric (PGE)
- Sacramento Municipal Utility District (SMUD)
- San Diego Gas & Electric (SDG&E)



### ❖ **First Zero Net Energy (ZNE) School District – Newcastle Elementary School District**

- \*Zero Net Energy is a designation applied to buildings or communities when annual energy use is roughly equal to the renewable energy created on or near that location. With rapidly falling renewable generation and energy storage prices, ZNE facilities can economically outperform non-ZNE facilities, with competitive (100% financeable) ROI.



### ❖ **Financing Made Easy**

- ABM works with several lenders to include a custom financing solution. We will offer several viable types of financing. Further into the project development, when, scope, costs and savings are finalized the goal of the financing program will be to capitalize the program offering and repay the entire financial obligation out of realized savings. We provide a financial solution that, at a minimum, meets the following requirements:
  - Compliance with all applicable state statutes and procurement requirements,
  - No initial capital costs to be paid
  - Achievement of significant long-term guaranteed savings

## Associations and Certifications

Your dedicated ABM network team actively participates in the following associations and certifications:

- Department of Energy Super ESPC List: DOE
- Accredited by the National Association of Energy Services Companies: NAESCO
- American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE); Technical Committee 6.7 Solar Energy Utilization; Member and Program Chair, Technical Committee 2.8 Building Environmental Impacts and Sustainability: ASHRAE
- United States Green Building Council: USGBC
- Association of Energy Engineers: AEE
- National Society of Professional Engineers: NSPE
- American Solar Energy Society: ASES
- International Solar Energy Society: ISES
- American Society of Mechanical Engineers: ASME
- American Society of Civil Engineers: ASCE
- Project Management Institute: PMI
- Zero Net Energy Alliance: ZNE
- ISNetworld Certification: ISN
- National Fire Protection Association: NFPA 70E and 70B Training and Certification
- Infrared Thermography Levels I&II Training and Certification: IRI and IRII
- National Institute for Certification in Engineering Technologies: NICET

ABM is an InterNational Electric Testing Association (NETA) accredited company with more than \$50,000,000 in annual revenues in the Electrical Power Division. ABM Electrical Power Solutions was a founding member of the International Electrical Testing Association (NETA). NETA was established in 1972 to ensure the integrity of third-party electrical testing & certification. NETA is the standards developing organization for the American National Standards Institute (ANSI) and publishes Acceptance and Maintenance Testing Specifications. NETA certifies member companies and their technicians, and it is the highest accreditation possible in the industry.



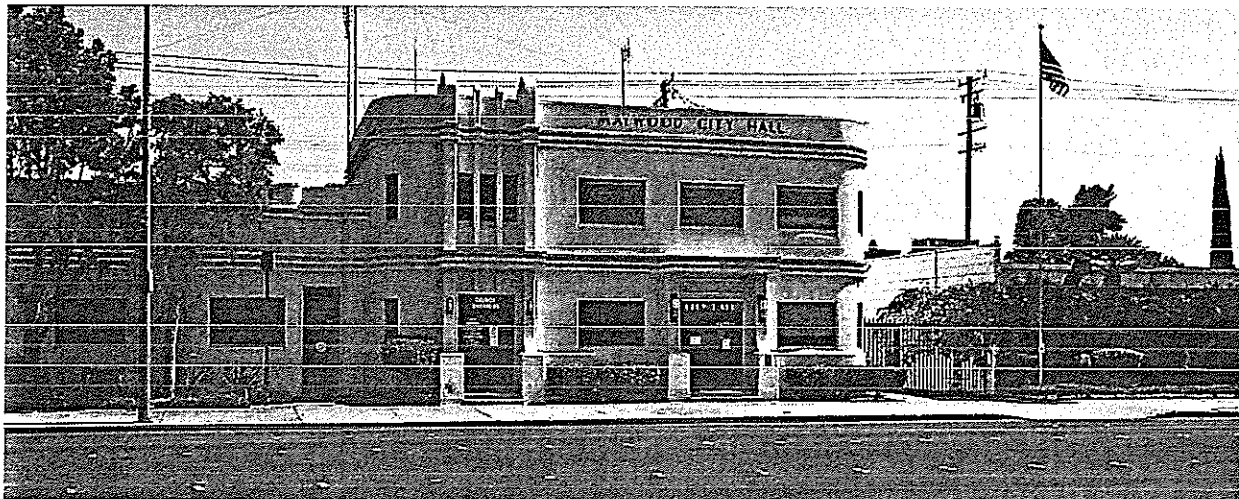
## Project Team Overview

Please see full resumes in the Appendix section.

| Team Member                     | Title                                                             | Role                                             |
|---------------------------------|-------------------------------------------------------------------|--------------------------------------------------|
| <b>Account Management:</b>      |                                                                   |                                                  |
| Dominic Cardenas                | <i>Bundled Energy Solutions Account Executive</i>                 | Point of Contact                                 |
| Kecia Davison                   | <i>Vice President, Bundled Energy Solutions</i>                   | Bundled Energy Solutions Program Oversight       |
| <b>Engineering:</b>             |                                                                   |                                                  |
| Josh Sarpotdar, PE, CEM         | <i>Senior Energy Engineer</i>                                     | Energy Program Engineer                          |
| Brian Walker, PE, CEM           | <i>Director of Measurement &amp; Verification</i>                 | M&V Management                                   |
| Kevin Brown, PE, CEM, LEED, GBE | <i>Vice President, Engineering &amp; Technical Solutions</i>      | Oversight of Energy Savings and Engineering Team |
| <b>Lighting:</b>                |                                                                   |                                                  |
| Nate Piorek                     | <i>Lighting Specialist</i>                                        | Oversight of Lighting Installation               |
| <b>Operations Oversight:</b>    |                                                                   |                                                  |
| Mike Moriarty                   | <i>Vice President, Operations Manager</i>                         | Cost, Service and Operations Oversight           |
| <b>Executive Oversight:</b>     |                                                                   |                                                  |
| Bruce Dickinson                 | <i>Vice President – Energy Solutions</i>                          | Regional Oversight                               |
| Tod Truettner                   | <i>Safety Manager</i>                                             | Safety Management                                |
| Eugenio Burnier                 | <i>Area Vice President</i>                                        | Oversight of Project Management                  |
| Rick Goetz                      | <i>Vice President, Operations</i>                                 | Operations Oversight                             |
| Tom Bowen                       | <i>Senior Vice President, ABM Building &amp; Energy Solutions</i> | Branch & Program Oversight                       |

## Section 3: Building Descriptions

| Building Name:       |                                                                                                                                                | City Hall & Police Station |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| General Description  |                                                                                                                                                |                            |
| Address              | 4319 Slauson Ave, Maywood, CA 90270                                                                                                            |                            |
| Year Built           | 1938                                                                                                                                           |                            |
| Age of Building      | 81                                                                                                                                             |                            |
| Gross Area           | ~15,000                                                                                                                                        |                            |
| # of Floors          | 1-2                                                                                                                                            |                            |
| Space Type           | Office Space / Police Station                                                                                                                  |                            |
| Utilities            | Electricity, Natural Gas, Water, Sewer                                                                                                         |                            |
| Operating Hours      | 8:00 AM – 5:00 PM                                                                                                                              |                            |
| Additions/Renovation |                                                                                                                                                |                            |
| Building Envelope    |                                                                                                                                                |                            |
| Exterior             | TBD during IGA Phase                                                                                                                           |                            |
| Windows              | TBD during IGA Phase                                                                                                                           |                            |
| Lighting             |                                                                                                                                                |                            |
| Interior             | The primary lighting in City Hall includes troffers with fluorescent lamps, linear fluorescent fixtures with T8 Lamps and Electronic Ballasts. |                            |
| Exterior             | The exterior fixtures at City Hall Building are linear fluorescent strips with no lens.                                                        |                            |
| Mechanical Systems   |                                                                                                                                                |                            |
|                      | City Hall / Police Station – 12 package units and 2 split systems                                                                              |                            |
| Controls System      |                                                                                                                                                |                            |
|                      | HVAC – Thermostat                                                                                                                              |                            |



## Section 4: Program Overview

### Our Approach

ABM has performed a preliminary site inspection which included a physical preliminary examination of the lighting, mechanical, electrical, plumbing, structural and controls systems. As part of this process we reviewed your past energy consumption (natural gas, electric & water) patterns. While observing the operation and condition of the existing building HVAC/mechanical equipment, existing lighting technology, and the existing water consuming devices, ABM had discussions with facility staff regarding the operating systems, recent modifications or renovations, planned changes, and normal operating hours of the facility. Using the information provided by The City of Maywood and utility bill history from SCE we have developed your Preliminary Assessment (PA).

The following Table 4.0 shows Maywood's current "baseline" consumption per square foot contrasted with the "Post Project" or the potential new baseline, after the "Energy Conservation Measures" (ECM's) have been installed. At this stage The City of Maywood could achieve a 32% savings improvement on energy and water costs.

**Table 4.0**

|                     | Energy and Water Indices (Sites) |                                  |                            |
|---------------------|----------------------------------|----------------------------------|----------------------------|
|                     | Energy<br>kBtu/ft <sup>2</sup>   | Water<br>Gallons/ft <sup>2</sup> | Cost<br>\$/ft <sup>2</sup> |
| <b>Baseline</b>     | 21.0                             | 422                              | \$2.90                     |
| <b>Post Project</b> | 11.4                             | 330                              | \$1.97                     |
| <b>% Savings</b>    | 46%                              | 22%                              | 32%                        |

ABM performed a preliminary evaluation as to the feasibility of moving forward with the ECM's as outlined in greater detail in section 7. The recommended ECMs will reduce the energy and water costs associated with operating the facilities, provide better comfort to the building occupants, often while eliminating future capital replacement needs.

These ECMs were evaluated from the standpoint of how they would reduce energy usage while meeting the overarching facility goals for The City of Maywood.

The tables that follow will provide an overview of the detailed information that was used in this preliminary audit.

Table 4.1

| Project Phase                     | Project Summary |                  |                 |                |                      |
|-----------------------------------|-----------------|------------------|-----------------|----------------|----------------------|
|                                   | Electricity     |                  | Fossil Fuels    | Water          | Energy Total Cost \$ |
|                                   | Energy Use kWh  | Actual Demand kW | Energy Use Mbtu | Energy Use GCF |                      |
| Baseline                          | 93,142          | n/a              | n/a             | 8,587          | 43,871               |
| Site Energy Conservation Measures | 42,609          | n/a              | n/a             | 1,867          | 14,091               |
| Solar PV                          | 0               | n/a              | n/a             | n/a            | 0                    |
| Post Project                      | 50,533          | n/a              | n/a             | 6,720          | 29,780               |
| Projected Savings, Units          | 42,609          | n/a              | n/a             |                | 14,091               |
| Projected Savings, %              | 46%             | n/a              | n/a             |                | 32%                  |

For fiscal year 2018-2019 The City of Maywood spent \$43,871 for electricity and water use at all City-owned buildings (excluding the YMCA Building at Maywood Park).

Table 4.1 above demonstrates the benefit and cost reduction of ABM's recommended ECMs. The ECM's will save an estimated \$14,091 which is a 32% savings from where the city currently operates today.

## Section 5: Baseline Energy Consumption

Table 5.1

| Baseline Energy Consumption - All Accounts (2015-2016) |                   |                        |                  |                          |                  |                           |
|--------------------------------------------------------|-------------------|------------------------|------------------|--------------------------|------------------|---------------------------|
| Month                                                  | Energy Use<br>kWh | Electricity            | Total Cost<br>\$ | Water                    | Total Cost<br>\$ | Total<br>Total Cost<br>\$ |
|                                                        |                   | Billed<br>Demand<br>kW |                  | Water<br>Consumed<br>CCF |                  |                           |
| July                                                   | 11,326            | 0                      | \$2,750          | TBD                      | TBD              | \$2,750                   |
| August                                                 | 12,701            | 0                      | \$3,084          | TBD                      | TBD              | \$3,084                   |
| September                                              | 12,480            | 0                      | \$2,570          | 571                      | \$1697           | \$4,267                   |
| October                                                | 9,220             | 0                      | \$1,682          | 2,176                    | \$6255           | \$7,937                   |
| November                                               | 6,998             | 0                      | \$1,283          | 856                      | \$2523           | \$3,806                   |
| December                                               | 5,912             | 0                      | \$996            | 878                      | \$2537           | \$3,533                   |
| January                                                | 5,191             | 0                      | \$876            | 384                      | \$1155           | \$2,031                   |
| February                                               | 5,587             | 0                      | \$903            | 465                      | \$1339           | \$2,242                   |
| March                                                  | 4,885             | 0                      | \$860            | 331                      | \$1001           | \$1,861                   |
| April                                                  | 5,978             | 0                      | \$1,113          | 1,356                    | \$3894           | \$5,007                   |
| May                                                    | 5,672             | 0                      | \$1,041          | 981                      | \$2886           | \$3,927                   |
| June                                                   | 7,192             | 0                      | \$1,807          | 589                      | \$1620           | \$3,427                   |
|                                                        | 93,142            | 0                      | \$18,966         | 8,587                    | \$24,905         | \$43,871                  |

Table 5.1 above represents the total amount the City of Maywood is spending in electricity and water consumption. While Table 5.0 details the buildings and their potential savings from ECM's, the total water and electricity cost from City sites totals \$43,871.

## Section 6: Savings & Revenue Generation Potential

### Savings and Revenue

**Table 6.0**

| Site Name                  | Annual Utility Savings - Per Site |                              |                      |                    |              | Total Cost \$   |
|----------------------------|-----------------------------------|------------------------------|----------------------|--------------------|--------------|-----------------|
|                            | Electricity kWh                   | Electricity Actual Demand kW | Solar PV Reduced kWh | Natural Gas Therms | Water GPD    |                 |
| City of Maywood Facilities | 42,609                            | 0                            | 0                    | 0                  | 1,867        | \$14,091        |
| <b>Total</b>               | <b>42,609</b>                     | <b>0</b>                     | <b>0</b>             | <b>0</b>           | <b>1,867</b> | <b>\$14,091</b> |

Table 6.0 details where the individual building savings will be achieved. These savings projections are based solely on the avoided energy costs. There are additional operational and maintenance savings that will be realized along with capital avoidance from the general fund for future equipment replacements and repairs. These savings will be detailed further in the Investment Grade Audit (IGA).

NOTE: The necessary utility consumption data was not available for the YMCA Building at the time of completion of this Preliminary Assessment. While it is anticipated that the YMCA Building has a number of ECMs that would provide significant cost savings that would result in a budget neutral upgrade of lighting, HVAC, building controls, and pool pump systems. These ECMs will be reviewed and developed with full utility billing data during the Investment Grade Audit phase.

## Section 7: Energy Conservation Measures (ECMs)

### ECM Matrix

|          |                                          |
|----------|------------------------------------------|
| ECM-3.1  | HVAC Controls                            |
| ECM-4.1  | HVAC Replacement                         |
| ECM-4.2  | Roof Top Unit Economizers                |
| ECM-5.1  | LED Lighting Upgrade + Lighting Controls |
| ECM-13.1 | Irrigation Controllers                   |

| Location       | Interior Lighting | Exterior Lighting | HVAC Replacement | Economizer Installation | HVAC Controls | Irrigation Controls | Pool Pump Controls |
|----------------|-------------------|-------------------|------------------|-------------------------|---------------|---------------------|--------------------|
| City Hall      | ■                 |                   | ■                | ■                       | ■             |                     |                    |
| Police Station | ■                 |                   | ■                |                         | ■             |                     |                    |
| Library        | ■                 |                   | ■                |                         | ■             |                     |                    |
| City Yard      | ■                 |                   |                  |                         |               |                     |                    |
| Parks          |                   |                   |                  |                         |               | ■                   |                    |
| YMCA Building  | ■                 | ■                 | ■                |                         | ■             |                     | ■                  |

| Upgrade                 | Description                                                                                                                            |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Interior Lighting       | Replace all existing fixtures with new LED direct replacement equipment                                                                |
| Exterior Lighting       | Replace all existing exterior fixtures with new LED fixtures                                                                           |
| HVAC Replacement        | Full HVAC unit replacements - (5 @ City Hall, 4 @ Police Station, 1 @ Library, 10 @ YMCA)                                              |
| Economizer Installation | Add economizers to three (3) existing 5-ton units with remaining useful life @ City Hall                                               |
| HVAC Controls           | Replace existing thermostats with wi-fi-enabled thermostats controllable by PC or mobile device                                        |
| Irrigation Controls     | Install weather station-connected controllers to determine irrigation needs, with flow-sensing valves for Riverfront and Maywood Parks |
| Pool Pump Controls      | Re-commission or replace existing pool pump control system at YMCA pool                                                                |

## ECM-3.1: HVAC Controls

### ECM Narrative Description

Currently the City of Maywood operates its facilities with programmable thermostats, or localized unit controllers. Many of these components are beyond their useful life and the stand-alone nature of these devices requires a high degree of human interaction to keep the systems operational.

ABM will install a new web-based, nonproprietary, building automation system enabling the City of Maywood to remotely adjust conditions of all HVAC systems within the selected facilities. This control system will be password protected and can be viewed and altered at any location by authorized City of Maywood staff via mobile device.

### Benefits

Optimizing energy and managing city facilities requires an efficient building management system, a high level of organization and a precise workflow. The benefits of an integrated web-based Building Automation System are;

- **Constant access:** A cloud-based service can be accessed on any mobile or web device. This gives you 24x7 remote access and control over all buildings. Last-minute schedule changes or override previous settings with a click.
- **Time Savings:** Save 5-15 minutes per event and decrease extra costs by regulating building conditioning and energy consumption.
- **Worry-free settings:** Set up your HVAC settings in advance through software. This ensures event facilities will be the correct temperature when attendees arrive, then will automatically activate an energy-saving "coast" mode as the event winds down to a close.
- **Know now:** Constant access gives you real-time status updates. Everything is documented, so you can easily look up cancellations, events, overrides, and more building data.
- **System optimization and energy management made easy** with built in algorithms.

### Plan of Action

ABM recommends moving forward with this conservation measure.

## ECM-4.1: HVAC Replacement

### ECM Narrative Description

Currently, many of the HVAC Systems in the facilities are at or past their useful life according to the American Society of Heating, Air Conditioning and Refrigeration Engineers (ASHRAE). Multiple units are over 25 years old, while the expected useful life is 15 years. Newer HVAC units are more efficient than what is currently in place, and the effectiveness and reliability of the units will significantly decrease the risk of failure. This ECM targets HVAC units that are near or at the end of their useful life, which is every unit except for four units that were installed in 2007 or later.

### Benefits

Replacing old HVAC units will reduce the electricity and natural gas consumption and cost. Newer HVAC units also improve occupant comfort in the spaces the units are serving, while providing reliability and predictability.

### Plan of Action

A detailed list of city owned HVAC units near or over 15 years old will be scheduled for replacement. The detailed list of units at Maywood City Hall is shown below. ABM recommends replacing 10 units representing a total of 36.5 tons of air conditioning. The units highlighted in green are recommended for replacement.

| Site Name | Unit Name     | Tons | Model No         | Manufacturer | Age  | Eq Type      | Serial No            |
|-----------|---------------|------|------------------|--------------|------|--------------|----------------------|
| City Hall | City Hall     | 2.5  | 48SS030040301    | CARRIER      | 1993 | Package Unit | 4393G00324           |
| City Hall | City Hall     | 4    | 48SS04806501     | CARRIER      | 1993 | Package Unit | 3393G00345           |
| Sheriff   | Sheriff       | 4    | 48SS04806511-AA  | CARRIER      | 1994 | Package Unit | 4094G10              |
| Sheriff   | Sheriff       | 3    | 48CS             | CARRIER      | 1998 | Package Unit | 21028                |
| Library   | Library       | 10   | ZH120N15N2AA A4B | YORK         | 1999 | Package Unit | N0H9106722           |
| City Hall | IDF Closet    | 1.5  | A0018RL          | FUJITSU      | 2000 | Split System | DQN000363            |
| Sheriff   | Sheriff       | 4    | GPG13240451B     | Goodman      | 2001 | Package Unit | 80146539             |
| Sheriff   | Sheriff       | 2    | ASU24CL          | FUJITSU      | 2001 | Split System | DDA004863            |
| City Hall | Elevator Room | 3.5  | 50J5042301       | CARRIER      | 2003 | Package Unit | 3103G21162           |
| City Hall | City Hall     | 2    | 48GSN024040301   | CARRIER      | 2005 | Package Unit | 2405G51414           |
| City Hall | City Hall     | 5    | RRNAC060CK10E    | RHEEM        | 2007 | Package Unit | 2G7226ADAAF440707577 |
| City Hall | City Hall     | 5    | RRNAC060CK10E    | RHEEM        | 2007 | Package Unit | 2G7226ADAAF400707549 |
| City Hall | City Hall     | 5    | RRNAC060JK10X    | RHEEM        | 2008 | Package Unit | 2G7227ADAAF300804988 |
| City Hall | City Hall     | 3    | PGD360090H001C1  | ICP          | 2016 | Package Unit | C164244450           |

## ECM-4.2: HVAC Economizers

### ECM Narrative Description

Currently, the units not recommended for replacement do not have operational economizers. When economizers are installed and the outside weather is right, the HVAC controls system will pull cool outside air into the building rather than running the HVAC compressors; this process is frequently referred to as "using free cooling". This reduces energy consumption while extending the life of the HVAC units. This ECM targets HVAC units that have remaining useful life but do not have economizers installed.

### Benefits

Adding economizers onto existing HVAC units will reduce the electricity consumption and cost, while bringing in fresh air from the outside.

### Plan of Action

The detailed list of units at Maywood City Hall is shown below. ABM recommends adding economizers to three units representing a total of 15 tons of air conditioning. The units highlighted in green are recommended for economizer installation. The 2016 ICP unit is not recommended for replacement since it is new, nor economizers since it is too small.

| Site Name | Unit Name     | Tons | Model No        | Manufacturer | Age  | Eq Type       | Serial No            |
|-----------|---------------|------|-----------------|--------------|------|---------------|----------------------|
| City Hall | City Hall     | 2.5  | 48SS030040301   | CARRIER      | 1993 | Packag e Unit | 4393G00324           |
| City Hall | City Hall     | 4    | 48SS04806501    | CARRIER      | 1993 | Packag e Unit | 3393G00345           |
| Sheriff   | Sheriff       | 4    | 48SS048080511AA | CARRIER      | 1994 | Packag e Unit | 4094G10              |
| Sheriff   | Sheriff       | 3    | 48GS-----       | CARRIER      | 1998 | Packag e Unit | 21028                |
| Library   | Library       | 10   | ZH120N15N2AAA4B | YORK         | 1999 | Packag e Unit | N0H9106722           |
| City Hall | IDF Closet    | 1.5  | A0U18RL         | FUJITSU      | 2000 | Split System  | DQN000363            |
| Sheriff   | Sheriff       | 4    | GPG13240451BB   | Goodman      | 2001 | Packag e Unit | 80146539             |
| Sheriff   | Sheriff       | 2    | ASU24CL         | FUJITSU      | 2001 | Split System  | DDA004863            |
| City Hall | Elevator Room | 3.5  | 50J5042301      | CARRIER      | 2003 | Packag e Unit | 3103G21162           |
| City Hall | City Hall     | 2    | 48GSN024040301  | CARRIER      | 2005 | Packag e Unit | 2405G51414           |
| City Hall | City Hall     | 5    | RRNAC060CK10E   | RHEEM        | 2007 | Packag e Unit | 2G7226ADAAF440707577 |
| City Hall | City Hall     | 5    | RRNAC060CK10E   | RHEEM        | 2007 | Packag e Unit | 2G7226ADAAF400707549 |
| City Hall | City Hall     | 5    | RRNAC060JK10X   | RHEEM        | 2008 | Packag e Unit | 2G7227ADAAF300804988 |
| City Hall | City Hall     | 3    | PGD360090H001C1 | ICP          | 2016 | Packag e Unit | C164244450           |

## ECM-5.1: Lighting and Controls

### ECM Narrative Description

Existing Office, Common and Multipurpose rooms have a mix of lighting fixture types with several different fluorescent technologies. The fluorescent lighting technology throughout the facility provides a great opportunity for LED upgrades that will reduce energy costs, reduce maintenance costs, improve light levels and enhance safety. In addition to interior lighting, we have also included some exterior items noted during our audit. The exterior bollards and decorative wall lighting can also be upgraded to LED for similar results.

### Benefits

Upgrading to LED lighting provides a significant energy reduction and the City of Maywood may choose the lighting color that best suits the needs of the staff. Lighting controls will ensure lights are turned off when there is no occupancy, which results in energy savings and increased life expectancy of the lights.

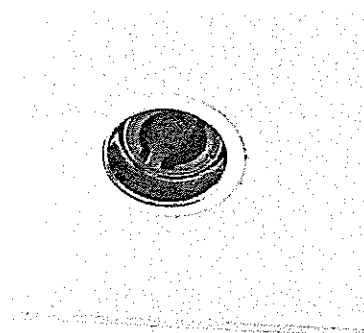
### Plan of Action

The predominant interior lighting systems at the City of Maywood facilities include linear fluorescent fixtures with T8 and electronic ballasts. These fixtures are moderately efficient and have an average lifespan of approximately 20,000 hours. In total there are 505 Linear Fluorescent Fixtures at the City Facilities.

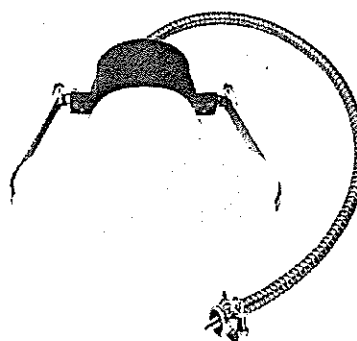
LED lamp and driver retrofits offer Linear Fluorescent fixtures an efficient and cost saving ECM. The lamp and driver kit offer 70% energy savings and three times the expected life of a traditional fluorescent technology. The outward visual appearance of these linear fluorescent fixtures will remain the same, though the quality of light will be improved and lighting levels may slightly increase in comparison with aged or malfunctioning linear fluorescent fixtures.

The City of Maywood facilities also contain varied compact fluorescent and HID downlighting fixtures that should be converted to an LED downlight fixtures.

Existing Downlight



Lensed LED Kit



Advantages of a lensed LED downlight fixture include improved light distribution over older tradition reflective lens fluorescent fixtures and a new standardized look with a modern aesthetic. Lensed kits eliminate older fixture components such as sockets and wiring that will age and fail over time. Lensed LED downlights with a 50,000-hr. rated life offer ten times the expected life of tradition fluorescent fixture and two times greater life expectancy over a plug and play LED lamp.

City Facilities also contain varied surface mount linear fluorescent utility fixtures that will be retrofitted to LED lamp and driver technology.

LED lamp and driver retrofits offer utility style prismatic wrap fixtures located in closets and restrooms an efficient and cost saving ECM in areas where a new fixture is not required. The lamp and driver kit offer 70% energy savings and five times the expected life of a traditional fluorescent technology.

The city facilities also include a large number of light fixtures with keyless socket bases. We noted that approximately 50% of these fixtures had been re-lamped with Compact Fluorescent Lamps while the others still contained incandescent and halogen lamps. Compact fluorescent lamps tend to be moderately efficient with an average lifespan of approximately 12,000 hours. The Halogen and Incandescent Lamps are inefficient with low lifespans averaging 1,500 – 5,000 Hours.

These screw in based lamps will be replaced with the appropriate LED screw in equivalent for 70% energy saving and three time the existing lamp life.

The YMCA gym contains 459w metal halide Highbay fixtures with an expected life of 17,000hrs. These fixtures will be replaced with 188w LED fixtures featuring full dimming controls and 130,000hr expected life. Beyond the energy and maintenance benefits, new LED fixtures will provide a higher quality light distribution for improved visual acuity and color rendering.

Exterior High-intensity discharge (HID) lighting includes a mix of High-Pressure Sodium wallpacks , recessed and Parking lot pole lighting that will be replaced with LED retrofit lamps and new parking lot pole fixtures . LED retrofit lamps eliminate costly maintenance on ballasts and retain the decorative fixture aesthetics of existing high-end fixtures while delivering 70% energy savings and Improved life span. LED pole lighting fixtures offer 70% energy savings , ten times the life span and improved visual acuity for safety and security of exterior parking areas.

## ECM-13.1: Irrigation Controllers

### ECM Narrative Description

Currently, the City of Maywood pays to irrigate Riverfront Park and Maywood Park. Irrigation controllers connect to local weather stations to predict weather and determine the exact amount of water needed to irrigate. A flow sensing valve can also be added that will compare actual flow rates to expected flow rates and send the user a warning if actual flow rates exceed what is expected.

### Benefits

Adding irrigation controllers reduces the water consumed by reducing irrigation when rain is predicted and by receiving alerts about leaks in minutes rather than months, which allows a quicker fix and reduction in lost water.

### Plan of Action

ABM recommends moving forward with this measure.

## Financial Overview

The primary goal of ABM's BES Program is to develop a budget-neutral overall program solution, meaning that the upgrades will pay for themselves over time through escalating cost savings. At this time, the program that we have developed for the City of Maywood would pay for itself through utility savings in a 20-year period. For all upgrades identified to City of Maywood-owned facilities (excluding the YMCA building), the total estimated program price would be \$278,000.

### Financial Overview Notes:

1. This total price is a Rough Order of Magnitude price and is subject to change during the Investment Grade Audit. ABM will provide a fixed-firm price (guaranteed price with no change orders) during the Investment Grade Audit.
2. This financial overview does not include the YMCA Building, which will require a sub-metering agreement between the City of Maywood and the YMCA. Based on currently available data, ABM anticipates a budget-neutral solution for the YMCA building as well, which will be validated and finalized with full utility consumption data during the Investment Grade Audit
3. No Operating & Maintenance (O&M) cost savings have been included in this analysis. Additional O&M cost savings comprised of avoided costs (equipment replacement, labor, third-party repairs or service calls, etc.) will be quantified and included during the Investment Grade Audit using the City's historical costs. These cost savings will be included in the financial analysis only if approved of by the City and at the City's direction.

### Financing

ABM anticipates utilizing financing through the California Energy Commission's (CEC) Energy Conservation Assistance Act (ECAA) Loan Program for cities. This low-interest financing program provides loans for energy conservation projects at a 1% rate to cities with qualifying projects. ABM has communicated with program representatives to confirm that the identified project for Maywood would meet the program criteria. This financing mechanism appears to be the most attractive financing option at this time, and ABM will look for additional financing options during the Investment Grade Audit for the City of Maywood's consideration. ABM does not use project financing as a profit center and will provide multiple options for the City to consider prior to entering into a financing agreement with any lender.

## Section 8: Appendix

### Key Team Resumes

| Project Team Member:                                                                                                                                                                 | Dominic Cardenas                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Current Job Title:</b><br><b>Job responsibilities:</b><br><b>Number of years with ESCO:</b><br><b>Primary Office Location:</b>                                                    | <b>Sales Executive</b><br>Oversees all phases of Bundled Energy Solutions and Performance Contracting projects 4 Years<br>Tustin, CA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Employment History:</b><br><b>Company Name:</b><br><b>Primary job responsibilities:</b><br><b>Number of years with firm:</b>                                                      | <b>ABM Building Services, LLC. (2015 – Present)</b><br><i>Sales Executive</i><br>Primary customer liaison who oversees all phases of Bundled Energy Solutions and Performance Contracting projects<br><b>Willdan Energy Solutions (2011 – 2015)</b><br><i>Senior Program Manager</i><br>Program manager for turnkey energy efficiency programs, with emphasis on public sector education clients, including:<br>Southern CA Edison Schools Energy Efficiency Program<br>San Diego Gas & Electric Commercial Direct Install Program<br><b>Matrix Energy Services (2008 – 2011)</b><br><i>Program Manager</i><br>Program manager for turnkey energy efficiency programs, with emphasis on public sector education clients, including San Diego Gas & Electric Commercial Direct Install Program, Pacific Gas & Electric Boiler Tune-Up Program, Pacific Gas & Electric Water Heater Rebate Program, Southern California Gas Water Heater Rebate Program, Southern California Edison Entertainment Centers Program |
| <b>Educational Background:</b> List all academic degrees, certifications, PE registration number and state, professional affiliations, relevant publications and technical training: | Education: Bachelor of Arts, English<br>University of California, Davis                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>List a sample of the energy performance contracting projects you have been a part of in the past five years:</b>                                                                  | Dominic has been involved in more than \$40 Million worth of Energy Efficiency Contracts. Below are a few worth highlighting:<br><b>Burbank Unified School District, CA – 2017</b><br>\$2.4 Million Performance Contract<br><b>Claremont Unified School District, CA – 2017</b><br>\$3.8 Million Performance Contract<br><b>Southern CA Edison Schools Energy Efficiency Program</b><br>\$24 Million kWh in energy savings and \$4 Million in annual energy savings                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Describe the specific role and responsibilities this individual had for each listed project:</b>                                                                                  | Overall program management including business development, ECM development, cost-effectiveness calculation, forecasting, and liaison to the utility client and end-use customers, along with oversight on all construction operations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Provide a detailed description of the role and responsibilities this individual will have for the duration of this project:</b>                                                   | Mr. Cardenas will serve as the main point of contact from audits to design-build, implementation and M&V process.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Describe any other relevant technical experience:</b>                                                                                                                             | Mr. Cardenas has a strong background in technical writing and grant writing, including successfully obtaining more than \$20 million in public grant funding from the State of California for clients.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Indicate the total years of relevant energy-related experience for this individual:</b>                                                                                           | 11 years of energy efficiency expertise through first-hand technical involvement with energy efficiency programs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Project Team Member:</b>                                                                                                                                                      | <b>Kecia Davison</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Current Job Title:<br>Job responsibilities:<br>Number of years with ESCO:<br>Primary Office Location:                                                                            | Vice President, Bundled Energy Solutions, CA<br>Manage ABM's Energy Solution business across California<br>7 Years<br>Tustin, CA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Employment History<br>Company Name:<br>Primary job responsibilities:<br>Number of years with firm:                                                                               | <b>ABM Facility Solutions (2012 – Present)</b><br><i>Vice President, Bundled Energy Solutions, CA</i><br><b>Johnson Controls (2010 – 2012)</b><br><i>Regional Sales Manager</i><br><b>Conservation Services Group (2007 – 2010)</b><br><i>West Region Vice President</i><br><b>Trane (2003 – 2007)</b><br><i>Account Executive</i><br><b>McKinstry (1999 – 2003)</b><br><i>Project Manager</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Educational Background:<br>List all academic degrees, certifications, PE registration number and state, professional affiliations, relevant publications and technical training: | University of Washington/ Sociology<br>Wharton: High Potential Leaders Certificate<br>UCLA: Conflict & Negotiating Certificate<br>United Association of Plumbers & Pipefitters -Journeyman pipefitter<br>UA Certified Welder                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| List all energy performance contracting projects this individual has been involved with during past 5 years.                                                                     | Kecia has been involved in over \$300 Million worth of Energy Performance Contracts. Below are a few worth highlighting:<br><b>Salida Unified School District, Prop 39, CA – 2017</b><br>\$3.35 Million Performance Contract<br><b>Newcastle School District, Prop 39, CA – 2016</b><br>\$1.3 Million Performance Contract<br><b>Westwood School District, Prop 39, CA – 2016</b><br>\$1.13 Million Performance Contract<br><b>Department of Transportation, HI – 2012</b><br>\$150 Million Performance Contract<br><b>Department of Corrections, LA – 2012</b><br>\$30 Million Performance Contract<br><b>Department of Corrections, GA – 2012</b><br>\$5 Million Performance Contract<br><b>Department of General Services, CA – 2012</b><br>\$22 Million Performance Contract<br><b>Department of Corrections, VA – 2011</b><br>\$18 Million Performance Contract<br><b>University of Hawaii, HI – 2011</b><br>\$12 Million Performance Contract |
| Describe the specific role and responsibilities this individual had for each listed project.                                                                                     | As a Vice President of Bundled Energy Solutions in California, Kecia's team of account executives, engineers, and project managers was responsible to develop, price and produce each project.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Provide a detailed description of the role and responsibilities this individual will have for the duration of this project:                                                      | Overall program and project oversight                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Describe any other relevant technical experience.                                                                                                                                | Financial Modeling / Energy Savings Analysis<br>Design Build Mechanical Contracting; Hospitals, clean rooms, High Rise Buildings, industrial plants, data centers, and central plants. Heavy civil works construction; tunnels, bridges, waste-water treatment plants, pump stations, landfills, water-mains, Prudhoe Bay natural gas & oil field pipeline experience.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Indicate the total years of relevant energy-related experience for this individual.                                                                                              | Over 27 years of mechanical and civil contracting, facility services, and energy performance contracting background.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

|                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Project Team Member:</b>                                                                                                                                                      | <b>Josh Sarpotdar, PE, CEM</b>                                                                                                                                                                                                                                                                                                                                                      |
| Current Job Title:<br>Job responsibilities:<br>Number of years with ESCO:<br>Primary Office Location:                                                                            | Senior Energy Engineer<br>Energy calculations<br>2 years<br>Sacramento, CA                                                                                                                                                                                                                                                                                                          |
| Employment History<br>Company Name:<br>Primary job responsibilities:<br>Number of years with firm:                                                                               | <b>ABM Building Solutions, LLC (2017 – Present )</b><br><i>Senior Energy Engineer</i><br>Energy calculations<br><br><b>Solaris (2016)</b><br><i>Senior Engineer</i><br>Consultant for Southern California Edison Energy Efficiency.                                                                                                                                                 |
| Educational Background:<br>List all academic degrees, certifications, PE registration number and state, professional affiliations, relevant publications and technical training: | M.S. Mechanical Engineering<br>CSULA<br><br>B.S. Mechanical Engineering<br>UCLA<br><br>CA PE, CEM, CMVP                                                                                                                                                                                                                                                                             |
| List all energy performance contracting projects this individual has been involved with during past 5 years.                                                                     | Josh has been involved in \$15M worth of Energy Performance Contracts. Below are a few that are worth highlighting:<br><br><b>CDCR, Corcoran, Corcoran – 2018</b><br>\$2 Million Performance Contract<br><br><b>City of Oroville, Oroville, CA – 2017</b><br>\$4 Million Performance Contract<br><br><b>Education for Change, Oakland, CA – 2017</b><br>\$937k Performance Contract |
| Describe the specific role and responsibilities this individual had for each listed project.                                                                                     | Technical Solutions Development<br>Energy calculations<br>Measurement and Verification Plan                                                                                                                                                                                                                                                                                         |
| Provide a detailed description of the role and responsibilities this individual will have for the duration of this project:                                                      | Technical Solutions Development<br>Energy savings calculations<br>Measurement and Verification Plan                                                                                                                                                                                                                                                                                 |
| Describe any other relevant technical experience.                                                                                                                                | Technical Expertise                                                                                                                                                                                                                                                                                                                                                                 |
| Indicate the total years of relevant energy-related experience for this individual.                                                                                              | 3 years of energy-related experience                                                                                                                                                                                                                                                                                                                                                |

|                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| <b>Project Team Member:</b>                                                                                                                                                   | <b>Brian T. Walker, PE, CEM</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Current Job Title:<br>Job responsibilities:<br>Number of years with ESCO:<br>Primary Office Location:                                                                         | M&V Manager<br>Energy auditing/modeling; Whole building analysis, M&V<br>9 years<br>Alpharetta, GA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Employment History<br>Company Name:<br>Primary job responsibilities:<br>Number of years with firm:                                                                            | <b>ABM Building Solutions, LLC (2010 – Present)</b><br><i>M&amp;V Manager</i><br>Performed energy audits at educational, municipal, and commercial facilities; Provided technical development solutions for performance-based contracts; Lead M&V team to verify pre-project utility baseline, post-project energy savings.<br><b>Teng &amp; Associates (2008 – 2010)</b><br><i>HVAC/Energy Engineer</i><br>Performed energy audits at VA hospitals, ANG bases, and commercial properties; Performed renewable energy studies for VA hospitals; Analyzed energy savings on audited sites and given theoretical equipment retrofits.<br><b>Hines Interests LLP (2006 – 2008)</b><br><i>Building Engineer</i><br>Operated and maintained building MEP systems for 1.5 million sf property; Operated BMS systems at properties; Managed property life safety, building keying, IAQ programs . |
| Educational Background: List all academic degrees, certifications, PE registration number and state, professional affiliations, relevant publications and technical training: | Bachelor of Science in Mechanical Engineering<br>Georgia Institute of Technology, Atlanta, GA<br>P.E. – Georgia (PE 037133), Certified Energy Manager (CEM 15363), Associations: ASHRAE; AEE; USGBC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| List all energy performance contracting projects this individual has been involved with during past 5 years.                                                                  | <b>Burbank Unified School District, CA – 2017</b><br>\$2.4 Million Performance Contract<br><b>Newcastle Elementary School, CA – 2017</b><br>\$1.5 Million Performance Contract<br><b>Claremont Unified School District, CA – 2017</b><br>\$3.8 Million Performance Contract<br><b>Los Angeles GSA ESPC Phase 2A, CA – 2016</b><br>\$49.6 Million Comprehensive ESPC<br><b>City of Temple Terrace, FL – 2016</b><br>\$3.1 Million Performance Contract<br><b>Madison County Schools Phase IV, GA – 2016</b><br>\$17 Million Performance Contract<br><b>City of Whitehall, Whitehall, OH – 2016</b><br>\$1.6 Million Performance Contract<br><b>Commerce City Schools, Commerce, GA – 2016</b><br>\$5.6 Million Performance Contract<br><b>Newton County Government, Covington, GA – 2016</b><br>\$14 Million Performance Contract                                                           |
| Describe the specific role and responsibilities this individual had for each listed project.                                                                                  | Technical Solutions Development<br>Energy Savings Calculations<br>Measurement & Verification                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Provide a detailed description of the role and responsibilities this individual will have for the duration of this project:                                                   | Technical Solutions Development<br>Energy Savings Calculations<br>Utility Bill Analysis & Regression Analysis                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Describe any other relevant technical experience.                                                                                                                             | Building Operations – minimizing tenant impact while optimizing building performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Indicate the total years of relevant energy-related experience for this individual.                                                                                           | 13 years of energy-related experience                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

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| <b>Project Team Member:</b>                                                                                                                                                   | <b>Kevin R. Brown, PE, LEED AP, CEM</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Current Job Title:<br>Job responsibilities:<br>Number of years with ESCO:<br>Primary Office Location:                                                                         | Vice President of Engineering<br>Business Development, Business Support<br>12 Years<br>Atlanta, GA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Employment History<br>Company Name:<br>Primary job responsibilities:<br>Number of years with firm:                                                                            | <b>ABM Building Solutions, LLC (2007 – Present)</b><br><i>Vice President of Engineering</i><br>Perform savings calculations and determine cost benefits for technical scope. Assist with project development to create technical scope around customer's needs. Evaluate new technologies for possible inclusion as energy conservation measures including rainwater harvesting, solar energy utilization, and other renewable energy systems.<br><b>Honeywell, Inc. (2006 – 2007)</b><br><i>Performance Contracting Engineer – Federal Team</i><br>Assess energy savings opportunities and identify risk factors associated with energy performance guarantees.<br><b>Honeywell, Inc. (2001 – 2006)</b><br><i>Senior Engineer – Honeywell Atrium</i><br>Responsible for Energy Awareness Program with Regal Entertainment Group using interval meter data to identify low/no cost savings opportunities. |
| Educational Background: List all academic degrees, certifications, PE registration number and state, professional affiliations, relevant publications and technical training: | Bachelor of Aerospace Engineering, Auburn University, AL<br>Certifications: E.I.T – Alabama; PE – Virginia (Mechanical 0402-033968); LEED-AP; CEM; CMVP; EMP; CIAQP; HBDP<br>Associations: ASHRAE; USGBC; AEE; NSPE; ASES; ISES; SAME; EMA; Southface Institute; GSEA; MENSA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| List all energy performance contracting projects this individual has been involved with during past 5 years.                                                                  | <b>LA ESPC (GSA), Los Angeles, CA – 2014-2018</b><br>\$47 Million Performance Contract with GSA<br><b>Colquitt County Government Ph 2, Moultrie, GA – 2018</b><br>\$4.8 Million Performance Contract<br><b>Lowndes County Schools, GA – 2018</b><br>\$9.2 Million Performance Contract<br><b>The Center of Family Resources, Marietta, GA – 2017</b><br>\$1.7 Million Performance Contract<br><b>Newton County Government, Covington, GA – 2016</b><br>\$14 Million Performance Contract<br><b>Madison County Schools Phase IV, Danielsville, GA – 2016</b><br>\$17 Million Performance Contract<br><b>McIntosh County Schools, Darien, GA - 2016</b><br>\$12.6 Million Performance Contract<br><b>Orange County Public Schools, VA – 2016</b><br>\$6.2 Million Performance Contract<br><b>City of Whitehall, OH – 2016</b><br>\$1.6 Million Performance Contract                                         |
| Describe the specific role and responsibilities this individual had for each listed project.                                                                                  | Business Development – Project Level; Technical Solutions Development; Energy Savings Calculations; Risk Analysis; Establish Measurement and Verification plan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Provide a detailed description of the role and responsibilities this individual will have for the duration of this project.                                                   | Business Development – Project Level; Technical Solutions Development; Energy Savings Calculations; Risk Analysis; Establish Measurement and Verification plan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Describe any other relevant technical experience.                                                                                                                             | Analyze the best solution for the specific application; recommend solutions that maximize energy savings while minimizing the impact to building operations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Indicate the total years of relevant energy-related experience for this individual.                                                                                           | 18 years of energy-related experience                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

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| <b>Project Team Member:</b>                                                                                                                                                   | <b>Mike Moriarty</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Current Job Title:<br>Job responsibilities:<br>Number of years with ESCO:<br>Primary Office Location:                                                                         | Vice President, Operations<br>Provides each project with specialized expertise resulting in success-oriented focus on both the project and client satisfaction.<br>1 Year<br>San Diego, CA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Employment History<br>Company Name:<br>Primary job responsibilities:<br>Number of years with firm:                                                                            | <b>ABM Building Solutions, LLC (2019 – Present)</b><br><i>Vice President, Operations</i><br>Provides each project with specialized expertise resulting in success-oriented focus on both the project and client satisfaction<br><br><b>AECOM (2016 – 2019)</b><br><i>Vice President, Operations</i><br>Leader in the Power & Energy Services business unit operations of the Design Engineering, Project Management, Construction Management, Estimating, and O&M groups.<br><br><b>McKinstry (2009 – 2016)</b><br><i>Business Unit Manager (2014 – 2016)</i><br><i>Director of Operations (2016 – 2009)</i><br><br><b>Honeywell Building Solutions (2006 – 2009)</b><br><i>Regional Director, Project Delivery</i><br><br><b>Sempra Energy Services (2002 – 2006)</b><br><i>Regional Director, Project Delivery</i><br><br><b>Carlson Implementation Associates (2001 – 2002)</b><br><i>Program/Project Manager</i> |
| Educational Background: List all academic degrees, certifications, PE registration number and state, professional affiliations, relevant publications and technical training: | BS, Computer Science, Chapman University<br>Graduate, U.S. Navy Electricity and Electronics School<br><br>General Contractors License (C-10): CA (#727984)<br>General Contractors License (B-1): AZ (#295672)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| List all energy performance contracting projects this individual has been involved with during past 5 years.                                                                  | Mike has been involved in millions of dollars' worth of Energy Performance Contracts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Describe the specific role and responsibilities this individual had for each listed project.                                                                                  | As the Director of Operations, Mike was responsible for overall project performance.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Provide a detailed description of the role and responsibilities this individual will have for the duration of this project:                                                   | As Vice President of Operations, Mike will provide oversight of the overall project team.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Describe any other relevant technical experience.                                                                                                                             | Leverages hard-cost annual operational and utility savings in desperately needed facility upgrades.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Indicate the total years of relevant energy-related experience for this individual.                                                                                           | 17 years of energy-related experience                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

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| <b>Project Team Member:</b>                                                                                                                                                   | <b>Eugenio Burnier</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Current Job Title:<br>Job responsibilities:<br>Number of years with ESCO:<br>Primary Office Location:                                                                         | Senior Vice President, West Region<br>Responsible for P&L for all ABM branch locations in the West, including California, Nevada, Arizona, and Texas.<br>1 Year<br>Tustin, CA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Employment History<br>Company Name:<br>Primary job responsibilities:<br>Number of years with firm:                                                                            | <b>ABM Building Solutions, LLC (2019 – Present)</b><br>Senior Vice President, West Region<br>Responsible for P&L for all ABM branch locations in the West, including California, Nevada, Arizona, and Texas. Focused on growth of existing Projects and Service locations and expansion of services across West Region in non-branch locations. Large focus on strategy and expansion on both Federal and MUSH (Municipal, University, School and Hospital) market Energy Performance Contracting.<br><b>Honeywell Building Solutions (2016 – 2019)</b><br><i>General Manager (2011 – 2016)</i><br><i>National Sales Director, Canada (2012 – 2014)</i><br><i>District Sales Leader, Ontario, Canada (2011 – 2012)</i> |
| Educational Background: List all academic degrees, certifications, PE registration number and state, professional affiliations, relevant publications and technical training: | <b>Queen's University, Kingston, Ontario</b><br>Major: Mechanical Engineering<br><b>John Abbott College (CEGEP), St. Anne de Bellevue, Quebec</b><br>Pure and Applied Sciences<br><b>Selwyn House High School, Westmount, Quebec</b><br>Graduated with Honors<br><b>Memberships:</b> ASHRAE (American Society of Heating and Air-Conditioning Engineers, Inc.) Member, BOMA (Building Owners and Managers Association), Environment and Energy Committee, The Association of Energy Engineers (AEE)<br><b>Certifications:</b> Certified Energy Manager (CEM)                                                                                                                                                           |
| List all energy performance contracting projects this individual has been involved with during past 5 years.                                                                  | Eugenio has been involved in over \$500 Million worth of Energy Performance Contracts both in Canada and the United States. Below are a few that are worth highlighting:<br><br><b>Los Angeles GSA ESPC Phase 2A, CA – 2016</b><br>\$49.6 Million Comprehensive ESPC<br><br><b>Goose Creek CISD, Baytown, TX– 2019</b><br>\$43.7 Million Performance Contract<br><br><b>El Paso ISD, El Paso, TX– 2019</b><br>\$10.8 Million Performance Contract                                                                                                                                                                                                                                                                      |
| Describe the specific role and responsibilities this individual had for each listed project.                                                                                  | Eugenio has overall P&L responsibility for all Energy Performance Contracting business in the West Region. He is responsible for Sales, Delivery (Operations), Service and Measurement & Verification, including all Energy Guarantees.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Provide a detailed description of the role and responsibilities this individual will have for the duration of this project:                                                   | Eugenio has executive-level oversight and responsibility for completion of this project.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Describe any other relevant technical experience.                                                                                                                             | Proficient in programs such as AutoCAD, Mini-tab, Matlab, Engineering Equation Solver, Microsoft Programs, SAP, and Salesforce                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Indicate the total years of relevant energy-related experience for this individual.                                                                                           | 17 Years of energy-related experience.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

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| <b>Project Team Member:</b>                                                                                                                                                   | <b>Rick Goetz</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Current Job Title:<br>Job responsibilities:<br>Number of years with ESCO:<br>Primary Office Location:                                                                         | Vice President, Operations<br>Overall Large Project & Operational Support including Bundled Energy Solutions work,<br>21 years<br>Alpharetta, GA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Employment History<br>Company Name:<br>Primary job responsibilities:<br>Number of years with firm:                                                                            | <b>ABM Technical Solutions (2007 – Present)</b><br>(Previously Linc Mechanical)<br><i>VP Operations</i><br>Responsible for management and delivery of Bundled Energy Solutions projects across the country<br>Responsible for meeting all contract and scope requirements.<br><b>Linc Mechanical (1996 – 2007)</b><br><i>Project Manager</i><br>Responsible for management of all project work conducted at location ranging in size from \$5,000 to \$7 Million dollars<br>Management and delivery of all Bundled Energy Solutions projects conducted at location. Ensure projects delivered in a timely manner and within the timeline negotiated with the customer while maintaining high customer satisfaction<br>Responsible for monthly project forecasting. |
| Educational Background: List all academic degrees, certifications, PE registration number and state, professional affiliations, relevant publications and technical training: | Georgia Institute of Technology<br>Bachelor of Science in Mechanical Engineering<br>E.I.T – Georgia<br>Certified Energy Manager (CEM); ASHRAE Member<br>GA Class II Conditioned Air Contractor<br>AL, MS, SC Heating and A/C Contractor Licenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| List all energy performance contracting projects this individual has been involved with during past 5 years.                                                                  | <b>LA ESPC (GSA), Los Angeles, CA – 2014-2018</b><br>\$47 Million Performance Contract with GSA<br><b>Colquitt County Government Ph 2, Moultrie, GA – 2018</b><br>\$4.8 Million Performance Contract<br><b>Franklin City Public Schools, VA – 2015</b><br>\$2.2 Million Performance Contract<br><b>Ysleta ISD, El Paso, TX – 2017</b><br>\$18 Million Performance Contract<br><b>Burbank Unified School District, CA – 2017</b><br>\$2.4 Million Performance Contract<br><b>Claremont Unified School District, CA – 2017</b><br>\$3.8 Million Performance Contract<br><b>Newton County Government, Covington, GA – 2016</b><br>\$14 Million Performance Contract<br><b>Orange County Public Schools, VA – 2016.</b><br>\$6.2 Million Performance Contract          |
| Describe the specific role and responsibilities this individual had for each listed project.                                                                                  | Overall project management including estimate review, design, scheduling, managing, and overall project delivery<br>Technical solutions development<br>Energy savings measurement and verification                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Provide a detailed description of the role and responsibilities this individual will have for the duration of this project:                                                   | Overall project management<br>Energy savings and contract review<br>Ensuring customer satisfaction<br>Technical solutions review                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Describe any other relevant technical experience.                                                                                                                             | Project forecasting, estimate review, cost tracking, scheduling                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Indicate the total years of relevant energy-related experience for this individual.                                                                                           | 22 years of energy related experience                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

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| <b>Project Team Member:</b>                                                                                                                                                   | <b>Tom Bowen</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Current Job Title:<br>Job responsibilities:<br>Number of years with ESCO:<br>Primary Office Location:                                                                         | Senior Vice President, Energy Solutions<br>Responsible for ABM's technical services strategy in CA<br>4 Years<br>Irvine, CA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Employment History<br>Company Name:<br>Primary job responsibilities:<br>Number of years with firm:                                                                            | <b>ABM Technical Solutions (2014 – Present)</b><br><i>Senior Vice President, Energy Solutions</i><br>Responsible for ABM's technical services strategy in California<br><b>McKinstry Essention LLC (2009 – 2014)</b><br><i>Regional Director</i><br>Responsible for all aspects of McKinstry's business interests in CA and Federal Government.<br><b>Sempra Energy Services (2003 – 2009)</b><br><i>VP, General Manager</i><br>Oversaw Sempra's non-regulated energy services division, including Federal contracting, until sold Honeywell in 2006. Assumed responsibility as Honeywell VP until 2009.                                                                                                                                                                                                                                                         |
| Educational Background: List all academic degrees, certifications, PE registration number and state, professional affiliations, relevant publications and technical training: | Education: MBA, Wake Forest University<br>BA Communications, Cal State Long Beach<br>NAESCO Board Member (2004 – 2005)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| List all energy performance contracting projects this individual has been involved with during past 5 years.                                                                  | Tom has been involved in over \$200 Million worth of Energy Performance Contracts. Below are a few worth highlighting:<br><b>Burbank Unified School District, CA – 2017</b><br>\$2.4 Million Performance Contract<br><b>Newcastle Elementary School, CA – 2017</b><br>\$1.5 Million Performance Contract<br><b>Claremont Unified School District, CA – 2017</b><br>\$3.8 Million Performance Contract<br><b>Education for Change – 2017</b><br>\$936K Performance Contract<br><b>Wills Point Independent School District, TX – 2016</b><br>\$2.7 Million Performance Contract<br><b>Edgewood ISD, Edgewood, TX – 2016</b><br>\$1.3 Million Performance Contract<br><b>Los Angeles GSA ESPC Phase 2A, CA – 2016</b><br>\$49.6 Million Comprehensive ESPC<br><b>GSA Region 9 ESPC, San Diego, Las Vegas, Reno – 2015</b><br>\$24.7 Million Bundled Energy Solution |
| Describe the specific role and responsibilities this individual had for each listed project.                                                                                  | Tom was the overall business leader for all elements of projects, from development through construction and commissioning including on-going performance requirements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Provide a detailed description of the role and responsibilities this individual will have for the duration of this project:                                                   | Tom is responsible and accountable to the City of Maywood for the overall development, delivery and performance of the project.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Describe any other relevant technical experience.                                                                                                                             | Technical Expertise; Performance-Based Contracting; Federal ESPC; Power Purchase Agreements; Business Development; Energy and Resource Conservation; Renewable Energy; Innovative Financing; and Directed Engineering Studies.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Indicate the total years of relevant energy-related experience for this individual.                                                                                           | Tom has worked since 1989 combining energy efficiency and sustainable energy solutions with design and construction best practices.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

## Glossary of Terms

**Btu – British Thermal Units:** A measurement of energy consumption. More specifically, the quantity of heat required to raise the temperature of one pound of water one-degree Fahrenheit. *MBtu = 1,000 Btu; MMBtu = 1,000,000 Btu*

**ECM – Energy and Water Conservation Measure:** any measure that will save energy or water including but not limited to: Lighting retrofit, air conditioning/heating repair or replacement, adding or upgrading HVAC controls, or replacing toilets or urinals with low-flow fixtures.

**EMS – Energy Management System:** the controls that are used to operate the HVAC and/or lighting equipment. May also be referred to as Building Automation System (BAS).

**Emissions:** The Greenhouse Gas Protocol divides emission standards into 3 categories:

- **Scope 1 – Direct** – emissions from the combustion of fuel in stationary equipment such as boilers, furnaces, and power generators. Also included are emissions from refrigerant used in mechanical cooling.
- **Scope 2 – Indirect** – emissions from the use of procured energy that is generated off-site such as electricity, district chilled water, and district steam.
- **Scope 3 – Other Indirect** – emissions from the consumption of energy in non-stationary equipment such as air travel, campus vehicles, commuters, or farm animals.

**ESCO - Energy Services Company:** Companies that contract with private and public sector energy users to provide cost-effective energy efficiency retrofits across a wide spectrum of client facilities, from college campuses to water treatment plants.

**GHG tons – Greenhouse Gas tons:** These are the equivalent carbon tons of carbon dioxide, methane, and nitrous oxide emissions from burning fuels on site or using electricity.

- 1 ton of carbon dioxide = 1 carbon ton;
- 1 ton of methane = 23 carbon tons;
- 1 ton of nitrous oxide = 1 carbon ton;

Emissions based on electricity generation are dependent upon the utility provider's fuel source for generating electricity, which varies by region.

**HVAC – Heating/Ventilation/Air Conditioning:** also referred to as mechanical equipment.

**kW – Kilowatt:** Unit of measurement for electrical consumption. One kWh is equivalent to the energy consumed by ten 100-watt light bulbs burning for one hour.

**LOI – Letter of Intent:** The Letter of Intent is the commitment required to move to the Investment Grade Audit.

**PEA – Preliminary Energy Assessment:** This can also be called the Preliminary Audit or Preliminary Analysis.

**ROM – Rough order of magnitude** typically +/-30%

**Therm** – A unit of heat equal to 100,000 British thermal units (btu's).

**Ton (T)** – One ton is equivalent to 12,000 Btu/hr. A ton of refrigeration produces the same amount of cooling energy as one ton of ice melting in a 24-hour period



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## CITY COUNCIL STAFF REPORT

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**DATE:** OCTOBER 23, 2019

**TO:** HONORABLE MAYOR, AND MEMBERS OF THE CITY COUNCIL

**FROM:** JENNIFER E. VASQUEZ, CITY MANAGER

**BY:** DAVID MANGO, DIRECTOR OF BUILDING AND PLANNING

**RE:** PUBLIC HEARING TO CONSIDER A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MAYWOOD ESTABLISHING RECURRING ADMINISTRATIVE FEES APPLICABLE TO THE RENEWAL OF COMMERCIAL CANNABIS BUSINESS LICENSES FOR BUSINESSES THAT CULTIVATE, DISPENSE, DISTRIBUTE AND MANUFACTURE CANNABIS AND CANNABIS CONTAINING PRODUCTS LOCATED WITHIN THE CITY AND FOR CONDUCTING CRIMINAL BACKGROUND CHECKS FOR ALL OWNERS, PRINCIPALS, MANAGERS, EMPLOYEES AND VOLUNTEERS WHO OPERATE SAID BUSINESSES

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### **RECOMMENDATION**

Staff recommends that the City Council open the public hearing for comments and consider adopting the Resolution establishing recurring administrative fees applicable to the renewal of commercial cannabis licenses and criminal background checks for owners, principals, managers or employees of commercial cannabis businesses.

### **FISCAL IMPACT**

Adoption of this Resolution provides for the recovery of the City's consultant and administrative costs in processing applications for cannabis business license renewals and also the required annual criminal background checks.

## **LEGAL REVIEW**

The City Attorney has reviewed this report.

## **BACKGROUND**

On September 28, 2019, Maywood ordinance 19-03 entitled "An Ordinance of the City of Maywood amending Chapter 45 of the Maywood Municipal Code to prohibit the commercial cultivation, dispensing, manufacture, distribution and testing of cannabis, except for legal nonconforming uses citywide, and making a finding of exemption under the California Environmental Quality Act" took effect. Among many other provisions, the ordinance established a renewal procedure and the renewal frequency required of all commercial cannabis business licenses.

Ordinance 19-03 states that "the Building Official shall cause investigations to be made by the Chief of Police, Fire Chief and Building Official to verify the information contained in the renewal application and the original application on file with the City. The Building official shall also ascertain whether or not the applicants have been convicted of or plead guilty or no-contest to: (i) a felony or misdemeanor involving the illegal possession, for sale, sale, manufacture, transportation, or cultivation of a controlled substance within the past four (4) years, (ii) a violation of a city, county, or city and county law for unlicensed commercial cannabis activity within the past three (3) years, or (iii) any crime involving theft, embezzlement, or moral turpitude. The Building Official shall also cause to investigate and report as to compliance with building and fire regulations."

The ordinance states further, "nothing in this section is intended to limit the City Manager or Building Official's ability to request additional information deems necessary or relevant to determining an applicant's suitability for renewal of a license. An application shall provide any additional information requested by the City no later than seven days after the request, unless otherwise specified by the City."

## **DISCUSSION**

To ensure that all requirements detailed in the ordinance are being complied with and also that that the cannabis businesses are submitting local cannabis production taxes as required by the voter approved initiative, the City has engaged a private consultant (HdL Companies) to provide expertise in cannabis facility inspections and cannabis business financial auditing. The fees listed below include the consultant cost and the total hourly cost for City staff salary and benefits for staff time expended. The renewal effort includes quarterly facility inspections and an annual financial audit.

As set forth in the Resolution, the Resolution would establish commercial cannabis license renewal and background check fees in the following amounts per facility/background application:

|                                        |              |
|----------------------------------------|--------------|
| License Renewal (per application)      | \$14,850.00* |
| Owner Background Check (first-time)    | \$ 330.00    |
| Owner Background Check (renewal)       | \$ 110.00    |
| Employee Background Check (first-time) | \$ 110.00    |
| Employee Background Check (renewal)    | \$ 82.50     |

\*The amount is for the initial inspection and audit. If re-inspections are required or if audits are unsuccessfully challenged; applicant shall pay additional consultant and City staff cost.

The Resolution does not preclude the revisiting of these fees to ensure the fee is sufficient to compensate the City for its reasonable costs related to the renewal of cannabis licenses or criminal background checks. A notice of a public hearing to consider adoption of this resolution and establishment of fees, was published as required by law. Staff recommends adoption of the Resolution.

#### **ATTACHMENT(S)**

Attachment No. 1 - Proposed Resolution

**ATTACHMENT NO. 1**

**RESOLUTION NO. 6076**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MAYWOOD ESTABLISHING RECURRING ADMINISTRATIVE FEES APPLICABLE TO THE RENEWAL OF COMMERCIAL CANNABIS BUSINESS LICENSES FOR BUSINESSES THAT CULTIVATE, DISPENSE, DISTRIBUTE AND MANUFACTURE CANNABIS AND CANNABIS CONTAINING PRODUCTS LOCATED WITHIN THE CITY AND FOR CONDUCTING CRIMINAL BACKGROUND CHECKS FOR ALL OWNERS, PRINCIPALS, MANAGERS, EMPLOYEES AND VOLUNTEERS WHO OPERATE SAID BUSINESSES**

**WHEREAS**, the City Council adopted Ordinance 19-03 on August 28, 2019 related to the regulation of commercial cannabis businesses operating within the City, which established a renewal procedure and frequency required of all commercial cannabis business licenses; and

**WHEREAS**, The City Council desires to verify that all requirements detailed in the commercial cannabis ordinance pertaining to existing legal non-conforming cannabis uses are being complied with and also that the businesses are submitting local cannabis production taxes as provided by the voter approved cannabis tax initiative, prior to permitting the renewal of cannabis licenses; and

**WHEREAS**, the City Council desires to adopt fees that recover all City incurred costs associated with this effort; and

**WHEREAS**, a properly noticed public hearing concerning the adoption of this Resolution and the fees herein was conducted on October 23, 2019

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MAYWOOD HEREBY DETERMINES, FINDS AND RESOLVES AS FOLLOWS:**

**Section 1.** The recitals set forth above are true and correct and incorporated as if set forth in full.

**Section 2.** The City Council hereby establishes Cannabis Business License Renewal fees and criminal background check fees in the following amounts:

|                                        |             |
|----------------------------------------|-------------|
| License Renewal (per application)      | \$14,850.00 |
| Owner Background Check (first-time)    | \$ 330.00   |
| Owner Background Check (renewal)       | \$ 110.00   |
| Employee Background Check (first-time) | \$ 110.00   |
| Employee Background Check (renewal)    | \$ 82.50    |

**Section 3.** Nothing in this Resolution shall be deemed to limit the City's ability to recover cost. The fee amount is only for the initial inspection and audit. If re-inspections are required or if audits are unsuccessfully challenged; applicant shall pay additional consultant and City staff cost.

**Section 3.** The City Council hereby finds that the fees established in Section 2 above, do not exceed the reasonably estimated costs to the City in providing the services to which the fees apply.

**Section 4.** The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this <sup>23<sup>rd</sup></sup> ~~24<sup>th</sup>~~ day of October 2019,

  
EDUARDO DE LA RIVA, MAYOR

ATTEST:

  
GERARDO MAYAGOITIA, CITY CLERK

APPROVED AS TO FORM:

  
ROXANNE DIAZ, CITY ATTORNEY

I, Gerardo Mayagoitia, City Clerk of the City of Maywood, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Maywood held on the 23<sup>rd</sup> day of October, 2019 by the following vote:

AYES: Marquez, Alvarez, Medina, Lara, De La Riva

NOES:

ABSTAINED:

ABSENT:

  
Gerardo Mayagoitia, City Clerk