



# AGENDA

**REGULAR MEETINGS  
OF THE  
SANTA FE SPRINGS  
PUBLIC FINANCING AUTHORITY  
WATER UTILITY AUTHORITY  
HOUSING SUCCESSOR  
SUCCESSOR AGENCY  
AND CITY COUNCIL**

**June 27, 2019  
6:00 P.M.**

Council Chambers  
11710 Telegraph Road  
Santa Fe Springs, CA 90670

***John Mora, Council Member  
Annette Rodriguez, Council Member  
Joe Angel Zamora, Council Member  
William K. Rounds, Mayor Pro Tem  
Juanita Trujillo, Mayor***

**Public Comment:** The public is encouraged to address City Council on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council, please complete the card that is provided at the rear entrance to the Council Chambers and hand the card to the City Clerk or a member of staff. City Council will hear public comment on items listed on the agenda during discussion of the matter and prior to a vote. City Council will hear public comment on matters not listed on the agenda during the Oral Communications period.

Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

**Americans with Disabilities Act:** In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

**Please Note:** Staff reports, and supplemental attachments, are available for inspection at the office of the City Clerk, City Hall, 11710 E. Telegraph Road during regular business hours 7:30 a.m. – 5:30 p.m., Monday – Thursday and every other Friday. Telephone (562) 868-0511.

**1. CALL TO ORDER**

**2. ROLL CALL**

John Mora, Councilmember  
Annette Rodriguez, Councilmember  
Joe Angel Zamora, Councilmember  
William K. Rounds, Mayor Pro Tem  
Juanita Trujillo, Mayor

**PUBLIC FINANCING AUTHORITY**

**3. CONSENT AGENDA**

*Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Public Financing Authority.*

- a. Minutes of the May 23, 2019 Public Financing Authority (City Clerk)

**Recommendation:**

- Approve the minutes as submitted.

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA) (Finance)

**Recommendation:**

- Receive and file the report.

**WATER UTILITY AUTHORITY**

**4. CONSENT AGENDA**

*Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Water Utility Authority.*

- a. Minutes of the May 23, 2019 Water Utility Authority (City Clerk)

**Recommendation:**

- Approve the minutes as submitted.

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA) (Finance)

**Recommendation:**

- Receive and file the report.

- c. Status Update of Water-Related Capital Improvement Projects (Public Works)

**Recommendation:**

- Receive and file the report.



**HOUSING SUCCESSOR**

**5. CONSENT AGENDA**

*Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Housing Successor.*

Minutes of the May 23, 2019 Housing Successor (City Clerk)

**Recommendation:**

- Approve the minutes as submitted.

**SUCCESSOR AGENCY**

**6. CONSENT AGENDA**

*Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Successor Agency.*

Minutes of the May 23, 2019 Successor Agency (City Clerk)

**Recommendation:**

- Approve the minutes as submitted.

**CITY COUNCIL**

**7. CONSENT AGENDA**

*Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the City Council.*

Minutes of the May 23, 2019 Regular City Council Meetings (City Clerk)

**Recommendation:**

- Approve the minutes as submitted.

**NEW BUSINESS**

**8. Adoption of City's Fiscal Year 2019-20 Budget and Related Items (Finance)**

**Recommendation:**

- Adopt the fiscal year ("FY") 2019-20 City Budget as proposed, including the actions as set forth herein.

**9. Adoption of the City's Fiscal Year 2019-20 Investment Policy (Finance)**

**Recommendation:**

- Adopt the Investment Policy for Fiscal Year 2019-20.

**10. Approve an Independent Audit Services Agreement with Lance, Soll, & Lunghard, LLP for Fiscal Year 2018-19 (Finance)**

**Recommendation:**

- Authorize the Mayor to execute a professional services agreement with the firm of Lance, Soll & Lunghard, LLP ("LSL") to perform the City's annual independent financial audit for Fiscal Year 2018-19.

11. First Amendment to the City Manager Employment Agreement (City Attorney)  
**Recommendation:**
  - Authorize the Mayor to execute the First Amendment to the City Manager's Employment Agreement which revises several of the terms of the aforementioned employment agreement.
12. Resolution No. 9640 – Adoption of Annual Appropriation (GANN) Limit for Fiscal Year 2019-20 (Finance)  
**Recommendation:**
  - Adopt Resolution No. 9640 setting the appropriation limit for Fiscal Year 2019-20.
13. Resolution No. 9635 – Authorizing the City Manager to Execute a Restricted Grant Agreement for Transportation Planning Grant Program Funding, and Amendments thereto, with the California Department of Transportation for the City of Santa Fe Springs' Targeted General Plan/Zoning Update  
**Recommendation:**
  - Adopt Resolution No. 9635; and
  - Authorize the City Manager to Execute a Restricted Grant Agreement for Transportation Planning Grant Funding, and Amendments thereto, with the California Department of Transportation for the City of Santa Fe Springs' Targeted General Plan/Zoning Update.
14. Resolution Nos. 9636 and 9637 – Approval of Engineer's Report (Fiscal Year 2019/20) in Conjunction with Annual Levy of Assessment for Heritage Springs Assessment District No. 2001 – 1 (Hawkins Street and Palm Drive) (Public Works)  
**Recommendation:**
  - Adopt Resolution 9636, approving the Engineer's Report (FY 2019/20) in conjunction with the annual levy of assessments for the Heritage Springs Assessment District No. 2001-01; and
  - Adopt Resolution No. 9637, declaring the City of Santa Fe Springs' intention to provide for an annual levy and collection of assessments for Heritage Springs Assessment District No. 2001-01, and setting the public hearing for the Council meeting of July 25, 2019.
15. Resolution Nos. 9638 and 9639 – Approval of Engineer's Report (Fiscal Year 2019/20) in Conjunction with Annual Levy of Assessments for Street Lighting District No. 1 (Public Works)  
**Recommendation:**
  - Adopt Resolution No. 9638, approving the Engineer's Report (FY 2019/20) in conjunction with the annual levy of assessments for Street Lighting District No. 1; and
  - Adopt Resolution No. 9639, declaring the City of Santa Fe Springs' intention to provide for an annual levy and collection of assessments for Lighting

***City of Santa Fe Springs***  
***Regular Meetings***

***June 27, 2019***

District No. 1, and setting the public hearing for the Council meeting of July 25, 2019.

16. Interstate 5 Freeway Widening/Florence Avenue Segment First Amendment with the State Department of Transportation (Public Works)

**Recommendation:**

- Approve the First Amendment to Utility Agreement No. 7UA-13073 with the State Department of Transportation; and
- Authorize the Director of Public Works to execute the First Amendment.

17. Request for Approval of Recyclable Materials Dealer Permits, Fiscal Year 2019-20 (City Manager)

**Recommendation:**

- Approve the issuance of Recyclable Materials Dealer Permits for the attached list of applicants (Exhibit A), subject to the conditions of approval as contained within Chapter 50 of the City Ordinance.

18. Approval of the Agreements Between the City of Santa Fe Springs and the City of Santa Fe Springs General City Employees Association (SFSCEA) and the City of Santa Fe Springs Executive, Management & Confidential Association (SFSEMCA) (Finance)

**Recommendation:**

- Approve the FY 2019-20 labor agreements with SFSCEA; and
- Approve the FY 2019-20 Memorandum of Understanding with the SFSCEA.

***Items 19 – 28 will occur in the 7:00 p.m. hour.***

19. **INVOCATION**

20. **PLEDGE OF ALLEGIANCE**

21. **INTRODUCTIONS**

- Representatives from the Chamber of Commerce

22. **ANNOUNCEMENTS**

23. **CITY MANAGER'S AND EXECUTIVE TEAM REPORTS**

24. **PRESENTATIONS**

- a. Presentation to Milestone Event Celebrant
- b. Chamber of Commerce Youth Enrichment Fund Destiny Scholarship/Powell Grant Recipients
- c. Recognition of Santa Fe Springs students who graduated from the Tri-Cities ROP Administration of Justice Academy
- d. Proclaiming Month of July 2019 as Parks and Recreation Month: Game On! In Santa Fe Springs
- e. Presentation - Relay for Life

***City of Santa Fe Springs***  
***Regular Meetings***

***June 27, 2019***

**25. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS**

- a. Advisory Committee Appointments

**26. ORAL COMMUNICATIONS**

- a. Follow-up Public Comments

*Staff will provide an update on any comments or concerns brought forward to the City Council at a previous meeting during oral communications*

- b. New Public Comments

*This part of the meeting is for the public to speak about anything within the City's jurisdiction. The Brown Act does not allow the Council to take action on items not on the agenda, but City staff may provide an update on the following meeting.*

**27. COUNCIL COMMENTS**

**28. ADJOURNMENT**

*I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted at the following locations; Santa Fe Springs City Hall, 11710 Telegraph Road; Santa Fe Springs City Library, 11700 Telegraph Road; and the Town Center Plaza (Kiosk), 11740 Telegraph Road, not less than 72 hours prior to the meeting.*



**Janet Martinez, CMC**  
**City Clerk**

***June 21, 2019***  
**Date**



**FOR ITEM NO. 3A  
PLEASE SEE ITEM NO. 7**



## **CONSENT CALENDAR**

Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

### **RECOMMENDATION**

Receive and file the report.

## **BACKGROUND**

The Santa Fe Springs Public Financing Authority (PFA) is a City entity that has periodically issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the PFA.

### Consolidated Redevelopment Project 2006-A Tax Allocation Bonds

Financing proceeds available for appropriation at 5/31/19

None

Outstanding principal at 5/31/19

\$38,668,258

### Bond Repayment

The former Community Development Commission (CDC) issued a number of tax allocation bonds before it was dissolved by State law effective February 1, 2012 which are administered by the City acting as Successor Agency under the oversight of the appointed Oversight Board. The Successor Agency no longer receives tax increment. Instead, distributions from the Redevelopment Property Tax Trust Fund (RPTTF) are received based on approved obligations. It is anticipated that sufficient allocations from the RPTTF will continue to be made to the Successor Agency to meet ongoing debt service obligations.

### Unspent Bond Proceeds

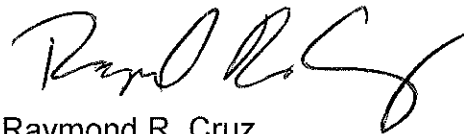
Under an approved Bond Expenditure Agreement, unspent bond proceeds of the former CDC in the amount of approximately \$19 million were transferred to the City in July 2014. The funds are to be spent in accordance with the original bond documents. The unspent proceeds continue to be a source of funding within the City's capital improvement program (CIP).

### 2016 Bond Refunding

In July 2016 the Successor Agency issued its 2016 Tax Allocation Refunding Bonds, which paid off several bond issuances of the former CDC. The bonds were originally issued through the Public Financing Authority and included the 2001 Series A, 2002 Series A, 2003 Series A, the current interest portion of the 2006 Series A, and 2006 Series B bond issuances.

2017 Bond Refunding

In December 2017 the Successor Agency issued its 2017 Tax Allocation Refunding Bonds, which paid off the 2007 Tax Allocation Bonds of the former CDC. The 2007 Bonds were originally issued through the Public Financing Authority.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz  
City Manager/Executive Director

**FOR ITEM NO. 4A  
PLEASE SEE ITEM NO. 7**





## **CONSENT CALENDAR**

Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA)

### **RECOMMENDATION**

Receive and file the report.

### **BACKGROUND**

The Santa Fe Springs Water Utility Authority (WUA) is a City entity that has issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the WUA.

#### Water Revenue Bonds, 2013

Financing proceeds available for appropriation at 5/31/19

None

Outstanding principal at 5/31/19

\$6,890,000

#### Water Revenue Bonds, 2018

Financing proceeds available for appropriation at 5/31/19

None

Outstanding principal at 5/31/19

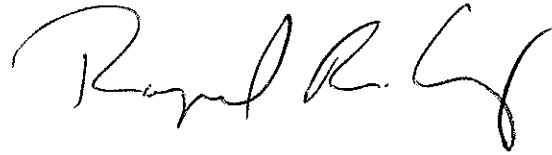
\$1,425,000

In May 2013 the Water Utility Authority issued the 2013 Water Revenue Bonds in the amount of \$6,890,000. The bonds refunded the existing 2003 Water Revenue Bonds (issued through the Public Financing Authority) and provided additional funds for water improvement projects in the amount of \$2,134,339. The funds were restricted for use on water system improvements. In August 2013 the Water Utility Authority Board appropriated the proceeds for the Equipping Water Well No. 12 Project and all proceeds were since used on this project.

In January 2018 the Water Utility Authority issued the 2018 Water Revenue Bonds in the amount of \$1,800,000. The bonds refunded the existing 2005 Water Revenue Bonds (issued through the Public Financing Authority). No additional funds were raised through the issuance of the 2018 Water Revenue Bonds.

The City budget includes sufficient appropriations and adequate revenues are expected to be collected to meet the debt service obligations associated with the 2013 and 2018 Water Revenue Bonds.

The WUA was formed in June of 2009. Water revenue bonds issued prior to this date were issued through the City of Santa Fe Springs Public Financing Authority.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz". The signature is fluid and cursive, with the first name "Raymond" being the most prominent part.

Raymond R. Cruz  
City Manager/Executive Director



# City of Santa Fe Springs

Water Utility Authority Meeting

ITEM NO. 4C

June 27, 2019

## CONSENT AGENDA

Status Update of Water-Related Capital Improvement Projects

### RECOMMENDATION

That the Water Utility Authority receive and file the report.

### BACKGROUND

This report is for informational purposes only. The following is a listing of current active water projects.

#### Water Well No. 12 – Packer Testing and Installation

The Water Utility Authority (WUA), at their March 28, 2019, meeting, awarded a contract to Best Drilling and Pump, Inc. (Best Drilling) from Colton, California in the amount of \$452,000 for the Water Well No. 12 Packer Testing project.

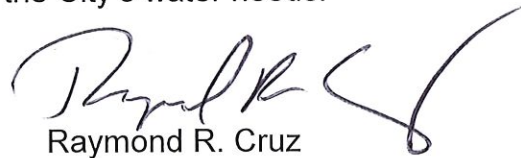
Construction began on May 7, 2019. A video of the well was taken prior to the removal of the well pump and motor. The well was brushed clean, and the Contractor started test pumping and taking water samples. The Contractor is anticipating the test pumping and sampling to be completed by the end of July 2019, and the entire project is expected to be complete by the end of August 2019.

### FISCAL IMPACT

Water Well No. 12 Packer Testing and Installation is fully funded from the Water CIP Fund.

### INFRASTRUCTURE IMPACT

The production of quality water from Water Well No. 12 will provide a cost-effective option which is imperative to meeting the City's water needs.

  
Raymond R. Cruz  
Executive Director

Attachments:

None

Report Submitted By:

Noe Negrete  
Director of Public Works



Date of Report: June 19, 2019

**FOR ITEM NO. 5**  
**PLEASE SEE ITEM NO. 7**



**FOR ITEM NO. 6**  
**PLEASE SEE ITEM NO. 7**



# *City of Santa Fe Springs*

City Council Meeting

ITEM NO. 7

*June 27, 2019*

## **CONSENT AGENDA**

Minutes of the May 23, 2019 Regular City Council Meetings

### **RECOMMENDATION**

Staff recommends that the City Council:

- Approve the minutes as submitted.

### **BACKGROUND**

Staff has prepared minutes for the following meetings:

- May 23, 2019

Staff hereby submits the minutes for Council's approval.

A handwritten signature in dark ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz  
City Manager

### **Attachment:**

1. Minutes for May 23, 2019



APPROVED:

## MINUTES OF THE MEETINGS OF THE CITY COUNCIL

May 23, 2019

1. **CALL TO ORDER**

Mayor Trujillo called the meeting to order at 6:00 p.m.

2. **ROLL CALL**

**Members present:** Councilmembers/Directors: Mora, Rodriguez, Zamora and Mayor/Chair Trujillo.

**Members absent:** Mayor Pro Tem/Vice Chair Rounds

Janet Martinez, City Clerk announced that the Members of the Public Financing Authority and Water Utility Authority receive \$150 for their attendance at meetings.

### PUBLIC FINANCING AUTHORITY

3. **CONSENT AGENDA**

**Approval of Minutes**

- a. Minutes of the April 23, 2019 Public Financing Authority Meeting

**Recommendation:** That the Public Financing Authority approve the minutes as submitted.

**Monthly Reports**

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

**Recommendation:** That the Public Financing Authority receive and file the report.

It was moved by Council Member Zamora, seconded by Council Member Rodriguez, approving Item No. 3A, and 3B, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo

**Nays:** None

**Absent:** Rounds

### WATER UTILITY AUTHORITY

4. **CONSENT AGENDA**

**Approval of Minutes**

- a. Minutes of the April 23, 2019 Water Utility Authority Meeting

**Recommendation:** That the Water Utility Authority:

- Approve the minutes as submitted.

**Monthly Reports**

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA)

**Recommendation:** That the Water Utility Authority:

- Receive and file the report.

- c. Status Update of Water-Related Capital Improvement Projects

**Recommendation:** That the Water Utility Authority:

- Receive and file the report.

It was moved by Council Member Mora, seconded by Council Member Rodriguez, approving Item No. 4A, 4B, & 4C, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo

**Nayes:** None

**Absent:** Rounds

#### HOUSING SUCCESSOR

#### 5. **CONSENT AGENDA**

Minutes of the April 23, 2019 Housing Successor

**Recommendation:** That the Housing Successor:

- Approve the minutes as submitted.

It was moved by Council Member Rodriguez, seconded by Council Member Zamora, approving the minutes as submitted, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo

**Nayes:** None

**Absent:** Rounds

#### SUCCESSOR AGENCY

#### 6. **CONSENT AGENDA**

Minutes of the April 23, 2019 Successor Agency

**Recommendation:** That the Successor Agency:

- Approve the minutes as submitted.

It was moved by Council Member Zamora, seconded by Council Member Mora, approving the minutes as submitted, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo

**Nayes:** None

**Absent:** Rounds

#### 7. **NEW BUSINESS**

Third Amendment to Purchase and Sale Agreement with PPF Industrial, LLC for properties located on the southeast corner of Bloomfield and Telegraph Road and north side of Telegraph Road east of Bloomfield, and Fourth amendments to Settlement Agreement and Property Disposition Agreement between the Successor



**Agency, McGranahan Carlson and Company, and Breitburn Energy Company**

**Recommendation:**

- Approve the Third Amendment to the Purchase and Sale Agreement with PPF Industrial, LLC for two (2) properties located on the southeast corner of Bloomfield and Telegraph Road and on the north side of Telegraph Road to the east of Bloomfield;
- Approve the Fourth Amendment to the Settlement Agreement between the McGranahan and Carlson, SFSA, Breitburn and the Successor Agency; and
- Approve the Fourth Amendment to the Property Disposition Agreement between the Successor Agency to the City of Santa Fe Springs Redevelopment Agency, McGranahan and Carlson, and Breitburn.

It was moved by Council Member Rodriguez, seconded by Council Member Zamora, to approve the third amendment to the purchase and sale agreement with PPF Industrial, LLC for two (2) properties located on the southeast corner of Bloomfield and Telegraph Road and on the north side of Telegraph Road to the east of Bloomfield; approve the fourth amendment to the Settlement agreement between the McGranahan and Carlson, SFSA, Breitburn and the Successor Agency; and approve the fourth amendment to the property disposition amendment between the Successor Agency to the City of Santa Fe Springs Redevelopment Agency, McGranahan and Carlson, and Breitburn, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo

**Nays:** None

**Absent:** Rounds

**CITY COUNCIL**

**8. CONSENT AGENDA**

*Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the City Council.*

a. Minutes of the April 23, 2019 Regular City Council Meetings

**Recommendation:** That the City Council:

- Approve the minutes as submitted.

b. General Motion to Waive Full Reading and Approve Ordinance by Title Only Pursuant to California Government Code Section 36934

**Recommendation:** That the City Council:

- Receive and file the report.

c. Municipal Services Yard Underground Waste Oil Tank Removal – Final Payment

**Recommendation:**

- Approve the Final Payment (less 5% Retention) to OFRS, Inc. of Signal Hill, California in the amount of \$15,887.00.

It was moved by Council Member Zamora, seconded by Council Member Mora,

items 8a through 8c, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo  
**Nayes:** None  
**Absent:** Rounds

## **NEW BUSINESS**

9. Consideration of New Ground Lease Agreement Between the City of Santa Fe Springs (Landlord) and the United States Postal Services (Tenant) for the real property located at 11760 Telegraph Road, Santa Fe Springs, California 90670

### **Recommendation:**

- Approve the New Ground Lease Agreement between the City of Santa Fe Springs (Landlord) and the United States Postal Services (Tenant) for the real property at 11760 Telegraph Road, Santa Fe Springs, California 90670; and
- Authorize the Mayor or designee to execute the New Ground Lease Agreement between the City of Santa Fe Springs (Landlord) and the United States Postal Services (Tenant), for real property at 11760 Telegraph Road, Santa Fe Springs, California 90670.

It was moved by Council Member Zamora, seconded by Council Member Rodriguez, to approve the New Ground Lease Agreement between the City of Santa Fe Springs (Landlord) and the United States Postal Services (Tenant) for the real property at 11760 Telegraph Road, Santa Fe Springs, California 90670; and authorize the Mayor or designee to execute the New Ground Lease Agreement between the City of Santa Fe Springs (Landlord) and the United States Postal Services (Tenant), for real property at 11760 Telegraph Road, Santa Fe Springs, California 90670, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo  
**Nayes:** None  
**Absent:** Rounds

10. Amendment Number One to Lease Agreement between the City of Santa Fe Springs and The Whole Child (TWC) for use of modular building located at the Gus Velasco Neighborhood Center

### **Recommendation:**

- Approve Amendment Number One to Lease Agreement between the City of Santa Fe Springs and The Whole Child to extend the lease term by one year and to adjust the monthly rent for use of the modular building located at the Gus Velasco Neighborhood Center.

It was moved by Council Member Zamora, seconded by Council Member Mora, approving the amendment number one to lease agreement between the City of Santa Fe Springs and the Whole Child to extend the lease term by one year and to adjust the monthly rent for use of the modular building located at Gus Velasco Neighborhood Center, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo  
**Nayes:** None  
**Absent:** Rounds

**11. Approval of Parcel Map No. 78240 – for 11201-11313 Carmenita Road**

**Recommendation:**

- Approve Parcel Map No. 78240;
- Find that Parcel Map No. 78240 together with the provisions for its design and improvement, is consistent with the City's General Plans; and
- Authorize the City Engineer and City Clerk to sign Parcel Map No. 78240.

It was moved by Council Member Mora, seconded by Council Member Rodriguez, to approve Parcel Map No. 78240; find that Parcel Map No. 78240 together with the provisions for its design and improvement is consistent with the City's General Plans; and authorize the City Engineer and City Clerk to sign Parcel Map No. 78240, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo

**Nayes:** None

**Absent:** Rounds

**12. Slauson Avenue Overpass – Approval of Agreement with the County of Los Angeles**

**Recommendation:**

- Approve the Agreement with the County of Los Angeles for the construction and maintenance of the Slauson Avenue Overpass; and
- Authorize the Mayor to execute the Agreement.

It was moved by Council Member Rodriguez, seconded by Council Member Zamora, to approve the agreement with the County of Los Angeles for the construction and maintenance of the Slauson Avenue Overpass; and authorize the Mayor to execute the agreement, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo

**Nayes:** None

**Absent:** Rounds

**13. Renewal of Underground Facilities License for Phibro-Tech, Inc.**

**Recommendation:**

- Renew the Underground Facilities License for Phibro-Tech, Inc. to operate a pressurized sewer line along Burke Street east of Dice Road.

It was moved by Council Member Mora, seconded by Council Member Zamora, to renew the Underground Facilities License for Phibro-Tech, Inc. to operate a pressurized sewer line along Burke Street east of Dice Road, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo

**Nayes:** None

**Absent:** Rounds

**14. Assessor's Parcel Number: 8007-001-909 – Purchase and Sale Agreement**

**Recommendation:**

- Approve the Purchase and Sale Agreement to sell Assessor' Parcel Number: 8007-001-909 to Mr. and Mrs. Rosalez for the sale price of \$256,000; and

- Authorize the Mayor to execute the Purchase and Sale Agreement and Grant Deed.

It was moved by Council Member Zamora, seconded by Council Member Mora, to approve the purchase and sale agreement to sell Assessor's Parcel Number: 8007-001-909 to Mr. and Mrs. Rosalez for the sale price of \$256,000; and authorize the Mayor to execute the Purchase and Sale Agreement and Grant Deed, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo

**Nayes:** None

**Absent:** Rounds

**15. Award of contract to Revenue & Cost Specialists, LLC to prepare a Cost Allocation Plan and User Fee Study**

**Recommendation:**

- Award a contract to Revenue & Cost Specialists, LLC to prepare a Cost Allocation Plan and User Fee Study with a total not to exceed cost of \$32,500.
- Authorize the Mayor or designee to execute the contract to provide the services.

It was moved by Council Member Rodriguez, seconded by Council Member Zamora, to award a contract to Revenue & Cost Specialists, LLC to prepare Cost Allocation Plan and User Fee Study with a total not to exceed cost of \$32,500; and authorize the Mayor or designee to execute the contract to provide the services, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo

**Nayes:** None

**Absent:** Rounds

**16. Request for Out-of-State Travel to attend the 2019 NEOGOV Connect Conference (User Conference)**

**Recommendation:**

- Approve out-of-state travel for the Human Resources Analyst to attend the 2019 NEOGOV Connect Conference in Las Vegas, NV.

It was moved by Council Member Zamora, seconded by Council Member Rodriguez, to approve out-of-state travel for the Human Resources Analyst to attend the 2019 NEOGOV Connect Conference in Las Vegas, NV, by the following vote:

**Ayes:** Mora, Rodriguez, Zamora, Trujillo

**Nayes:** None

**Absent:** Rounds

**CLOSED SESSION**

**17. CONFERENCE WITH LABOR NEGOTIATORS**  
(Pursuant to California Government Code Section 54957.6)  
Unrepresented Employee: City Manager

**CLOSED SESSION**

**18. CONFERENCES WITH LABOR NEGOTIATORS**

(Pursuant to California Government Code Section 54957.6)

**Agency Designated Representatives:** City Manager, Director of Finance, Human Resources Manager, City Attorney

**Employee Organizations:** Santa Fe Springs City Employees' Association and Santa Fe Springs Firefighters' Association

**CLOSED SESSION**

**19. CONFERENCES WITH LABOR NEGOTIATORS**

(Pursuant to California Government Code Section 54957.6)

**Agency Designated Representatives:** City Manager, City Attorney, Labor Negotiator

**Employee Organization:** Santa Fe Springs Executive, Management and Confidential Employees' Association

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***Mayor Trujillo recessed the meetings at 6:06 p.m.***

***Mayor Trujillo convened the meeting at 7:06 p.m.***

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City Attorney, Ivy M. Tsai provided a brief report on the closed session items; there was no action taken.

**20. INVOCATION**

Invocation was led by Council Member Mora.

**21. PLEDGE OF ALLEGIANCE**

Youth Leadership Advisory Committee led the Pledge of Allegiance.

**22. INTRODUCTIONS**

- Representatives from the Chamber of Commerce: Chamber CEO, Kathie Fink.

**23. ANNOUNCEMENTS**

The Youth Leadership Committee Members made the following announcements:

- Pop-Trivia Showdown, Friday, May 24, 2019 at 3:30PM
- Children's Day, Saturday, June 1, 2019 at 12PM
- Get Acquainted at the Parks, Thursday, June 13, 2019 at 5:00PM

**24. CITY MANAGER AND EXECUTIVE TEAM REPORTS**

- City Manager, Raymond Cruz, spoke about meeting with the Finance Department the past few weeks, along with all five (5) Council Members to discuss the city budget. He added that he plans to have the budget listed on the agenda for June 2019. He also

spoke about having the honor of being one of the Santa Fe Springs High School senior project judges.

- Assistant Municipal Services Manager, Heleo Espinoza, spoke about celebrating last week's National Public Works event in conjunction with the Arbor Tree Celebration at St. Pius School.
- Planning Director, Wayne Morrell spoke about Craft Ramen Hiro Nori that will be coming soon to the City. In addition, spoke about another area, formerly known as the "Big Lots" site, which will be replaced by Planet Fitness. He spoke about the Rite Aid at the market place, the area available for another potential business. Lastly, he spoke about ReCON, the largest global retail real estate convention that is 3 days long and held in Las Vegas, NV. It gives the opportunity for many municipalities to attend and promote their city in order to bring in new businesses. He noted this is the second year Santa Fe Springs had a booth, which was successful last year as they brought in Jersey Mike's and Sonic Restaurants.
- Director of Police Services, Dino Torres spoke about 1) Members of the public safety will be participating in the Special Olympics Torch run on June 6 at 4:30 pm.; 2) Police Services Block Party that will be held Saturday June 8<sup>th</sup> from 12PM to 2PM at Lakeview Park; and 3) Provided an updated report on the crime calls for the Promenade Plaza.
- Fire Chief Brent Hayward spoke about 1) MDA "Fill the Boot" 2019 campaign, which raised a total of \$22,205; 2) Alisa Ann Ruch Burn Foundation Relay which raised a total of \$40,100, where there were 21 different agencies present, including Santa Fe Springs very own Mayor Trujillo; and 3) Spoke about the recent animal rescues.
- Director of Finance Services, Travis Hickey spoke about working on the budget and thanked his colleagues and Council for their assistance. He noted that Lana Dich, Account Manager spoke about attending a training held in Los Angeles; noted there are 20,000 people that attended this event.
- Director of Community Services, Maricela Balderas spoke about 1) Summer movies and concert series which will start on June 7<sup>th</sup> and will alternate between concert and movies; 2) Noted summer is kicking off starting Monday, June 10<sup>th</sup>; 3) Parks and Rec will have their annual training on June 7<sup>th</sup> that will have some ice breakers which will be mandatory training for all Parks and Recreation staff, includes summer hires.

## **25. PRESENTATIONS**

- a. Introduction of New Santa Fe Springs Department of Fire-Rescue Firefighter Candidates
- b. Proclaiming May 19-25, 2019 as "National Public Works Week"
- c. Recognition of Santa Fe Springs City Library 2019 Bookmark Contest Winners
- d. Lake Center Middle School 8<sup>th</sup> Grade Students 2019 Washington D.C. Trip (Submitted by PIO)
- e. Recognition of 2019 Santa Fe Springs Older American Award Recipient – Mr. Paul Nakamura



**26. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS**

**a. Advisory Committee Appointments**

No appointments were made.

**27. ORAL COMMUNICATIONS**

Follow Up Report: Director of Police Services, Dino Torres provided an update on an Oral Communication item brought to Council on May 9, 2019.

New Comments: Daniel Cutrone spoke in regards to Whittier Police Department.

**28. COUNCIL COMMENTS**

Council Member Mora congratulated Paul Nakamura on receiving the Citizen of the Year Award as well as congratulated the bookmark winners. He thanked the Public Works Department for all their help and acknowledged for having the Public Works celebration. He also spoke about attending ReCON. He noted that he was happy to see how knowledgeable Planning Staff were on planning information. Lastly, he spoke about the Whittier Police Candidate Program for police officers. He requested to have the Whittier Police Candidate Program officers who attended the local high schools to be recognized at a future City Council meeting.

Council Member Rodriguez congratulated Paul Nakamura; noted attending battle of the books, and thanked Joyce; attended last night's award ceremony at SFS HS; Noted that women's club awarded 8 scholarships to students; thanked Michael Aguilar, as he attended women's club; looking forward to block party on June 8<sup>th</sup>; thanked public works for a great job.

Council Member Zamora acknowledged Paul Nakamura, thanked him and his family for being part of the community, and acknowledged all volunteers. He also congratulated the bookmark winners. He stated that he attended the Santa Fe Springs High School banquet and also spoke about being a judge at Santa Fe Springs High School. He talked about attending Contract Cities, explained the purpose of Contract Cities and who attends those meetings such as State Assembly members and county supervisors. Lastly, he spoke about attending "On the Front Line of Homelessness", and how it relates to current homeless issues that are occurring in the surrounding cities. Noted that the City of Santa Fe Springs is looking for a homeless center.

Mayor spoke about Paul Nakamura, thanked him for his volunteer work. She also spoke about attending the Southern California Association of Governments and noted that the hot topic was the emissions that the residents have created within the city and about the number of cars and the proposals they had on using electronic vehicles. In addition, they had college students attending the conference to provide presentations on alternate equipment options for cities to use that are friendly to the environment.

**29. ADJOURNMENT**

Mayor Trujillo adjourned the meeting at 8:20 p.m. in memory of Rita Holmes, Laurence Romero and Felee Cutrone.

\_\_\_\_\_  
Juanita Trujillo  
Mayor

**ATTEST:**

\_\_\_\_\_  
Janet Martinez  
City Clerk

\_\_\_\_\_  
Date



# *City of Santa Fe Springs*

City Council Meeting

ITEM NO. 8

June 27, 2019

## **NEW BUSINESS**

### Adoption of City's Fiscal Year 2019-20 Budget and Related Items

#### **RECOMMENDATION**

Adopt the fiscal year ("FY") 2019-20 City Budget as proposed, including the actions as set forth herein.

#### **BACKGROUND**

On June 13, 2019, the proposed FY 2019-20 City Budget was introduced to the City Council. The budget is the result of several months of work, including multiple sessions with each of the City Council Budget Subcommittees. This proposed budget presents only one year, FY 2019-20, due to the uncertainties facing the City. Ideally, a two-year budget cycle would be used and as financial stability is achieved, a two-year cycle will be considered for future budgets.

In May 2019, the City Council conducted a goal setting session which resulted in the establishment of six core priorities. The number one priority expressed by the City Council was having a balanced budget. We are pleased to report that the FY 2019-20 proposed General Fund budget is balanced. The Water Utility is expected to have a deficit, but as discussed below, a water rate study is currently underway to assess the revenue needs.

Over the past 10+ years the City has faced a number of fiscal challenges, each seemingly growing in significance over time. Beginning in fiscal year 2007-08 the City felt the impacts of the Great Recession seeing sales tax revenue plummet 27% from \$26.4 million in FY 2006-07 to \$19.2 million in FY 2009-10. In response, the City cut expenditures by offering early retirement incentives and implementing furloughs for active employees along with creating a 2<sup>nd</sup> tier for new employees related to pension and health care benefits. Revenues were improved through the passage of a utility users tax in 2010 offering more diversification and stabilization than with sales tax alone.

Just as the economy was beginning to improve, the State of CA dissolved redevelopment agencies in January 2012, which had a major impact on the City. The former redevelopment agency collected approximately \$32 million annually in property taxes and was the major source of funding for capital improvement projects ("CIP"). The net impact to the City's General Fund was approximately \$13 million annually in addition to the General Fund becoming the primary source of funding for CIPs. A number of measures were then implemented to address the loss in funding, including another round of early retirement incentives, the elimination of approximately 25% of full-time positions, the conversion of furloughs into the





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permanent payment by employees of their share of the Public Employees Retirement System ("CalPERS") contributions, and a reduction in some service levels. On the revenue side, the utility users tax, originally set at 3.5%, was increased to 5%, the maximum amount authorized by the voters in 2010.

Over the subsequent four fiscal years, the economy continued to improve and modest increases in all major revenue sources were realized. The organization stabilized and adjusted to the "new normal". Beginning in FY 2015-16, however, a number of changes dramatically affected the City's required payments to CalPERS. Already faced with mounting unfunded liabilities, the CalPERS Board adopted several policies which have the result of doubling the City's required contributions over the next six years. Assumption changes to the anticipated rate of return on CalPERS investments, extending the life expectancy of retirees, and funding policy changes that shortened the time period over which gains/losses are spread all combined to produce a dramatic increase in payments towards the unfunded liability. While the changes will improve the financial stability of the fund in the long-run, the short-term effect is the addition of an additional \$7+ million annually in required contributions by FY 2023-24.

Over the past several fiscal years, the City experienced a structural deficit in the General Fund with operating expenditures exceeding operating revenues. As discussed above, the increase in CalPERS contributions would continue to increase the structural deficit for several years to come. The originally proposed FY 2018-19 budget reflected a structural deficit of approximately \$5.8 million. Fortunately, during the time of the structural deficit, the City was receiving loan repayments from the former redevelopment agency. These payments, along with the use of set-aside funds, allowed the City to operate without decreasing the level of General Fund available fund balance. The set-aside funds include amounts held for uses such as equipment replacement, insurance stabilization, and employee leave balances. As was noted in last year's budget presentation, this is a short-term strategy as these one-time sources were nearing an end.

The City considered a number of options to balance the structural deficit. The only option available which had the wherewithal to close the significant gap was the creation of a District Transactions and Use Tax ("TUT"). The TUT works much the same as the existing sales tax except that it is only subject to transactions delivered to customers within the City (i.e. point-of-destination) whereas sales tax applies to transactions originating within the City (i.e. point-of-sale). In November 2018 the voters of the City of Santa Fe Springs overwhelming approved the creation of a 1% TUT to take effect April 1, 2019 (Measure Y). The City expects to receive the first payment of the new tax from the California Department of Tax and Fee Administration ("CDTFA") in June 2019.





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Due to the differences between the TUT and sales tax there is uncertainty as to the annual revenue to be generated from the new tax. Estimates range generally between \$11-13 million per year. Even with this uncertainty, the City has taken an enormous step towards the elimination of the structural deficit allowing the City to preserve existing service levels and funding for much needed capital improvements.

In addition to the TUT, the City continues to look for additional ways to ensure fiscal sustainability into the future. These include pursuing economic development opportunities, examining fees charged for services provided by the City, and continuing with cost containment measures.

Turning to the City's Water Utility, the FY 2019-20 budget projects a decline in the fund of approximately \$744,000. Revenues continue to remain relatively flat while expenditures are increasing at a faster pace. The last water rate increase implemented by the City was in August 2016 and the last increase prior to that was in March 2012. A rate study is currently underway which will examine ongoing costs and capital needs in order to determine proposed rates to ensure the long-term financial stability of the Water Utility.

There is a continuing need for CIP's related to the source of water to aid in stabilizing the growing cost of water from outside sources. The cost to have an operating well in both of the City's water zones is expected to be approximately \$10 million. Other options for water supply sources are also being considered, but all come with a capital investment requirement. The Water Utility is expected to have approximately \$5 million in the CIP reserve by the end of June 2019. So, while funds have been accumulated, the amount available falls well short of the needs.

With the above in mind, where we find ourselves is in a position to rebuild our revenue base in a way that enhances our ability to sustain the level of service that we provide to the public on into the future. Key strategies in that regard are: 1) building and maintaining the City's reserves to a level that will help lessen the impact of the next downturn in the economy; 2) continuing to reassess what the City's "Core Services" are, so as to ensure that the City's ability to provide those services that only the City can provide are not diminished as a result of "spreading ourselves too thin"; and, 3) looking at ways to broaden and diversify our revenue streams, so as to lessen our dependency on sales tax revenue.

The proposed budget for fiscal year 2019-20 moves the City closer to the above objectives. As well, the proposed budget provides an unwavering commitment to making Santa Fe Springs a safe and great place to live, work and play. It furthers the City's mission to deliver exemplary municipal services responsive to our entire





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community and consistent with our history, culture and unique character.

Following is a more detailed review of the budget specifics:

## **Proposed Budget: FY 2019-20**

For the FY 2018-19 final estimate, it is anticipated that there will be a \$3.5 million operating deficit with a \$3.3 million decrease in available fund balance at year-end. The operating deficit is expected to be offset by the receipt of \$5.1 million in loan repayments from the Successor Agency. The loan repayment represents the final payment of the balance owed by the former redevelopment agency. The anticipated decline in available fund balance stems from the set-aside of funds from the excess balance realized at the close of the 2017-18 fiscal year (\$3.3 million). These set-asides consist of restoring transfers that had been made in order to balance the FY 2017-18 and FY 2018-19 budgets along with establishing a trust fund for the City's unfunded liabilities and increasing the reserve for economic contingencies. In other words, the FY 2018-19 decline of available fund balance brings the General Fund back to \$21.9 million, where it was at the start of 2017-18 fiscal year. This translates to approximately 33% of general fund expenditures (excluding applied revenues).

For FY 2019-20, the operating surplus is estimated to be approximately \$4.1 million. As discussed above, Measure Y was approved by the voters in November 2018 and became effective April 1, 2019. The budget conservatively estimates the first full year of the tax to generate approximately \$10.7 million. While the City hopes that the tax will generate closer to \$13 million annually, the revenue is budgeted conservatively until actual collections can be assessed. An operating surplus is expected for the next four to five fiscal years as operating expenditures ramp up, primarily driven by the increases in CalPERS contributions. During this period, it is recommended that funds be set aside for purposes such as paying down the City's \$160 million pension and other post-employment benefit obligations, funding much needed capital improvements, and investing in economic development projects that will generate revenues into the future. In addition, transfers are proposed to be set aside in the Equipment Replacement and Employee Benefits Funds in order to accumulate resources for the replacement of vehicles and other equipment and pay for ongoing employee related obligations.

Following is a summary of the proposed budget activity for FY 2019-20, along with the mid-year and final estimated amounts for FY 2018-19:





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	Mid-Year Budget FY 2018-19	Final Estimate FY 2018-19	Proposed FY 2019-20
<b>Sources</b>			
Estimated General Revenues	\$ 47,388,800	\$ 49,040,200	\$ 57,771,500
<b>Uses</b>			
Department Expenditures	47,896,400	48,125,800	49,634,000
Non-Recurring Expenditures	838,100	661,700	1,197,500
Vehicle/Equipment Acquisition	159,700	-	-
Capital Improvement Program Funding	3,800,000	3,800,000	2,800,000
Total Uses	52,694,200	52,587,500	53,631,500
Operating Surplus / (Deficit)	\$ (5,305,400)	\$ (3,547,300)	\$ 4,140,000

## Revenues / Sources

During FY 2019-20, we are expecting City General Fund revenues (not including the Water Utility Fund) to total \$57.8 million. This does not include "applied" General Fund revenues (an additional \$13.5 million) that are derived from the operations of specific departments and allocated to offset those same departmental expenditures. FY 2019-20 General Fund revenues are projected to be about \$8.7 million greater than the current year final estimate. The increase is primarily related the collection of Measure Y taxes, estimated to be approximately \$10.7 million. Additional increases in revenue are expected in rental income due to the renegotiation of the Post Office lease, development revenues due to billboard development agreements, and other revenues from the receipt of host fees from materials recycling facilities. Modest increases are also expected in property, utility users, franchise, property transfer, and vehicle in lieu taxes.

Revenue declines are expected in the property tax pass-through taxes, sales taxes, and interest earnings. The property tax pass-through taxes represent the residual taxes distributed to taxing agencies after payment of the Successor Agency obligations and fluctuate year-to-year depending on the level of obligations. Sales taxes are anticipated to drop approximately 1.5%, which is more a reflection of an unusually high amount realized during FY 2018-19, due in part to a change in the manner in which CDTFA collects and distributes sales tax. Interest earnings are expected to decline due to the final payment of the loan from the Successor Agency received in June 2019.



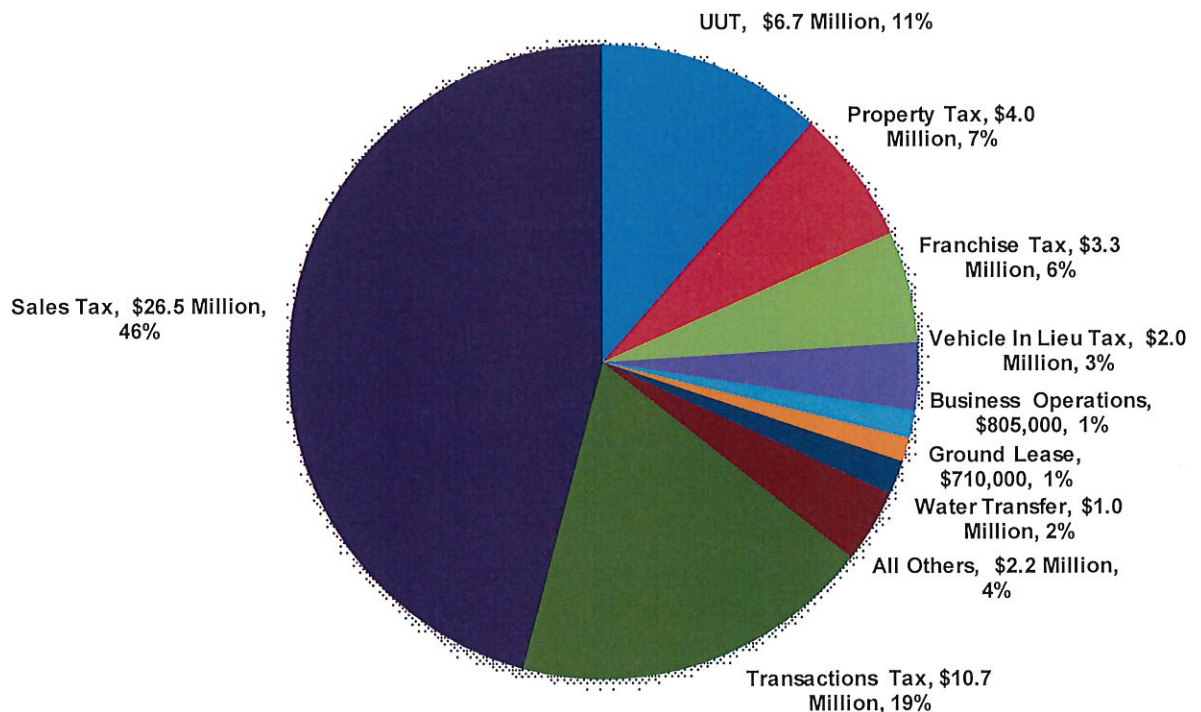
# City of Santa Fe Springs

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The graph below illustrates an overall view of the City's revenues for the next fiscal year.

## FY 2019-20 City Revenues - \$57.8 Million



**Sales Tax Revenue** – Historically, the City has benefitted greatly from the large business community and the sales tax revenue generated. Conversely, during the Great Recession the City's revenues were disproportionately impacted by the downturn in the economy. Since then, modest gains have generally provided for a slow but steady rise. In FY 2014-15 sales tax revenue reached the pre-recession high of \$26.4 million followed by two years of declines to \$25.1 million in FY 2016-17. Sales tax continues to be the City's largest and most volatile revenue source. In the FY 2018-19 final estimate, we anticipate an increase of almost \$1.2 million from the prior year to \$26.9 million, due in part to timing differences in how the CDTFA distributes sales tax. For FY 2019-20, collections are expected to normalize with a modest decrease (\$400,000) to \$26.5 million.



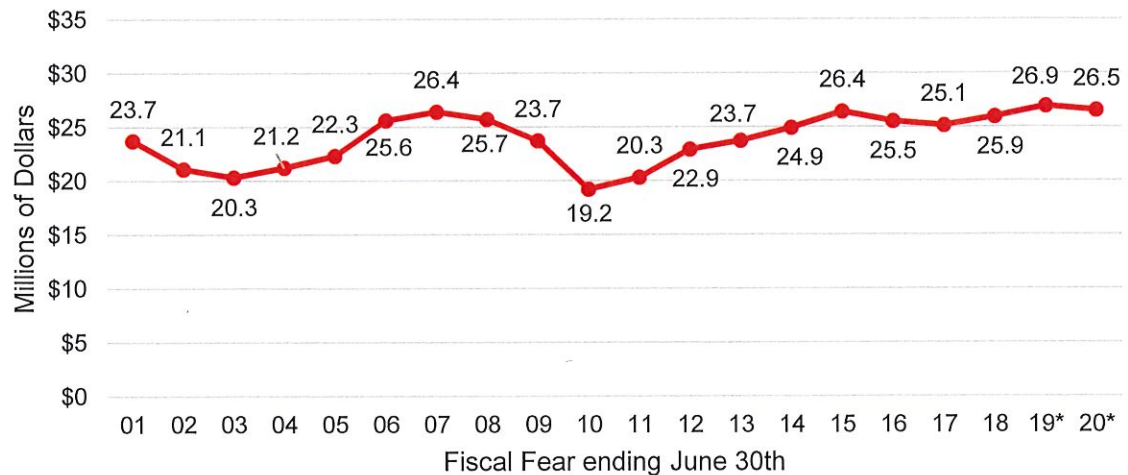


# City of Santa Fe Springs

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Sales Tax Revenue History  
FY 2000-01 through FY 2019-20



\*Estimate

**Transactions & Use Tax** – In November 2018 the City of Santa Fe Springs voters approved a 1% transactions and use tax. The tax became effective April 1, 2019 with the first payment to the City beginning in June 2019. Due to uncertainties in the amount of tax to be collected, the FY 2018-19 final estimate and FY 2019-20 proposed budgets are conservatively estimated at \$2.0 million and \$10.7 million, respectively. Estimates range between \$11-13 million annually and the City will closely monitor this tax as collections begin this month.

**Utility User's Tax** - The City's utility user's tax (UUT) has continued to provide much-needed revenue diversification that reduces the City's reliance on sales tax revenue and the disproportionate impact an economic downturn has on the City of Santa Fe Springs compared to other communities. The City anticipates receiving \$6.57 million for FY 2018-19 with a slight increase to \$6.65 million for FY 2019-20.

**Other Revenues** – Increases are anticipated in rental income of \$191,500 due to a renegotiated lease as well as \$200,000 increases for both development revenues and other revenues due to billboard development agreements and collection of green waste host fees, respectively. The proposed budget also includes modest anticipated increases in property taxes (\$86,000), franchise taxes (\$95,200), and motor vehicle in lieu taxes (\$66,000).



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Property tax pass through payments are expected to decline \$350,000 due to the normal fluctuation in Successor Agency obligations. The City receives a share of residual property taxes formerly allocated to the redevelopment agency after payment of obligations that have carried on after the dissolution of redevelopment agencies.

**Other Sources** – Included in the final estimate for FY 2018-19 is the final loan repayment stemming from the dissolution of the former redevelopment agency. The outstanding balance of principal and interest of \$6.6 million was received in June 2019.

The budget figures presented represent the net impact to the General Fund after setting aside 20% of the loan repayments into the Housing Assets Fund in accordance with State law. The mechanics of receiving the loan repayments requires receipt of the entire proceeds into the General Fund along with a transfer of the required amounts into the Housing Assets Fund.

## **Expenditures**

Overall, General Fund expenditures and operating fund transfers are expected to total approximately \$53.6 million in FY 2019-20, or about \$1.0 million greater than the final estimate for FY 2018-19 of \$52.6 million. The CIP transfer for FY 2018-19 of \$3.8 million includes an additional \$1.0 million more than the normal funding level due to a reduction of funding in FY 2017-18 based on budget constraints. After taking this into account, the departmental and non-recurring expenditures are expected to increase by approximately \$2.0 million.

Departmental expenditures, net of applied revenues, are estimated at \$49.6 million in FY 2019-20 compared to a final estimate of \$48.1 million for FY 2018-19. The increase of approximately 3% is due to a general rise in the cost of supplies, services and labor related costs, including increasing required contributions towards the City's unfunded pension liabilities.

A number of labor related changes have been included in the proposed budget, primarily to address the changing landscape of CalPERS regulations concerning the use of contractors and CalPERS retirees. Added positions include a Management Analyst I, Assistant Planner, Associate Planner, and Senior Planner. Other adjustments were also made within Public Works Maintenance including the addition of a full-time Maintenance Worker and part-time hourly Mechanic Apprentice along with upgrades to Water Utility Lead Worker and Streets & Grounds Lead Worker. Additionally, two part-time hourly positions, Systems Analyst and Bus Driver II, are proposed to be converted to full-time positions.





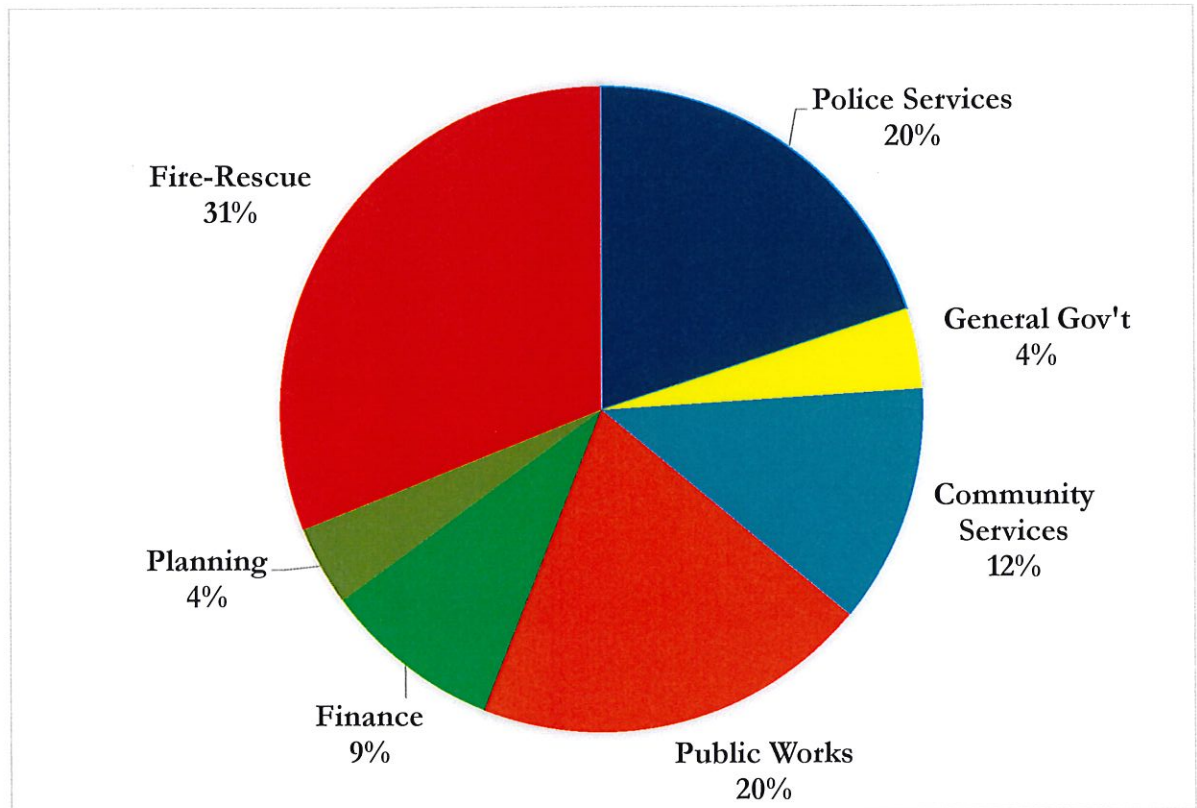
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The following chart illustrates the relative departmental expenditures:

## FY 2019-20 Departmental Expenditures - \$49.6 Million \*



\*Amount is net of applied revenues. Pie chart illustrates department budgets prior to applied revenues.

### Changes to Proposed Budget

Subsequent to the preparation of the proposed budget, and based on discussions with the Council Budget Subcommittees and the progression of labor negotiations, a number of personnel related changes are proposed to be incorporated into the approved budget.

The first set of changes relate to the approval of the labor agreements with the City of Santa Fe Springs General City Employee Association ("SFSCEA"), the City of Santa Fe Springs Executive, Management & Confidential Association ("SFSEMCA"), and the City Manager. The agreements each include a salary and wage increase of 3% along with a cost-of-living increase ("COLA") of 2.7% to the City medical contribution cap. Other changes vary with each agreement and are detailed in separate Council agenda items for this meeting.



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The second set of changes relate to the adjustment of certain salary ranges based on an identification of inconsistencies with the duties of the positions and/or inconsistencies with other jurisdictions similar to the City. Recently, one such position, which is vacant, generated only three applications due to the low salary level relative to the requirements of the position. The revised salary ranges are proposed in the attached salary schedule and include the following positions:

- Each of the Public Works Maintenance supervisory positions including, Fleet, Streets & Grounds, Water Utility (currently vacant), Facilities, and Traffic Signal & Lighting
- Municipal Services Manager (currently vacant)
- Utility Services Manager (currently vacant)
- Director of Planning
- Director of Police Services

Lastly, a change is proposed which would reestablish a full-time Administrative Assistant I in the Parks & Recreation Division of the Community Services Department. This position was previously filled into FY 2017-18 when it was frozen after being vacated. The needs of the Division warrant a full-time position. Currently, many of the duties are performed by an hourly benefitted Community Services ("CS") Leader III employee. The proposal includes appointing the employee to the full-time Administrative Assistant I position. The vacated CS Leader III position, along with two other vacant CS Leader III positions, would be filled as hourly non-benefitted positions.

The budget impact of these changes results in an additional approximately \$615,000. The majority of the costs will impact the General Fund, while a smaller portion will be charged to the Water Utility. The proposed budget includes a transfer of \$1,200,000 to the Employee Benefits Fund. Staff recommends reducing this transfer by the necessary amount to account for the budgeted cost of the labor agreements and other proposed adjustments.

Negotiations are ongoing with the Santa Fe Springs Fire Fighters' Association ("SFSFFA"). Upon approval of an agreement with the SFSFFA, staff will request Council to use the set-aside funds in the Employee Benefit Fund to cover the budgeted costs of the agreement.





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## **Job Specifications**

There are a number of job specifications affected by the proposed budget. The updated job specifications are attached to this report. The individual positions included and the reason for inclusion is shown below:

<u>Position</u>	<u>Description</u>
Administrative Assistant I & II	Title change only
Assistant Planner	New position (replacing contractor)
Associate Planner	New position (replacing contractor)
C.S. Program Leader I	Change to minimum qualifications
Finance Manager	No prior job specification
Management Analyst I & II	Title change only
Mechanic Apprentice	New position (part-time hourly)
Senior Budget Analyst	Reclassification of existing position
Senior Planner	No prior job specification
Streets & Grounds Lead Worker	Upgrade to existing position
Systems Analyst	No prior job specification

## **Conclusion**

As discussed in the last several budget proposals, the City experienced a worsening structural deficit. The General Fund available fund balance was able to be preserved through the use of one-time monies including loan repayments and set-aside funds as well as delaying needed funding for the capital improvement program. Conservative revenue budgeting, strict adherence to expenditure budgets, and savings from labor vacancies and turnover also contributed positively to the final results.

However, it was clear that this strategy was short-term and a long-term solution needed to be found. Indeed, the final loan repayment from the Successor Agency was received in June 2019 and the set-aside funds were on a course to be depleted by June 2020.

The voters of Santa Fe Springs recognized the value of preserving the City's services and programs and overwhelmingly passed Measure Y in November 2018, enacting a 1% transactions tax estimated to generate \$11-13 million annually. Measure Y is expected to allow the City to preserve existing service levels indefinitely into the future. The City, however, is keenly aware that changing economic and legal conditions pose a risk to the long-term financial well-being of the City. As such, the City will remain vigilant in the areas of revenue diversification and development as well as look for efficiencies and cost savings wherever possible.



# City of Santa Fe Springs

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## **RECOMMENDED ACTIONS**

There are a number of actions recommended, including those that are part of the broader budget adoption:

1. Adopt the FY 2019-20 Proposed Budget for the City, Water Utility Authority, Successor Agency, and Housing Successor Agency, as detailed in the proposed budget document and adjusted as discussed in this report. (This includes all the forecasted revenue estimates, expenditure allocations, and related transfers.);
2. Authorize the FY 2019-20 budget to be adjusted by the necessary amounts to incorporate additional costs associated with approved labor agreements with the City's three bargaining units and other personnel adjustments discussed above by reducing the proposed transfer of \$1,200,000 to the Employee Benefits Fund;
3. Adopt the FY 2018-19 Final Estimated Revenues and Expenditures as the revised budget amounts for FY 2018-19;
4. Approve the transfer of the State required 20% set aside from loan repayments received from the Redevelopment Property Tax Trust Fund (RPTTF) to the Housing Assets Fund;
5. Approve the attached revised City Salary Schedule and Job Specifications;
6. Authorize the carryover of unspent appropriations for vehicles/equipment and non-recurring expenditures which were not received by June 30, 2019.

A handwritten signature in blue ink, reading "Raymond R. Cruz".

Raymond R. Cruz  
City Manager

### Attachments:

1. City Salary Schedule
2. Job Specifications

**ATTACHMENT NO. 1**

CITY OF SANTA FE SPRINGS  
SALARY TABLES BY CLASS  
AS OF PERIOD ENDING: 07/07/2019

CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
01000 COUN	COUNCIL MEMBER	A- 1	970.000	447.692	5.596					2080.00
01400 CMGR	CITY MANAGER	A- 1	17252.500	7962.692	99.534	A- 1	18201.387	8400.640	105.008	2080.00
01700 BAT	FIRE CHIEF	A- 1	10488.143	4840.681	60.509					2080.00
		B- 2	11066.137	5107.448	63.843					
		C- 3	11675.057	5388.488	67.356					
		D- 4	12318.102	5685.278	71.066					
		E- 5	12996.339	5998.310	74.979					
02400 D/H	DIR COMM SVCS	A- 1	9998.756	4614.810	57.685	A- 1	10549.056	4868.795	60.859	2080.00
02410 D/H	DIR PLANNING	B- 2	10549.056	4868.795	60.860	B- 2	11129.011	5136.467	64.205	
		C- 3	11129.011	5136.467	64.206	C- 3	11740.822	5418.841	67.735	
		D- 4	11740.822	5418.841	67.736	D- 4	12386.683	5716.931	71.461	
		E- 5	12386.683	5716.931	71.462	E- 5	13066.593	6030.735	75.384	
02700 D/H	DIR POLICE SERVICES	A- 1	9433.417	4353.885	54.424	A- 1	9952.255	4593.348	57.416	2080.00
		B- 2	10236.011	4724.313	59.054	B- 2	10801.688	4985.394	62.317	
		C- 3	10499.629	4845.983	60.575	C- 3	11077.109	5112.512	63.906	
		D- 4	11077.109	5112.512	63.906	D- 4	11686.350	5393.700	67.421	
		E- 5	11686.350	5393.700	67.421	E- 5	12329.098	5690.353	71.129	
02800 D/H	DIR PUBLIC WORKS	A- 1	11135.602	5139.509	64.244	A- 1	11748.510	5422.389	67.779	2080.00
02810 D/H	DIR FINANCE	B- 2	11748.510	5422.389	67.780	B- 2	12394.371	5720.479	71.505	
		C- 3	12394.371	5720.479	71.506	C- 3	13076.480	6035.298	75.441	
		D- 4	13076.480	6035.298	75.441	D- 4	13795.933	6367.354	79.591	
		E- 5	13795.933	6367.354	79.592	E- 5	14554.928	6717.659	83.970	
03000 BAT	BATTALION CHIEF	A- 1	9547.569	4406.570	39.344					2912.00
		B- 2	10029.587	4629.040	41.331					
		C- 3	10536.131	4862.830	43.418					
		D- 4	11048.008	5099.081	45.528					
		E- 5	11603.608	5355.511	47.817					
03900 MT	DIR TECHNOLOGY SVC M	A- 1	8716.920	4023.194	50.290	A- 1	9195.824	4244.226	53.052	2080.00
03910 MT	DIR FISCAL SERVICES	B- 2	9195.824	4244.226	53.053	B- 2	9701.088	4477.425	55.967	
		C- 3	9702.188	4477.933	55.974	C- 3	10236.011	4724.313	59.053	
		D- 4	10236.011	4724.313	59.054	D- 4	10797.294	4983.366	62.292	
		E- 5	10797.294	4983.366	62.292	E- 5	11391.531	5257.630	65.720	

CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
04000 MT	MUNICIPAL SERVS MGR	A- 1	8571.660	3956.151	49.452	A- 1	9043.101	4173.739	52.171	2080.00
04010 MT	UTILITIES SERVS MGR	B- 2	9043.101	4173.739	52.172	B- 2	9540.471	4403.294	55.041	
		C- 3	9540.471	4403.294	55.041	C- 3	10065.198	4645.476	58.068	
		D- 4	10065.198	4645.476	58.068	D- 4	10618.783	4900.977	61.262	
		E- 5	10618.783	4900.977	61.262	E- 5	11202.816	5170.530	64.631	
05000 MT	HUMAN RESOURCE MGR	A- 1	8263.281	3813.822	47.673	A- 1	8716.920	4023.194	50.289	2080.00
05010 MT	FINANCE MANAGER	B- 2	8716.920	4023.194	50.290	B- 2	9195.824	4244.226	53.052	
		C- 3	9195.824	4244.226	53.053	C- 3	9702.188	4477.933	55.974	
		D- 4	9702.188	4477.933	55.974	D- 4	10236.011	4724.313	59.053	
		E- 5	10236.011	4724.313	59.054	E- 5	10797.294	4983.366	62.292	
05400 MT	DIR PURCHASING SVCS	A- 1	7139.614	3295.206	41.190	A- 1	7531.745	3476.190	43.452	2080.00
05440 MT	LIBRARY SVCS DIV DIR	B- 2	7531.745	3476.190	43.452	B- 2	7946.941	3667.819	45.847	
05450 MT	PARK & REC SVCS MGR	C- 3	7946.941	3667.819	45.848	C- 3	8384.105	3869.587	48.369	
05460 MT	FAM & HUMAN SVCS MGR	D- 4	8384.105	3869.587	48.370	D- 4	8845.434	4082.508	51.031	
		E- 5	8845.434	4082.508	51.031	E- 5	9332.025	4307.088	53.838	

SALARY TABLES BY CLASS  
AS OF PERIOD ENDING: 07/07/2019

CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
12000 FIRE	DIR OF EPD-FPB	A- 1	9547.569	4406.570	55.082					2080.00
		B- 2	10029.587	4629.040	57.863					
		C- 3	10536.131	4862.830	60.785					
		D- 4	11048.008	5099.081	63.739					
		E- 5	11603.608	5355.511	66.944					
12200 FIRE	DEPUTY DIR EPD	A- 1	8134.577	3754.420	46.930					2080.00
12210 FIRE	DEPUTY FIRE MARSHAL	B- 2	8581.979	3960.913	49.511					
		C- 3	9053.987	4178.763	52.235					
		D- 4	9551.957	4408.596	55.107					
		E- 5	10077.314	4651.068	58.138					
12300 FIRE	FIRE&ENV SAF INSP II	A- 1	6596.012	3044.313	38.054					2080.00
		B- 2	6958.792	3211.750	40.147					
		C- 3	7341.525	3388.396	42.355					
		D- 4	7745.310	3574.758	44.684					
		E- 5	8171.302	3771.370	47.142					
12400 MT	CAPITAL IMPRVMTS MGR	A- 1	7943.265	3666.122	45.827	A- 1	8380.145	3867.759	48.346	2080.00
		B- 2	8380.145	3867.759	48.347	B- 2	8840.939	4080.433	51.005	
		C- 3	8841.053	4080.486	51.006	C- 3	9327.311	4304.913	53.811	
		D- 4	9327.311	4304.913	53.811	D- 4	9840.312	4541.682	56.771	
		E- 5	9840.312	4541.682	56.771	E- 5	10381.530	4791.475	59.893	
12500 MT	ASST MUNI SVCS MGR	A- 1	7125.437	3288.663	41.108	A- 1	7517.337	3469.540	43.369	2080.00
		B- 2	7517.337	3469.540	43.369	B- 2	7930.789	3660.364	45.754	
		C- 3	7930.789	3660.364	45.755	C- 3	8366.983	3861.684	48.271	
		D- 4	8366.983	3861.684	48.271	D- 4	8827.169	4074.078	50.925	
		E- 5	8827.169	4074.078	50.926	E- 5	9312.662	4298.152	53.726	
12800 FIRE	FIRE CAPTAIN	A- 1	7759.199	3581.169	31.111					2992.86
		B- 2	8167.635	3769.678	32.748					
		C- 3	8618.726	3977.874	34.557					
		D- 4	9065.552	4184.101	36.349					
		E- 5	9560.366	4412.477	38.333					
13110 FIRE	EPD-FPB SPECIALIST	A- 1	7382.757	3407.426	42.593					2080.00
		B- 2	7775.196	3588.552	44.857					
		C- 3	8184.697	3777.552	47.219					
		D- 4	8618.726	3977.874	49.723					
		E- 5	9077.282	4189.515	52.369					



CITY OF SANTA FE SPRINGS  
SALARY TABLES BY CLASS  
AS OF PERIOD ENDING: 07/07/2019

CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
13200 MISC	ASSOC CIVIL ENGINEER	A- 1	6735.402	3108.647	38.858	A- 1	7101.171	3277.464	40.968	2080.00
		B- 2	7107.762	3280.506	41.006	B- 2	7495.497	3459.460	43.243	
		C- 3	7506.481	3464.530	43.307	C- 3	7917.283	3654.131	45.676	
		D- 4	7931.563	3660.721	45.759	D- 4	8357.743	3857.420	48.217	
		E- 5	8385.203	3870.094	48.376	E- 5	8841.041	4080.480	51.006	
13400 MT	ACCOUNTING MANAGER	A- 1	6920.219	3193.947	39.924	A- 1	7300.832	3369.615	42.120	2080.00
13410 CONF	SR BUDGET ANALYST C	B- 2	7300.832	3369.615	42.120	B- 2	7702.378	3554.944	44.436	
		C- 3	7702.378	3554.944	44.437	C- 3	8126.009	3750.466	46.880	
		D- 4	8126.009	3750.466	46.881	D- 4	8572.940	3956.742	49.459	
		E- 5	8572.940	3956.742	49.459	E- 5	9044.451	4174.362	52.179	
13673 MISC	ST & GRNDS MTC SUPT	A- 1	6045.606	2790.280	34.878	A- 1	6378.422	2943.887	36.798	2080.00
13680 MISC	ASSOCIATE PLANNER	B- 2	6378.422	2943.887	36.799	B- 2	6735.402	3108.647	38.858	
		C- 3	6735.402	3108.647	38.858	C- 3	7101.171	3277.464	40.968	
		D- 4	7101.171	3277.464	40.968	D- 4	7506.481	3464.530	43.306	
		E- 5	7506.481	3464.530	43.307	E- 5	7917.283	3654.131	45.676	
13810 FIRE	FIRE ENGINEER	A- 1	6661.864	3074.706	26.711					2992.86
		B- 2	7010.579	3235.652	28.109					
		C- 3	7388.088	3409.887	29.623					
		D- 4	7759.199	3581.169	31.111					
		E- 5	8170.833	3771.154	32.761					
13910 MT	SENIOR PLANNER	A- 1	6376.226	2942.874	36.786	A- 1	6723.320	3103.071	38.788	2080.00
		B- 2	6723.320	3103.071	38.788	B- 2	7087.990	3271.380	40.892	
		C- 3	7087.990	3271.380	40.892	C- 3	7475.725	3450.335	43.129	
		D- 4	7475.725	3450.335	43.129	D- 4	7883.233	3638.415	45.480	
		E- 5	7883.233	3638.415	45.480	E- 5	8312.708	3836.634	47.957	
14000 MISC	SYSTEMS ANALYST	A- 1	6084.594	2808.274	35.103	A- 1	6419.247	2962.729	37.034	2080.00
		B- 2	6419.247	2962.729	37.034	B- 2	6772.305	3125.679	39.070	
		C- 3	6772.305	3125.679	39.071	C- 3	7144.782	3297.592	41.219	
		D- 4	7144.782	3297.592	41.220	D- 4	7537.746	3478.960	43.486	
		E- 5	7537.746	3478.960	43.487	E- 5	7952.322	3670.302	45.878	
14100 MT	CITY CLERK	A- 1	6196.087	2859.732	35.747	A- 1	6527.805	3012.833	37.660	2080.00
14110 MT	SENIOR HR ANALYST	B- 2	6527.805	3012.833	37.660	B- 2	6877.097	3174.045	39.675	
		C- 3	6877.097	3174.045	39.676	C- 3	7242.865	3342.861	41.785	
		D- 4	7242.865	3342.861	41.786	D- 4	7632.798	3522.830	44.035	
		E- 5	7632.798	3522.830	44.035	E- 5	8043.600	3712.431	46.405	

CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
14200 MT	ASST TO DIR POL SVCS	A- 1	5744.643	2651.374	33.142	A- 1	6055.492	2794.842	34.935	2080.00
		B- 2	6055.492	2794.842	34.936	B- 2	6383.914	2946.422	36.830	
		C- 3	6383.914	2946.422	36.830	C- 3	6733.205	3107.633	38.845	
		D- 4	6733.205	3107.633	38.845	D- 4	7101.171	3277.464	40.968	
		E- 5	7101.171	3277.464	40.968	E- 5	7487.808	3455.911	43.198	
14300 CONF	ACCOUNTANT	A- 1	5345.924	2467.350	30.842	A- 1	5638.099	2602.200	32.527	2080.00
		B- 2	5633.705	2600.172	32.502	B- 2	5937.962	2740.598	34.257	
		C- 3	5948.947	2745.668	34.321	C- 3	6274.074	2895.726	36.196	
		D- 4	6283.959	2900.289	36.254	D- 4	6622.267	3056.431	38.205	
		E- 5	6627.759	3058.966	38.237	E- 5	6990.231	3226.260	40.328	
14400 MISC	CIVIL ENGR ASST I	A- 1	5508.488	2542.379	31.780	A- 1	5811.647	2682.299	33.528	2080.00
14410 MISC	ASSISTANT PLANNER I	B- 2	5811.647	2682.299	33.529	B- 2	6130.184	2829.316	35.366	
		C- 3	6130.184	2829.316	35.366	C- 3	6467.392	2984.950	37.311	
		D- 4	6467.392	2984.950	37.312	D- 4	6823.275	3149.204	39.365	
		E- 5	6823.275	3149.204	39.365	E- 5	7198.928	3322.582	41.532	
14500 CONF	SR MGMT ANALYST	A- 1	6196.087	2859.732	35.747	A- 1	6527.805	3012.833	37.660	2080.00
		B- 2	6527.805	3012.833	37.660	B- 2	6877.037	3174.045	39.675	
		C- 3	6877.037	3174.045	39.676	C- 3	7242.865	3342.861	41.785	
		D- 4	7242.865	3342.861	41.786	D- 4	7632.798	3522.830	44.035	
		E- 5	7632.798	3522.830	44.035	E- 5	8043.600	3712.431	46.405	
14620 MISC	CIVIL ENGR TECH II	A- 1	5427.205	2504.864	31.311	A- 1	5725.971	2642.756	33.034	2080.00
		B- 2	5725.971	2642.756	33.034	B- 2	6041.212	2788.252	34.853	
		C- 3	6041.212	2788.252	34.853	C- 3	6372.930	2941.352	36.766	
		D- 4	6372.930	2941.352	36.767	D- 4	6723.320	3103.071	38.788	
		E- 5	6723.320	3103.071	38.788	E- 5	7092.384	3273.408	40.917	
14740 MISC	COMPUTER SPECCLST III	A- 1	5345.924	2467.350	30.842	A- 1	5633.705	2600.172	32.502	2080.00
14754 MISC	LIBRARIAN II	B- 2	5633.705	2600.172	32.502	B- 2	5948.947	2745.668	34.320	
		C- 3	5948.947	2745.668	34.321	C- 3	6283.959	2900.289	36.253	
		D- 4	6283.959	2900.289	36.254	D- 4	6622.267	3056.431	38.205	
		E- 5	6622.267	3056.431	38.205	E- 5	6990.231	3226.260	40.328	
14810 FIRE	FIRE/ENV SFT INSP I	A- 1	5727.689	2643.549	33.044					2080.00
		B- 2	6028.416	2782.346	34.779					
		C- 3	6344.074	2928.034	36.600					
		D- 4	6676.794	3081.597	38.520					
		E- 5	7027.642	3243.527	40.544					

CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
14910 MISC	CODE ENFORCMT INSP I	A- 1	5141.621	2373.056	29.663	A- 1	5416.222	2499.795	31.247	2080.00
14920 MISC	ELECTRICIAN	B- 2	5416.222	2499.795	31.247	B- 2	5707.297	2634.137	32.926	
14975 MISC	P/W INSPECTOR I	C- 3	5723.774	2641.742	33.022	C- 3	6045.606	2790.280	34.878	
14980 MISC	MECHANIC II	D- 4	6045.606	2790.280	34.878	D- 4	6378.422	2943.887	36.798	
		E- 5	6378.422	2943.887	36.799	E- 5	6723.320	3103.071	38.788	
15000 MISC	LIBRARIAN III	A- 1	5744.643	2651.374	33.142	A- 1	6055.492	2794.842	34.935	2080.00
15005 MISC	FLEET SEC SUPERVISOR	B- 2	6055.492	2794.842	34.936	B- 2	6383.914	2946.422	36.830	
15020 MISC	WATER UTILITY SEC SUPV	C- 3	6383.914	2946.422	36.830	C- 3	6733.205	3107.633	38.845	
15021 MISC	ST & GRNDS MTC SUPV	D- 4	6733.205	3107.633	38.845	D- 4	7101.171	3277.464	40.968	
15023 MISC	FACILITY SEC SUPV	E- 5	7101.171	3277.464	40.968	E- 5	7487.808	3455.911	43.198	
15030 MISC	TRAF SGNL & LGT SUPV									
15040 MISC	COMMUNITY SVCS SUPVR									
15100 MISC	ASST CIVIL ENGINEER	A- 1	5356.000	2472.000	30.900	A- 1	5650.580	2607.960	32.599	2080.00
		B- 2	5650.580	2607.960	32.600	B- 2	5960.610	2751.051	34.388	
		C- 3	5960.610	2751.051	34.388	C- 3	6289.180	2902.698	36.283	
		D- 4	6289.180	2902.698	36.284	D- 4	6635.260	3062.428	38.280	
		E- 5	6635.260	3062.428	38.280	E- 5	6999.880	3230.714	40.383	
15200 FIRE	FF/PARA II	A- 1	6277.956	2897.518	25.172					2992.86
		B- 2	6496.570	2998.417	26.048					
		C- 3	6711.985	3097.839	26.912					
		D- 4	6929.532	3198.246	27.784					
		E- 5	7143.881	3297.176	28.644					
		F- 6	7359.296	3396.598	29.507					
		G- 7	7581.109	3498.973	30.397					
		H- 8	7797.590	3598.888	31.265					
		I- 9	8011.939	3697.818	32.124					
		J-10	8231.619	3799.209	33.005					
15300 FIRE	FF/PARA I	A- 1	5950.568	2746.416	23.859					2992.86
		B- 2	6157.451	2841.900	24.689					
		C- 3	6361.136	2935.909	25.505					
		D- 4	6568.020	3031.394	26.335					
		E- 5	6772.770	3125.894	27.156					
		F- 6	6976.454	3219.902	27.972					
		G- 7	7186.538	3316.864	28.815					
		H- 8	7391.288	3411.364	29.636					
		I- 9	7594.972	3505.372	30.452					
		J-10	7801.856	3600.857	31.282					

CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
15400 FIRE	FF/PARA TRAINEE	A- 1	5640.243	2603.189	22.615	A- 1	5559.015	2565.699	32.071	2080.00
		B- 2	5836.462	2693.752	23.402	B- 2	5865.467	2707.139	33.839	
		C- 3	6030.549	2783.330	24.180	C- 3	6187.139	2855.677	35.695	
		D- 4	6281.155	2898.995	25.185	D- 4	6527.805	3012.833	37.660	
		E- 5	6418.722	2962.487	25.736	E- 5	6885.884	3178.100	39.726	
		F- 6	6613.875	3052.558	26.519					
		G- 7	6811.161	3143.613	27.310					
		H- 8	7006.314	3233.683	28.092					
		I- 9	7198.268	3322.278	28.862					
		J-10	7395.554	3413.333	29.653					
15500 CONF	HUMAN RESRCE ANALYST	A- 1	5269.036	2431.863	30.398	A- 1	5559.015	2565.699	32.071	2080.00
		B- 2	5559.015	2565.699	32.071	B- 2	5865.467	2707.139	33.839	
		C- 3	5865.467	2707.139	33.839	C- 3	6187.139	2855.677	35.695	
		D- 4	6187.300	2855.677	35.696	D- 4	6527.805	3012.833	37.660	
		E- 5	6527.805	3012.833	37.660	E- 5	6885.884	3178.100	39.726	
15630 MISC	LEAD PSO	A- 1	4875.808	2250.373	28.130	A- 1	5143.818	2374.070	29.675	2080.00
15650 MISC	YTH INTRVNTN PRG SUP	B- 2	5143.818	2374.070	29.676	B- 2	5427.205	2504.864	31.310	
		C- 3	5427.205	2504.864	31.311	C- 3	5725.971	2642.756	33.034	
		D- 4	5725.971	2642.756	33.034	D- 4	6041.212	2788.252	34.853	
		E- 5	6041.212	2788.252	34.853	E- 5	6372.930	2941.352	36.766	
15700 MISC	LIBRARIAN I	A- 1	4977.959	2297.520	28.719	A- 1	5251.462	2423.752	30.296	2080.00
		B- 2	5251.462	2423.752	30.297	B- 2	5540.341	2557.080	31.963	
		C- 3	5540.341	2557.080	31.964	C- 3	5844.599	2697.507	33.718	
		D- 4	5844.599	2697.507	33.719	D- 4	6166.430	2846.045	35.575	
		E- 5	6166.430	2846.045	35.576	E- 5	6504.738	3002.187	37.527	
15810 CONF	MGMT ANALYST II C	A- 1	5548.030	2560.629	32.008	A- 1	5851.190	2700.549	33.756	2080.00
15820 MISC	MGMT ANALYST II	B- 2	5851.190	2700.549	33.757	B- 2	6174.119	2849.593	35.619	
		C- 3	6174.119	2849.593	35.620	C- 3	6514.624	3006.750	37.584	
		D- 4	6514.624	3006.750	37.584	D- 4	6872.703	3172.017	39.650	
		E- 5	6872.703	3172.017	39.650	E- 5	7250.554	3346.410	41.830	
15900 MISC	PUB RELATIONS TECH	A- 1	4858.423	2242.349	28.029	A- 1	5125.636	2365.678	29.570	2080.00
		B- 2	5125.636	2365.678	29.571	B- 2	5407.547	2495.791	31.197	
		C- 3	5407.547	2495.791	31.197	C- 3	5704.961	2633.059	32.913	
		D- 4	5704.961	2633.059	32.913	D- 4	6018.733	2777.877	34.723	
		E- 5	6018.733	2777.877	34.723	E- 5	6349.765	2930.661	36.633	

CITY OF SANTA FE SPRINGS  
SALARY TABLES BY CLASS  
AS OF PERIOD ENDING: 07/07/2019

CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
16010 MISC	WATER WELL OPERATOR	A- 1	4803.313	2216.914	27.711	A- 1	5066.930	2338.583	29.232	2080.00
16040 MISC	TRF SIG LGT TECH II	B- 2	5066.930	2338.583	29.232	B- 2	5344.825	2466.842	30.835	
		C- 3	5344.825	2466.842	30.836	C- 3	5633.705	2600.172	32.502	
		D- 4	5633.705	2600.172	32.502	D- 4	5950.045	2746.175	34.327	
		E- 5	5950.045	2746.175	34.327	E- 5	6274.074	2895.726	36.196	
16100 CONF	MGMT ANALYST I C	A- 1	4693.473	2166.218	27.078	A- 1	4950.499	2284.846	28.560	2080.00
16110 MISC	MGMT ANALYST I	B- 2	4950.499	2284.846	28.561	B- 2	5232.903	2410.571	30.132	
		C- 3	5222.903	2410.571	30.132	C- 3	5509.586	2542.886	31.786	
		D- 4	5509.586	2542.886	31.786	D- 4	5813.844	2683.313	33.541	
		E- 5	5813.844	2683.313	33.541	E- 5	6132.381	2830.330	35.379	
16200 FIRE	FIREFIGHTER	A- 1	5346.980	2457.837	21.439					2992.86
		B- 2	5531.469	2552.986	22.179					
		C- 3	5715.958	2638.134	22.918					
		D- 4	5901.513	2723.775	23.662					
		E- 5	6083.870	2807.940	24.394					
		F- 6	6269.425	2893.581	25.138					
		G- 7	6456.046	2979.714	25.886					
		H- 8	6640.536	3064.863	26.626					
		I- 9	6823.958	3149.519	27.361					
		J-10	7010.579	3235.652	28.109					
16440 MISC	WTR UTILITY LEAD WKR	A- 1	4619.879	2132.252	26.653	A- 1	4873.611	2249.359	28.116	2080.00
16445 MISC	STR/GRD LEAD WORKER	B- 2	4859.331	2242.768	28.035	B- 2	5141.621	2373.056	29.663	
16450 MISC	HUMN SVC CASE WKR II	C- 3	5141.621	2373.056	29.663	C- 3	5425.010	2503.851	31.298	
		D- 4	5425.010	2503.851	31.298	D- 4	5722.675	2641.235	33.015	
		E- 5	5722.675	2641.235	33.015	E- 5	6037.917	2786.731	34.834	
16500 MISC	TRANSPORT SVCS SUPV	A- 1	4530.910	2091.189	26.140	A- 1	4779.148	2205.761	27.572	2080.00
		B- 2	4779.148	2205.761	27.572	B- 2	5042.765	2327.430	29.092	
		C- 3	5042.765	2327.430	29.093	C- 3	5319.562	2455.182	30.689	
		D- 4	5319.562	2455.182	30.690	D- 4	5611.737	2590.032	32.375	
		E- 5	5611.737	2590.032	32.375	E- 5	5922.585	2733.501	34.168	
16620 MISC	PUB WKS DEPT SECTY	A- 1	4344.181	2005.007	25.063	A- 1	4582.534	2115.016	26.437	2080.00
16630 CONF	SEC TO CITY MGR & CC	B- 2	4582.534	2115.016	26.438	B- 2	4834.069	2231.109	27.888	
		C- 3	4834.069	2231.109	27.889	C- 3	5099.882	2353.792	29.422	
		D- 4	5099.882	2353.792	29.422	D- 4	5381.073	2483.572	31.044	
		E- 5	5381.073	2483.572	31.045	E- 5	5676.543	2619.943	32.749	

CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
16700 MISC	PRG COORD-LIB OUTRCH	A- 1	4609.763	2127.583	26.595	A- 1	4864.809	2245.296	28.066	2080.00
16710 MISC	PRG COORD-PARK/YOUTH	B- 2	4864.809	2245.296	28.066	B- 2	5132.631	2368.907	29.611	
		C- 3	5132.631	2368.907	29.611	C- 3	5412.680	2498.160	31.227	
		D- 4	5412.680	2498.160	31.227	D- 4	5704.960	2633.058	32.913	
		E- 5	5704.960	2633.058	32.913	E- 5	6018.733	2777.877	34.723	
16800 CONF	ACCOUNT CLERK SUPV	A- 1	4803.313	2216.914	27.711	A- 1	5066.930	2338.583	29.232	2080.00
		B- 2	5066.930	2338.583	29.232	B- 2	5344.825	2466.842	30.835	
		C- 3	5344.825	2466.842	30.835	C- 3	5633.705	2600.172	32.502	
		D- 4	5633.705	2600.172	32.502	D- 4	5950.045	2746.175	34.327	
		E- 5	5950.045	2746.175	34.327	E- 5	6274.074	2895.726	36.196	
16990 CONF	PUB RELATIONS SPEC	A- 1	4496.859	2075.473	25.943	A- 1	4745.097	2190.045	27.375	2080.00
		B- 2	4745.097	2190.045	27.376	B- 2	5005.419	2310.193	28.877	
		C- 3	5005.419	2310.193	28.877	C- 3	5280.019	2436.932	30.461	
		D- 4	5280.019	2436.932	30.462	D- 4	5571.096	2571.275	32.140	
		E- 5	5571.096	2571.275	32.141	E- 5	5877.550	2712.715	33.908	
17010 MISC	PROGRAM COORDINATOR	A- 1	4369.444	2016.666	25.208	A- 1	4609.994	2127.690	26.596	2080.00
17050 MISC	PUB SAF OFFCR/ADMIN	B- 2	4609.994	2127.690	26.596	B- 2	4861.528	2243.782	28.047	
17070 MISC	PUB SAF OFFCR/FIELD	C- 3	4861.528	2243.782	28.047	C- 3	5124.047	2364.945	29.561	
17080 MISC	YTH INTRVNTN CSE WKR	D- 4	5124.047	2364.945	29.562	D- 4	5416.222	2499.795	31.247	
17090 MISC	HUMAN SVCS CS WKR I	E- 5	5416.222	2499.795	31.247	E- 5	5707.297	2634.137	32.926	
17210 MISC	ACCOUNT CLERK III	A- 1	4229.947	1952.283	24.404	A- 1	4462.808	2059.758	25.746	2080.00
17240 MISC	BUS DRIVER III	B- 2	4462.808	2059.758	25.747	B- 2	4708.851	2173.316	27.166	
17250 MISC	MECHANIC I	C- 3	4708.851	2173.316	27.166	C- 3	4966.975	2292.450	28.655	
17260 CONF	ACCOUNT CLERK III C	D- 4	4966.975	2292.450	28.656	D- 4	5243.772	2420.202	30.252	
17270 CONF	CITY CLERK TECH C	E- 5	5243.772	2420.202	30.253	E- 5	5526.062	2550.490	31.881	
17500 MISC	TRAF & LITE TECH I	A- 1	4167.338	1923.387	24.042	A- 1	4395.806	2028.834	25.360	2080.00
17510 MISC	FACILITY SPECIALIST	B- 2	4395.806	2028.834	25.360	B- 2	4640.750	2141.885	26.773	
17540 MISC	TREE WORKER SPECIALST	C- 3	4640.750	2141.885	26.774	C- 3	4894.480	2258.991	28.237	
		D- 4	4894.480	2258.991	28.237	D- 4	5163.589	2383.195	29.789	
		E- 5	5163.589	2383.195	29.790	E- 5	5432.697	2507.399	31.342	
17800 MISC	WATER UTILITY WORKER	A- 1	3999.282	1845.822	23.073	A- 1	4217.864	1946.706	24.333	2080.00
		B- 2	4217.864	1946.706	24.334	B- 2	4450.725	2054.181	25.677	
		C- 3	4450.725	2054.181	25.677	C- 3	4695.670	2167.232	27.090	
		D- 4	4695.670	2167.232	27.090	D- 4	4953.794	2286.366	28.579	
		E- 5	4953.794	2286.366	28.580	E- 5	5221.804	2410.063	30.125	

CITY OF SANTA FE SPRINGS  
SALARY TABLES BY CLASS  
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CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
18010 MISC	ACCOUNT CLERK II	A- 1	3794.980	1751.529	21.894	A- 1	4003.676	1847.850	23.098	2080.00
18020 MISC	MAINTENANCE WORKER	B- 2	4003.676	1847.850	23.098	B- 2	4216.767	1946.200	24.327	
18030 MISC	BUS DRIVER II	C- 3	4216.767	1946.200	24.328	C- 3	4457.316	2057.223	25.715	
18085 MISC	BLDG PERMIT CLERK II	D- 4	4457.316	2057.223	25.715	D- 4	4698.965	2168.753	27.109	
18097 MISC	PROG ASST/CMO	E- 5	4698.965	2168.753	27.109	E- 5	4951.597	2285.352	28.566	
18098 MISC	PROGRAM ASSIST PLAN									
18400 MISC	ENVR PROTEC CLERK II	A- 1	3602.281	1662.591	20.782	A- 1	3800.406	1754.034	21.925	2080.00
		B- 2	3800.406	1754.034	21.925	B- 2	4009.428	1850.505	23.131	
		C- 3	4009.428	1850.505	23.131	C- 3	4229.947	1952.283	24.403	
		D- 4	4229.947	1952.283	24.404	D- 4	4462.594	2059.659	25.745	
		E- 5	4462.594	2059.659	25.746	E- 5	4708.037	2172.940	27.161	
18510 MISC	COMM SVCS SPECIALIST	A- 1	3574.200	1649.631	20.620	A- 1	3767.519	1738.855	21.735	2080.00
		B- 2	3767.519	1738.855	21.736	B- 2	3970.725	1832.642	22.908	
		C- 3	3970.725	1832.642	22.908	C- 3	4186.011	1932.005	24.150	
		D- 4	4186.011	1932.005	24.150	D- 4	4413.380	2036.945	25.461	
		E- 5	4413.380	2036.945	25.462	E- 5	4651.734	2146.954	26.836	
18810 MISC	ACCOUNT CLERK I	A- 1	3414.933	1576.123	19.702	A- 1	3601.661	1662.305	20.778	2080.00
18815 MISC	ADMIN ASSISTANT II	B- 2	3601.661	1662.305	20.779	B- 2	3801.571	1754.571	21.932	
18820 CONF	HUMAN RSRC ASSISTANT	C- 3	3801.571	1754.571	21.932	C- 3	4003.676	1847.850	23.098	
18860 MISC	ENVR PROTECT CLERK I	D- 4	4003.676	1847.850	23.098	D- 4	4216.767	1946.200	24.327	
		E- 5	4229.947	1952.283	24.404	E- 5	4457.316	2057.223	25.715	
19615 MISC	ADMIN ASSISTANT I	A- 1	3068.936	1416.432	17.705	A- 1	3236.992	1493.996	18.674	2080.00
19620 MISC	LIBRARY CLERK I	B- 2	3236.992	1493.996	18.675	B- 2	3417.130	1577.137	19.714	
		C- 3	3417.130	1577.137	19.714	C- 3	3604.956	1663.826	20.797	
		D- 4	3604.956	1663.826	20.798	D- 4	3794.980	1751.529	21.894	
		E- 5	3794.980	1751.529	21.894	E- 5	4003.676	1847.850	23.098	



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CITY OF SANTA FE SPRINGS

SALARY TABLES BY CLASS

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CLASS	UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
50410	PART	BUS DRIVER II B	A- 1			21.748					
			B- 2			22.939					
			C- 3			24.261					
			D- 4			25.619					
			E- 5			26.987					
52010	PART	COMM SVCS LEAD II B	A- 1			15.858					
			B- 2			16.657					
			C- 3			17.486					
			D- 4			18.355					
			E- 5			19.279					

SALARY TABLES BY CLASS  
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CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
70400 NB	PUBLIC SAFETY OFCR	A- 1			19.999					
70410 NB	CODE ENFORCMT INSP I	B- 2			21.115					
		C- 3			22.330					
		D- 4			23.579					
		E- 5			24.837					
70545 NB	LITERACY INTERN N	A- 1			14.938					
70580 NB	ADMIN INTERN N	B- 2			15.761					
		C- 3			16.627					
		D- 4			17.541					
		E- 5			18.509					
70600 NB	PT HUMAN RSRC ASSIST	A- 1			19.128					
		B- 2			20.174					
		C- 3			21.293					
		D- 4			22.425					
		E- 5			23.693					
70700 NB	HUMAN SVCS CS WKR I	A- 1			24.474					
		B- 2			25.851					
		C- 3			27.230					
		D- 4			28.701					
		E- 5			30.337					
71010 NB	TRAF SIGNAL APRENT N	A- 1			14.228					
71040 NB	WATER UTILITY APPRENT	B- 2			14.938					
71050 NB	ELECTRICIAN APPRENT	C- 3			15.681					
71060 NB	MECHANIC APPRENTICE	D- 4			16.469					
		E- 5			17.290					
72000 NB	FIRE HSG INSPEC PTN	A- 1			28.799					
		B- 2			30.382					
		C- 3			32.052					
		D- 4			33.815					
		E- 5			35.731					
72100 NB	INSTR LIFE GUARD IIN	A- 1			21.115					
		B- 2			22.271					
		C- 3			23.555					
		D- 4			24.873					
		E- 5			26.201					

CLASS	UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
72220	NB	POLICE SVCS CLERK	A- 1 B- 2 C- 3 D- 4 E- 5			14.932 15.754 16.619 17.533 18.500					
72300	NB	INSTR LIFEGUARD II N	A- 1			17.855					
72310	NB	COM SVCS LEAD III N	B- 2 C- 3 D- 4 E- 5			18.838 19.875 20.967 22.118					
72400	NB	INSTR LIFEGUARD I N	A- 1 B- 2 C- 3 D- 4 E- 5			16.927 17.855 18.838 19.875 20.967					
72540	NB	HERITAGE PK RANGER N	A- 1			14.172					
72560	NB	PSO APPRENTICE N	B- 2 C- 3 D- 4 E- 5			14.883 15.625 16.411 17.230					
72600	NB	LIB INFO DESK ASST.	A- 1			17.700					
72610	NB	PUBLIC AFFAIRS ASST.	B- 2 C- 3 D- 4 E- 5			18.675 19.701 20.787 21.929					
72710	NB	ADMIN CLERK I NB	A- 1 B- 2 C- 3 D- 4 E- 5			14.521 15.320 16.163 17.051 17.989					
72800	NB	BUS DRIVER I NB	A- 1 B- 2 C- 3 D- 4 E- 5			15.000 15.825 16.695 17.614 18.582					

CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
73000 NB	COMM SVCS LEAD II N	A- 1 B- 2 C- 3 D- 4 E- 5			13.508 14.183 14.883 15.641 16.411					
73100 NB	FINANCE OFFICE AIDE	A- 1			13.982					
73110 NB	WAREHOUSE ASSISTANT	B- 2 C- 3 D- 4 E- 5			14.676 15.397 16.174 16.979					
74300 NB	PUB WORKS AIDE II N	A- 1 B- 2 C- 3 D- 4 E- 5			12.860 13.567 14.313 15.097 15.928					
74560 NB	LIBRARY SVCS AIDE N	A- 1 B- 2 C- 3 D- 4 E- 5			12.717 13.353 14.020 14.720 15.457					
75400 NB	COMM SVCS LEAD I N	A- 1 B- 2 C- 3 D- 4 E- 5			12.664 13.298 13.963 14.661 15.395					
75500 NB	PUBLIC WORKS AIDE N	A- 1			12.000					
75530 NB	OFFICE AIDE N	B- 2			12.600					
75550 NB	AQUATICS AIDE N	C- 3			13.231					
75580 NB	COMM SVC FACILITY WK	D- 4 E- 5			13.892 14.586					
77000 NB	SYSTEMS ANALYST PTNB	A- 1 B- 2 C- 3 D- 4 E- 5			38.633 40.756 42.999 45.363 47.858					

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CITY OF SANTA FE SPRINGS  
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CLASS UNIT	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
78000 NB	LITERACY ASSISTANT N	A- 1			16.092					
78010 NB	COMPUTER TECHNICIAN	B- 2			16.976					
78020 NB	ENVIRONMENTAL INTERN	C- 3			17.909					
		D- 4			18.896					
		E- 5			19.934					
79800 NB	REC INSTRUCTOR	A- 1			31.659					
		K-11			26.638					
		N-14			22.198					
		P-16			19.239					
		V-22			13.320					
		X-24			12.000					
79901 NB	TEMP-ACCT CLERK III	O-15			26.440					
79960 NB	TEMP-NEW BUS INSP SP	P-16			52.369					





**ATTACHMENT NO. 2**

**CITY OF SANTA FE SPRINGS  
ADMINISTRATIVE ASSISTANT I**

**Job Code:**

**FLSA Status:** Non-Exempt

**Date Prepared:** 06/27/19

**Disclaimer:** *Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under direct supervision, provides general administrative and clerical support to a City department and staff; provides customers service in person and on the phone; prepares correspondence and other paperwork; maintains filing systems.

**DISTINGUISHING CHARACTERISTICS:**

This is the entry level position in the series. It is distinguished from the level II by the performance of the more routine tasks and duties assigned to positions within the series.

**SUPERVISION RECEIVED:**

Receives direct supervision from a director or other higher-level management staff.

**SUPERVISION EXERCISED:**

None.

**EXAMPLES OF DUTIES AND RESPONSIBILITIES:**

**A. Held in Common:**

1. Supports the Mission of the City and its Elected and Appointed Officials.  
Exhibits loyalty to the City and its representatives.
2. Provides courteous and timely service to the public as the ultimate employer.
3. Works cooperatively with other City employees.
4. Exhibits integrity and displays ethical behavior.

**B. Essential Job Specific Duties:**

1. Types correspondence, memos, forms, reports, and other documentation; edits for content, accuracy, and completeness.
2. Composes correspondence in accordance with brief oral or written descriptions; transcribes minutes.
3. Greets patrons and provides customer service; communicates with the public and staff in person and on the telephone; provides information; directs calls and visitors.
4. Balances daily financial transactions or other statistical data/reports; processes payments.

### **C. Other Job Specific Duties**

1. Schedules appointments and meetings; maintains calendars.
2. Maintains various filing systems.
3. Makes copies of various documents and records.
4. Assists with special events and projects.
5. Creates forms and fliers.
6. Maintains a variety of logs and records.
7. Sorts and distributes mail.
8. Maintains and orders office supplies.
9. Maintains and operates office equipment.
10. May serve as switchboard receptionist.
11. Performs cash register operation.
12. Performs related duties as required.

### **REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**

*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

#### **Knowledge of:**

Departmental policies and procedures.  
Customer service techniques; telephone etiquette.  
English usage, spelling, grammar, and punctuation.

Modern office procedures and equipment including computers.  
Word processing and other related software applications.  
Basic Mathematics.

**Ability to:**

Provide customer services to visitors and staff.  
Type at a speed necessary for successful job performance.  
Prepare correspondence and forms.  
Maintain calendars.  
File and maintain records.  
Follow written and oral instructions.  
Communicate effectively verbally and in writing.  
Work with accuracy and attention to detail.  
Operate and use modern office equipment.  
Effectively organize and prioritize assigned work.  
Establish and maintain effective working relationships with other people.

**EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

- High School Diploma or an equivalent certificate or diploma recognized by the State of California.
- Some related experience preferred.

**WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job.*

- *Work is primarily performed indoors.*
- *Noise level is quiet to moderate.*
- *Hazards are minimal.*

**PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable employees with disabilities to perform the essential duties.*

- *Sit for extended periods of time.*
- *Stand, walk, kneel, squat, stoop, and bend.*
- *Push, pull, and reach overhead and above shoulders.*
- *See well enough to read documents and operate office equipment.*
- *Lift and move up to 25 pounds.*

**CITY OF SANTA FE SPRINGS  
ADMINISTRATIVE ASSISTANT II**

**Job Code:**

**FLSA Status:** Non-Exempt

**Date Prepared:** 1/1/14

**Disclaimer:** *Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under direct supervision, provides general administrative and clerical support to a City department and staff; provides customers service in person and on the phone; prepares correspondence and other paperwork; maintains filing systems.

**DISTINGUISHING CHARACTERISTICS:**

This is the journey level position within the series. Employees within this class are distinguished from the level I by the performance of the more complex and specialized duties.

**SUPERVISION RECEIVED:**

Receives direct supervision from a director or other higher-level management staff.

**SUPERVISION EXERCISED:**

None.

**EXAMPLES OF DUTIES AND RESPONSIBILITIES:**

**A. Held in Common:**

1. Supports the Mission of the City and its Elected and Appointed Officials.  
Exhibits loyalty to the City and its representatives.
2. Provides courteous and timely service to the public as the ultimate employer.
3. Works cooperatively with other City employees.
4. Exhibits integrity and displays ethical behavior.

**B. Essential Job Specific Duties:**

1. Types correspondence, memos, forms, reports, and other documentation; edits for content, accuracy, and completeness.
2. Composes correspondence in accordance with brief oral or written descriptions; transcribes minutes.
3. Greets patrons and provides customer service; communicates with the public and staff in person and on the telephone; provides information; directs calls and visitors.
4. Balances daily financial transactions or other statistical data/reports; processes payments.

### **C. Other Job Specific Duties**

1. Schedules appointments and meetings; maintains calendars.
2. Maintains various filing systems.
3. Makes copies of various documents and records.
4. Assists with special events and projects.
5. Creates forms and fliers.
6. Maintains a variety of logs and records.
7. Sorts and distributes mail.
8. Maintains and orders office supplies.
9. Maintains and operates office equipment.
10. May serve as switchboard receptionist.
11. Performs cash register operation.
12. Performs related duties as required.
13. Processes a variety of special forms and other documentation related to department activities.
14. Assists with preparation of reports; researches and compiles data and information.
15. Maintains various records and logs related to department activities.

### **REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**



*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

**Knowledge of:**

Departmental policies and procedures.  
Customer service techniques; telephone etiquette.  
English usage, spelling, grammar, and punctuation.  
Modern office procedures and equipment including computers.  
Word processing and other related software applications.  
Basic Mathematics.

**Ability to:**

Provide customer services to visitors and staff.  
Type at a speed necessary for successful job performance.  
Prepare correspondence and forms.  
Maintain calendars.  
File and maintain records.  
Follow written and oral instructions.  
Communicate effectively verbally and in writing.  
Work with accuracy and attention to detail.  
Operate and use modern office equipment.  
Effectively organize and prioritize assigned work.  
Establish and maintain effective working relationships with other people.

**EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

- High School Diploma or an equivalent certificate or diploma recognized by the State of California.
- One (1) year experience performing duties equivalent to Administrative Assistant I.

**WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job.*

- Work is primarily performed indoors.
- Noise level is quiet to moderate.
- Hazards are minimal.

**PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable*

*accommodations may be made to enable employees with disabilities to perform the essential duties.*

- *Sit for extended periods of time.*
- *Stand, walk, kneel, squat, stoop, and bend.*
- *Push, pull, and reach overhead and above shoulders.*
- *See well enough to read documents and operate office equipment.*
- *Lift and move up to 25 pounds.*

**CITY OF SANTA FE SPRINGS  
ASSISTANT PLANNER**

**Bargaining Unit: Miscellaneous**

**Job Code: 14410**

**FLSA Status: Non-Exempt**

**Date Prepared: 6/27/2019**

***Disclaimer:** Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under general supervision, performs a variety of routine technical and professional work in the areas of current and advanced planning as well as the development of related policies and regulations.

**SUPERVISION RECEIVED:**

Receives supervision from the Senior Planner. May occasionally receive supervision from the Associated Planner, as deemed necessary by the Senior Planner.

**SUPERVISION EXERCISED:**

May assist in reviewing the work and training of Planning Interns and other subordinates as requested by the Senior Planner.

**EXAMPLES OF DUTIES AND RESPONSIBILITIES:**

**A. Held in Common:**

1. Supports the Mission of the City and its Elected and Appointed Officials. Exhibits loyalty to the City and its representatives.
2. Provides courteous and timely service to the public as the ultimate employer.
3. Works cooperatively with other City employees.
4. Exhibits integrity and displays ethical behavior.

**B. Essential Job Specific Duties:**

1. Conducts assigned planning projects involving land use, populations, structure, economic activities, housing, transportation, and related subjects; conducts basic research, and confers with applicants and agency representatives to identify problems.

2. Screen, evaluates and processes a variety of planning entitlements and land division applications.
3. Analyzes data with respect to relevant laws, ordinances, regulations, and policies; determines methods to reconcile project conflicts with zoning requirements and state environmental law.
4. Examine plans and drawings for compliance with land use, development and design regulations/standards.
5. Review Business Operations Tax Certificate applications based on consistency with zone classification.
6. Performs counter work in answering inquiries from the public, developers, and other City departments; deals directly with the public and over the phone responding to inquiries and answering routine questions concerning zoning, land use, the general plan, and current projects.
7. Receives and reviews permit applications, assesses fees and records payments; responds to inquiries both orally and in writing; interprets planning policies, state laws and local ordinances and explains procedures.
8. Reviews sign proposals and landscape and irrigation plans.
9. Participates in urban design analysis; prepares and collects data; inventories land use; assists in the development of design solutions; coordinates and attends design meetings, as necessary.
10. Perform off-site meetings, as necessary.
11. Conduct field inspections for land use surveys, review and conduct inspections for certificate of occupancies for commercial, industrial, and multiple residential operations, home occupations, room additions involving variance request of development regulations and commercial and industrial sign proposals.
12. Performs various site inspections and document findings, as necessary.
13. Train, and review the work of Planning Interns and other subordinates as requested by the Senior Planner.

#### **C. Other Job Specific Duties**

1. Assists in the maintenance of the various department webpages.
2. Assists in the maintenance of the department database.

3. Represents the planning department at various meetings and committees.
4. Assists property owners with understanding code violations and provide potential solutions for open code enforcement cases.
5. Researches and prepares zoning certification letters.
6. Performs analysis and prepares staff reports and make presentations to various committees, commission, council, etc.
7. Works with other departments/divisions coordinating the development requirements of the City.
8. Assists in the preparation and review of environmental documents including Initial Studies, Negative Declarations, Mitigated Negative Declarations and related letters and noticing as required by the California Environmental Quality Act.
9. Performs various other planning related duties as assigned.

**REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**

*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

**Knowledge of:**

General principles and practices of municipal planning.

California Environmental Quality Act.

California Subdivision Map Act.

General research methods and techniques.

Federal, state, and local laws, codes, and regulations related to municipal planning.

Departmental policies and procedures.

Terminology, symbols, methods, techniques and instruments used in planning and map drafting.

Modern office procedures and equipment including computers.

Word processing, spreadsheet, presentation, and other related software applications.

**Ability to:**

Understand and apply federal, state and local laws, regulations, policies, procedures and standards pertaining to the planning process.

Interpret maps, site and building plans and specifications, graphs and statistical data.

Research, analyze, and summarize planning data both manually and with computer applications.

Review various architectural plans.

Review and process applications and forms.

Interpret codes and ordinances.

Prepare maps and other graphic materials.

Plan and organize work.

Prepare and publicly present ideas and recommendations.  
Supervise, train, and evaluate assigned staff.  
Follow written and oral instructions.  
Work independently in the absence of supervision.  
Communicate effectively both orally and in writing.  
Work with accuracy and attention to detail.  
Work irregular hours, including weekends and evenings as needed.  
Operate and use modern office equipment.  
Effectively organize and prioritize assigned work.  
Establish and maintain effective working relationships with other people.

#### **EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

- A Bachelor's degree from an accredited college or university with major course work in City, Urban or Environmental Planning, Architecture, Public Administration or closely related field.
- One (1) year of responsible experience in a public or private planning or related position.
- A valid State of California Class C Driver's License and an acceptable driving record.

#### **WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job.*

- *Work is primarily performed indoors.*
- *Noise level is quiet to moderate.*
- *Hazards are minimal.*

#### **PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable employees with disabilities to perform the essential duties.*

- *Sit for extended periods of time.*
- *Stand, walk, and bend.*
- *Push, pull, and reach overhead and above shoulders.*
- *See well enough to read documents and operate office equipment.*
- *Lift and move up to 25 pounds.*



**CITY OF SANTA FE SPRINGS  
ASSOCIATE PLANNER**

**Bargaining Unit: Miscellaneous**

**Job Code: 13680**

**FLSA Status: Non-Exempt**

**Date Prepared: 6/27/2019**

***Disclaimer:** Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under general supervision, performs professional planning duties related to interpreting, enforcing and updating city code regulations to support implementation of Planning Department goals

**SUPERVISION RECEIVED:**

Receives supervision from the Senior Planner.

**SUPERVISION EXERCISED:**

Provides assistance to Assistant Planners and exercises supervision over Planning Interns.

**EXAMPLES OF DUTIES AND RESPONSIBILITIES:**

**A. Held in Common:**

1. Supports the Mission of the City and its Elected and Appointed Officials.  
Exhibits loyalty to the City and its representatives.
2. Provides courteous and timely service to the public as the ultimate employer.
3. Works cooperatively with other City employees.
4. Exhibits integrity and displays ethical behavior.

**B. Essential Job Specific Duties:**

1. Screen, evaluates and processes a variety of planning entitlements and land division applications.
2. Examine plans and drawings for compliance with land use, development and design regulations/standards.

3. Reviews and approve Business Operations Tax Certificate applications based on consistency with zone classification.
4. Answers public inquiries at the counter and over the telephone.
5. Reviews sign proposals and landscape and irrigation plans.
6. Perform off-site meetings, as necessary.
7. Performs various site inspections and document findings, as necessary.
8. Supervises, trains, and reviews the work of Planning Interns and other subordinates as requested by the Senior Planner.

### **C. Other Job Specific Duties**

1. Assists in the maintenance of the various department webpages.
2. Assists in the maintenance of the department database.
3. Represents planning department at various meetings and committees.
4. Assists property owners with understanding code violations and provide potential solutions for open code enforcement cases.
5. Researches and prepares zoning certification letters.
6. Performs analysis and prepares staff reports and make presentations to various committees, commission, council, etc.
7. Works with other departments/divisions coordinating the development requirements of the City.

Prepares and assists in the preparation and review of environmental documents including Initial Studies, Negative Declarations, Mitigated Negative Declarations and Environmental Impact Reports.

8. Performs various other planning related duties as assigned.

### **REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**

*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

#### **Knowledge of:**

General principles and practices of municipal planning.  
California Environmental Quality Act

California Subdivision Map Act  
General research methods and techniques.  
Federal, state, and local laws, codes, and regulations related to municipal planning.  
Departmental policies and procedures.  
Principles of supervision, training, and performance evaluation.  
Modern office procedures and equipment including computers.  
Word processing, spreadsheet, presentation, and other related software applications.

**Ability to:**

Review various architectural plans  
Review and process applications and forms.  
Interpret codes and ordinances.  
Prepare maps and other graphic materials.  
Supervise, train, and evaluate assigned staff.  
Follow written and oral instructions.  
Work independently in the absence of supervision.  
Communicate effectively verbally and in writing.  
Work with accuracy and attention to detail.  
Work irregular hours, including weekends and evenings as needed.  
Operate and use modern office equipment.  
Effectively organize and prioritize assigned work.  
Establish and maintain effective working relationships with other people.

**EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

- A Bachelor's degree from an accredited college or university with major course work in City, Urban or Environmental Planning, Architecture, Public Administration or closely related field.
- Three (3) years experience performing duties comparable to those of an assistant planner. A master's degree in Planning or related field may be substituted for one year of experience.
- A valid State of California Class C driver's license and an acceptable driving record at time of appointment and throughout employment.

**WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job.*

- *Work is primarily performed indoors.*
- *Noise level is quiet to moderate.*
- *Hazards are minimal.*

**PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable employees with disabilities to perform the essential duties.*

- *Sit for extended periods of time.*
- *Stand, walk, and bend.*
- *Push, pull, and reach overhead and above shoulders.*
- *See well enough to read documents and operate office equipment.*
- *Lift and move up to 25 pounds.*

**CITY OF SANTA FE SPRINGS  
COMMUNITY SERVICES PROGRAM LEADER I  
(RECREATION LEADER I)**

**Bargaining Unit: Miscellaneous**

**Job Code: 75400**

**FLSA Status: Non-Exempt**

**Date Prepared: 06/27/9**

***Disclaimer:** Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under general supervision of the Community Services Director, Recreation Manager, Supervisor, Coordinator, Community Services Specialist or Community Services Leader III, the Community Services Program Leader I provides support and assists with a variety of programs, projects, functions and events in the Community Services Department.

**DISTINGUISHING CHARACTERISTICS:**

This is the entry level position in the series. It is distinguished from the level II by the performance of the more routine tasks and duties assigned to positions within the series.

**SUPERVISION RECEIVED:**

Receives direct supervision from Community Services Director, Recreation Manager, Supervisor, Coordinator, Community Services Specialist or Community Services Leader III.

**SUPERVISION EXERCISED:**

None.

**EXAMPLES OF DUTIES AND RESPONSIBILITIES:**

**A. Held in Common:**

1. Supports the Mission of the City and its Elected and Appointed Officials.  
Exhibits loyalty to the City and its representatives.
2. Provides courteous and timely service to the public as the ultimate employer.
3. Works cooperatively with other City employees.
4. Exhibits integrity and displays ethical behavior.



**B. Essential Job Specific Duties:**

1. Plans, develops, conducts and oversees a wide variety of activities for children, teens, adults and older adults/seniors including sports, contests, tournaments, games, arts & crafts, day camps, special events and programs.
2. Assists with facility rentals, oversee and provide coverage to a variety of community services facilities which includes parks; set up and take down tables, chairs, and equipment, for classes, activities, events and meetings.
3. Assists in maintaining and cleaning facilities and/or parks.
4. Assists with general office duties, including basic cashiering, answering phones, greeting patrons, typing, data entry, coping and filing.

**C. Other Job Specific Duties**

1. Assists with facility reservations, including phone and front counter contact, registering patrons for classes and programs, processing receipts and record keeping.
2. Assists with coaching/instructing the basic and fundamental skills of football, basketball, volleyball and soccer.
3. Assists patrons and other Community Services Department staff in routine and emergency situations including administering first aid.
4. Attends staff meetings, trainings and workshops.
5. Adhere to City and departmental policies and procedures.
6. Performs related duties as required or assigned.

**REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**

*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

**Knowledge of:**

Policies, procedures, and regulations governing the conduct and safety of persons using equipment and facilities; English grammar, punctuation, spelling and composition.

**Ability to:**

Exhibit good judgment and problem solving skills; develop and maintain effective working relationships and exercise tact, courtesy, alertness in responding to internal and external customers; operate modern office equipment including computer equipment

software programs, and audio visual equipment; ability to work well with the public, have strong leadership skills, team-oriented, oral and written communication skills; experience working with the public, children, teens and/or seniors is highly desirable; communicate clearly and concisely with program participants, community groups, the public, City officials and staff; lift up to 45 lbs. and work indoors and outdoors; work varied shifts, including nights, weekends, and holidays.

**EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

- Must be at least 17 years of age.
- Some related community services, recreation or education is highly desirable.
- Excellent customer service skills.

**LICENSE OR CERTIFICATE:**

Possession of CPR, AED, and First Aid Certificates are required.

**WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job.*

- *Work is performed indoors and outdoors.*
- *Noise level is quiet to loud.*
- *Hazards are minimal.*
- *Occasional exposure to bodily fluids.*

**PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable employees with disabilities to perform the essential duties.*

- *Stand, sit, walk, kneel, crouch, stoop, and bend.*
- *Push, pull, and reach overhead and above shoulders.*
- *Hear and speak both in person and on the telephone.*
- *Use hands and fingers to operate office equipment.*
- *See well enough to read documents and operate office equipment.*
- *Lift and move up to 45 pounds.*

**CITY OF SANTA FE SPRINGS  
FINANCE MANAGER**

**Bargaining Unit: EMC – Management**

**Job Code: 05010**

**FLSA Status: Exempt**

**Date Prepared: 06/27/19**

**Disclaimer:** *Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under general direction, administers and oversees finance, accounting, budget, treasury, and debt administration functions within the Finance & Administrative Services department; provides general and specific direction to subordinate employees; provides highly responsible and complex administrative support to the Director of Finance and Administrative Services and serves as a member of the City's Management Team.

**SUPERVISION RECEIVED:**

Receives general direction from the Director of Finance and Administrative Services.

**SUPERVISION EXERCISED:**

Exercises direct supervision over supervisory, technical, and clerical staff.

**EXAMPLES OF DUTIES AND RESPONSIBILITIES:**

**A. Held in Common:**

1. Supports the mission of the City and its elected and appointed officials. Exhibits loyalty to the City and its representatives.
2. Provides courteous and timely service to the public as the ultimate employer.
3. Works cooperatively with other City employees.
4. Exhibits integrity and displaying ethical behavior.

**B. Essential Job Specific Duties:**

1. Provide highly responsible and complex administrative support to the Director of Finance and Administrative Services in the areas of finance, accounting, budgeting, treasury, and debt administration.

2. Assists in the development and implementation of departmental goals, objectives, policies, and priorities.
3. Directly supervises staff and may act as Department Director in the absence of the Director of Finance and Administrative Services to other City departments, elected officials, and outside agencies.
4. Ensures compliance with legal record keeping requirements according to accepted accounting procedures; ensures that accounts receivable, accounts payable, and payroll transactions are verified, processed, and recorded; manages the City's water utility billing and financial systems.
5. Oversees preparation of financial reports including the Comprehensive Annual Financial Report (CAFR), City budgets and various annual and special reports in compliance with federal, state and local laws, rules and regulations.
6. Ensures fulfilling of state and federal financial reporting requirements; assists in managing treasury and investments.
7. Performs related duties as required.

**REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**

*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

**Knowledge of:**

Advanced principles, practices and theories of accounting and financial reporting.  
Generally accepted governmental accounting practices and standards.  
Mathematical principles applied to financial record keeping and analysis.  
Principles of supervision, training, and performance evaluation.  
Organizational and management practices as applied to the analysis and evaluation of programs, policies, and operational needs.  
Modern and complex principles and practices of program development and administration.  
Advanced principles and practices of budget preparation and administration.  
Federal, state, and local laws, codes, and regulations.  
English usage, spelling, grammar, and punctuation.  
Modern office procedures and equipment including computers.  
Word processing, spreadsheet, and other related software applications.

**Ability to:**

Provide professional leadership and direction.  
Read, analyze, and interpret technical journals and reports, technical procedures, and governmental regulations.  
Respond to common inquiries or complaints from customers, regulatory agencies, and members of the community.  
Prepare business correspondence and procedure manuals.  
Present information clearly and concisely to individuals and groups.  
Plan, organize, direct, and coordinate the work of supervisory and technical personnel.

Select, supervise, train and evaluate staff.

Develop, implement, and administer goals, objectives, and procedures for providing effective and efficient services.

Prepare and administer large and complex budgets; allocate limited resources in a cost effective manner.

Analyze problems; identify alternative solutions and project consequences of proposed actions; implement recommendations in support of goals.

Research, analyze, and evaluate new service delivery methods, procedures and techniques.

Prepare clear and concise administrative and financial reports.

Interpret and apply federal, state, and local policies, procedures, laws, and regulations.

Work collaboratively as a member of the City's Management team.

Make effective public presentations.

Communicate effectively verbally and in writing.

Work with accuracy and attention to detail.

Operate and use modern office equipment.

Effectively organize and prioritize assigned work.

Establish and maintain effective working relationships with others.

Interpret and apply federal, state, and local policies, procedures, laws, and regulations.

#### **EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

- Bachelor's degree in Business Administration, Accounting, Public Administration or related field. A Master's degree and possession of a State Certified Public Accountant (CPA) license is desirable.
- Five (5) years of increasingly responsible experience in finance or a closely related field plus two (2) years of administrative and supervisory experience. Municipal experience highly preferred.
- A valid State of California Driver's License and an acceptable driving record.

#### **WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job.*

- *Work is primarily performed indoors.*
- *Noise level is quiet to moderate.*
- *Hazards are minimal.*

#### **PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable employees with disabilities to perform the essential duties.*

- *Sit for extended periods of time.*
- *Walk, stand, and bend.*
- *Push, pull, and reach overhead and above shoulders.*

- *See well enough to read documents and operate office equipment.*
- *Lift and move up to 25 pounds.*

**CITY OF SANTA FE SPRINGS  
MANAGEMENT ANALYST I**

**Bargaining Unit: Miscellaneous**

**Job Code: 16300**

**FLSA Status: Non-Exempt**

**Date Prepared: 06/27/2019**

***Disclaimer:** Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under direct supervision, provides professional level administrative support to projects, programs, and other department functions.

**DISTINGUISHING CHARACTERISTICS:**

This is the entry level position in the series. It is distinguished from the Analyst II by the performance of the more routine tasks and duties assigned to positions within the series.

**SUPERVISION RECEIVED:**

Receives direct supervision from the department director.

**SUPERVISION EXERCISED:**

May provide functional supervision to subordinate staff and volunteers.

**EXAMPLES OF DUTIES AND RESPONSIBILITIES:**

**A. Held in Common:**

1. Supports the Mission of the City and its Elected and Appointed Officials.  
Exhibits loyalty to the City and its representatives.
2. Provides courteous and timely service to the public as the ultimate employer.
3. Works cooperatively with other City employees.
4. Exhibits integrity and displays ethical behavior.

**B. Essential Job Specific Duties:**

1. Investigates, interprets, analyzes, and prepares recommendations in relation to proposals for new programs, projects, grants, and services.



2. Prepares and presents forecasts of effects of pending legislation, policy, and procedure changes.
3. Administers and implements a service or program within a department.
4. Investigates and prepares reports on specific requests and complaints pertaining to various governmental activities for staff, commissions, and City Council information.

### **C. Other Job Specific Duties**

1. Coordinates the research, development, review, and preparation of grant applications.
2. May assist in budget preparation for a department or division; analyzes and monitors expenditures and revenue; may approve accounts payable, expense reports, and budget transfers.
3. Develops complex reports, memos, correspondence, contracts, and other written materials.
4. Collects, analyzes, and monitors data and information.
5. Plans and organizes, and/or provides support for special events.
6. Oversees and maintains a variety of records.
7. Explains City policies and programs to the public; responds effectively and resolves citizen complains.
8. Performs related duties as required.

### **REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**

*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

#### **Knowledge of:**

Public administration.

Organization and management principles and practices.

Municipal fiscal policy.

Federal, state, and local laws, codes, and regulations.

Departmental policies and procedures.

Advanced research techniques and information sources.

English usage, spelling, grammar, and punctuation.

Modern office procedures and equipment including computers.

Word processing and other related software applications.

**Ability to:**

Perform advanced research.  
Speak effectively before audiences.  
Coordinate department programs and administer projects.  
Collects and analyze information.  
Work independently in the absence of supervision.  
Communicate effectively verbally and in writing.  
Work with accuracy and attention to detail.  
Operate and use modern office equipment.  
Effectively organize and prioritize assigned work.  
Establish and maintain effective working relationships with other people.

**EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

- Bachelor's degree in public administration, communications, business administration, or a related field.
- Two (2) years of administrative management, program or project management, or related experience.
- A valid State of California driver's license and an acceptable driving record.

**WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job.*

- *Work is primarily performed indoors.*
- *Noise level is quiet to moderate.*
- *Hazards are minimal.*

**PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable employees with disabilities to perform the essential duties.*

- *Sit for extended periods of time.*
- *Stand, walk, and bend.*
- *Push, pull, and reach overhead and above shoulders.*
- *See well enough to read documents and operate office equipment.*
- *Lift and move up to 25 pounds.*

**CITY OF SANTA FE SPRINGS  
MANAGEMENT ANALYST II**

**Bargaining Unit: Miscellaneous**

**Job Code: 17600**

**FLSA Status: Non-Exempt**

**Date Prepared: 06/27/19**

***Disclaimer:** Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under direct supervision, provides professional level administrative support to projects, programs, and other department functions.

**DISTINGUISHING CHARACTERISTICS:**

This is the journey level position within the series. Employees within this class are distinguished from the Analyst I by the performance of the more complex and specialized duties.

**SUPERVISION RECEIVED:**

Receives direct supervision from the department director.

**SUPERVISION EXERCISED:**

May provide functional supervision to subordinate staff and volunteers.

**EXAMPLES OF DUTIES AND RESPONSIBILITIES:**

**A. Held in Common:**

1. Supports the Mission of the City and its Elected and Appointed Officials.  
Exhibits loyalty to the City and its representatives.
2. Provides courteous and timely service to the public as the ultimate employer.
3. Works cooperatively with other City employees.
4. Exhibits integrity and displays ethical behavior.

**B. Essential Job Specific Duties:**

1. Investigates, interprets, analyzes, and prepares recommendations in relation to proposals for new programs, projects, grants, and services.
2. Prepares and presents forecasts of effects of pending legislation, policy, and procedure changes.
3. Administers and implements a service or program within a department.
4. Investigates and prepares reports on specific requests and complaints pertaining to various governmental activities for staff, commissions, and City Council information.

### **C. Other Job Specific Duties**

1. Coordinates the research, development, review, and preparation of grant applications.
2. May assist in budget preparation for a department or division; analyzes and monitors expenditures and revenue; may approve accounts payable, expense reports, and budget transfers.
3. Develops complex reports, memos, correspondence, contracts, and other written materials.
4. Collects, analyzes, and monitors data and information.
5. Plans and organizes, and/or provides support for special events.
6. Oversees and maintains a variety of records.
7. Explains City policies and programs to the public; responds effectively and resolves citizen complains.
8. Performs related duties as required.

### **REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**

*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

#### **Knowledge of:**

Public administration.

Organization and management principles and practices.

Municipal fiscal policy.

Federal, state, and local laws, codes, and regulations.

Departmental policies and procedures.

Advanced research techniques and information sources.

English usage, spelling, grammar, and punctuation.

Modern office procedures and equipment including computers.

Word processing and other related software applications.

**Ability to:**

Perform advanced research.

Speak effectively before audiences.

Coordinate department programs and administer projects.

Collects and analyze information.

Work independently in the absence of supervision.

Communicate effectively verbally and in writing.

Work with accuracy and attention to detail.

Operate and use modern office equipment.

Effectively organize and prioritize assigned work.

Establish and maintain effective working relationships with other people.

**EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

- Bachelor's degree in public administration, communications, business administration, or a related field.
- Three (3) years of administrative management, program or project management, or related experience.
- A valid State of California driver's license and an acceptable driving record.

**WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job.*

- *Work is primarily performed indoors.*
- *Noise level is quiet to moderate.*
- *Hazards are minimal.*

**PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable employees with disabilities to perform the essential duties.*

- *Sit for extended periods of time.*
- *Stand, walk, and bend.*
- *Push, pull, and reach overhead and above shoulders.*
- *See well enough to read documents and operate office equipment.*
- *Lift and move up to 25 pounds.*

**CITY OF SANTA FE SPRINGS  
MECHANIC APPRENTICE**

**Bargaining Unit: Not Represented**

**Job Code: 71060**

**FLSA Status: Non-Exempt**

**Date Prepared: 06/27/19**

**Disclaimer:** *Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under direct supervision, provides servicing and maintenance of gasoline and diesel power automotive, light, and heavy construction and other power-driven equipment; assists higher level staff in equipment overhauls and repairs. Apprentice assignments are expected to last no more than four years.

**SUPERVISION RECEIVED:**

Receives direct supervision from the Fleet Section Supervisor.

**SUPERVISION EXERCISED:**

None.

**EXAMPLES OF DUTIES AND RESPONSIBILITIES:**

**A. Held in Common:**

1. Supports the Mission of the City and its Elected and Appointed Officials.
2. Exhibits loyalty to the City and its representatives.
3. Provides courteous and timely service to the public as the ultimate employer.
4. Works cooperatively with other City employees.
5. Exhibits integrity and displays ethical behavior.

**B. Essential Job Specific Duties:**

1. Fuels, greases, and lubricates automobiles, trucks, and heavy automotive equipment; ensures appropriate fluid levels.
2. Replaces or repairs tires, wheels, and tubes; installs and services batteries, spark plugs, light bulbs, fan belts, and other simple mechanical parts.
3. Services automotive equipment with gasoline and oil; keeps records of amounts used.
4. Assists other mechanics in the performance of mechanical repairs as required.
5. Assists in general maintenance and cleanliness of automotive shop area.
6. Performs related duties as required.

## **REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**

*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

**Knowledge of:** Fundamentals of automotive maintenance and repair.

**Ability to:** Complete assignments in safe and timely manner; Follow written and oral instructions; communicate effectively verbally and in writing; work with accuracy and attention to detail; effectively organize and prioritize assigned work; establish and maintain effective working relationships with other people; safely perform the work of this trade either with or without reasonable accommodations; attend all related classroom training required.

## **EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

- High School Diploma or an equivalent certificate or diploma recognized by the State of California.
- A valid State of California driver's license and an acceptable driving record.
- Current enrollment in an accredited college, university, trade school, or other professional institution with degree and/or program emphasis in automotive maintenance and repair.

## **WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job:*

- *Work is primarily performed in a heavy equipment shop.*
- *Noise level is loud.*
- *Exposure to odors, fumes, and gases.*
- *Works with hand and power tools.*
- *Works with and around machinery having moving parts.*

## **PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable employees with disabilities to perform the essential duties.*

- *Stand, walk, stoop, kneel, crouch, climb, squat, and bend.*
- *Push, pull, and reach overhead and above shoulders.*
- *Hear and speak both in person and on the telephone.*
- *See well enough to read documents and operate and repair equipment.*
- *Lift and move up to 75 pounds.*



**CITY OF SANTA FE SPRINGS  
SENIOR BUDGET ANALYST**

**Bargaining Unit:** EMC - CONFIDENTIAL

**Job Code:** 13410

**FLSA Status:** Exempt

**Date Prepared:** 06/27/2019

***Disclaimer:** Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under general direction, analyzes, researches, develops, and implements complex programs related to the City's budget and performs a variety of advanced-level professional, administrative and technical duties.

**SUPERVISION RECEIVED:**

Receives general direction from the Finance Director and Finance Manager.

**SUPERVISION EXERCISED:**

Exercises functional and technical supervision over professional and technical staff.

**DUTIES SUMMARY**

Performs a wide variety of complex administrative functions in developing, preparing and monitoring the City budget under the direction of the City Council and City Manager. Performs a wide variety of complex administrative functions and special assignments relative to budget preparation and implementation.

**EXAMPLES OF DUTIES & RESPONSIBILITIES:**

**A. Held in Common:**

Supports the Mission of the City and its Elected and Appointed Officials; exhibits loyalty to the City and its representatives; provides courteous and timely service to the public as the ultimate employer; works cooperatively with other City employees; exhibits integrity and displays ethical behavior.

**B. Essential Job Specific Duties:**

Performs a variety of responsible staff functions and special assignments for the City; exercises major responsibility in the research and design of budget format; sets up parameters for revenue estimates from the Finance Division and makes recommendations for fiscal guidelines in the budgetary process; writes and publishes instruction manual for budget preparation; works closely with department budget staff to insure adherence to established budget parameters; serves as administrative liaison to all departments during the preparation stages of

budget preparation; makes recommendations to the City Manager as to overall City budget hearings and has major impact on the final budget; has major responsibility for the final configuration of budget document to be presented to the City Council; reviews and explains proposed budget to City Council; responsible for the implementation of City Council directives regarding development and revision of budget; assists departments in budget development and implementation throughout the year; assists in the preparation of Capital Improvement Programs; researches, analyzes data and makes recommendations to the City Manager concerning long range planning and budgeting; reviews alternative revenue sources and assists in coordination the activities necessary for implementation; performs other related duties.

### **C. Other Job Specific Duties**

The preceding duties have been provided as examples of the essential types of work performed by positions within this job classification. The City, at its discretion, may add, modify, change or rescind work assignments as needed.

### **REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**

*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

**Knowledge of:** City budget procedures. Departmental operations as they affect budgeting; City revenue sources; principles of administration, municipal finance and budgeting; organizational and management practices as applied to the analysis and evaluation of programs, policies, and operational needs; federal, state, and local laws, codes, and regulations; English usage, spelling, grammar, and punctuation; modern office procedures and equipment including computers; Word processing, spread sheet, and other related software applications.

**Ability to:** Investigate and analyze budgetary problems; read, analyze, and interpret technical journals and reports, technical procedures, and government regulations; prepare business correspondence and procedure manuals; present information clearly and concisely to individuals and groups; plan, organize, direct, and coordinate the work of professional and technical staff; select, supervise, train, and evaluate staff; develop, implement, and administer goals, objectives, and procedures for providing effective and efficient services; prepare and administer large complex budgets, allocate limited resources, in a cost effective manner; analyze problems; identify alternative solutions and project consequences of proposed actions; implement recommendations in support of goals; research, analyze, and evaluate new service delivery methods, procedures and techniques; prepare clear and concise administrative and financial reports; interpret and apply federal, state, and local policies, procedures, laws, and regulations; make effective public presentations; communicate effectively verbally and in writing; work with accuracy and attention to detail; operate and use modern office equipment; effectively organize and prioritize assigned work; establish and maintain effective working relationships with others; interpret and apply federal, state, and local policies, procedures, laws, and regulations.

**EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

**Education:** Bachelor's degree from an accredited college or university with major coursework in finance, accounting, business administration, public administration or a related field. A Master's degree is desirable.

**Experience:** Three (3) years of related experience. Municipal experience is highly preferred.

**License:** Valid California Driver's License and acceptable driving record.

**WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job.*

- Work is primarily performed indoors.
- Noise level is quiet to moderately quiet.
- Hazards are minimal.

**PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable employees with disabilities to perform the essential duties.*

- Sit for extended periods of time.
- Stand, walk, and bend.
- Push, pull, and reach overhead and above shoulders.
- See well enough to read documents and operate office equipment.
- Lift and move up to 25 pounds.

**CITY OF SANTA FE SPRINGS  
SENIOR PLANNER**

**Bargaining Unit:** Management

**Job Code:** 13910

**FLSA Status:** Exempt

**Date Prepared:** 6/27/2019

**Disclaimer:** *Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under general direction, performs professional planning duties in current and/or comprehensive planning; provides information and assistance to developers, the business community and the public on planning, housing, zoning and development related matters.

**SUPERVISION RECEIVED:**

Receives direction from the Director of Planning, and/or higher level staff within the Planning Department.

**SUPERVISION EXERCISED:**

Exercises direct supervision over subordinate planners and interns; indirect supervision over assigned technical and clerical staff.

**EXAMPLES OF DUTIES AND RESPONSIBILITIES:**

**A. Held in Common:**

1. Supports the Mission of the City and its Elected and Appointed Officials. Exhibits loyalty to the City and its representatives.
2. Provides courteous and timely service to the public as the ultimate employer.
3. Works cooperatively with other City employees.
4. Exhibits integrity and displays ethical behavior.

**B. Essential Job Specific Duties:**

1. Manages complex planning projects or directs the work of others involved in the preparation and review of current or long range planning projects; ensures that planning activities are conducted in accordance with federal and state law, City ordinances, rules, and regulations.

2. Research, interpret and explain relevant provisions of City zoning codes, the General Plan, and environmental standards and regulations.
3. Functions as a lead information source or analyst for all subordinate planners and interns; assists subordinate staff with answers to inquiries and questions whether in person and on the telephone.
4. Reviews and investigates requests for various entitlements including: variances, zoning changes, development plan review and subdivision proposals involving complex planning projects.
5. Functions as the lead information source to all subordinate planners and interns for the implementation of the California Environmental Quality Act.
6. Ensures that legal requirements involving entitlement processing are adhered to, including the publishing and posting of public notices.
7. prepares or coordinates the preparation of project reports and recommendations; reviews and edit reports drafts for subordinate planners and interns as determined by the Director of Planning; Participates or otherwise assists the Director of Planning in the in the preparation of agenda items for the City Council and Planning Commission related to planning projects.
8. Assists in the employee selection, training and evaluation of all subordinate planners and interns.
9. Assists in the preparation and administration of the department budget.
10. Make presentations to various committees and advisory boards as directed; make presentations to the Planning Commission and .City Council.
11. Evaluate and consider appropriate uses of various planning tools, subscriptions, and associations.
12. Maintain cooperative working relationships with other divisions, departments, agencies, civic and professional organizations and general public.
13. Attends conferences, meeting, or other public functions; may provide information or participate in discussions regarding department activities;
14. Responsible for preparing necessary notices and meet required deadlines related to the scheduling of public hearings for own planning projects as well as subordinate planners and interns.
15. Reviews plans and technical documents for compliance with City regulations and ordinances; provides professional evaluations and reports as appropriate; produces

professional quality staff reports, presentations and recommendations on planning issues; helps develop solutions to planning issues; helps resolves conflicts for all subordinate planners and interns; make recommendation and assists in the development of ordinances and regulations as appropriate.

### **C. Other Job Specific Duties**

1. Interprets provisions of local, state, and federal regulations and procedures related to planning and land use.
2. Train and provide technical guidance to professional and technical staff; review staff work in conjunction with projects and assignments.
3. Reviews and processes business licenses.
4. Performs walk-through inspections.
5. Performs related duties as required.

### **REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**

*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

#### **Knowledge of:**

Aims, trends, concepts, principles, techniques, and legal aspects of city and county planning and code administration.  
City General Plan and California Environmental Quality Act.  
Local, state, and federal environmental, planning, and zoning policies and laws.  
Implications of physical, economic, aesthetic, and social factors involved in city and county planning including the development of urban and suburban environments.  
Planning terminology and acronyms.  
Research and statistical methods.  
Safety procedures and practices.  
Communication and public relations practices.  
Statutory reporting requirements.  
Time management methods.  
Principles of supervision, training, and performance evaluation.  
Work organization planning methods.  
Modern office procedures and equipment including computers.  
Customer service techniques and conflict resolution.  
Word processing, spreadsheet, presentation, and other related software applications.

#### **Ability to:**

Understand and apply federal, state and local laws, regulations, policies, procedures and standards pertaining to the planning process.  
Interpret maps, site and building plans and specifications, graphs and statistical data.

Administer and organize Planning Division projects.  
 Effectively communicate the aims, concepts and principles of city planning.  
 Administer ordinances and laws related to planning projects or requests from the public.  
 Analyze projects for environmental impacts.  
 Research, analyze and summarize planning data both manually and with computer applications  
 Organize and conduct research studies.  
 Supervise, train, and evaluate assigned staff.  
 Make analysis and recommendations based on findings in studies, field observation, and public contacts.  
 Prepare comprehensive, concise, and grammatically correct reports, e-mails and other correspondences.  
 Work collaboratively as a member of the City's Management Team.  
 Make public presentations of ideas and recommendations.  
 Communicate effectively verbally and in writing.  
 Exercise sound independent judgment within established guidelines.  
 Work with accuracy and attention to detail.  
 Work irregular hours, including weekends and evenings as needed.  
 Operate and use modern office equipment.  
 Effectively organize and prioritize assigned work.  
 Establish and maintain effective working relationships with other people.

#### **EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

- Bachelor's degree in Urban and Regional Planning or a related field.  
Master's degree desired.
- Five (5) years increasingly responsible professional experience in urban planning with a minimum of two (2) years in a supervisory role.
- A valid State of California Driver's License and an acceptable driving record.

#### **WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job.*

- *Work is primarily performed indoors.*
- *Noise level is quiet to moderate.*
- *Hazards are minimal.*

#### **PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable*



*accommodations may be made to enable employees with disabilities to perform the essential duties.*

- *Sit and stand for extended periods of time.*
- *Walk and bend.*
- *Push, pull, and reach overhead and above shoulders.*
- *See well enough to read documents and operate office equipment.*
- *Lift and move up to 25 pounds.*

**CITY OF SANTA FE SPRINGS  
SYSTEMS ANALYST**

**Bargaining Unit: Miscellaneous**

**Job Code: 14000**

**FLSA Status: Non-Exempt**

**Date Prepared: 06/27/19**

***Disclaimer:** Job descriptions are written as a representative list of the ADA essential duties performed by a job class. They cannot include nor are they intended to include all duties performed by all positions occupying a class.*

**POSITION PURPOSE:**

Under direct supervision, performs routine skilled technical work and provides technical support functions for City computer systems, applications, and system users; troubleshoots problems and provides basic system maintenance functions.

**SUPERVISION RECEIVED:**

Receives direct supervision from the Director of Technology Services.

**SUPERVISION EXERCISED:**

None.

**EXAMPLES OF DUTIES AND RESPONSIBILITIES:**

**A. Held in Common:**

1. Supports the Mission of the City and its Elected and Appointed Officials. Exhibits loyalty to the City and its representatives.
2. Provides courteous and timely service to the public as the ultimate employer.
3. Works cooperatively with other City employees.
4. Exhibits integrity and displays ethical behavior.

**B. Essential Job Specific Duties:**

1. Installs and coordinates the use of information systems ensuring that systems meet user needs.
2. Troubleshoots hardware, software, peripheral and network problems.

3. Monitors day-to-day computer operations and resolves operational problems; analyzes processing errors to determine source and optimize performance.
4. Maintains system operation schedules and ensures the accurate performance of systems hardware, software, and communications systems.
5. Meet with department representatives to determine information management needs.
6. Evaluate users' request for applications/changes to determine feasibility, costs and times required, compatibility and perform or oversee any enhancements or modifications.
7. Develop custom, City-specific modifications for reporting, querying, and updating City databases.
8. Resolve daily operational and technical problems with City computers systems; identify system problems and develop and implement appropriate solutions.
9. Schedule and perform regular maintenance functions on databases and software to assure maximum performance and reliability and to ensure system recovery form serious failures.
10. Provide backup assistance to the Computer Specialists in day-to-day network administration operations.

### **C. Other Job Specific Duties**

1. Acts as liaison with City staff, external customers, and vendors.
2. Maintains accurate records of all data control processing.
3. Participates in the analysis, design, evaluation, testing, and implementation of computer systems; assists in studies of potential data processing applications; assists in creating applications for systems to meet City requirements.
4. Trains department representatives and other customers in all computer applications.
5. Writes programs using programming languages; prepares sample test data; tests and debugs programs.
6. Provides emergency response to reduce downtime; corrects errors or initiates and monitors vendor activity surrounding critical system failures, off-hours scheduled maintenance downtime, or on a needed basis.
7. Performs basic analysis of problems relating to HP-300 city mainframe computer system.

8. Acts as liaison with City staff, external customers, and vendors.
9. Maintains accurate records of all data control processing.
10. Identifies program packages that may meet users' needs; develops evaluation criteria for packages; participates in purchasing process; works with vendor and users' designs and coordinates package implementation strategy; ensure packaged system is performing to specification; supplements vendor training; provides programming support for package as required.
11. Inventories and documents data stored throughout the city; identifies duplication and ambiguities in City data; proposes and designs solutions for harmonizing City data; identifies requirements for additional data; identifies source s of missing City data in other organizations and develops strategies for its integration.
12. May assist in training to Technology Services members and user personnel.
13. Performs related duties as assigned.

**REPRESENTATIVE COMPETENCIES AND QUALIFICATIONS:**

*The requirements listed below are representative of the knowledge, skill and ability required to satisfactorily perform the jobs essential duties and responsibilities.*

**Knowledge of:**

Various types of computer and peripheral equipment.  
 Principles and practices of system analysis and design.  
 Principles, procedures, techniques, nomenclature, and operation of computer systems.  
 Computer equipment maintenance procedures, hardware configurations, and operating principles.  
 Capabilities, limitations, characteristics, and uses of computer information systems, related hardware, various software application programs and operating systems.  
 Techniques of personal and group instruction and training.  
 Procedures for maintaining the integrity and security of data in automated systems.  
 Principles and practices of technical problem solving.  
 Business system applications.  
 Structured programming and design in Visual Basic and COBOL.  
 PowerBuilder (preferred).  
 Database system design using Access and ODBC.  
 Microsoft SQL.  
 Web development (preferred).  
 HP-3000 environment.  
 Departmental policies and procedures.  
 Modern office procedures and equipment including computers.  
 Word processing and other related software applications.  
 Tyler Munis Software

**Ability to:**

Troubleshoot, install, and configure software.

Provide Help Desk assistance to users.

Evaluate and interpret automated information systems from a user perspective.

Analyze departmental data system needs and requirements; identify goals and objectives, and problems; examine alternatives; develop conclusions and recommendations; and implement solutions.

Prepare clear and concise reports, documentation, and other written materials.

Communicate complex concepts in writing.

Read and comprehend written material on a wide variety of technical subjects.

Maintain confidentiality of information.

Follow written and oral instructions.

Work independently in the absence of supervision.

Communicate effectively verbally and in writing.

Work with accuracy and attention to detail.

Operate and use modern office equipment.

Effectively organize and prioritize assigned work.

Establish and maintain effective working relationships with other people.

Perform system analysis, planning, design, and implementation of software applications.

**EDUCATION AND EXPERIENCE:**

*The following requirements generally demonstrate possession of the minimum requisite knowledge and ability necessary to perform the duties of the position. A typical way to obtain these would be:*

- Bachelor's degree in computer science, information systems technology, management information systems or a related field
- Six (6) years of experience analyzing, installing, maintaining and troubleshooting computer hardware, software and/or networking devices, which includes working with various operating structures and database structures and software application design and implementation.
- A valid State of California driver's license and an acceptable driving record.

**WORKING CONDITIONS:**

*The work environment characteristics described are representative of those an employee encounters in performing the essential functions of this job.*

- *Work is primarily performed indoors.*
- *Noise level is quiet to moderate.*
- *Hazards are minimal.*

**PHYSICAL DEMANDS:**

*The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable*

*accommodations may be made to enable employees with disabilities to perform the essential duties.*

- *Sit for extended periods of time.*
- *Stand, walk, bend, kneel, and crouch.*
- *Push, pull, and reach overhead and above shoulders.*
- *Use hands and fingers to operate hand/power tools and office equipment.*
- *See well enough to read documents and operate office equipment.*
- *Lift and move up to 40 pounds.*



**NEW BUSINESS**

**Adoption of the City's FY 2019-20 Investment Policy**

**RECOMMENDATION**

Adopt the Investment Policy for FY 2019-20.

**BACKGROUND**

Prior to January 1, 2005, State statute required the City Treasurer to render to the City Council an annual Investment Policy ("Policy"). Although the law changed to eliminate this requirement, an annual review of the Policy for legal compliance and subsequent submittal to the City Council is a good fiscal practice.

Ms. Sarah Meacham, Director with PFM Asset Management, LLC ("PFMAM"), along with her staff regularly meet with Staff and the City Council Finance Subcommittee to review the City's investment portfolio performance, including discussion on compliance with the City's investment policy and any recommended changes to the policy.

The Policy was originally adopted on June 25, 2015. Minor updates have been made since that time to ensure compliance with changes to the California Government Code ("Code").

At this time, Ms. Meacham recommended that the City update Section 16. Asset-Backed Securities ("ABS") of its Policy to incorporate a recent Code change by Assembly Bill 1770, which took place on January 1, 2019. The changes clarified the Code's requirements for the purchase of ABS in two respects:

- 1) The bill revised the wording of the maturity limit to require that securities have a maximum remaining maturity of five years or less rather than a maximum maturity of five years.
- 2) The bill eliminated the requirement that the issuer of the securities be rated "A" or better.

The change of maturity limit wording does not change the effective maturity limit for ABS. The minimum "AA" security rating remains, which is an important risk management criteria. Both changes are mainly technical in nature and do not change the particular securities that can be purchased by the City.

The current policy is in compliance with the requirements of the Code and are modeled after the recommended language endorsed by the California Municipal Treasurer's Association ("CMTA"). The proposed policy retains the existing overall investment objectives, in priority order, to be (1) safety (2) liquidity and (3) return on investment:





## *City of Santa Fe Springs*

City Council Meeting

June 27, 2019

**Safety** — Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.

**Liquidity** — The investment portfolio will remain sufficiently liquid to enable the City to meet its cash flow requirements.

**Return on Investment** — The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration with the investment risk constraints of safety and liquidity needs.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz", is written over the printed name.

Raymond R. Cruz  
City Manager

Attachment(s)

1. City Investment Policy (marked up version)
2. City Investment Policy (final version)
3. Memo from PFMAM

# City of Santa Fe Springs Investment Policy

~~June 14, 2018~~ June 27, 2019

## 1. Policy

The intent of the Investment Policy of City of Santa Fe Springs is to define the parameters within which funds are to be managed. In methods, procedures and practices, the policy formalizes the framework for the City's investment activities that must be exercised to ensure effective and judicious fiscal and investment management of the City's funds. The guidelines are intended to be broad enough to allow the investment officer to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

The City will invest its funds in such a manner as to comply with applicable state laws (California Government Code Section 53600, et seq. and 53630, et seq.), ensure prudent money management, provide for daily cash flow needs, and meet the City's investment objectives.

## 2. Scope

The Investment Policy applies to all funds and investment activities of the City except for the investment of bond proceeds, which are governed by the appropriate bond documents, and any pension or other post-employment benefit funds held in a trust that has a separate investment policy.

Except for funds in certain restricted and special funds, the City commingles its funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration.

## 3. Prudence

The standard of prudence to be used by those authorized to invest on behalf of the City will be the "prudent investor" standard and will be applied in the context of managing an overall portfolio. The "prudent investor" standard states that:

*"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."*

## 4. Objectives

The primary objectives, in priority order, of the investment activities of the City are:

1. **Safety** — Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.
2. **Liquidity** — The investment portfolio will remain sufficiently liquid to enable the City to meet its cash flow requirements.
3. **Return on Investment** — The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration with the investment risk constraints of safety and liquidity needs.

## **5. Delegation of Authority**

The City Council's management responsibility for the investment program is hereby delegated for a one-year period to the City Treasurer. Subject to review, the City Council may renew the delegation of authority pursuant to this section each year. The City Treasurer, and the Treasurer's designees, will monitor and review all investments for consistency with this Investment Policy. The City Treasurer may delegate day-to-day investment decision making and execution authority to an investment advisor. Eligible investment advisors must be registered with the Securities and Exchange Commission (SEC) under the Investment Advisors Act of 1940. The advisor will follow the Policy and such other written instructions as are provided.

## **6. Ethics and Conflict of Interest**

Officers and employees involved in the investment process will refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions. Employees and investment officials will disclose to the City Manager any material financial interests in financial institutions that conduct business within their jurisdiction, and they will further disclose any large personal financial/investment positions that could be related to the performance of the City's portfolio.

## **7. Authorized Financial Dealers and Institutions**

The City Treasurer will maintain a list of financial dealers and institutions qualified and authorized to transact business with the City.

The purchase by the City of any investment other than those purchased directly from the issuer, will be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporations Code, who is a member of Financial Industry Regulatory Authority (FINRA), or a member of a Federally regulated securities exchange, a National or State Chartered Bank a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank.

The City Treasurer will investigate all institutions that wish to do business with the City, in order to determine if they are adequately capitalized, make markets in securities appropriate to the City's needs, and agree to abide by the conditions set forth in the City's Investment Policy and any other guidelines that may be provided. This

will be done annually by having the financial institutions submit in writing that they have read and will abide by the City's Investment Policy and submit its most recent audited Financial Statement within 120 days of the institution's fiscal year end.

If the City has an investment advisor, the investment advisor may use its own list of authorized broker/dealers to conduct transactions on behalf of the City.

Purchase and sale of securities will be made on the basis of competitive bids and offers with a minimum of three quotes being obtained, whenever possible.

## **8. Authorized and Suitable Investment**

The City will limit investments in any one issuer, except U.S. Treasuries, Federal Agencies, supranationals, and pooled funds (i.e., money market funds, local government investment pools, and LAIF), to no more than 5% regardless of security type.

Where this section specifies a percentage limitation for a particular security type, that percentage is applicable only at the date of purchase. Credit criteria listed in this section refers to the credit rating category (inclusive of modifiers) at the time the security is purchased. If an investment's credit rating falls below the minimum rating required at the time of purchase, the City Treasurer will perform a timely review and decide whether to sell or hold the investment.

1. **U.S. Treasuries.** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
2. **U.S. Agency Obligations.** Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
3. **California State and Local Agency Obligations.** Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency. Obligations eligible for investment under this subdivision with maturities in excess of one year must be rated in a rating category of "A," its equivalent, or better by a nationally recognized statistical rating organization (NRSRO). Obligations eligible for investment under this subdivision with maturities under one year must be rated in a rating category of "A-1," its equivalent, or better by a NRSRO. No more than 30% of the City's portfolio may be invested in municipal obligations (includes 4. Other State Obligations).
4. **Other State Obligations.** Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California. Obligations eligible for investment under this subdivision with maturities in excess of one year must be rated in a rating category of "A," its equivalent, or better by a NRSRO. Obligations eligible for investment under this subdivision with maturities under one year

must be rated in a rating category "A-1," its equivalent, or better by a NRSRO. No more than 30% of the City's portfolio may be invested in municipal obligations (includes 3. California State and Local Agency Obligations).

5. **Bankers' Acceptances.** Purchases of bankers' acceptances will have a maximum maturity of 180 days. No more than 40% of the City's portfolio may be invested in bankers' acceptances. Eligible bankers' acceptances must be rated in a rating category of "A-1," its equivalent, or better by a NRSRO.
6. **Commercial Paper.** Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper will meet all of the following conditions in either paragraph a or paragraph b:
  - a. The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars (\$500,000,000). (iii) Has debt other than commercial paper, if any, that is rated in a rating category of "A," its equivalent or higher by a NRSRO.
  - b. The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated in a rating category of "A-1," its equivalent or higher, or the equivalent, by a NRSRO.

Eligible commercial paper will have a maximum maturity of 270 days or less. No more than 25% of the City's portfolio may be invested in commercial paper. The City may purchase no more than 10% of the outstanding commercial paper of any single issuer.

7. **Medium-Term Notes.** Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state, and operating within the U.S. Medium-term notes must be rated in a rating category of "A," its equivalent, or better by a NRSRO. No more than 30% of the City's portfolio may be invested in medium-term notes.
8. **Bank Deposits.** FDIC-insured or fully collateralized demand deposit accounts, savings accounts, market rate accounts, time certificates of deposits ("TCDs") and other types of bank deposits in a state or national bank, savings association or federal association, federal or state credit union in California. The amount on deposit in any financial institution shall not exceed the shareholder's equity. In accordance with California Government Code Section 53635.2, to be eligible to receive City deposits, a financial institution will have received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency of its record of meeting the credit needs of California's communities. The City will have a signed agreement with any depository accepting City funds per Government Code Section 53649.

The maturity of TCDs may not exceed three years. No more than 30% of the City's portfolio may be invested in TCDs.

9. **Deposit Placement Services.** The City may invest a portion of its portfolio in deposits at a commercial bank, savings bank, savings and loan association, or credit union in the State of California (the selected depository) that uses a private sector entity that assists in the placement of deposits in the United States. The full amount of each deposit placed and the interest that may accrue on each such deposit will at all times be insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration. Additional required criteria for this investment type can be found in California Government Code Section 53601.8.

If the City also uses a negotiable CDs, the 30% limit applies to the combined total invested in negotiable CDs and with deposit placement services. No more than 10% of the City's portfolio may be invested with any one selected depository for placement services.

The City will monitor the financial institutions selected by deposit placement services to ensure that the City does not deposit more than the amount eligible for FDIC insurance in a single financial institution through non-negotiable CDs and deposit placement services. California Government Code Section 53601.8 expires January 1, 2017 unless legislation is enacted to extend the expiration date.

10. **Negotiable Certificates of Deposit.** Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally- or state-licensed branch of a foreign bank. Eligible negotiable CDs with maturities in excess of one year must be rated in a rating category of "A," its equivalent, or better by a NRSRO. Eligible negotiable CDs with maturities under one year must be rated in a rating category of "A-1," its equivalent, or better by a NRSRO. No more than 30% of the City's investment portfolio may be invested in negotiable CDs. If the City also uses a deposit placement service, the 30% limit applies to the combined total invested in negotiable CDs and with deposit placement services.
11. **State of California's Local Agency Investment Fund (LAIF).** The State Treasurer established LAIF for the benefit of local agencies. The City can invest up to the maximum amount permitted by the State Treasurer.
12. **Los Angeles County Pooled Fund.** The Los Angeles County Treasurer manages a Pooled Fund, in which the City can invest funds that are needed for short-term liquidity.
13. **Money Market Funds.** Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision these companies will either:
- a. Attain the highest ranking letter or numerical rating provided by not less than two of the three largest NRSRO or
  - b. Have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds and with assets under management in excess of \$500,000,000.

No more than 20% of the City's portfolio may be invested in money market funds.



14. **Local Government Investment Pools (LGIPs).** Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q) of Government Code Section 53601, inclusive. Each share will represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares will have retained an investment adviser that meets all of the following criteria:
- a. The adviser is registered or exempt from registration with the Securities and Exchange Commission.
  - b. The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q) California Government Code Section 53601, inclusive.
  - c. The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).
15. **Supranationals.** United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision must be ~~rated~~ inrated in a rating category of "AA," its equivalent or better by a NRSRO. No more than 30% of the City's portfolio may be invested in supranationals.
16. **Asset-Backed Securities (ABS).** Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-back certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum remaining maturity of five years or lessmaturity. Eligible securities must be rated, by a NRSRO, in a rating category of "AA," its equivalent or higher, ~~and the issuer of the security must be rated in a rating category of "A," its equivalent or higher for its debt as provided by a NRSRO~~. No more than 20% of the City's portfolio may be invested in ABS.

## 9. Prohibited Investments

Investments not described herein, including but not limited to stocks, inverse floaters, range notes, mortgage-derived, interest-only strips, or any security that could result in zero interest accrual if held to maturity are prohibited for purchased by the City. The City will not leverage or borrow money for the purpose of investing.

## 10. Local Investment

The City will strive to make investments that benefit the local area. Placing monies in local commercial banks is one method of promoting this goal. Deposits may be placed with local commercial banks up to the amount insured by the FDIC.

**11. Non Discrimination**

The City has an obligation to be aware of the social and political impacts of its investments and to act responsibly in making its investment decisions. The City will not knowingly make any investments in any institution, company, corporation, subsidiary or affiliate that practices or supports directly or indirectly through its actions, discrimination on the basis of race, religion, color, creed, national or ethnic origin, age, sex, sexual preference, or physical disability.

**12. Review of Investment Portfolio**

California Government Code requires compliance be measured only at the time of purchase. Balance fluctuations can cause sector and issuer percentages to rise above the limits described above and changes in the financial environment can cause ratings to fall below minimum requirements. While these situations do not constitute non-compliance, the City Treasurer will monitor for these situations and decide whether they warrant making changes to the portfolio. Instances of non-compliance will be reported to the City Council at least quarterly, if any arise.

**13. Investment Pools**

The City will complete due diligence for any pooled investments the City invests in. The City Treasurer will collect and evaluate the following information for each pool/fund:

- Permitted investments and objectives
- Description of interest calculations
- Method/frequency of interest distribution
- Treatment of gains and losses
- Method/frequency of audits
- Description of eligible investors
- Limits/minimum account sizes, type of assets, transaction sizes, and number of transactions
- Limits on withdrawals
- Frequency of statements and reporting of underlying investments
- Reserves or retained earnings
- Fee schedules

**14. Collateralization**

Collateralization is required for deposits. Deposits must be collateralized as specified under Government Code Section 53630, et seq. The City, at its discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance. Funds may be deposited in active or inactive accounts, but may not exceed the total paid-up capital and surplus in any depository.



**15. Safekeeping and Custody**

All deliverable securities owned by the City, will be kept in safekeeping/custody by a third-party bank's trust department. All trades of marketable securities will be executed (cleared and settled) on a delivery vs. payment (DVP) basis to ensure that securities are deposited in the City's safekeeping/custody bank prior to the release of funds.

**16. Maximum Maturities**

Maturities will be based on a review of cash flow forecasts. Maturities will be scheduled to permit the City to meet all projected obligations.

The City may not invest in a security that exceeds five years from the date of purchase unless the City Council has provided at least 90 days prior approval for a specific purpose.

**17. Internal Controls**

The City Treasurer will establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

**18. Performance Standards**

The City Treasurer will establish a performance benchmark consistent with the City's investment strategy and supportive of the City's investment objectives.

**19. Reporting Requirements**

The City Treasurer will render a quarterly report to the City Council and City Manager within 30 days following the end of the quarter covered. The report will include at least:

- List of all investments owned by the City
- List transactions as required by California Government Code 53607 when City Council has delegated authority
- Investment type
- Issuer
- Maturity date
- Total par and dollar amount invested
- Description of any funds, investments, or programs managed by an advisor or other outside party
- Market value of the investment portfolio as of the date of the report, and the source of this valuation
- Statement as to whether the City's investments comply with the Investment Policy, and if not, why not
- Statement denoting the ability of the City to meet its expenditure requirements for the next six months

## **20. Investment Policy Adoption**

The City's Investment Policy will be adopted by resolution of the City Council. The Policy will be reviewed annually by the City Council and any modifications made thereto must be approved by the Council.

## **21. Glossary**

See attached Appendix A.

## **APPENDIX A**

### **GLOSSARY**

**AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.

**BENCHMARK:** A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**BROKER:** A broker brings buyers and sellers together for a commission.

**CERTIFICATE OF DEPOSIT (CD):** A deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.

**COLLATERAL:** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):** The official annual report of the City. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DELIVERY VERSUS PAYMENT:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**DURATION:** A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$250,000 per entity.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**PORTFOLIO:** Collection of securities held by an investor.

## APPENDIX A

**PRIMARY DEALER:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SEC RULE 15(C)3-1:** See Uniform Net Capital Rule.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

# City of Santa Fe Springs

## Investment Policy

June 27, 2019

### 1. Policy

The intent of the Investment Policy of City of Santa Fe Springs is to define the parameters within which funds are to be managed. In methods, procedures and practices, the policy formalizes the framework for the City's investment activities that must be exercised to ensure effective and judicious fiscal and investment management of the City's funds. The guidelines are intended to be broad enough to allow the investment officer to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

The City will invest its funds in such a manner as to comply with applicable state laws (California Government Code Section 53600, et seq. and 53630, et seq.), ensure prudent money management, provide for daily cash flow needs, and meet the City's investment objectives.

### 2. Scope

The Investment Policy applies to all funds and investment activities of the City except for the investment of bond proceeds, which are governed by the appropriate bond documents, and any pension or other post-employment benefit funds held in a trust that has a separate investment policy.

Except for funds in certain restricted and special funds, the City commingles its funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration.

### 3. Prudence

The standard of prudence to be used by those authorized to invest on behalf of the City will be the "prudent investor" standard and will be applied in the context of managing an overall portfolio. The "prudent investor" standard states that:

*"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."*

### 4. Objectives

The primary objectives, in priority order, of the investment activities of the City are:

1. **Safety** — Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.
2. **Liquidity** — The investment portfolio will remain sufficiently liquid to enable the City to meet its cash flow requirements.
3. **Return on Investment** — The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration with the investment risk constraints of safety and liquidity needs.

## **5. Delegation of Authority**

The City Council's management responsibility for the investment program is hereby delegated for a one-year period to the City Treasurer. Subject to review, the City Council may renew the delegation of authority pursuant to this section each year. The City Treasurer, and the Treasurer's designees, will monitor and review all investments for consistency with this Investment Policy. The City Treasurer may delegate day-to-day investment decision making and execution authority to an investment advisor. Eligible investment advisors must be registered with the Securities and Exchange Commission (SEC) under the Investment Advisors Act of 1940. The advisor will follow the Policy and such other written instructions as are provided.

## **6. Ethics and Conflict of Interest**

Officers and employees involved in the investment process will refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions. Employees and investment officials will disclose to the City Manager any material financial interests in financial institutions that conduct business within their jurisdiction, and they will further disclose any large personal financial/investment positions that could be related to the performance of the City's portfolio.

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The City Treasurer will investigate all institutions that wish to do business with the City, in order to determine if they are adequately capitalized, make markets in securities appropriate to the City's needs, and agree to abide by the conditions set forth in the City's Investment Policy and any other guidelines that may be provided. This

will be done annually by having the financial institutions submit in writing that they have read and will abide by the City's Investment Policy and submit its most recent audited Financial Statement within 120 days of the institution's fiscal year end.

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  - a. The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars (\$500,000,000). (iii) Has debt other than commercial paper, if any, that is rated in a rating category of "A," its equivalent or higher by a NRSRO.
  - b. The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated in a rating category of "A-1," its equivalent or higher, or the equivalent, by a NRSRO.

Eligible commercial paper will have a maximum maturity of 270 days or less. No more than 25% of the City's portfolio may be invested in commercial paper. The City may purchase no more than 10% of the outstanding commercial paper of any single issuer.

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The maturity of TCDs may not exceed three years. No more than 30% of the City's portfolio may be invested in TCDs.



9. **Deposit Placement Services.** The City may invest a portion of its portfolio in deposits at a commercial bank, savings bank, savings and loan association, or credit union in the State of California (the selected depository) that uses a private sector entity that assists in the placement of deposits in the United States. The full amount of each deposit placed and the interest that may accrue on each such deposit will at all times be insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration. Additional required criteria for this investment type can be found in California Government Code Section 53601.8.

If the City also uses a negotiable CDs, the 30% limit applies to the combined total invested in negotiable CDs and with deposit placement services. No more than 10% of the City's portfolio may be invested with any one selected depository for placement services.

The City will monitor the financial institutions selected by deposit placement services to ensure that the City does not deposit more than the amount eligible for FDIC insurance in a single financial institution through non-negotiable CDs and deposit placement services. California Government Code Section 53601.8 expires January 1, 2017 unless legislation is enacted to extend the expiration date.

10. **Negotiable Certificates of Deposit.** Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally- or state-licensed branch of a foreign bank. Eligible negotiable CDs with maturities in excess of one year must be rated in a rating category of "A," its equivalent, or better by a NRSRO. Eligible negotiable CDs with maturities under one year must be rated in a rating category of "A-1," its equivalent, or better by a NRSRO. No more than 30% of the City's investment portfolio may be invested in negotiable CDs. If the City also uses a deposit placement service, the 30% limit applies to the combined total invested in negotiable CDs and with deposit placement services.
11. **State of California's Local Agency Investment Fund (LAIF).** The State Treasurer established LAIF for the benefit of local agencies. The City can invest up to the maximum amount permitted by the State Treasurer.
12. **Los Angeles County Pooled Fund.** The Los Angeles County Treasurer manages a Pooled Fund, in which the City can invest funds that are needed for short-term liquidity.
13. **Money Market Funds.** Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision these companies will either:
- a. Attain the highest ranking letter or numerical rating provided by not less than two of the three largest NRSRO or
  - b. Have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds and with assets under management in excess of \$500,000,000.

No more than 20% of the City's portfolio may be invested in money market funds.

14. **Local Government Investment Pools (LGIPs).** Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q) of Government Code Section 53601, inclusive. Each share will represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares will have retained an investment adviser that meets all of the following criteria:
- a. The adviser is registered or exempt from registration with the Securities and Exchange Commission.
  - b. The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q) California Government Code Section 53601, inclusive.
  - c. The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).
15. **Supranationals.** United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision must be rated in a rating category of "AA," its equivalent or better by a NRSRO. No more than 30% of the City's portfolio may be invested in supranationals.
16. **Asset-Backed Securities (ABS).** Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-back certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum remaining maturity of five years or less. Eligible securities must be rated, by a NRSRO, in a rating category of "AA," its equivalent or higher. No more than 20% of the City's portfolio may be invested in ABS.

## 9. Prohibited Investments

Investments not described herein, including but not limited to stocks, inverse floaters, range notes, mortgage-derived, interest-only strips, or any security that could result in zero interest accrual if held to maturity are prohibited for purchased by the City. The City will not leverage or borrow money for the purpose of investing.

## 10. Local Investment

The City will strive to make investments that benefit the local area. Placing monies in local commercial banks is one method of promoting this goal. Deposits may be placed with local commercial banks up to the amount insured by the FDIC.

**11. Non Discrimination**

The City has an obligation to be aware of the social and political impacts of its investments and to act responsibly in making its investment decisions. The City will not knowingly make any investments in any institution, company, corporation, subsidiary or affiliate that practices or supports directly or indirectly through its actions, discrimination on the basis of race, religion, color, creed, national or ethnic origin, age, sex, sexual preference, or physical disability.

**12. Review of Investment Portfolio**

California Government Code requires compliance be measured only at the time of purchase. Balance fluctuations can cause sector and issuer percentages to rise above the limits described above and changes in the financial environment can cause ratings to fall below minimum requirements. While these situations do not constitute non-compliance, the City Treasurer will monitor for these situations and decide whether they warrant making changes to the portfolio. Instances of non-compliance will be reported to the City Council at least quarterly, if any arise.

**13. Investment Pools**

The City will complete due diligence for any pooled investments the City invests in. The City Treasurer will collect and evaluate the following information for each pool/fund:

- Permitted investments and objectives
- Description of interest calculations
- Method/frequency of interest distribution
- Treatment of gains and losses
- Method/frequency of audits
- Description of eligible investors
- Limits/minimum account sizes, type of assets, transaction sizes, and number of transactions
- Limits on withdrawals
- Frequency of statements and reporting of underlying investments
- Reserves or retained earnings
- Fee schedules

**14. Collateralization**

Collateralization is required for deposits. Deposits must be collateralized as specified under Government Code Section 53630, et seq. The City, at its discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance. Funds may be deposited in active or inactive accounts, but may not exceed the total paid-up capital and surplus in any depository.

**15. Safekeeping and Custody**

All deliverable securities owned by the City, will be kept in safekeeping/custody by a third-party bank's trust department. All trades of marketable securities will be executed (cleared and settled) on a delivery vs. payment (DVP) basis to ensure that securities are deposited in the City's safekeeping/custody bank prior to the release of funds.

**16. Maximum Maturities**

Maturities will be based on a review of cash flow forecasts. Maturities will be scheduled to permit the City to meet all projected obligations.

The City may not invest in a security that exceeds five years from the date of purchase unless the City Council has provided at least 90 days prior approval for a specific purpose.

**17. Internal Controls**

The City Treasurer will establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

**18. Performance Standards**

The City Treasurer will establish a performance benchmark consistent with the City's investment strategy and supportive of the City's investment objectives.

**19. Reporting Requirements**

The City Treasurer will render a quarterly report to the City Council and City Manager within 30 days following the end of the quarter covered. The report will include at least:

- List of all investments owned by the City
- List transactions as required by California Government Code 53607 when City Council has delegated authority
- Investment type
- Issuer
- Maturity date
- Total par and dollar amount invested
- Description of any funds, investments, or programs managed by an advisor or other outside party
- Market value of the investment portfolio as of the date of the report, and the source of this valuation
- Statement as to whether the City's investments comply with the Investment Policy, and if not, why not
- Statement denoting the ability of the City to meet its expenditure requirements for the next six months

**20. Investment Policy Adoption**

The City's Investment Policy will be adopted by resolution of the City Council. The Policy will be reviewed annually by the City Council and any modifications made thereto must be approved by the Council.

**21. Glossary**

See attached Appendix A.

## **APPENDIX A GLOSSARY**

**AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.

**BENCHMARK:** A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**BROKER:** A broker brings buyers and sellers together for a commission.

**CERTIFICATE OF DEPOSIT (CD):** A deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.

**COLLATERAL:** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):** The official annual report of the City. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DELIVERY VERSUS PAYMENT:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**DURATION:** A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$250,000 per entity.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**PORTFOLIO:** Collection of securities held by an investor.

## APPENDIX A

**PRIMARY DEALER:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SEC RULE 15(C)3-1:** See Uniform Net Capital Rule.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.



June 19, 2019

## Memorandum

To: Travis Hickey, Director of Finance & Administrative Services  
*City of Santa Fe Springs*

From: Sarah Meacham, Managing Director  
Richard Babbe, Senior Managing Consultant  
*PFM Asset Management LLC*

Re: 2019 Investment Policy Review

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We reviewed the City of Santa Fe Springs's (the "City") Investment Policy (the "Policy") as part of the City's annual review process. As written, the Policy is comprehensive and in compliance with the California Government Code (the "Code") sections that govern the investment of public funds. We are, however, recommending City update its Policy to incorporate a recent Code change. Our recommendation is summarized below. In addition, we have attached a marked-up version of the Policy to illustrate our recommendation.

### **Section 16. Asset-Backed Securities**

AB 1770, which took effect on January 1, 2019, clarified the Code's requirements for the purchase of asset-backed securities in two respects: 1) the bill revised the wording of the maturity limit to require that securities have a maximum remaining maturity of 5 years or less rather than a maximum maturity of five years. This change simply brings the maximum maturity description in line with how maturity limits are generally worded in the Code, but it doesn't change the effective maturity limit for this security type. 2) The bill eliminated the requirement that the issuer of the securities be rated "A" or better. We believe the removal of the issuer rating criteria makes sense, since the issuers of ABS are typically organized as trusts that do not have standalone issuer ratings. The minimum "AA" issue rating remains, which is an important risk management criteria. These changes are mainly technical in nature and do not change the particular securities that can be purchased by the City.

Please let us know if you have any questions or if you would like to discuss our recommendations in more detail.





## **NEW BUSINESS**

Approve an Independent Audit Services Agreement with Lance, Soll & Lunghard, LLP for Fiscal Year 2018-19

### **RECOMMENDATION**

Authorize the Mayor to execute a professional services agreement with the firm of Lance, Soll & Lunghard, LLP ("LSL") to perform the City's annual independent financial audit for Fiscal Year 2018-19.

### **BACKGROUND**

In 2014 the City issued a Request for Proposals ("RFP") for qualified independent Certified Public Accounting firms to provide annual audit services. The RFP was issued for several reasons, including: (1) industry best practices, (2) recent state legislation requiring firm or partner rotation every six years, and (3) a Los Angeles County Grand Jury report recommending a regular bidding process for the procurement of independent audit services for all cities in Los Angeles County. The City's prior audit firm, Macias Gini O'Connell, LLP ("MGO"), had performed the prior annual audits for six years after taking over the City's contract from a firm that had performed the audit for approximately two decades.

The contract was awarded to Lance, Soll & Lunghard, LLP ("LSL"), an experienced, highly qualified firm specializing in audits of California cities. The original contract consisted of a three-year term with two one-year options (fiscal years 2013-14 through 2017-18). LSL has effectively and efficiently performed the requested services for the City in a timely manner. As noted above, best practices and Government Code Section 12410.6(b) requires audit firm or partner rotation every six years. Based on past satisfactory performance, timing of the audit, and the level of effort required for an RFP process, staff recommends extending the current contract for one additional year to include fiscal year 2018-19. Staff anticipates commencing an RFP process in January 2020 for future audits. A proposal was received from LSL with terms and pricing consistent with fiscal year 2017-18.

The scope of the annual independent audit services includes the following:

- Audit of the City's Comprehensive Annual Financial Report (CAFR)
- Audit of the City's Federal award programs (Single Audit)
- Review of the annual GANN Appropriations Limit calculation
- Preparation of the annual State Controller's Report of Financial Transactions

The audits and other services are to be performed in accordance with various requirements including Generally Accepted Government Auditing Standards ("GAGAS"), the Office of Management and Budget ("OMB") Uniform Guidelines



## ***City of Santa Fe Springs***

City Council Meeting

June 27, 2019

(applicable for federal award programs). If approved, the audit is anticipated to be conducted during July through November 2019 with the audit report issuance expected in December 2019.

### **AUDIT FEES**

The proposed annual audit fee totals \$72,480 and includes the following:

Comprehensive Annual Financial Report	\$59,390
Single Audit	8,830
Appropriations Limit	490
State Controller's Reports	<u>3,770</u>
Total	\$72,480

### **FISCAL IMPACT**

The proposed cost for the comprehensive audit services (detailed above) is budgeted within various activities in the City budget including, City Council, Finance, and Successor Agency.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz  
City Manager

### **Attachment(s):**

1. Professional Services Agreement, including LSL proposal

**CITY OF SANTA FE SPRINGS  
PROFESSIONAL SERVICES AGREEMENT  
WITH LANCE, SOLL & LUNGHARD, LLP**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 27<sup>th</sup> day of June, 2019 ("Effective Date"), by and between the City of Santa Fe Springs, a California municipal corporation ("City"), and Lance, Soll & Lunghard, LLP ("Consultant").

**WITNESSETH:**

WHEREAS, City proposes to utilize the services of Consultant to perform the independent annual financial audit more particularly described in Exhibit "A"; and

WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

WHEREAS, City and Consultant desire to contract for the specific services described in Exhibit "A" (the "Project") and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

WHEREAS, no official or employee of City has a financial interest, within the provisions of sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

**1.0. SERVICES PROVIDED BY CONSULTANT**

1.1. Scope of Services. Consultant shall provide the professional services described in Consultant's Proposal ("Consultant's Proposal"), attached hereto as Exhibit "A."

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Consultant's performance of this Agreement.

1.3. Performance to Satisfaction of City. Consultant agrees to perform all the work to the complete satisfaction of the City and within the hereinafter specified. Evaluations of the work will be done by the City Manager or his or her designee. If the quality of work is not satisfactory, City in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or

(c) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless City from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against City for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5. Non-Discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military or veteran status, except as permitted pursuant to section 12940 of the Government Code.

1.6. Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of City. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of City. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

## **2.0. COMPENSATION AND BILLING**

2.1. Compensation. Consultant shall be paid for the services provide herein pursuant to the fee schedule set forth in Exhibit "A." The Compensation shall include all expenses incurred by Consultant in providing services under this Agreement.

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal unless the City or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.



2.3. Method of Billing. Consultant may submit invoices to the City for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to City's sole satisfaction. City shall pay Consultant's invoice within thirty (30) days from the date City receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City or its Project Manager for inspection and/or audit at mutually convenient times from the Effective Date until three (3) years after termination of this Agreement.

### **3.0. TIME OF PERFORMANCE**

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

### **4.0. TERM AND TERMINATION**

4.1. Term. This Agreement shall commence on the Effective Date and continue until the services required herein are completed.

4.2. Notice of Termination. The City reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the City.

4.3. Compensation. In the event of termination, City shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of City's written notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the City or in the possession of the Consultant.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings,

maps and reports, shall be delivered to the City within ten (10) days of delivery of termination notice to Consultant, at no cost to City. Any use of uncompleted documents without specific written authorization from Consultant shall be at City's sole risk and without liability or legal expense to Consultant.

## 5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by City:

- (a) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.
- (b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
- (c) Workers' compensation insurance as required by the State of California. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City, its officers, agents, employees, and volunteers arising from work performed by Consultant for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.
- (d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "The City of Santa Fe Springs and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the City; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased,

hired, or borrowed by the Consultant.”

- (b) Notice: “Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to City.”
- (c) Other insurance: “The Consultant’s insurance coverage shall be primary insurance as respects the City of Santa Fe Springs, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Santa Fe Springs shall be excess and not contributing with the insurance provided by this policy.”
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Santa Fe Springs, its officers, officials, agents, employees, and volunteers.
- (e) The Consultant’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.

5.3. Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance. Consultant shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement. The certificates of insurance shall be attached hereto as Exhibit “B” and incorporated herein by this reference.

5.5. Non-Limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

## **6.0. GENERAL PROVISIONS**

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. The City Manager or his or her designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the City, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of  
Lance, Soll & Lunghard, LLP June 27, 2019

Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. City shall designate a Project Manager to work directly with Consultant in the performance of this Agreement.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement. Consultant or its Project Manager shall attend and assist in all coordination meetings called by City.

6.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: (a) at the time of delivery if such communication is sent by personal delivery, and (b) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

Lance, Soll & Lunghard, LLP  
203 N. Brea Blvd., Suite 203  
Brea, CA 92821

Tel: (714) 672-0022  
Attn: Richard Kikuchi, Partner

IF TO CITY:

City of Santa Fe Springs  
11710 E. Telegraph Road  
Santa Fe Springs, CA 90670

Tel: (562) 868-0511  
Attn: Ray Cruz, City Manager

Courtesy copy to:

City of Santa Fe Springs  
11710 E. Telegraph Road  
Santa Fe Springs, CA 90670  
Attn: Finance Director

6.5. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.6. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Los Angeles, California.

6.7. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without City's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of City's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant



hereunder for the term of this Agreement.

6.8. Indemnification and Hold Harmless. Consultant agrees to defend, indemnify, hold free and harmless the City, its elected officials, officers, agents and employees, at Consultant's sole expense, from and against any and all claims, actions, suits or other legal proceedings brought against the City, its elected officials, officers, agents and employees arising out of the performance by the Consultant, its employees, and/or authorized subcontractors pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the Consultant, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the Consultant, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the City, its elected officials, officers, agents and employees based upon the work performed by the Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Consultant shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City. This provision shall supersede and replace all other indemnity provisions contained either in the City's specifications or Consultant's Proposal, which shall be of no force and effect.

6.9. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of City. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this paragraph.

6.10. PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors  
Lance, Soll & Lunghard, LLP June 27, 2019

providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.11. Cooperation. In the event any claim or action is brought against City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which City might require.

6.12. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of City and without liability or legal exposure to Consultant. City shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to City any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City.

6.13. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, pursuant to this Agreement and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code section 6250 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code section 6254.7, and of which Consultant informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

6.14. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code sections 81000, *et seq.*) and Government Code section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.15. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design

drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

6.16. Prohibited Employment. Consultant will not employ any regular employee of City while this Agreement is in effect.

6.17. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.18. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.19. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.20. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.21. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.22. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.23. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.24. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially

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impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.26. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

**CONSULTANT**

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Richard Kikuchi, Partner

\_\_\_\_\_  
Social Security or Taxpayer ID Number

**CITY OF SANTA FE SPRINGS**

\_\_\_\_\_  
Juanita Trujillo, Mayor

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Janet Martinez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Ivy M. Tsai, City Attorney

Date: \_\_\_\_\_

**EXHIBIT A**

**CONSULTANT'S PROPOSAL**

**EXHIBIT B**

**CERTIFICATES OF INSURANCE**



June 19, 2019

Travis Hickey  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670

Lance, Soll & Lunghard, LLP ("LSL CPAs and Advisors") is pleased to confirm our understanding of the services we are to provide the City of Santa Fe Springs for the fiscal year ended June 30, 2019. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of City of Santa Fe Springs as of and for the fiscal year ended June 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Santa Fe Springs' basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to City of Santa Fe Springs' RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

FINANCIAL STATEMENT:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison Schedules for General Fund and Major Special Revenue Funds
- 3) Pension required supplementary schedules
- 4) OPEB required supplementary schedules

We have also been engaged to report on supplementary information other than RSI that accompanies City of Santa Fe Springs' financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:



**FINANCIAL STATEMENT:**

- 1) Combining individual nonmajor fund statements
- 2) Combining individual nonmajor budgetary schedules

**SINGLE AUDIT:**

- 1) Schedule of expenditures of federal awards.

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

**FINANCIAL STATEMENT:**

- 1) Introductory Section
- 2) Statistical Section

**SINGLE AUDIT:**

- 1) Corrective Action Plan (if applicable)

**AUDIT OBJECTIVE**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.





Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to governing board of City of Santa Fe Springs. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

#### **AUDIT PROCEDURES - GENERAL**

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories, if material on a rotational basis, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.



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## **AUDIT PROCEDURES—INTERNAL CONTROL**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

## **AUDIT PROCEDURES—COMPLIANCE**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of City of Santa Fe Spring's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of City of Santa Fe Spring's major programs. The purpose of these procedures will be to express an opinion on City of Santa Fe Spring's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

## **OTHER SERVICES**

### *Preparation of financial statements and single audit report*

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City of Santa Fe Springs in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.



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City of Santa Fe Springs

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## **AGREED UPON PROCEDURES**

We will perform agreed upon procedures for the City of Santa Fe Springs' Appropriations Limit. These written procedures are attached in **Exhibit A**.

## **PREPARATION ENGAGEMENT**

We have also been engaged to prepare the City of Santa Fe Springs' Financial Transactions Report, the Special District of Santa Fe Springs Public Financing Authority's Financial Transactions Report, and the Special District of Santa Fe Springs Water Utility Authority's Financial Transactions Report on a regulatory basis in the form prescribed by the California State Controller.

The preparation of these reports will be conducted in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

## **COMPLIANCE AUDIT**

The Report on Compliance for the Housing Successor will be audited for compliance with the type of compliance requirements described in the California Health and Safety Code sections applicable to California Housing Successor Agencies. We will issue a report on excess/surplus calculation which is presented for purposes of additional analysis only and is not required part of the financial statements.

## **MANAGEMENT RESPONSIBILITIES**

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.



Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan on the City of Santa Fe Spring's letterhead. The summary schedule of prior audit findings should be available for our review on the first day of our schedule visit for the Single Audit.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies



of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

The City of Santa Fe Springs may wish to include or incorporate by reference our audit report on the financial statements in a private offering or SEC filing by another party. You agree not to include our audit report or make any reference to our firm without obtaining our prior written consent. Additional services may be required prior to providing such consent related to a private or public offering of securities, or inclusion in an SEC filing. Such services will be undertaken as a separate engagement at an additional fee.

#### **TIMING OF THE ENGAGEMENT**

We expect to begin our audit as previously agreed to by management. Richard Kikuchi is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. To ensure that Lance, Soll, and Lunghard LLP's independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.



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## **ENGAGEMENT ADMINISTRATION, FEES, AND OTHER**

Our fees for the City Audit, Single Audit, GANN Limit Procedures, and State Controllers Report are as follows: \$59,390, \$8,830, \$490, and \$3,770, respectively. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

*Government Auditing Standards* require audit organizations to provide a copy of their most recent external peer review report and any subsequent review reports during the period of the contract. Our 2016 peer review accompanies this letter.

Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

If any portion of this Agreement is deemed invalid or unenforceable, said findings shall not operate to invalidate the remainder of the terms set forth in this Agreement.

Billing and Payment Terms -- We will bill you for our professional fees each month as work progresses. Payment is due within 30 days of the invoice date.

We reserve the right to suspend or terminate our work for non-payment of fees. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and will not be resumed until your account is paid in full. If our work is suspended or terminated, you agree that we will not be responsible for your failure to meet governmental and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any other damages (including but not limited to consequential, indirect, lost profits, or punitive damages) incurred as a result of the suspension or termination of our services.

Electronic Data Communication and Storage -- In the interest of facilitating our services to you, we may send data over the Internet, or store electronic data via computer software applications hosted remotely on the Internet or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and electronic data secure in accordance with our obligations under applicable laws, regulations, and professional standards.



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Third Party Service Providers or Subcontractors -- In the interest of enhancing our availability to meet your professional service needs while maintaining service quality and timeliness, we may use a third-party service provider to assist us. We require our third-party service providers have established procedures and controls designed to protect client confidentiality and maintain data security. As the paid provider of professional services, our firm remains responsible for exercising reasonable care in providing such services, and our work product will be subjected to our firm's customary quality control procedures. By accepting the terms and conditions of our engagement, you are providing your consent and allow us to disclose your confidential information to a third-party service provider, if such disclosure is necessary to deliver professional service or provide support services to our firm.

Independent Contractor -- When providing services to your company, we will be functioning as an independent contractor and in no event will we or any of our employees be an officer of you, nor will our relationship be that of joint ventures, partners, employer and employee, principal and agent, or any similar relationship giving rise to a fiduciary duty to you.

Firm Associations -- The firm is a member of PrimeGlobal, a global association of independent accounting firms. No PrimeGlobal member firm is an agent or partner of the association or of any other member firm. No PrimeGlobal member firm has the authority to enter into any legal obligations on behalf of the association or any other member firm. If the firm introduces you to another PrimeGlobal member firm, this firm specifically denies any liability for any work performed by that firm. You should make your own contractual arrangements with that firm for work that they perform. The fact that you may have been introduced to us by another PrimeGlobal member firm does not make that firm, its partners or its employees responsible for any of our acts or omissions.

The firm is not the agent or partner of PrimeGlobal or any other member firm and does not have the authority to enter into legal obligations on behalf of either the association or any other member firm thereof. You agree that this firm has the sole liability for any work performed under this engagement and you undertake not to make any claim or bring any proceedings against either PrimeGlobal or any other member of PrimeGlobal in relation to work covered by this engagement.

## **RECORDS MANAGEMENT**

### Record Retention and Ownership

We will return all of your original records and documents provided to us at the conclusion of the engagement. Your records are the primary records for your operations and comprise the backup and support for your work product. Our copies of your records and documents are not a substitute for your own records and do not mitigate your record retention obligations under any applicable laws or regulations.

Workpapers and other documents created by us are our property and will remain in our control. Copies are not to be distributed without your written request and our prior written consent. Our workpapers will be maintained by us in accordance with our firm's record retention policy and any applicable legal and regulatory requirements. A copy of our record retention policy is available upon request.



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Our firm destroys workpaper files after a period of seven (7) years from the completion of the engagement.

#### Working Paper Access Requests by Regulators and Others

State, federal and foreign regulators may request access to or copies of certain workpapers pursuant to applicable legal or regulatory requirements. Requests also may arise with respect to peer review, an ethics investigation, or the sale of our accounting practice. If requested, access to such workpapers will be provided under the supervision of firm personnel. Regulators may request copies of selected workpapers to distribute the copies or information contained therein to others, including other governmental agencies.

If we receive a request for copies of selected workpapers, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such request as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit the disclosure of information. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests.

#### Summons or Subpoenas

All information you provide to us in connection with this engagement will be maintained by us on a strictly confidential basis.

If we receive a summons or subpoena which our legal counsel determines requires us to produce documents from this engagement or testify about this engagement, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such summons or subpoena as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit discovery. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests.

Disclaimer of Legal and Investment Advice -- Our services under this letter do not constitute legal or investment advice unless specifically agreed to in this Letter. We recommend that you retain legal counsel and investment advisors to provide such advice.





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Brokerage or Investment Advisory Statements -- If you provide our firm with copies of brokerage (or investment advisory) statements and/or read-only access to your accounts, we will use the information solely for the purpose described in this engagement letter. We will rely on the accuracy of the information provided in the statements and will not undertake any action to verify this information. We will not monitor transactions, investment activity, provide investment advice, or supervise the actions of the entity or individuals entering into transactions or investment activities on your behalf. We recommend you receive and carefully review all statements upon receipt and direct any questions regarding account activity to your banker, broker or investment advisor.

Federally Authorized Practitioner –Client Privilege -- Internal Revenue Code §7525, *Confidentiality Privileges Related to Taxpayer Communication*, provides a limited confidentiality privilege applying to tax advice embodied in taxpayer communications with federally authorized tax practitioners in certain limited situations.

This privilege is limited in several important respects. For example, this privilege does not apply to your records, state tax issues, state tax proceedings, private civil litigation proceedings, or criminal proceedings.

While we will cooperate with you with respect to the privilege, asserting the privilege is your responsibility. Inadvertent disclosure of otherwise privileged information may result in a waiver of the privilege. Please contact us immediately if you have any questions or need further information about this federally authorized practitioner-client privilege.

Limitations on Oral and Email Communications -- We may discuss with you our views regarding the treatment of certain items or decisions you may face. We may also provide you with information in an email. Any advice or information delivered orally or in an email (rather than through a memorandum delivered as an email attachment) will be based upon limited research and a limited discussion and analysis of the underlying facts. Additional research or a more complete review of the facts may affect our analysis and conclusions.

Due to these limitations and the related risks, it may or may not be appropriate to proceed with any decision solely on the basis of any oral or email communication. You accept all responsibility, except to the extent caused by the gross negligence or willful misconduct of LSL CPAs and Advisors, for any loss, cost or expense resulting from your decision (i) not to have us perform the research and analysis necessary to reach a more definitive conclusion and (ii) to instead rely on an oral or email communication. The limitation in this paragraph will not apply to an item of written advice that is a deliverable of a separate engagement. If you wish to engage us to provide formal advice on a matter on which we have communicated orally or by email, we will confirm this in a separate engagement letter.

Management Responsibilities -- While we can provide assistance and recommendations, you are responsible for management decisions and functions, and for designating an individual with suitable skill, knowledge or experience to oversee any services that we provide. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services. You are ultimately responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

Conflicts of Interest -- If we, in our sole discretion, believe a conflict has arisen affecting our ability to deliver services to you in accordance with either the ethical standards of our firm or the ethical standards of our profession, we may be required to suspend or terminate our services without issuing our work product



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Indemnification -- You agree to hold LSL CPAs and Advisors harmless from any and all claims which arise from knowing misrepresentations to us by your management, or the intentional withholding or concealment of information from us by your management. You also agree to indemnify us for any claims made against us by third parties, which arise from any of these actions by your management. The provisions of this paragraph shall apply regardless of the nature of the claim.

Proprietary Information -- You acknowledge that proprietary information, documents, materials, management techniques and other intellectual property we use are a material source of the services we perform and were developed prior to our association with you. Any new forms, software, documents or intellectual property we develop during this engagement for your use shall belong to us, and you shall have the limited right to use them solely within your business. All reports, templates, manuals, forms, checklists, questionnaires, letters, letters and other documents which we make available to you are confidential and proprietary to us. Neither you, nor any of your agents, will copy, electronically store, reproduce or make available to anyone other than your personnel, any such documents. This provision will apply to all materials whether in digital, "hard copy" format or other medium.

Termination and Withdrawal -- We reserve the right to withdraw from the engagement without completing services for any reason, including, but not limited to, your failure to comply with the terms of this letter or as we determine professional standards require. If our work is suspended or terminated, you agree that we will not be responsible for your failure to meet governmental and other deadlines, or for any liability, including but not limited to, penalties or interest that may be assessed against your resulting from your failure to meet such deadlines.

If this letter is terminated before services are completed, you agree to compensate us for the services performed and expenses incurred through the effective date of termination.

Assignment -- All parties acknowledge and agree that the terms and conditions of this Letter shall be binding upon and inure to the parties' successors and assigns, subject to applicable laws and regulations.

Severability -- If any portion of this Letter is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of the terms set forth in this Letter.

Code of Professional Conduct -- To ensure that our independence is not impaired under the AICPA *Code of Professional Conduct*, you agree to inform the engagement partner before entering in any substantive employment discussions with any of our personnel. In accordance with Section 50 of the Board of Accountancy Regulations for the State of California, this shall provide notice that Lance, Soll & Lunghard CPAs, Certified Public Accountants, is licensed by the California Board of Accountancy.



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We appreciate the opportunity to be of service to City of Santa Fe Springs and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

LANCE, SOLL & LUNGHARD, LLP

ACCEPTED:

This letter correctly sets forth the understanding of City of Santa Fe Springs:

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **EXHIBIT A**

### **APPROPRIATION'S LIMIT PROCEDURES**

1. We obtained the completed Worksheets No. 1 through No. 7 (or other alternative computations) and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of the City Council.
2. For the accompanying Appropriations Limit Worksheet No. 6, we multiplied line A, last year's limit, by line D, ratio of change, and agreed the resulting amount to line E, this year's limit.
3. We compared the current year information presented in the accompanying Appropriations Limit Worksheet No. 6 to the other worksheets described in No. 1 above.
4. We compared the prior year appropriations limit presented in the accompanying Appropriations Limit Worksheet No. 6 to the prior year appropriations limit adopted by the City Council for the prior year.



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Certified Public Accountants & Advisors  
Members of American Institute of Certified Public Accountants

## SYSTEM REVIEW REPORT

October 26, 2016

To the Partners of  
Lance, Soll & Lunghard, LLP  
and the Peer Review Committee of the California Society of CPA's:

We have reviewed the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP (the Firm) in effect for the year ended May 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The Firm is responsible for designing a system of quality control and complying with it to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included engagements performed under Government Auditing Standards and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP in effect for the year ended May 31, 2016 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Lance, Soll & Lunghard, LLP has received a peer review rating of *pass*.

*Sikich LLP*



## **NEW BUSINESS**

### First Amendment to the City Manager Employment Agreement

#### **RECOMMENDATION**

Authorize the Mayor to execute the First Amendment to the City Manager Employment Agreement which revises several of the terms of the aforementioned employment agreement.

#### **BACKGROUND**

The City and Raymond R. Cruz previously entered into a City Manager Employment Agreement for Mr. Cruz to serve as the City Manager of Santa Fe Springs effective on March 1, 2018. Pursuant to the terms of the agreement, the City Council recently conducted an annual performance evaluation and annual salary review of the City Manager. The City Council entered into negotiations with the City Manager concerning his Employment Agreement and the Attached First Amendment to the City Manager's Employment Agreement reflects the agreed-upon terms.

A summary of the revised terms of the City Manager's Employment Agreement that have been amended are as follows:

Term of Agreement: Has been extended for one additional year.

Salary: Salary of \$201,000.00 has been increased by three percent (3%) to \$207,030.00.

Incentive Pay: Eligible for physical fitness and educational incentive pay.

Deferred Compensation: Maximum City contribution of 1.5% has been increased to 3%.

Health Insurance/Retiree Health: Monthly benefit changed from a fixed amount to an amount subject to an annual cost of living adjustment consistent with the adjustment applied to Department Heads.

Life Insurance: Increased to be consistent with increased salary and incentive pay.

Short & Long Term Disability Insurance: City will not pay for Short Term Disability.

Vehicle Use: Mr. Cruz will receive the use of a City vehicle instead of a vehicle allowance.

Vacation: Annual vacation accrual is increased to 140 hours.

This is a general summary of the terms of the First Amendment with the specifics in more detail set forth in the attached amendment.

FISCAL IMPACT

The salary as set forth in the employment agreement is \$207,030.00 annually. The additional cost for the salary and benefits will be incorporated into the fiscal year 2019-20 approved budget.



Raymond R. Cruz  
City Manager

Attachment(s)

1. First Amendment to City Manager Employment Agreement
2. City Manager Employment Agreement

# **ATTACHMENT 1**



**CITY OF SANTA FE SPRINGS  
FIRST AMENDMENT TO  
CITY MANAGER EMPLOYMENT AGREEMENT**

This FIRST AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT ("First Amendment") is entered into on June 27, 2019, by and between the CITY OF SANTA FE SPRINGS, a California municipal corporation ("City") and RAYMOND R. CRUZ ("Cruz") an individual (sometimes collectively referred to herein as "the Parties").

**RECITALS**

**WHEREAS**, the City and Cruz entered into a City Manager Employment Agreement ("Agreement") for Cruz to serve as the City Manager of Santa Fe Springs effective March 1, 2018 ("Effective Date"); and

**WHEREAS**, pursuant to the terms of the Agreement, the City Council conducted an annual performance evaluation and annual salary review at the conclusion of Cruz's first year as City Manager; and

**WHEREAS**, as a part of the annual salary review, the City Council successfully negotiated with Cruz several amendments to the Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the parties hereto agree to amend the following sections of the Agreement as follows:

1. Section 1 (Term) of the Agreement is hereby amended to add one more year to the term of the agreement for a total of six (6) years from the Effective Date of the Agreement.

2. Subsection A. (Salary) of Section 3 (Compensation, Performance Objectives and Performance Evaluation) is hereby amended to increase the annual salary from \$201,000.00 to \$207,030.00, retroactive to March 1, 2019. In addition, Cruz shall be eligible for physical fitness incentive pay and educational incentive pay for having obtained a Master's degree; also retroactive to March 1, 2019.

3. Subsection F (Deferred Compensation) of Section 3 (Compensation, Performance Objectives and Performance Evaluation) is hereby amended to increase the maximum City contribution from 1.5% to 3%, retroactive to March 1, 2019.

4. Subsection C (Health Insurance) of Section 4 (Retirement and Health Benefits) is hereby amended to delete the specified dollar amount of \$1,458.75 and instead provide that Cruz shall receive a monthly benefit in an amount subject to an annual cost of living adjustment consistent with the adjustment applied to Department Heads.

5. Subsection D (Retiree Health) of Section 4 (Retirement and Health Benefits) is hereby amended to place Cruz's per monthly benefit from the specific dollar amount of \$1,458.75 to an

amount consistent with the Tier One level and that his benefits will continue to an end date consistent with that of all other City employees.

6. Subsection E (Life Insurance) of Section 4 (Retirement and Health Benefits) is hereby amended to the Life Insurance amount from \$201,000.00 to \$228,000.00 effective as soon as practicable after the date of this First Amendment.

7. Subsection F (Short & Long Term Disability Insurance) of Section 4 (Retirement and Health Benefits) is hereby amended to provide that the City will continue to pay \$100% of the premium for Long Term Disability Insurance to Cruz at the same amount as all other employees of the City, however the City will not pay for the premium for Short Term Disability. Cruz has the option to procure, and pay the premium for, Short Term Disability Insurance in the same manner as all other employees of the City.

8. Section 5 (Vehicle Use) shall be replaced in its entirety with the following:

Cruz's duties require him to be available and to respond to the demands of City business at all times and outside of regular business hours, including weekends. City agrees to provide Cruz with a City vehicle that is acceptable to both parties. The City shall pay for all expenses related to the operation of the vehicle, including but not limited to insurance, maintenance, repair, and gasoline consistent with the City's vehicle use policy. Cruz may use the vehicle for City and personal purposes; however Cruz may not take the vehicle out of the State of California. This provision shall be effective upon delivery of the agreed-upon vehicle to Cruz.

9. Subsection A (Vacation) of Section 6 (Paid Leave) is hereby amended to increase the accrual of vacation leave per year from one hundred twenty (120) hours to one hundred and forty (140) hours, retroactive to March 1, 2019.

**IN WITNESS WHEREOF**, the parties have caused this First Amendment to be executed on the dates reflected below each signature.

CITY OF SANTA FE SPRINGS

RAYMOND R. CRUZ

\_\_\_\_\_  
Juanita A. Trujillo, Mayor

\_\_\_\_\_  
Raymond R. Cruz

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Ivy M. Tsai, City Attorney

Dated: \_\_\_\_\_

# **ATTACHMENT 2**

**CITY OF SANTA FE SPRINGS  
CITY MANAGER EMPLOYMENT AGREEMENT**

This AT-WILL CITY MANAGER EMPLOYMENT AGREEMENT ("Agreement") is made effective as of March 1, 2018 ("Effective Date") and is entered into by and between the CITY OF SANTA FE SPRINGS, a California municipal corporation ("City") and RAYMOND R. CRUZ ("Cruz") an individual (sometimes collectively referred to herein as "the Parties").

**RECITALS**

**WHEREAS**, City Council of the City of Santa Fe Springs ("City Council") desires to hire Cruz as an at-will employee to serve in the position of City Manager for the City ("City Manager") as prescribed by state law and City Municipal Code; and

**WHEREAS**, the City Council desires to provide certain benefits, establish certain conditions of employment, and to set working conditions of City Manager; and

**WHEREAS**, the City desires to (1) secure and retain the services of Cruz; (2) have Cruz perform all of the regular functions of the City Manager pursuant to the codes and regulations of the City; (3) to provide inducement for him to remain in such employment, and (4) to make possible full work productivity by assuring Cruz's morale and peace of mind with respect to future security; and

**WHEREAS**, Cruz desires to perform and assume responsibility for the provisions of City Manager and accepts the offer of employment as City Manager made by the City; and

**WHEREAS**, the Parties wish to establish the terms and conditions of Cruz's provision of City Manager services to the City through this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

**1. Term**

Subject to City Council's right to terminate Cruz's employment at any time, as provided for in this Agreement, the term of this Agreement is five (5) years from the Effective Date. Unless City gives written notice of non-renewal to Cruz at least two (2) months prior to the expiration of the initial or any subsequent term, this Agreement shall automatically renew for an additional one year term. Such employment shall be on the terms hereinafter set forth.

**2. Duties and Authority**

City agrees to employ Cruz as City Manager to exercise the powers and authority and to perform the functions and duties specified in the Santa Fe Springs Municipal Code and all relevant resolutions, rules, regulations, procedures, applicable job description(s) and state codes. Cruz shall exercise such power and authority and perform such other functions and duties, not inconsistent with this Agreement, as City, by its City Council, may legally assign.

### **3. Compensation, Performance Objectives and Performance Evaluation**

A. Salary. City agrees to pay Cruz an annual salary of \$201,000.00 (two hundred and one thousand dollars) ("Salary"), subject to deductions and withholding of any and all sums required for federal or state income tax, pension contributions, and all other taxes, deductions or withholdings required by then current state, federal or local law, prorated and paid on the City's biweekly payroll cycle. In lieu of the lesser salary, Cruz waives the right to City incentive pay including physical fitness incentive pay and educational incentive pay for obtaining an advanced degree and/or Master's degree. Any adjustment to the Salary shall be at the discretion of the City Council.

B. Cost of Living Increase. City agrees to provide a cost of living adjustment in Cruz's base salary equal to and at the same time as other Department Heads of the City. In the event other Department Heads do not receive a uniform increase, the increase provided shall be equal to the average amount of the increase received by Department Heads (on a percentage basis). This increase will not include merit increases received by Department Heads, but only cost of living increases. The City Council reserves the right to defer or refuse any or all part of the cost of living adjustment if the Council determines that the fiscal state of the City warrants such action.

C. Annual Salary Review. City and Cruz agree to conduct an annual salary review concurrently with the annual performance evaluation. City, by its City Council, shall conduct an evaluation of Cruz's performance each year on or before February during the period in which this Agreement remains in effect, beginning with February 2019. Such annual salary review shall include consideration of those benefits afforded Cruz in this Agreement. Following the annual performance review, the City may increase Cruz's salary. Any action to approve an increase must be approved by a majority vote of the Council at a public meeting. The City Council and/or Cruz reserve the right to defer or refuse any or all part of any base salary adjustment if either party determines that the fiscal state of the City warrants such action.

D. City, by its City Council, and Cruz shall set mutually-agreed upon performance objectives for each year under this Agreement. Such performance objectives shall be agreed by the Parties as necessary for the proper operation of the City in the attainment of the City Council's policy objectives and shall further establish a relative priority among the agreed objectives. These objectives shall be reasonably attainable within the limitations of the City Council approved operating and capital budgets, authorized appropriations and staffing levels.

E. Effectuating Salary Adjustment. City and Cruz agree that the affirmative vote of three (3) members of Council shall be required to effectuate an increase in the salary paid to Cruz pursuant to this Agreement.

F. Deferred Compensation. City agrees that Cruz may, at his sole cost and expense, participate in City's Deferred Compensation Program. City further agrees that it shall match Cruz's contributions, if any, into City's Deferred Compensation Plan fifty-cents (\$00.50) for every dollar contributed by Cruz up to a maximum of 1.5% of Cruz's salary.

G. Other Compensation. Cruz is not eligible for overtime pay, compensatory time off in lieu of overtime pay, or extra payment for work performed on City-designated holidays.

4. **Retirement and Health Benefits**

A. Retirement. The City's contract with CalPERS shall apply to Cruz as a Tier 2 employee with the retirement benefit formula of 2% at 55 years of age.

1. Cruz shall pay the CalPERS normal member contribution (as defined in §20677(a)(2) of the California Government Code.
2. The City shall pay the 1959 Survivor Benefits premium for Cruz.
3. Cruz shall be eligible for Credit for Unused Sick Leave, Cal. Gov. Code §20965, whereby he may receive additional service credit for the balance of his unused sick leave upon retirement from the City, converted per the terms of the City's contract amendment with CalPERS.
4. Cruz's shall be subject to the provisions of California Government Code §20037, whereby his final compensation shall be the highest annual average compensation during any consecutive 36-month period of employment.

B. Medicare. Cruz shall pay the designated employee contribution for Medicare in accordance with applicable law.

C. Health Insurance. The City shall pay up to \$1,458.75 per month for Cruz and his eligible dependents to participate in City sponsored medical plan. The City's contribution shall not exceed the premium of the selected plans and tiers of coverage.

1. Any remaining balance of this agreed City contribution shall not be converted to cash.
2. Cruz may opt out of City sponsored medical coverage upon proof of his enrollment in other group medical insurance and may cash out according to the City's current formula.
3. Cruz's salary shall be reduced by the amount of any necessary payroll deduction for health insurance premiums in excess of the agreed City contribution on a before-tax basis.

D. Retiree Health. Following retirement from the City after having served as a City employee for no less than five (5) years, Cruz shall be eligible for a maximum monthly City contribution of \$1,458.75 per month after retirement towards coverage under a City sponsored medical plan provided that Cruz's CalPERS retirement allowance is effective the day after his official separation from City of Santa Fe Springs employment. This obligation to pay health insurance premiums shall end at such time as Cruz reaches age 65 or becomes eligible to enroll, automatically or voluntarily, in MediCal or MediCare, whichever occurs first.

E. Life Insurance. Cruz shall be eligible for group life insurance equal to his annual salary up to the annual salary maximum set in the group policy, which at the Effective Date of this

Agreement is \$201,000.00. Cruz is eligible to purchase voluntary City group term life insurance through payroll deduction.

F. Short & Long-Term Disability Insurance. The City shall pay 100% of the premium for Cruz to be eligible for the City's short and long term disability insurance plan coverage.

## 5. Vehicle Use

Cruz's duties require him to be available and to respond to the demands of City business at all times and outside of regular business hours, including weekends. City agrees to provide Cruz a monthly car allowance of Five Hundred (\$500) per month to cover expenses for city related business. Notwithstanding the foregoing, City will also reimburse Cruz for all parking fees incurred on City business under the same terms and conditions applicable to classified City employees.

## 6. Paid Leave

A. Vacation. The City shall provide an initial balance of sixty (60) hours of vacation leave upon the Effective Date of this Agreement. Thereafter during the term of the Agreement, Cruz shall accrue vacation leave at the rate of one hundred twenty (120) hours paid vacation leave per year. For the first year, the initial balance of sixty (60) hours shall be included in the one hundred twenty (120) hours for that year. Cruz may convert up to eighty (80) hours to cash each payroll year in accordance with the City's annual leave conversion program.

B. Sick Leave. The City shall provide an initial balance of ninety six (96) hours of sick leave upon the Effective Date of this Agreement. After the first year of this Agreement, Cruz shall earn and accumulate eight (8) hours of sick leave per month worked at least one full regular workday.

C. Flexible Leave. Cruz shall be entitled to sixty (60) hours of paid Executive Leave, also referred to as Flex Leave, per fiscal year. Up to twenty four (24) hours per year may accrue from year to year for a maximum of eighty four (84) total hours. Notwithstanding the right to accrue, Flexible Leave may not be converted to any other form of compensation.

D. Holidays. From and after the Effective Date of this Agreement, Cruz shall be entitled to such holidays as are currently afforded City's Department Heads, and as may be modified for all of City's Department Heads by resolution of Council from time to time.

## 7. Professional Development

a. Memberships. City agrees to pay Cruz's membership dues in the International City Management Association ("ICMA"), ICMA Hispanic Network, California League of Cities City Manager's Department, California City Management Foundation and other similar organizations to which City is a member, at City expense. Employee shall have a right to attend these organizations meetings and annual conferences.

b. Service Organization Membership. The active promotion of City shall be one of Cruz's duties under this Agreement. As such, the City shall pay for Cruz toward the annual membership fee for one service organization or non-profit board based in City.

#### **8. General Business Expenses**

A. Out-of-Town Meetings, Conferences & Seminars. City agrees to reimburse Cruz for expenses incurred by Cruz while attending overnight out-of-town meetings, conferences or seminars related to his employment with City.

B. City agrees to reimburse Cruz for expenses necessarily incurred while in attendance at local meetings or seminars related to his employment with City.

C. City agrees to reimburse Cruz the actual cost of those incidental expenses necessarily incurred by Cruz while engaged in the business of City upon the presentation of an appropriate receipt therefor, including but not limited to expenses incurred related to business lunch meetings.

#### **9. At-Will Employment Relationship**

A. Cruz is appointed by, and serves at the pleasure of, the City Council. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of City to terminate this Agreement and the employment of Cruz at any time, with or without Cause (as defined below), and with or without notice. However, City and Cruz agree that termination without cause may not be exercised by the City during any period commencing ninety (90) days prior to a City Council election and ending sixty (60) days following certification of such City Council election. In the event City elects to terminate this Agreement prior to the stated term, City shall pay Cruz for all services through the effective date of termination and Cruz shall have no right to any additional compensation or payment, except as provided in Section 10 Severance and Benefit Payoff at Termination, and General Release Agreement, below.

B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Cruz to resign from his employment with City, subject only to Cruz providing thirty (30) calendar days' prior written notice to City of the effective date of his resignation. Upon the effective date of his voluntary resignation, Cruz forfeits all compensation and benefits owing for the remainder of the term of this Agreement, as well as any severance pay.

#### **10. Severance and Benefit Payoff at Termination, and General Release Agreement**

A. If City elects to terminate this Agreement, and the services of Cruz thereunder, without Cause, as determined by the affirmative votes of a majority of the members of the City Council at a meeting of the City Council, City shall, within (30) days after execution and the Effective Date of the Severance Agreement and General Release ("Severance Agreement") in substantial conformity with Exhibit A, pay Cruz beginning on the effective date of termination a lump sum benefit in compliance with Government Code Section 53260 equal to the lesser of the monthly value of his Salary income times the number of months left on this Agreement or six (6) months



of his then applicable Salary ("Severance"). Notwithstanding the foregoing, the City's election not to extend or renew this Agreement shall not entitle Cruz to severance pursuant to Section 10 of this Agreement.

B. If City terminates this Agreement (thereby terminating Cruz's Employment) with Cause, as determined by the affirmative votes of a majority of the members of the City Council at a meeting of the City Council, Cruz shall not be entitled to any additional compensation or payment, including Severance and the City Council may terminate this Agreement immediately. As used in this Agreement, Cause shall mean any of the following:

1. Conviction of a felony;
2. Conviction of a misdemeanor arising out of Cruz's duties under this Agreement and involving a willful or intentional violation of law;
3. Conviction of any crime involving an "abuse of office or position," as that term is defined in Government Code section 53243.4;
4. Willful abandonment of duties;
5. Repeated failure to carry out a lawful directive or directives of the City Council made by the City Council as a body; and
6. Any of the following acts by Cruz:
  - a) willful destruction or misuse of City property;
  - b) willful political activity involving the support of candidates for City's City Council or any other elected City official position;
  - c) financial mismanagement;
  - d) material dishonesty;
  - e) willful violation of Federal, State or City discrimination and harassment laws concerning race, religious creed, color, national origin, ancestry, physical handicap, marital status, sexual orientation, sex or age concerning either members of the general public or City's employee(s) while acting in the course and scope of employment, while on City premises or time, and/or while acting without the prior approval or direction of the Council;
  - f) willful and unlawful retaliation against any City officer or employee or member of the general public who in good faith reports, discloses, divulges or otherwise brings to the attention of any appropriate authority any facts or information relative to actual or suspected violations of any law occurring on the job or related directly thereto;
  - g) willful violation of any conflict of interest or incompatibility of office laws;
  - h) performance of material outside business interests that conflict directly with the activities and duties as Employee, but not including educational or professional training programs conducted by Employee whether for personal financial gain or not.

C. If Cruz terminates this Agreement (thereby terminating Cruz's employment), Cruz shall not be entitled to any additional compensation or payment, including Severance in the event of his voluntary resignation.

#### **11. Employee's Obligations and Hours of Work**

Cruz's regular days and hours of work shall be the regular days and hours assigned for City employees generally. In addition, Cruz shall attend all City Council meetings, workshops and other meetings and/or community events as directed by the City Council during non-regular business hours and days. Cruz's days and hours of work per day may be unilaterally modified by the City Council. Cruz shall be classified as an exempt employee for purposes the Fair Labor Standards Act and shall not be entitled to any form of compensation for overtime. In recognition of the significant time Cruz will need to devote outside normal office hours to business activities of City and the exempt, salaried nature of the employment, Cruz is permitted to exercise a flexible work schedule. However, consistent with this flexibility and Cruz's participation in activities out of the office, Cruz will generally be expected to keep office hours at City Hall, during normal business hours.

#### **12. Confidentiality and Non-Disparagement**

A. Cruz acknowledges that in the course of his employment contemplated herein, Cruz will be given or will have access to confidential and proprietary documents and information, relating to the City, its residents, businesses, employees, and customers ("Confidential Information"). Such Confidential Information may include, but is not limited to, all information given to or otherwise accessible to Cruz that is not public information or would be exempt from public disclosure as confidential, protected, exempt or privileged information. Cruz shall hold the Confidential Information in trust for City's benefit, and shall not disclose the Confidential Information to others without the express written consent of City.

B. The obligations of City and Cruz under this Section 11 shall survive the termination of this Agreement.

#### **13. Outside Activities**

Cruz shall not engage in any activity, consulting service or enterprise, for compensation or otherwise, which is actually or potentially in conflict with, incompatible with or inimical to, or which materially interferes with his duties and responsibilities to City. (Cal. Govt. Code §§ 1125, et. seq.)

#### **14. Defense and Indemnification**

For the purpose of indemnification and defense of legal actions, Cruz shall be considered an employee of the City and entitled to the same rights and subject to the same obligations as are provided for all other employees of the City as set forth in Sections 825 through 825.6 and Sections 995 through 996.6 of the California Government Code. In accordance with the provisions of

California Government Code sections 995 and 995.2, City shall defend and indemnify Cruz, using legal counsel of City's choosing, against any civil action or proceeding brought against Cruz, in his official or individual capacity or both, on account of an act or omission in the scope of his employment as City Manager, unless such act or omission was due to actual fraud, corruption, or actual malice. In the event the City determines there is a conflict of interest between the City and Cruz and independent counsel is required for Cruz's defense, City shall select and pay the reasonable fees of such independent counsel for Cruz's defense. Cruz shall cooperate fully in the investigation and defense of any civil action or proceeding.

#### 15. Notices

Notice pursuant to this Agreement shall be given by depositing written notification in the custody of the United States Postal Service, postage prepaid, addressed as follows:

(1) City:

City of Santa Fe Springs  
c/o City Clerk  
11710 Telegraph Road  
Santa Fe Springs, CA 90670

(2) Cruz:

Raymond Cruz  
2935 Briarwood Drive  
Torrance, CA 90505

Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable in civil judicial practice. Notice shall be deemed given as of the date of personal service or five days after the date of mailing.

#### 16. General Provisions

A. Integration. This Agreement sets forth the final, complete and exclusive agreement between City and Cruz relating to the employment of Cruz by City. Any prior discussions or representations by or between the parties are merged into this Agreement or are otherwise rendered null and void. The Parties by mutual written agreement may amend any provision of this Agreement. Such amendments shall be incorporated and made a part of this Agreement. The foregoing notwithstanding, Cruz acknowledges that, except as expressly provided in this Agreement, his employment is subject to City's generally applicable rules and policies pertaining to employment matters, such as those addressing equal employment opportunity, sexual harassment and violence in the workplace, as they currently or may in the future exist, and his employment is, and will continue to be, at the will of the City Council.

B. Binding Effect. This Agreement shall be binding on the City and Cruz as well as their heirs, assigns, executors, personal representatives and successors in interest.

C. Choice of Law. This Agreement shall be interpreted and construed pursuant to and in accordance with the laws of the State of California and all applicable City Ordinances, Policies and Resolutions.

D. Severability. If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

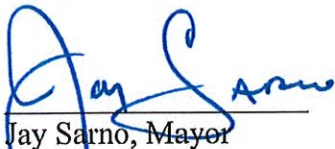
E. Conflict with Municipal Code. The City personnel ordinances, resolutions, rules and policies shall apply to Cruz in the same manner as applied to other management employees, provided, however, in the event of a conflict between the provisions of this Agreement and the Municipal Code, the City Municipal Code shall prevail over this Agreement but only to the extent the Municipal Code does not authorize deviation by contract.

F. Cruz's Independent Review. Cruz acknowledges that he has had the opportunity and has conducted an independent review of the financial and legal effects of this Agreement. Cruz acknowledges that he has made an independent judgment upon the financial and legal effects of this Agreement and has not relied upon any representation of City, its officers, agents or employees other than those expressly set forth in this Agreement. Cruz acknowledges that he has been advised to obtain, and has availed himself of, legal advice with respect to the terms and provisions of this Agreement.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed on the dates reflected below each signature.

CITY OF SANTA FE SPRINGS

RAYMOND R. CRUZ


  
Jay Sarno, Mayor



Dated: 2/8/18

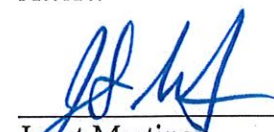
Dated: 2/5/18

Approved as to Form:

  
Yolanda M. Summerhill,  
City Attorney

Dated: 2/8/18

Attest:

  
\_\_\_\_\_  
Janet Martinez,  
City Clerk

Dated: 2/12/18

## **EXHIBIT A**

### **SEVERANCE AGREEMENT AND GENERAL RELEASE**

This General Release Agreement ("Agreement") is entered into by and between RAYMOND R. CRUZ ("Cruz") and CITY OF SANTA FE SPRINGS ("City"), in light of the following facts:

- A. Cruz's employment with City concluded on \_\_\_\_\_
- B. Certain disputes may have arisen between City and Cruz.
- C. City and Cruz each deny any liability whatsoever to the other.
- D. City and Cruz wish to fully and finally resolve any and all disputes they may have with each other.
- E. Cruz is hereby informed that he has twenty-one (21) days from receipt of this Agreement to consider it. City hereby advises Cruz to consult with his legal counsel before signing this Agreement.
- F. Cruz acknowledges that for a period of seven (7) days following the signing of this Agreement ("Revocation Period"), he may revoke the Agreement. This Agreement shall not become effective or enforceable until the day the Revocation Period has expired.
- G. Cruz acknowledges that the Salary Payment referenced in paragraph 1 of this Agreement represents all compensation, including salary, accrued benefit balances and reimbursed expenses, due and payable to him through the date of employment termination. Cruz also acknowledges that City has made this Salary Payment without regard to whether he signs this Agreement. The Salary Payment does not constitute consideration for this Agreement. Cruz acknowledges that the Severance referenced in paragraph 2 of this Agreement is in excess of all amounts that are due and owing to him as a result of his employment by City.
  - 1. Receipt of Salary Payment. Cruz hereby acknowledges receipt of a check or checks for all compensation owing to him, including salary, accrued benefit balances and reimbursed expenses ("Salary Payment") from City.
  - 2. Severance. Within ten (10) days following Cruz's signing, delivering to the City Council, and not revoking this Agreement, City shall pay Cruz the gross amount provided for in Section \_\_\_ of the Employment Agreement effective \_\_\_\_\_, 201\_\_, less applicable deductions, and shall provide the months of medical benefits as provided in that same Section \_\_\_ ("Severance"). Cruz acknowledges that the Severance is in excess of all amounts due and owing him as a result of his employment by City.
  - 3. General Release. In consideration of the Severance to be paid and provided to Cruz, and other good and valuable consideration, Cruz hereby releases and discharges City and its

past and present City Council Members, employees, representatives and agents, from all rights, claims, causes of action, and damages, both known and unknown, in law or in equity, concerning and/or arising out of his employment with City which he now has, or ever had, including but not limited to any rights, claims, causes of action or damages arising under Title VII of the Civil Rights Act of 1964, the Vocational Rehabilitation Act of 1973, the Cruz Retirement Income Security Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Older Workers Benefits Protection Act, the Family and Medical Leave Act of 1993, the Domestic Partners Act of 2003, the California Labor Code, the Private Attorneys General Act of 2004, the California Moore-Brown-Roberti Family Rights Act, the California Unruh Civil Rights Act, the California Fair Employment and Housing Act, any other federal, state, or local employment practice legislation, or any federal or state common law, including wrongful discharge, breach of express or implied contract, or breach of public policy.

Cruz hereby waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of California. Cruz understands and acknowledges the significance and consequences of this specific waiver of Section 1542. Section 1542 of the Civil Code of California states as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of City and its past and present City Council Members, employees, representatives and agents, Cruz expressly acknowledges that this General Release is intended to include in its effect, without limitation, all claims which he does not know or suspect to exist in his favor.

Cruz further acknowledges that he has read this General Release and that he understands that this is a general release, and that he intends to be legally bound by the same.

4. Fees. Cruz and City agree that in the event of litigation relating to this General Release Agreement, the prevailing party shall not be entitled to recover his/its reasonable attorneys' fees.

CITY OF SANTA FE SPRINGS

RAYMOND R. CRUZ

\_\_\_\_\_, Mayor

\_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_



# CALIFORNIA CONTRACT CITIES ASSOCIATION

## AB 1234 Ethics Education Proof of Participation Certificate

**Course Date & Time:** May 14, 2016

**Location:** CCCA Annual Seminar, Indian Wells

**Eligible Credit:** 2 Hours (Requires Attendance for Entire Session)

This course is an overview course on all public service ethics issues necessary to satisfy the requirements of Article 2.4 of Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code, including the following:

- Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws.
- Laws relating to claiming perquisites ("perks") of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.
- Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws.
- Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members; and
- General ethical principles relating to public service.

**Jenkins & Hogan** affirms that this course satisfies the guidelines issued by the Fair Political Practices Commission and Attorney General for course sufficiency and accuracy.

To be completed by participant:

By signing below, I certify that I signed in at this session, participated in the activity described above and am entitled to claim 2 ethics education credit hour(s).

RAYMOND R. CRUZ

Participant Name (PLEASE PRINT) and Signature

**NOTE TO PARTICIPANT:** Please provide a copy of this proof of participation to the custodian for such records at your agency. In addition, we recommend you make a copy of this proof of participation for your own records to retain for at least five years. **These certificates are only available at this program; duplicates will not be issued.**





# *City of Santa Fe Springs*

Council Meeting

ITEM NO. 12

June 27, 2019

## **NEW BUSINESS**

Resolution No. 9640 – Adoption of Annual Appropriation (GANN) Limit for Fiscal Year 2019-20

### **RECOMMENDATION**

Adopt Resolution No. 9640 setting the appropriation limit for Fiscal Year 2019-20

### **BACKGROUND**

As required by Article XIII B of the State Constitution, the City Council annually revises the appropriation limit for each upcoming fiscal year. The limit establishes the maximum amount of taxes the City is allowed to collect and appropriate. We recently received information regarding the various factors that we may use to adjust the appropriations limit for Fiscal Year 2019-20.

The limit is adjusted each year based on two categories of adjustments, changes in (1) cost of living and (2) population. Within each adjustment category there are two factors from which the City can choose in calculating the new limit.

For the cost of living adjustment, the law allows a choice between the following:

- The increase in California per capita income (3.85%)
- The percentage change in the local assessment roll due to the addition of non-residential new construction (17.56%)

For the population growth adjustment, the law allows a choice between the following:

- Los Angeles County population increase (decrease of 0.01%)
- The City of Santa Fe Springs' own population growth (0.04%).

Using the most advantageous factors above (percentage change in the local assessment roll due to the addition of non-residential new construction and the change in population of the City), the City's appropriation limit for Fiscal Year 2019-20 is calculated to be \$1,952,721,838. The City's Fiscal Year 2019-20 budget subject to this limit is calculated at \$51,896,500.

The majority of California cities report appropriation limits well in excess of actual appropriations subject to the limit. For the City of Santa Fe Springs, the large excess of the limit over subject appropriations is primarily a result of the fact that the change in local assessment roll due to the addition of non-residential new construction ranged from 10.76% to 33.15% between fiscal years 2006-07 and 2009-10.



# *City of Santa Fe Springs*

Council Meeting

June 27, 2019

The appropriations limit, which seeks to cap increases in government spending, was established by the passage of Proposition 4 in 1979. The limit was put in place one year following the passage of Proposition 13 in 1978, which limited cities' ability to increase property tax revenue. Proposition 218, passed in November 1996, also limited cities' ability to implement or raise general-purpose taxes, assessments, and certain property-related fees without voter approval. Although the City has the capacity to increase spending under the appropriations limit restriction, the City's budget is constrained by limits on increasing revenues.

The appropriation limit calculation and appropriations subject to the limit are detailed in Exhibit A of Resolution No. 9640.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz", is written over the printed name.

Raymond R. Cruz  
City Manager

Attachment(s)

1. Resolution No. 9640 (including Exhibit A)
2. Adjustment factors information from the State of California and the County of Los Angeles

## RESOLUTION NO. 9640

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR THE FISCAL YEAR 2019-20

WHEREAS, the City Council must annually adjust the appropriation limit based on either the change in the California per capita personal income or the percentage change in local assessment roll from the preceding year due to the addition of local non-residential construction in the City and either the City's own population growth or the population growth of the entire county; and

WHEREAS, the decision as to which of the options to select must be done by a recorded vote of the City Council;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS  
DOES RESOLVE AS FOLLOWS:

Section 1: In calculating the appropriation limit, the City has utilized the percentage change in change in the local assessment roll due to the addition of non-residential new construction applicable to the fiscal year 2019-20 limit of 17.56%.

Section 2: In calculating the appropriation limit, the City has utilized the population growth factor for the City from January 1, 2018 to January 1, 2019 of 0.04%.

Section 3: The appropriation limit for Fiscal Year 2019-20 is \$1,952,721,838 as calculated on Exhibit "A" attached hereto.

Section 4: The City reserves the right to change or revise any growth factors associated with the calculation of the appropriation limit in the present or future.

Section 5: The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 13th day of June, 2019.

---

Mayor

ATTEST:

---

City Clerk

# EXHIBIT A

## CALCULATION OF APPROPRIATION LIMIT FISCAL YEAR 2019-20

	Amount
Fiscal Year 2018-19 Appropriation Limit	\$ 1,660,336,568
Adjustment Factor (Rounded to 4 Decimal Places)	1.1761 (A)
Adjustment	292,385,270
<b>Fiscal Year 2019-20 Appropriation Limit</b>	<b>\$ 1,952,721,838 (B)</b>

		Change
	%	As a Ratio
Adjustment Factor Calculation:		
Adjustment for increase in non-residential new construction:	17.56%	1.1756
Adjustment for growth in City of Santa Fe Springs population:	0.04%	1.0004
Combined Adjustment Factor	1.1756 X 1.0004	1.1761 (A)

### Appropriations Subject to the Limit (2019-20 Proposed Budget Figures):

Property Tax	\$ 3,960,000
Utility User's Tax	6,652,000
Sales & Use Tax	26,500,000
Transaction & Use Tax	10,700,000
Transient Occupancy Tax	166,000
Business Operations Tax	805,000
Property Transfer Tax	253,000
Barrel Tax	350,000
Vehicle in Lieu Tax	1,996,000
Interest (50% allocated to proceeds from taxes)	225,000
Public Safety Augmentation Fund	181,500
Supplemental Law Enforcement Services Fund	108,000
Total Appropriations Subject to the Limit	51,896,500
Appropriations Limit	1,952,721,838 (B)
<b>Amount Under the Limit</b>	<b>\$ 1,900,825,338</b>





DEPARTMENT OF  
**FINANCE**

GAVIN NEWSOM - GOVERNOR  
915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 2019

Dear Fiscal Officer:

**Subject: Price Factor and Population Information**

**Appropriations Limit**

California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2019, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2019-20. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2019-20 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

**Population Percent Change for Special Districts**

Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: <http://leginfo.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

**Population Certification**

The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2019.**

**Please Note:** The prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

KEELY BOSLER  
Director  
By:

Vivek Viswanathan  
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2019-20 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2019-20	3.85

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2019-20 appropriation limit.

**2019-20:**

Per Capita Cost of Living Change = 3.85 percent  
Population Change = 0.47 percent


Per Capita Cost of Living converted to a ratio:  $\frac{3.85 + 100}{100} = 1.0385$

Population converted to a ratio:  $\frac{0.47 + 100}{100} = 1.0047$

Calculation of factor for FY 2019-20:  $1.0385 \times 1.0047 = 1.0434$

Fiscal Year 2019-20


**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019**

County City	Percent Change 2018-2019	--- Population Minus Exclusions ---		Total Population
		1-1-18	1-1-19	1-1-2019
La Canada Flintridge	-0.10	20,623	20,602	20,602
La Habra Heights	-0.07	5,489	5,485	5,485
Lakewood	-0.13	81,459	81,352	81,352
La Mirada	-0.05	49,585	49,558	49,558
Lancaster	0.28	156,841	157,273	161,604
La Puente	0.19	40,719	40,795	40,795
La Verne	-0.11	33,239	33,201	33,201
Lawndale	-0.27	33,527	33,436	33,436
Lomita	-0.06	20,776	20,763	20,763
Long Beach	-0.21	475,921	474,941	475,013
Los Angeles	0.05	4,035,356	4,037,190	4,040,079
Lynwood	-0.22	71,497	71,343	71,343
Malibu	-7.42	13,011	12,046	12,046
Manhattan Beach	-0.24	36,010	35,922	35,922
Maywood	-0.21	28,029	27,971	27,971
Monrovia	-0.14	38,582	38,529	38,529
Montebello	-0.11	64,316	64,247	64,247
Monterey Park	-0.38	62,061	61,828	61,828
Norwalk	-0.12	106,077	105,950	106,744
Palmdale	0.05	157,782	157,854	157,854
Palos Verdes Estates	-0.26	13,579	13,544	13,544
Paramount	-0.01	55,503	55,497	55,497
Pasadena	0.90	145,003	146,312	146,312
Pico Rivera	-0.42	64,306	64,033	64,033
Pomona	0.08	154,189	154,310	154,310
Rancho Palos Verdes	-0.24	42,647	42,543	42,560
Redondo Beach	0.16	68,361	68,473	68,473
Rolling Hills	-0.32	1,898	1,892	1,892
Rolling Hills Estates	-0.08	8,254	8,247	8,247
Rosemead	-0.25	55,237	55,097	55,097
San Dimas	-0.25	34,669	34,584	34,584
San Fernando	1.32	24,593	24,918	24,918
San Gabriel	-0.22	41,270	41,178	41,178
San Marino	-0.06	13,360	13,352	13,352
Santa Clarita	2.70	212,378	218,103	218,103
 Santa Fe Springs	0.04	18,208	18,216	18,261
Santa Monica	-0.11	93,698	93,593	93,593
Sierra Madre	-0.27	11,165	11,135	11,135
Signal Hill	0.31	11,758	11,795	11,795
South El Monte	0.95	21,092	21,293	21,293

\*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Fiscal Year 2019-20

**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019**

County City	<u>Percent Change</u> 2018-2019	<u>--- Population Minus Exclusions ---</u>		<u>Total</u> <u>Population</u>
		1-1-18	1-1-19	1-1-2019
South Gate	-0.25	97,019	96,777	96,777
South Pasadena	-0.12	26,276	26,245	26,245
Temple City	0.37	36,447	36,583	36,583
Torrance	-0.24	148,408	148,054	148,054
Vernon	-0.33	302	301	301
Walnut	-0.02	30,557	30,551	30,551
West Covina	-0.25	108,388	108,116	108,116
West Hollywood	-0.17	36,723	36,660	36,660
Westlake Village	-0.86	8,451	8,378	8,378
Whittier	-0.26	87,756	87,526	87,526
Unincorporated	-0.87	1,055,092	1,045,918	1,046,858
 County Total	-0.01	10,245,275	10,244,542	10,253,716

\*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.





JEFFREY PRANG  
Assessor

OFFICE OF THE ASSESSOR  
COUNTY OF LOS ANGELES  
500 WEST TEMPLE STREET  
LOS ANGELES, CALIFORNIA 90012-2770  
assessor.lacounty.gov  
1(888) 807-2111



May 7, 2019

Lana Dich  
Accounting Manager  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670-3679

Dear Ms. Dich:

Your agency, the City of Santa Fe Springs, in order to effect an adjustment of its Gann Limit, has requested that the Assessor's Office supply the percentage change in total assessed valuation for the city over that of the preceding year, due to nonresidential new construction.

For the City of Santa Fe Springs, the 2018-2019 net change in nonresidential new construction, applicable to the 2019-2020 budget, is 17.56%. *TS*

If we can be of further service, please call Tia Nguyen at (213) 974-3229.

Sincerely,

Tia Nguyen  
Appraiser Specialist  
Appraisal Standards

Enclosures

# COUNTY OF LOS ANGELES - OFFICE OF THE ASSESSOR

## Proposition 111 Analysis

Non-Residential New Construction (SE City Report) Current - 7/19/18		New Construction	Lesser Maintenance	Other Construction	Total New Construction
Commercial - Industrial	Authorizations	\$18,290,856	\$1,010,352	\$574,521	\$19,875,729
	Current	\$33,457,924	\$551,322	(\$240,114)	\$33,769,132
Other	Authorizations	\$0	\$0	\$0	\$0
	Current	\$0	\$3,600	\$0	\$3,600
Total New Construction		\$51,748,780	\$1,565,274	\$334,407	\$53,648,461
Add Fixtures (SV16 Report) Current - 7/19/18					
Less Fixtures (SV16 Report) Prior - 7/12/17					
Net Fixtures Adjustment					\$16,468,168
Net Increase in New Non-Res Construction from Prior Year					\$70,116,629
City Total (SV 16 Report)	Secured RE & PP Exemptions		Unsecured PP Exemption	Net Assessed Values	Total Assessed Values
Current Year - 7/19/18	\$78,286,789		\$190,150	\$7,845,810,199	\$7,924,287,138
Prior Year - 7/12/17	\$70,052,651		\$5,000	\$7,454,835,599	\$7,524,893,250
Net Increase in Local Assessment Roll From Prior Year					\$399,393,888
Percentage Increase Allowable = New Non-Res Growth / Total Roll Growth X 100				=	
Percentage Increase Allowable (without Fixtures)				17.56%	
				13.43%	

YEAR	2018-2019	AGENCY	City of Santa Fe Springs	AGENCY NO.	250.00
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# ***City of Santa Fe Springs***

City Council Meeting

ITEM NO. 13

June 27, 2019

## **NEW BUSINESS**

Resolution No. 9635-Authorizing the City Manager to Execute a Restricted Grant Agreement for Transportation Planning Grant Program Funding, and Amendments thereto, with the California Department of Transportation for the City of Santa Fe Spring's Targeted General Plan/Zoning Update

### **RECOMMENDATION(S)**

- Adopt Resolution No. 9635; and
- Authorize the City Manager to Execute a Restricted Grant Agreement for Transportation Planning Grant Funding, and Amendment thereto, with the California Department of Transportation for the City of Santa Fe Spring's Targeted General Plan/Zoning Update

### **BACKGROUND**

The City of Santa Fe Springs is eligible to receive Federal and/or State funding for certain transportation planning related plans through the California Department of Transportation (Caltrans). The Sustainable Transportation Planning Grant Program was created to support Caltrans Mission: Provide a safe, sustainable, integrated, and efficient transportation system to enhance California's economy and livability. The California Legislature passed, and Governor Edmund G. Brown Jr. signed into law, Senate Bill (SB) 1, the Road Repair and Accountability Act of 2017, a transportation funding bill that provides a reliable source of funds to maintain and integrate the State's multi-modal transportation system. In addition to the \$9.5 million in traditional State and federal grants, approximately \$25 million in SB 1 funds for Sustainable Communities Grants is available for the Fiscal Year (FY) 2019-20 grant cycle.

Working with Jack Wong of JWA Consultants, Inc., the City submitted an application under the Sustainable Communities category, to update the Land Use and Circulation elements of the City's General Plan and specific sections of the Zoning Regulations. The application also included a provision to include a new Environmental Justice element.

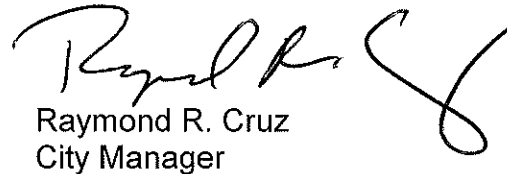
The City's General Plan, with the exception of the Housing Element, was last updated in 1993. It is severely antiquated and does not contain policies that promote sustainability or reduce Green House Gas emissions. The Plan promotes private automobile and goods movement, and promotes vehicular travel and low-density development; which conflicts with State planning and sustainability goals.

In May 2019, Caltrans notified the City that the City was conditionally awarded, for the Fiscal Year 2019-20 Caltrans Sustainable Transportation Planning Grant funding cycle, a grant for \$333,670. To accept the grant funding, Caltrans required necessary revisions to the Grant Application Cover Sheet, Scope of Work, and Project Timeline, no later than July 15, 2019. One requirement of grant

acceptance is a current, less than one year old, local resolution signed by the governing board that includes the grant project title and job title of the person authorized to enter into a contract with Caltrans.

**FISCAL IMPACT**

There is no General Fund impact. The City is required to meet a local match requirement of 11.47 percent, or \$43,230 of the project's total amount of \$376,900. This will be met through in-kind staff administrative time to oversee the Update.



Raymond R. Cruz  
City Manager

**Attachments (s):**

1. Resolution No. 9635
2. Award Letter Dated May 17, 2019
3. Application: Sustainable Communities



**RESOLUTION NO. 9635**

**A RESOLUTION OF THE SANTA FE SPRINGS CITY COUNCIL  
AUTHORIZING THE CITY MANAGER TO EXECUTE A  
RESTRICTED GRANT AGREEMENT FOR TRANSPORTATION  
PLANNING GRANT PROGRAM FUNDING, AND AMENDMENTS  
THERE TO, WITH THE CALIFORNIA DEPARTMENT OF  
TRANSPORTATION FOR A PROJECT TITLED TARGETED  
GENERAL PLAN/ZONING CODE UPDATE: LAND USE,  
CIRCULATION, ENVIRONMENTAL JUSTICE**

**WHEREAS**, the City of Santa Fe Springs is eligible to receive Federal and/or State funding for certain transportation planning related plans through the California Department of Transportation (Caltrans); and

**WHEREAS**, in May 2019, Caltrans notified the City that the City's application for Transportation Planning Grant Program funding submitted by the City to Caltrans was selected for award; and

**WHEREAS**, Caltrans awarded the City of Santa Fe Springs a grant for the project titled Targeted General Plan/Zoning Code Update: Land Use, Circulation, Environmental Justice; and

**WHEREAS**, Caltrans require that the City execute a Restricted Grant Agreement with Caltrans before such funds can be claimed through the Transportation Planning Grant Program; and

**WHEREAS**, the City Council wishes to delegate authorization to execute the Restricted Grant Agreements and any amendments thereto, to the City Manager.

**NOW, THEREFORE BE RESOLVED**, THAT THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS HEREBY FINDS, DETERMINES, AND ORDERS AS FOLLOWS:

**Section 1.** That the City Manager or designee is authorized to execute the Restricted Grant Agreements for Transportation Planning Grant Program funding, and any amendments thereto, with Caltrans.

**PASSED AND ADOPTED**, this 27th day of June, 2019, by the following roll call vote.

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Juanita Trujillo, Mayor

ATTEST:

\_\_\_\_\_  
Janet Martinez, CMC, City Clerk

**DEPARTMENT OF TRANSPORTATION****DIVISION OF TRANSPORTATION PLANNING**

P.O. BOX 942874, MS-32

SACRAMENTO, CA 94274-0001

PHONE (916) 654-2596

FAX (916) 653-0001

TTY 711

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*Making Conservation  
a California Way of Life.*

May 17, 2019

Mr. Raymond R. Cruz  
City Manager  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670

Dear Mr. Cruz:

On behalf of the California Department of Transportation (Caltrans), Division of Transportation Planning, I am pleased to offer my congratulations to the City of Santa Fe Springs for the recent award of the following transportation planning grant:

Road Maintenance and Rehabilitation Account - Sustainable Communities	
<b>Grant Fiscal Year (FY)</b>	2019-20
<b>Grant Title</b>	Targeted General Plan/Zoning Code Update: Land Use, Circulation, Environmental Justice
<b>Grantee</b>	City of Santa Fe Springs
<b>Sub-Recipient</b>	
<b>Grant Award</b>	\$333,6670
<b>Local Match</b>	\$43,230
<b>Total Project Amount</b>	\$376,900
<b>Grant Expiration</b>	February 28, 2022 - time extensions are not allowed
<b>Final Invoice Due</b>	April 28, 2022

**Conditions of Grant Acceptance**

Grant work cannot begin until all Conditions of Grant Acceptance have been satisfied. To assist with this process, Caltrans District staff will schedule a teleconference with your agency to discuss the conditions below, as well as other project revisions that may be necessary to accept grant funding. Please submit the below items to Caltrans District 7 no later than July 15, 2019. Failure to satisfy these conditions will result in the forfeiture of grant funds.

Mr. Raymond R. Cruz  
May 17, 2019  
Page 2

1. Coordinate with Caltrans District Planning staff to make necessary revisions to the Grant Application Cover Sheet, Scope of Work, and Project Timeline. Initial review of these documents require the following revisions:
  - Revise Task 2.5 of the Scope of Work. Childcare needs to be removed, as it is not an eligible planning activity.
  - Applicant staff time is not an eligible In-Kind match. Revise the Grant Application Cover Sheet and the Project Timeline so that applicant staff time is identified as cash match.
2. A current (less than one year old) Local Resolution signed by the governing board that includes the grant project title and job title of the person authorized to enter into a contract with Caltrans.
3. Although the Payee Data Record (STD. 204) states government entities are not required to submit the form, it is required by Caltrans Accounting to ensure payments are sent to the correct recipient and address.
4. If requesting reimbursement for indirect costs, these costs must be included in the grant Scope of Work and Project Timeline. An Indirect Cost Allocation Plan (ICAP) must be submitted to Caltrans Audits and Investigations. Instructions for submitting an ICAP are available at the following webpage: <http://dot.ca.gov/audits/>
5. If utilizing third-party in-kind contributions to satisfy the minimum local match requirement, a Third-Party In-kind Valuation Plan must be completed. These contributions consist of goods and services donated from outside the grantee's agency (examples: donated printing, facilities, interpreters, equipment, advertising, staff time, and other goods or services). A Third-Party In-kind Valuation Plan Checklist and sample can be found at the following webpage: <http://www.dot.ca.gov/hq/tpp/offices/orip/Grants/grants.html>

### **Next Steps**

Once the District has approved all items required to fulfill the Conditions of Grant Acceptance, the following steps will need to occur:

- The Caltrans Division of Procurement and Contracts will send a draft contract for review and signature. Once the contract is signed, Caltrans District staff will send a Notice to Proceed letter. Grant work cannot begin until this letter is received by the grantee.
- Caltrans District staff will schedule a grant kick-off meeting with Caltrans staff and the grantee.
- Grant administrative requirements:
  - Quarterly Progress Reports (a brief narrative of completed project activities)

Mr. Raymond R. Cruz  
May 17, 2019  
Page 3

- Request for Reimbursements/invoices (RFRs) at least quarterly, but no more than monthly.
- Local match commitments in the amount shown above, including any local match amount above the minimum amount that is required with every RFR/invoice.
- All work must be completed by February 28, 2022.
- Final RFR/invoice and final product due no later than April 28, 2022. The final RFR/invoice will not be processed by Caltrans until the final product is submitted
- For your convenience, a toolbox to aid you during this process is located at the following webpage: <http://www.dot.ca.gov/hq/tpp/offices/orip/Grants/grants.html>

If you have questions concerning the Grant Program requirements or these funds, please contact, Melanie Bradford, Caltrans District 7 Liaison at (213) 897-9446 or Caleb Brock, Caltrans Headquarters Liaison at (916) 653-3362.

Sincerely,



ERIN THOMPSON  
Chief, Office of Regional Planning

- c: Wayne Morrell, Director of Planning, City of Santa Fe Springs  
Jonathan Palacio, Acting Senior Transportation Planner, Caltrans District 7  
Melanie Bradford, Associate Transportation Planner, Caltrans District 7  
Caleb Brock, Transportation Planner, Caltrans Headquarters



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**CALTRANS SUSTAINABLE TRANSPORTATION PLANNING  
 SUSTAINABLE COMMUNITIES GRANT APPLICATION**

Check here, if technical project: ☐

<b>PROJECT TITLE</b>	Targeted General Plan/Zoning Code Update: Land Use, Circulation, Environmental Justice
<b>PROJECT LOCATION (city and county)</b>	City of Santa Fe Springs, Los Angeles County

	<b>APPLICANT</b>	<b>SUB-APPLICANT</b>	<b>SUB-APPLICANT</b>
Organization	City of Santa Fe Springs		
Mailing Address	11710 Telegraph Road		
City	Santa Fe Springs		
Zip Code	90670		
Executive Director/designee and title	Raymond R. Cruz, City Manager		
E-mail Address	RCruz@santafesprings.org		
Contact Person and title	Wayne Morrell, Director of Planning		
Contact E-mail Address	WayneMorrell@santafesprings.org		
Phone Number	562-868-0511 x7362		

**FUNDING INFORMATION**

Use the Match Calculator to complete this section.

[Match Calculator](#)

<b>Grant Funds Requested</b>	<b>Local Match - Cash</b>	<b>Local Match - In-Kind</b>	<b>Total Project Cost</b>
\$ 333,669.57	\$ 0.00	\$ 43,230.43	\$ 376,900.00

**Specific Source of Local Match and Name of Provider  
 (i.e., local transportation funds, local sales tax, special bond measures, etc.)**

Direct Staff Time for In-Kind Local Match

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SUSTAINABLE COMMUNITIES GRANT APPLICATION

LEGISLATIVE INFORMATION*			
Please list the legislative members in the project area. Attach additional pages if necessary.			
State Senator(s)		Assembly Member(s)	
Name(s)	District	Name(s)	District
Senator Bob Archuleta	32	Assemblymember Ian Calderon	57
	-		-
	-		-
	-		-
	-		-
	-		-

\*Use the following link to determine the legislators.  
<http://findyourrep.legislature.ca.gov/> (search by address)

<b>1A. Project Timeframe (Start and End Dates):</b> October 2019-February 28, 2022
<b>1B. Project Area Boundaries:</b> City of Santa Fe Springs - City-Wide (see Map 1)
<b>1C. Project Description:</b> Briefly summarize project in a clear and concise manner, including major deliverables, parties involved, and any connections to relevant local, regional, and/or State planning efforts. <b>150 words maximum (15 points):</b>  Santa Fe Springs has one Metrolink Station and will likely have a Metro Light Rail Station (LRT) once the Gold Line is extended. To facilitate transit oriented development near these stations, the City must update its Land Use and Circulation Elements. The existing 1993 General Plan is severely antiquated and does not promote the State's planning, sustainability, and environmental justice priorities. The City will integrate land use patterns, transportation options and promote sustainability by updating the Land Use and Circulation Elements, completing our first Environmental Justice element, and updating specific sections of the Zoning Code. By coordinating land uses with transportation, the City can reduce transportation-related GHG emissions, and promote equitable distribution and accessibility to quality jobs and affordable housing. The City will partner with community-based organizations (CBOs) to implement a robust Community Engagement Program, focused on stakeholders located within Disadvantaged Communities (DAC) areas to engage them in the decision-making process.

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CALTRANS SUSTAINABLE TRANSPORTATION PLANNING  
SUSTAINABLE COMMUNITIES GRANT APPLICATION

**2A. Project Justification:** Describe the problems or deficiencies the project is attempting to address, as well as how the project will address the identified problems or deficiencies. Additionally, list the ramifications of not funding this project. This section needs to clearly define the existing issues surrounding the project (e.g., transportation issues, inadequate transit services, impacts of heavy trucking on local streets, air pollution, etc.). Competitive applications support the need for the project with empirical data, describe how this project addresses issues raised, define the public benefit, explain how the public was involved with identifying issues, and describe the impact of not funding the project. **Do not exceed the space provided. (10 points):**

- **Outdated General Plan/Zoning Code:** With the exception of the Housing Element, the City's General Plan was last updated in 1993. It is severely antiquated and does not contain policies that promote sustainability or reduce GHG emissions. Also, the General Plan does not identify the existing Metrolink station and planned Metro Gold Line Extension LRT station in the northern portion of the City (see Maps 2 and 6), nor the City's planning efforts to link the transit stations to a new pedestrian-friendly "Downtown Village" at the intersection of Telegraph Road and Norwalk Boulevard where the City owns several large parcels of underutilized properties (64-acres). The Update will enable the City to acknowledge these new directions and to plan for a more sustainable future, with equitable access to quality jobs and affordable housing. The Update will require stronger requirements for the inclusion of affordable housing in proposed residential and mixed-use projects, and policies that minimize displacement.
- **Land Use:** The current General Plan promotes vehicular travel and low-density development, which conflicts with State planning and sustainability goals. We wish to encourage higher density, mixed-use, TOD developments near public transit, LRT stations, commercial corridors, and a new "Downtown Village" all connected to major job centers and residential areas with attractive active transportation corridors and pedestrian linkages (pedestrian amenities, shade trees, bike lanes, bike lockers). The Update shall discourage the use of private automobiles and promote a rich diversity of land uses to encourage walking within a one-half mile of major employment and residential areas and transit stations/stops. The Update shall encourage the use of active transportation and urban exploration.
- **Circulation:** The current General Plan promotes private automobile and goods movement. The Update shall promote active transportation, walkability, and First Mile/Last Mile strategies that are integrated into a seamless, holistic mobility plan. The objective of the new Circulation Element is to provide desirable alternatives to the private automobile. To facilitate this new mindset and behavioral change, the City shall actively engage the community in the decision-making process to develop the Land Use, Circulation, and Environmental Justice Elements.
- **Environmental Justice:** There are no environmental justice policies in the current General Plan, and yet the community is burdened by poor air quality and GHG emissions generated from three nearby freeways and heavy truck traffic associated with the City's large industrial base. The City is impacted daily from large trucks on its major arterials, causing congestion and spewing toxins into the air. The Environmental Justice Element shall identify strategies to mitigate the negative impacts of industrial uses.
- **Zoning Code:** The Zoning Code currently implements the low density, car dominant General Plan. However, with the completion of the Update, specific Zoning Code development standards shall be updated to promote and implement sustainability initiatives. Code changes may include preferential parking standards for projects with electric/hydrogen fueling stations, LEED certifications, and incentives for TOD higher density affordable housing near transit and along major transportation corridors, etc.
- **Public Engagement:** Prior to submitting this grant application, Santa Fe Springs initiated preliminary discussions with four Community Base Organizations (CBOs) on the importance of sustainability strategies and reducing GHG emission by integrating land uses and viable transportation options to provide better access to quality jobs, affordable housing, health, and education/job training. Santa Fe Springs will build upon its partnerships with CBOs and neighborhood groups that serve vulnerable and disadvantaged neighborhoods. A comprehensive Community Engagement Plan (CEP) will be developed in partnership with CBOs and an Advisory Committee, comprised of individuals representing a cross-section of the community. The CEP will leverage grass-roots support, word-of-mouth, and technology to inform and receive input from the community. Special attention will be devoted to completing Community Needs Assessment of transportation barriers in low-income areas affecting vulnerable

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**CALTRANS SUSTAINABLE TRANSPORTATION PLANNING  
SUSTAINABLE COMMUNITIES GRANT APPLICATION**

**(2A. Project Justification Continued)**

populations. The CEP will go beyond traditional outreach methods by embracing mobile pop-up kiosks at community events, dedicated project webpage and on-line interactive survey forms (e.g. Metroquest, TypeForm, SurveyMonkey), social media and e-blasts, newsletter articles and community workshops, focus groups, and one-on-one stakeholder meetings. All meetings and outreach literature will be bi-lingual, and whenever possible, held within the specific low-income Disadvantage Community areas to enhance accessibility and familiarity.

- **Transportation Issues:** The Update will focus on the City's expanding LRT station potential and consider TOD policies within one-half mile of the existing Metrolink, and proposed Metro LRT Gold Station to enable the development of higher density projects (residential, mixed-use). It will also coordinate active transportation modes (walking, biking, surface bus) to facilitate ease of accessibility to the transit stations.

- **LRT Stations:** An existing Metrolink Station and a proposed Metro LRT Station provides the city with great TOD opportunities. The surrounding land area within one-half mile of these stations are under-utilized. The Update will implement TOD strategies that encourage transit usage (see Map 6). However, Santa Fe Springs does not have a TOD land use in its General Plan and Zoning Code, which can be corrected by the new Update.

- **Active Transportation:** The City's major thoroughfares are heavily used by freight trucks, which results in trucks idling during heavy congestion periods, and increasing GHG and diesel emissions. During peak periods, 54% of the city's major intersections are operating at Levels D, E, or F. The Update will examine methods to minimize traffic congestion and conflicts between heavy trucks and other forms of mobility (walking, biking, public transit). For example, the City does not currently have a policy regarding diesel trucks idling while making deliveries.

- **Sustainability Issues:** Santa Fe Springs has a population of 18,000 but on a daily basis the daytime population balloons to over 100,000. The City is impacted by thousands of cars and heavy trucks, from workers commuting into the City and from heavy trucks serving its industrial companies, mostly in goods movement and oil production. More workforce housing is needed in the City to counter the job/housing imbalance, reduce vehicle miles traveled (VMT), congestion, and GHG emissions. Reducing VMT will tremendously improve air quality, as 40% of total GHG emissions are attributable to transportation sources (California Air Resources Board). Walkable, well-connected places are economic engines.

- **Consequences:** If the Update is not completed, Santa Fe Springs will continue to be out of sync with State planning priorities and endure outdated land use patterns that encourage lower density, vehicular-dependent development patterns. The City recognizes the urgency of planning for the future and the importance of integrating land use and transportation planning, having accessible affordable housing and quality jobs near public transportation, and land uses that support environmentally sustainable growth. The City has tried twice in the past five years to update the General Plan Update but was unsuccessful due to budget issues. This grant funding will enable the City to finally update the Land Use and Circulation Elements and to create a new Environmental Justice Element through a community-driven process. The integration of land uses and transportation planning will result in greater sustainability and climate resiliency, providing the residents, workers, and visitors a greater diversity of travel options. Increased mobility that is convenient, safe, and comfortable can effectively connect city neighborhoods and activity centers. Alternative travel modes can decrease the City's residents' reliance on the private automobile as the primary mode of travel. The Update can foster a more compact, urban infill development pattern with active transportation linkages to a new "Downtown Village," higher density mixed-use projects, and TOD opportunities around the Metrolink and Metro Gold Line Extension Stations (see Map 6.)

- **Low-Income Disadvantaged Community:** Santa Fe Springs is a disadvantaged low-income community as determined by CalEnviroScreen 3.0 and CARB (approximately 80% of the City is within the Top 25%); Healthy Places Disadvantage Index Tool (about 60% in lowest 10%); Free or Reduced Priced Meals Program (all 5 of City's public schools are between 66-78% student eligible). Further, Santa Fe Springs is highly impacted by Diesel PM emission (entire city within Top 25% and one-half in Top 10%); PM 2.5 Concentration (Top 10% citywide except Top 40% south of Imperial Highway); and by Drinking Water Contamination and Ozone Concentration (Top 40% and Top 50%, respectively) (see Maps 3, 4, 5, 7-14)



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CALTRANS SUSTAINABLE TRANSPORTATION PLANNING  
SUSTAINABLE COMMUNITIES GRANT APPLICATION

**2B. Disadvantaged Communities Justification:** Explain how the project area or portions of the project area are defined as a disadvantaged community, including Native American Tribal Governments and rural communities, as well as how the proposed project addresses the needs of the disadvantaged community. The tools in the Grant Application Guide (Pages 10-12) are intended to help applicants define a disadvantaged community. Please cite data sources, the tools used, and include a comparison to the statewide thresholds that are established in each tool. Also describe how disadvantaged communities will benefit from the proposed planning project.

**Do not exceed the space provided. (5 points):**

Santa Fe Springs is identified as a Disadvantaged Community according to multiple published mapping tools based on income level, environmental burden, and health inequities. CalEnviroScreen 3.0 shows 80% of the City qualifies as a Disadvantaged Community (DAC). Greater details are also provided that indicate the City is within the top tiers according to Pollution Burden, Ozone, PM 2.5, Diesel PM, and Drinking Water threats (see Maps 3, 4, 5, 7-14). Healthy Places Index ranks Santa Fe Springs in the lowest 10th percentile and provides important insights on community impacts on health, socioeconomic, and other indicators.

The Update will address the needs of the residents within DAC by partnering with CBOs to conduct a robust Community Engagement Program, which includes a Community Needs Assessment to identify barriers and opportunities to accessing clean transportation and mobility options at the local level for low-income residents and disadvantaged communities. By conducting the Community Needs Assessment and engaging the local stakeholders in the decision-making process, the Update will provide benefits derived from the community-driven alternative transportation solutions to conveniently access employment centers, schools, and shopping. The stronger the integration, convenience, and ease of use between land use and transportation planning, the greater the shift in travel modes and a commensurate reduction of reliance on private automobiles. Public and active transportation routes should be the connectors between origins and destinations - high-density residential projects, employment areas, retail centers, health services. The shift toward active transportation modes will result in individual health benefits as a result of leading a more active lifestyle. Benefits are also derived on a regional level, with improved air quality, carbon sequestration, and reduced GHG emissions.

**2C. Disadvantaged Communities Engagement:** Applicants should describe how the proposed effort would engage disadvantaged communities, including Native American Tribal Governments and rural communities. Include specific outreach methods for involving disadvantaged communities. Also describe how disadvantaged communities will continue to be engaged during the next phases after the proposed planning project is complete, including project implementation. See Grant Application Guide, Pages 21-22, for best practices in community engagement.

**Do not exceed the space provided. (5 points):**

- Methodology: The City and CBO partners will develop a rigorous Community Engagement Program (CEP) that goes beyond traditional outreach methods. We will utilize best practices that have proven their utility and results: (1) the CEP will be inclusive and target DAC neighborhoods, seniors, disabled, and non-English speaking residents; (2) the CEP will be branded with a recognizable identity and graphic to heighten public awareness; (3) a Community Needs Assessment will be conducted to evaluate transportation and mobility barriers, needs, and opportunities; (4) a Fact Sheet and Frequently Asked Questions sheet will be developed and distributed at all public meetings and posted on a dedicated Update webpage; (5) public meetings, with light refreshments and possibly childcare, will be conducted whenever possible in familiar and comfortable venues for the stakeholders to feel at ease (homes, schools, churches); (6) innovative deliverables such as walking audits, charrettes, on-line survey forms, door hangers, social media, and e-blasts; (7) Spanish interpretation and translation for all workshops, written public notices, newsletter articles, and public notices; (8) experienced meeting facilitators knowledgeable in conducting public forums and Community Needs Assessments; and (9) the City and CBOs will meet jointly with the Advisory Committee to develop the CEP and share data resources and communication network trees to reach more stakeholders. After the Update is completed, the Elements will contain an Implementation Plan with performance metrics from which the City can annually monitor and evaluate the success of each policy and initiative along with the evaluation of the General Plan and Housing Element progress reports. The results will be discussed at community workshops, planning commission meetings, and city council meetings. The Update is a living document and must be maintained and nourished.

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**CALTRANS SUSTAINABLE TRANSPORTATION PLANNING  
SUSTAINABLE COMMUNITIES GRANT APPLICATION**

**3. Grant Specific Objectives:** Explain how the proposed project addresses the grant specific objectives of the Sustainable Communities grant program. Applicants should integrate the following Grant Program Considerations (Pages 4-14) in the responses for 3A-G below, as applicable:

- California Transportation Plan (CTP) 2040
- 2017 RTP Guidelines and Promoting Sustainable Communities in California
- Complete Streets and Smart Mobility Framework
- Climate Ready Transportation
- Addressing Environmental Justice and Disadvantaged Communities
- California Sustainable Freight Action Plan
- 2017 Climate Change Scoping Plan Update, Appendix C
- Planning for Housing

**3A.** Explain how the proposal encourages local and regional multimodal transportation, housing and land use planning that furthers the region's RTP SCS (where applicable). Applicants should demonstrate how the proposed effort would coordinate transportation, housing, and land use planning components of the project to inform one another (i.e., regular coordination meetings between responsible entities, joint community meetings, letters of commitment from all relevant implementing agencies, etc. Also explain how the proposed effort would contribute to shifts in land use towards more sustainable and equitable communities, such as more affordable housing near transit or more compact regional development patterns. See Pages 16-18 for example project types. **Do not exceed the space provided. (5 points):**

Updating the Land Use and Circulation Elements will integrate land use and transportation to reduce VMT/ADT, thereby improving air quality and reducing GHG emissions. However, the City's 1993 General Plan does not promote the State's planning priorities or sustainable strategies. Rather, the current General Plan advocates a low-density development pattern of segregated land uses that relies upon the private automobile for personal transportation and heavy trucks for goods movement (see Map 2). Today, the City is home to one Metrolink Station and a proposed Metro light rail station (see Map 6) but must update its General Plan to enable TOD projects near these stations, promote higher density residential and mixed-use projects along major intersections and arterials, and introduce active transportation strategies to improve walking/biking to public transportation and vital destinations. The updated General Plan Elements will incentivize affordable housing projects. SCAG has determined that the Update complies with and furthers the goals and objectives of the RTP/SCS (See LOS 2.) Land Use/Circulation shifts can be achieved through community-driven and integrated land use/ transportation planning policies. The community's participation in the decision making process will keep them engaged to ensure future private and public infrastructure projects will embody the sustainable policies of the Update.

**3B.** Explain how the proposal contributes to the State's GHG reduction targets and advances transportation related GHG emission reduction project types/strategies (i.e., mode shift, demand management, travel cost, operational efficiency, accessibility, and coordination with future employment and residential land use, etc.)

**Do not exceed the space provided. (5 points):**

The Update will coordinate the City's land use patterns and transportation modes to facilitate ridership and active transportation along major arterials and within DAC neighborhoods. The types, amount, and phasing of development (residential, retail, office, hotel, services) will be determined via a Market Demand Study, translated into Preferred Land Use Alternative, and coordinated with updated transportation and public infrastructure development plans. Higher density, mixed-use development opportunities clustered near transit stations and active transportation corridors will have a positive impact on public health and reduce GHG emissions by providing viable alternatives to fossil-fueled transportation. Pedestrian amenities, such as street tree canopies for shade will also increase carbon sequestration and reduce heat island effects. The Market Demand Study will determine amount and absorption rate of new construction and when coordinated with land use and transportation planning, the Update will enable individuals to access employment, health care, and retail areas within the City and surrounding region. Further, Santa Fe Springs is a member city of the Gateway Cities Council of Governments, which has completed a Climate Action Plan Framework and Air Quality Action Plan, and will leverage the findings and results of these studies to inform the preparation of the Land Use, Circulation, and Environmental Justice Elements.

FY 2019-20  
**CALTRANS SUSTAINABLE TRANSPORTATION PLANNING  
SUSTAINABLE COMMUNITIES GRANT APPLICATION**

- 3C.** Explain how the proposal supports other State goals, including but not limited to, State planning priorities (Government Code Section 65041.1), climate adaptation goals (Safeguarding California), and the goals and best practices cited in the 2017 RTP Guidelines, Appendices K and L. **Do not exceed the space provided. (5 points):**

The Update realigns future development patterns toward land uses integrated with mobility solutions that promote reductions in VMT and GHG emissions. TOD Overlay, mixed-use infill, higher density affordable and workforce housing near transit stations and along major arterials will support active transportation options. Vulnerable low-income residents will have greater mobility and housing choices.

- State planning priorities and Climate Adaptation Goals: The Update will promote equity, infill development, affordable housing and synergistic development patterns that will optimize usage of mobility alternatives. Increased affordable housing density will contribute to a commensurate decrease in the demand for affordable suburban housing and sprawl. The Update will prioritize initiatives to minimize climate impacts on vulnerable DAC neighborhoods and improve public health city-wide. Inclusive, bilingual public participation focused on vulnerable DAC neighborhoods, using proactive engagement methods to ensure meaningful participation.
- 2017 RTP: The Update supports equity, sustainability, and furthers SCAG's RTP/SCS goals (see LOS-2)

- 3D.** Explain how the proposal encourages stakeholder involvement. Applicants should list the stakeholders involved in the planning effort (e.g., first responders, community-based organizations, local housing and public health departments, transit agencies, and partners including State, federal, local agencies), as well as how they will be involved throughout the project. **Do not exceed the space provided. (5 points):**

The City has already met with CBOs in preparing this grant application. They have indicated a strong willingness to participate and solicit other individuals from their network of supportive organizations. Community leaders will carry the message to their constituents and fellow group members of the importance of this Update to grow the level of public interest. The network tree and community leaders as ambassadors, in combination with the City's aggressive public participation program, will cast a wide net to capture as many viewpoints as possible. Current community stakeholders include CBOs such as The Whole Child, LA CADA, Interfaith Food Center, Southeast Area Social Services Funding Authority, Little Lake School District, Florence Avenue Foursquare Church, St. Pius X, Calvary Chapel, and Citizens for a Better Environment. Technical planning agencies such as Metro, SCAG, Gateway Cities COG, and County of Los Angeles County Economic Development Corporation will be requested to attend meetings at strategic project milestones to review progress, direction, methodology, and results of the Update. Residents and business owners will be invited to attend workshops, walking audits and design charrettes to explore land use, transportation, and environmental justice planning concepts.

- 3E.** Explain how the proposal involves active community engagement. Applicants should describe the specific public outreach methods/events that will be employed throughout the project, as well as how public input will inform the project. Also describe how the effort will survey the public at the end of each outreach event to gauge effectiveness of these activities for the planning effort. **Do not exceed the space provided. (5 points):**

By working closely with CBOs that already serves low-income vulnerable neighborhoods, the City will formulate strategies in partnership with our residents and business owners. Resident input will help shape the final policies, strategies, and zoning codes. The community will have a vested "ownership" of the final documents and a greater likelihood of adopting behavioral changes accordingly. The process, methodology, attendance and meeting notes will be compiled into a final Community Engagement report that will evaluate the outreach effectiveness. Policies and strategies will be tempered by a constant feedback loop of ideas, challenges, and public dialogue in community meetings. There will be simultaneous bilingual interpretation at meetings and all Update public information literature will be translated into Spanish. In addition to public notices, the City will engage in a robust public engagement program that targets low-income neighborhoods using door hangers, a dedicated Update webpage, online survey forms, pop-up kiosks, and extensive community meetings (public workshops, small group focus meetings, private stakeholder meetings). The City already has an effective database of active community stakeholders and can utilize its social media accounts and conduct e-blasts. At the end of each outreach stage, the research and data gathering will be vetted by an Advisory Committee, comprised of individuals working within environmental justice, sustainability, mobility, health, and housing (see attached Letters of Support). The Advisory Committee will help craft workable solutions raised through the public participation program.

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SUSTAINABLE COMMUNITIES GRANT APPLICATION

**3F.** Explain how the proposal assists in achieving the Caltrans Mission and Grant Program Overarching Objectives on Page 4): Sustainability, Preservation, Mobility, Safety, Innovation, Economy, Health, and Social Equity, as applicable.

**Do not exceed the space provided. (5 points):**

- Sustainability, Mobility, and Health: The Update will reduce GHG emissions by focusing the city's growth near transit stops and stations and encouraging mixed-use and higher density residential projects. Walkable designs and seamless interconnections between transportation modes will reduce reliance on private automobiles. Active and alternative transportation will result in cleaner air quality and better health.
- Preservation: The Update will improve quality of life factors and enable land use and transportation improvements that facilitate transit usage. The Update will locate jobs and housing conveniently near transit to enhance accessibility and usage.
- Innovation: The Update will examine innovative best practices that promote housing equality and emerging travel alternatives, such as micro-transit for short trips and co-habitation. The City will research best practices where technology is integrated into the housing, private developments, and public infrastructure.
- Social Equity: The City will implement a community-driven public engagement program wherein residents and businesses can voice concerns and ideas to inform the development of the Update. Bilingual targeted outreach will be provided to DAC neighborhoods to solicit community concerns and aspirations about housing affordability, transportation needs, accessibility to jobs, environmental hazards, and public safety. The Update will develop the City's first Environmental Justice Element to protect public health and the environment.

**3G.** Explain how the proposal ultimately results in funded and programmed multimodal transportation system improvements. Applicants should discuss next steps for project implementation, including timing for programming improvements that would result from the planning effort. **Do not exceed the space provided. 5 points:**

- Multi-Modal Improvements: The Update will identify transportation barriers and identify missing public transportation improvements to integrate planning with transportation strategies. It will create a TOD Overlay zone and develop First Mile/Last Mile strategies. It will develop appropriate policies that will lead to actionable projects, such as capital improvement projects that integrate active transportation, public transit, and other emerging mobility types that reduce dependence on private automobiles (e.g. dockless bike share and e-scooters); plant street trees for shade and carbon sequestration; upgrade housing stock (types, price points, and energy efficiency) and collaborate with Metro on station development, TOD Overlay Zone, and First Mile/Last Mile strategies.
- Next Steps: The City will continue partnerships with vulnerable DAC neighborhoods to evaluate Update implementation pursuant to SCAG RTP/SCS and CTP 2040 goals, SB 379 climate considerations, and SB 1000 environmental justice factors. The Update will position the City to be more competitive for other planning and project implementation grants, such as the Affordable Housing and Sustainable Communities Program, Urban Greening Grant Program, Climate Action Plan, Urban Forestry Grant Program, and Safe Route to Schools. The City has established working relationships with affordable housing providers and environmental organizations, which will be fostered into developing viable affordable housing and urban greening projects. Public outreach and stakeholder engagement does not end at the conclusion of the Update.



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<b>4. Project Management (30 points):</b> See Scope of Work and Project Timeline samples and checklists for requirements (Grant Application Guide, Pages 47-53), also online at: <a href="http://www.dot.ca.gov/hq/tpp/grants.html">http://www.dot.ca.gov/hq/tpp/grants.html</a> .
--

<b>4A.</b> Scope of Work in required Microsoft Word format (15 points)
--

<b>4B.</b> Project Timeline in required Microsoft Excel format (15 points)
--

FY 2019-20  
CALTRANS SUSTAINABLE TRANSPORTATION PLANNING  
SUSTAINABLE COMMUNITIES GRANT APPLICATION

Application Signature Page

If selected for funding, the information contained in this application will become the foundation of the contract with Caltrans.

To the best of my knowledge, all information contained in this application is true and correct. If awarded a grant with Caltrans, I agree that I will adhere to the program guidelines.

Raymond R. Cruz

Signature of Authorized Official (Applicant)

Raymond R. Cruz

Print Name

City Manager

Title

11/29/18

Date

\_\_\_\_\_  
Signature of Authorized Official (Sub-Applciant)

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Authorized Official (Sub-Applciant)

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



# City of Santa Fe Springs

City Council Meeting

ITEM NO. 14

June 27, 2019

## NEW BUSINESS

Resolution Nos. 9636 and 9637 – Approval of Engineer's Report (FY 2019/20) in Conjunction with Annual Levy of Assessment for Heritage Springs Assessment District No. 2001-1 (Hawkins Street and Palm Drive)

### RECOMMENDATIONS

- Adopt Resolution 9636, approving the Engineer's Report (FY 2019/20) in conjunction with the annual levy of assessments for the Heritage Springs Assessment District No. 2001-01; and
- Adopt Resolution No. 9637, declaring the City of Santa Fe Springs' intention to provide for an annual levy and collection of assessments for Heritage Springs Assessment District No. 2001-01, and setting the public hearing for the Council meeting of July 25, 2019.

### BACKGROUND

The Heritage Springs Assessment District (Assessment District) No. 2001-1 was formed on June 28, 2001, pursuant to the provisions of the Municipal Improvement Act of 1913, Division 12. A map of the Assessment District is enclosed.

The District included a mechanism to provide funding on an annual basis for ongoing street maintenance which includes slurry sealing, street resurfacing and street reconstruction as needed. The requirement for a street maintenance district component was a condition of approval for the initial development. Staff annually inspects the condition of the streets to determine when improvements are needed. Currently the existing status of the street is in fair-to-good condition. Hawkins Street and Palm Drive were slurry sealed on December 2017.

At their meeting of March 28, 2019, the City Council approved Resolution No. 9626 ordering the preparation of the Engineer's Report for FY 2019/20. A copy of the Engineer's Report for the Assessment District No. 2001-1 is attached for your review and approval. Resolution 9636 approves the Annual Engineer's Report.

Resolution No. 9637, Intention to Levy Annual Assessments in the Heritage Springs Assessment District sets the public hearing date for July 25, 2019 and is attached for your review and approval.

### FISCAL IMPACT

The District has a positive financial impact on the City because a benefit assessment district is used to fund the street maintenance costs attributable to such developments.

Report Submitted By: Noe Negrete, Director  
Department of Public Works

Date of Report: June 19, 2019

**INFRASTRUCTURE IMPACT**

The infrastructure has been constructed for this development and has been maintained on a regular schedule.



Raymond R. Cruz  
City Manager

**Attachments**

Exhibit A: Engineer's Report  
Exhibit B: Resolution Nos. 9636 and 9637  
Exhibit C: Boundary Map





## **CITY OF SANTA FE SPRINGS**

**ENGINEER'S REPORT**

**HERITAGE SPRINGS ASSESSMENT**

**DISTRICT NO. 2001-1**

**FISCAL YEAR 2019-20**

**LOS ANGELES COUNTY, CALIFORNIA**

**May 31, 2019**

*PREPARED BY*



**Harris & Associates**

*22 Executive Park, Suite 200*

*Irvine, CA 92614*

*[www.weareharris.com](http://www.weareharris.com)*

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## ENGINEER'S CERTIFICATION

AGENCY: THE CITY OF SANTA FE SPRINGS

PROJECT: HERITAGE SPRINGS ASSESSMENT DISTRICT NO. 2001-1

TO: THE CITY COUNCIL OF THE  
CITY OF SANTA FE SPRINGS  
STATE OF CALIFORNIA

### ENGINEER'S REPORT FOR FISCAL YEAR 2019-20

WHEREAS, the City of Santa Fe Springs, County of Los Angeles, State of California, pursuant to the provisions of the Section 10100.8 Municipal Improvement Act of 1913, being Division 12 of the California Streets and Highways Code (the "Act") intends to undertake proceedings for the annual levy of special assessments in and for the City's Heritage Springs Assessment District No. 2001-1 (the "District");

NOW THEREFORE, the undersigned Engineer of Work hereby submit herewith the "Report" consisting of four (4) parts as follows:

#### HERITAGE SPRINGS ASSESSMENT DISTRICT

(Hereinafter referred to as the "District"),

I, K. Dennis Klingelhofer, authorized representative of the District, the duly appointed Assessment Engineer submit the following Report which consists of the following four (4) parts and Appendices:

#### PART I

Description of Improvements: A description of the maintenance activities to be performed

#### PART II

Cost Estimate: An estimate of the maintenance costs to be paid from the District.

#### PART III

Assessment Roll: The assessment by parcel.

#### PART IV

Method of Assessments: The way the assessment is apportioned.



**Appendix**

**Appendix A – Assessment Diagram**

In conclusion, it is my opinion that the costs and expenses of the District have been assessed to the lots and parcels within the boundaries of the District in proportion to the estimated benefits to be received by each lot or parcel from the services provided.

DATED: May 31, 2019



**Harris & Associates**



K. Dennis Klingelhofer, P.E., Assessment Engineer  
R.C.E. No. 50255  
Engineer of Work  
State of California





## **PART I – DESCRIPTION OF IMPROVEMENTS**

The assessments in the District shall be levied for the maintenance of improvements as follows, and shall include all incidental expenses, including administration, legal, establishment of reserves, collection and contracting.

The improvements proposed to be maintained may be generally described as Hawkins Street, east of Norwalk Boulevard, and Palm Drive, south of Hawkins Street. The maintenance of such improvements is proposed to consist of the continued maintenance and operation of such improvements, including the maintenance of pavement and appurtenant facilities that are located in and along such streets, including but not limited to, personnel, electrical energy, utilities, materials, contracting services, and other items necessary for the satisfactory maintenance of these improvements described as follows:

### **Pavement and Appurtenant Facilities**

Pavement and appurtenant facilities, in public street and rights-of-way, within the boundary of said District.

Maintenance means the furnishing of services and materials for the ordinary and usual operation, maintenance, repair and servicing of the above described roadways and appurtenant improvements, including repair, slurry sealing, chip sealing, removal or replacement of all or part of any of the streets or appurtenant improvements, and the administration of all aspects of the maintenance and the District.



## PART II – COST ESTIMATE

The estimated amount to be paid annually into the maintenance program fund for the streets as described in Part I of this Report is as follows:

### In 2001 \$'s:

#### Slurry Seal @ 5 and 15 years:

5 years	\$0.16 / SF x	100,000 SF =	\$16,000
15 years	4% estimated inflation per yr =		\$24,000

#### Street Rehab @ 10 years:

10 years	\$1.50 / SF x	100,000 SF =	\$150,000
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#### Street Reconstruct @ 20 years:

20 years	\$5.00 / SF x	100,000 SF =	\$500,000
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**Total est. 20 year Maintenance Strategy:** \$690,000  
round up to: \$700,000

Estimated annual cost for 2001 = \$35,000  
estimated cost per SF: \$0.3500

### Conversion to 2019 \$'s:

#### ENR Construction Cost Index Increase

June 2001 - 2019	77.75%
2019 cost per SF:	\$0.6221

Hawkins Street & Palm Drive Improvements SF = 66,680  
**Annual Cost for Fiscal Year 2019-20 = \$41,482**

Maintenance Fund Capital Reserve Balance = \$536,239  
(fund balance estimated as of July 1, 2019)



## PART III – ASSESSMENT ROLL

The total proposed assessment for Fiscal Year 2019-20 and the amount of the total proposed assessment apportioned to each lot or parcel within the District, as shown on the latest assessment roll at the Los Angeles County Assessor's Office, are shown below.

The description of each lot or parcel is part of the County assessment roll and this roll is, by reference, made part of this Report.

Asmt No.	Assessor's Parcel Number	Fiscal Year 2019-20 Maint. Asmt.
1	8005-015-037	\$8,881.30
2	8005-015-038	\$8,126.74
3	8005-015-039	\$3,332.25
4	8005-015-040	\$2,703.80
5	8005-015-041	\$2,562.34
6	8005-015-042	\$2,279.44
7	8005-015-043	\$1,776.26
8	8005-015-044	\$4,605.75
9	8005-015-045	\$7,214.96
10	8005-015-910	\$0.00
		\$41,482.84





## **PART IV - METHOD OF APPORTIONMENT**

The assessments are apportioned according to the special benefits received by the parcels of land within the Assessment District in accordance with the apportionment of costs at the time of formation. The assessment is necessary to maintain the level of special benefit from the construction of the improvements funded by the District. The proportionate special benefit derived by each parcel is determined in relationship to the entirety of the maintenance cost of the improvements. No assessment has been apportioned on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel.

Only special benefits may be assessed and any general benefits shall be separated from the special benefits for purposes of this Report. Based on the nature of the improvements to be funded herein, there are no general benefits.

Under this Report, the assessment for the District are apportioned in accordance with the foregoing and using the following criteria:

The net acreage of each parcel of land is determined by excluding acreage which will not have direct access to the improvements from Hawkins Street or Palm Drive, and by excluding acreage to be dedicated as roadway, road rights-of-way, or sidewalk easement. Special benefit is determined based on the net acreage of each parcel relative to the total net acreage (the "Benefit Percentage").

The total annual cost for Fiscal Year 2019-20, as shown in Part II of this Report, is apportioned on a percentage basis using the Benefit Percentages, as shown below:

Asmt No.	Assessor's Parcel Number	Net Acreage	Benefit Percentage	Fiscal Year 2019-20 Maint. Asmt.
1	8005-015-037	5.65	21.410%	\$8,881.30
2	8005-015-038	5.17	19.591%	\$8,126.74
3	8005-015-039	2.12	8.033%	\$3,332.25
4	8005-015-040	1.72	6.518%	\$2,703.80
5	8005-015-041	1.63	6.177%	\$2,562.34
6	8005-015-042	1.45	5.495%	\$2,279.44
7	8005-015-043	1.13	4.282%	\$1,776.26
8	8005-015-044	2.93	11.103%	\$4,605.75
9	8005-015-045	4.59	17.393%	\$7,214.96
10	8005-015-910	0.00	0.000%	\$0.00
		26.39	100.00%	\$41,482.84

Based on the preceding, Assessment No. 10 is not assessed as its Benefit Percentage is zero percent.



## **APPENDIX A – ASSESSMENT DIAGRAM**

A diagram showing the exterior boundaries of the District and the lines and dimensions of each lot or parcel of land within the District, entitled "Assessment Diagram, Heritage Springs Assessment District No. 2001-1", is on file in the office of the City Clerk of the City of Santa Fe Springs, and is incorporated herein by reference.

The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County of Los Angeles for Fiscal Year 2019-20. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

**RESOLUTION NO. 9636**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA, APPROVING THE ENGINEER'S REPORT FOR ANNUAL LEVY OF ASSESSMENTS FOR THE HERITAGE SPRINGS ASSESSMENT DISTRICT 2001-1 FOR FISCAL YEAR 2019/2020**

WHEREAS, this Council has conducted proceedings under and pursuant to the Municipal Improvement Act of 1913, Division 12, California Streets and Highways Code (the "Act") and Resolution Ordering the Assessment District Formation No. 6642, adopted June 28, 2001 (the "Resolution of Formation"), to form the Heritage Springs Assessment District 2001-1 ("Assessment District"), to authorize the levy of special assessment upon the lands within the Assessment District, to acquire and construct public streets and other improvements, all as described therein; and

WHEREAS, the CITY COUNCIL of the CITY OF SANTA FE SPRINGS, CALIFORNIA, pursuant to the provisions of Division 12 of the Streets and Highways Code of the State of California, did, by previous Resolution, order the preparation of an Engineer's "Report" for the annual levy of assessments, consisting of plans and specifications, an estimate of the cost, a diagram of the district, and an assessment relating to what is now known and designated as

**CITY OF SANTA FE SPRINGS  
Heritage Springs Assessment District 2001-1**

WHEREAS, there has now been presented to this City Council the "Report" as required by said Division 12 of the Streets and Highways Code and as previously directed by Resolution; and,

WHEREAS, this City Council has now carefully examined and reviewed the "Report" as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the assessments, on a preliminary basis, have been spread in accordance with the benefits received from the maintenance to be performed, as set forth in said "Report."

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are true and correct.

SECTION 2. That the "Report" as presented, consisting of the following:

- A. Estimate of costs;
- B. Diagram of the District;
- C. Assessment of the estimated cost

Is hereby approved; and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 3. That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Engineer's "Report."

APPROVED and ADOPTED this 27<sup>th</sup> day of June, 2019.

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF SANTA FE SPRINGS

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Juanita Trujillo, Mayor

ATTEST:

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Janet Martinez, CMC, City Clerk

RESOLUTION NO. 9637

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA, DECLARING ITS INTENTION TO PROVIDE FOR AN ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR CERTAIN MAINTENANCE IN AN EXISTING DISTRICT, PURSUANT TO THE PROVISIONS OF DIVISION 12 OF THE STREETS AND HIGHWAYS CODE OF THE STATE OF CALIFORNIA, AND SETTING A TIME AND PLACE FOR PUBLIC HEARING THEREON**

WHEREAS, this Council has conducted proceedings under and pursuant to the Municipal Improvement Act of 1913, Division 12, California Streets and Highways Code to form the Heritage Springs Assessment District 2001-1 ("Assessment District"), in what is known and designated as:

CITY OF SANTA FE SPRINGS  
Heritage Springs Assessment District 2001-1

WHEREAS, at this time, this City Council is desirous to take proceedings to provide for the annual levy of assessments for the next ensuing fiscal year, to provide for the costs and expenses necessary for continual maintenance of improvements within said Assessment District; and,

WHEREAS, at this time there has been presented and approved by this City Council, the Engineer's "Report" as required by law, and this City Council is desirous of proceeding with the proceedings for said annual levy.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are true and correct.

PUBLIC INTEREST

SECTION 2. That the public interest and convenience requires, and it is the intention of this City Council, to undertake proceedings for the annual levy and collection of special assessments for the continual maintenance of certain improvements, all to serve and benefit said Assessment District as said area is shown and delineated on a map as previously approved by this City Council and on file in the Office of the City Clerk, open to public inspection, and herein so referenced and made a part hereof, and proposed changes thereto are set forth in the "Report" of the Engineer, incorporated herein as a part hereof.



## REPORT

- SECTION 3. That the "Report" of the Engineer regarding the annual levy for said District, which "Report" is for maintenance for the Fiscal Year 2019/2020 is hereby approved and is directed to be filed in the Office of the City Clerk.
- SECTION 4. That the public interest and convenience requires, and it is the intention of this City Council to order the annual assessment levy for the Assessment District as set forth and described in said Engineer's "Report," and further it is determined to be in the best public interest and convenience to levy and collect annual assessments to pay the costs and expenses of said maintenance and improvement as estimated in said "Report."

## DESCRIPTION OF MAINTENANCE

- SECTION 5. The assessments levied and collected shall be for the maintenance of certain improvements, as set forth in the Engineer's "Report," referenced and so incorporated herein.

## COUNTY AUDITOR

- SECTION 6. The County Auditor shall enter on the County Assessment Roll the amount of the assessments, and shall collect said assessments at the time and in the same manner as County taxes are collected. After collection by the County, the net amount of the assessments, after the deduction of any compensation due to the County for collection, shall be paid to the Treasurer for purposes of paying for the costs and expenses of said Assessment District.

## SPECIAL FUND

- SECTION 7. That all monies collected shall be deposited in a special fund known as

SPECIAL FUND  
CITY OF SANTA FE SPRINGS  
Heritage Springs Assessment District 2001-1

Payment shall be made out of said fund only for the purpose provided for in this Resolution, and in order to expedite the making of this maintenance and improvement, the City Council may transfer into said special fund, from any available source, such funds as it may deem necessary to expedite the proceedings. Any funds shall be repaid out of the proceeds of the assessments provided for in this Resolution.

### BOUNDARIES OF THE DISTRICT

SECTION 8. Said contemplated maintenance work is, in the opinion of this City Council, of direct benefit to the properties within the boundaries of the Assessment District, and this City Council makes the costs and expenses of said maintenance chargeable upon a district, which district said City Council declares to be the district benefited by said improvement and maintenance, and to be further assessed to pay the costs and expenses thereof. Said Assessment District, shall include each and every parcel of land within the boundaries of said Assessment District, as said Assessment District is shown on a map as approved by this City Council and on file in the Office of the City Clerk, and designated by the name of the Assessment District.

### PUBLIC HEARING

SECTION 9. NOTICE IS HEREBY GIVEN THAT THURSDAY, THE 25<sup>th</sup> DAY OF JULY, 2019 AT THE HOUR OF 6:00 O'CLOCK P.M., IN THE REGULAR MEETING OF THE CITY COUNCIL, BEING THE COUNCIL CHAMBERS, IS THE TIME AND PLACE FIXED BY THIS CITY COUNCIL FOR THE HEARING OF PROTESTS OR OBJECTIONS IN REFERENCE TO THE ANNUAL LEVY OF ASSESSMENTS, TO THE EXTENT OF THE MAINTENANCE, AND ANY OTHER MATTERS CONTAINED IN THIS RESOLUTION, ANY PERSONS WHO WISH TO OBJECT TO THE PROCEEDINGS FOR THE ANNUAL LEVY SHOULD FILE A WRITTEN PROTEST WITH THE CITY CLERK PRIOR TO THE TIME SET AND SCHEDULED FOR SAID PUBLIC HEARING.

### NOTICE

SECTION 10. That the City Clerk is hereby authorized and directed to publish a copy of this Resolution. Said publication shall be not less than ten (10) days before the date for said Public Hearing.

### EFFECTIVE DATE

SECTION 11. That this Resolution shall take effect immediately upon its adoption.

PROCEEDINGS INQUIRIES

SECTION 12. For any and all information relating to the proceedings, protest procedure, any documentation and/or information of a procedural or technical nature, your attention is directed to the below listed person at the local agency or department so designated:

Noe Negrete  
City Engineer  
CITY OF SANTA FE SPRINGS  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
(562) 868-0511

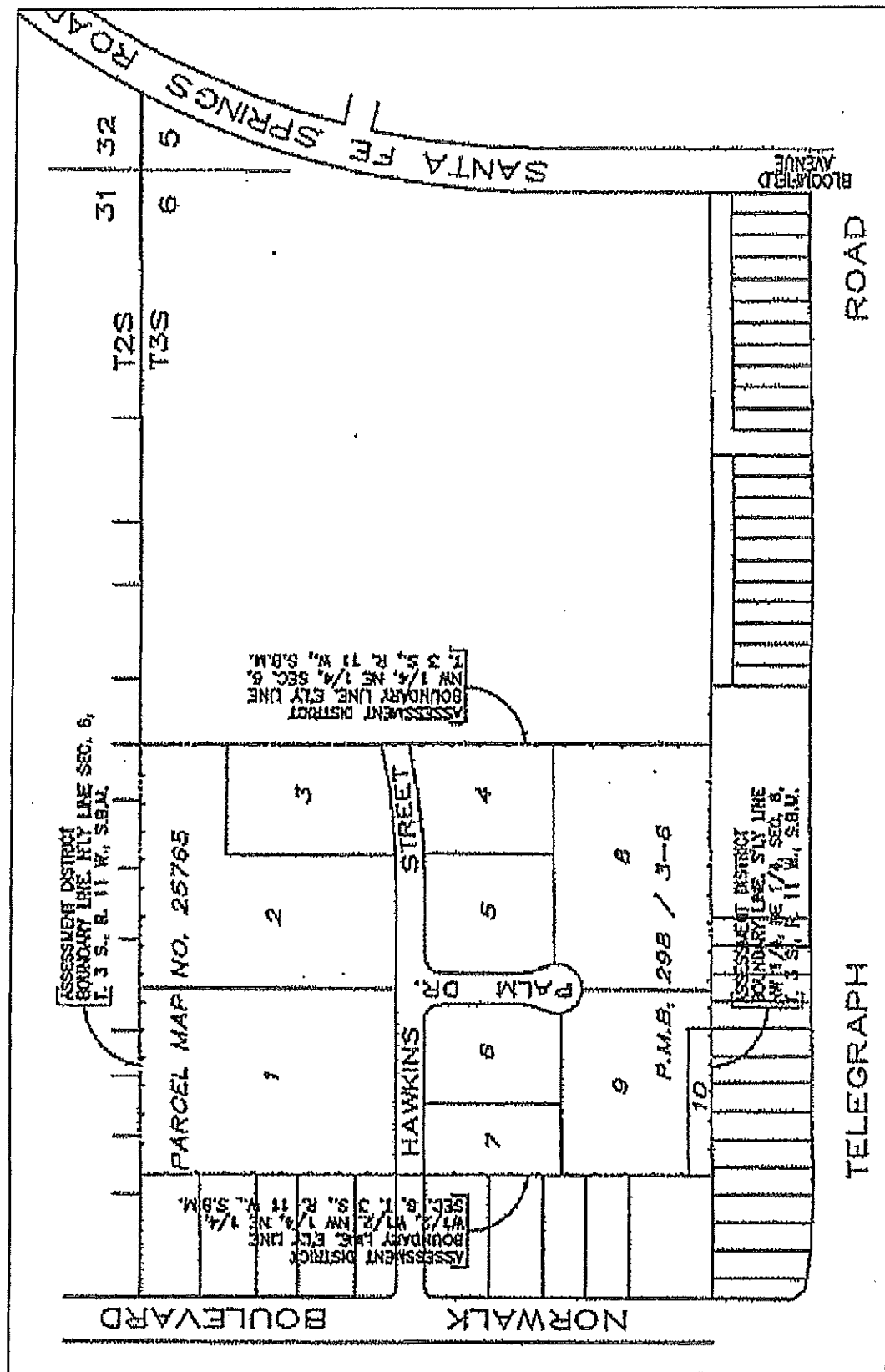
APPROVED and ADOPTED this 27<sup>th</sup> day of June, 2019.

\_\_\_\_\_  
Juanita Trujillo, Mayor

ATTEST:

\_\_\_\_\_  
Janet Martinez, CMC, City Clerk

# BOUNDARY MAP HERITAGE SPRINGS ASSESSMENT DISTRICT 2001-1



## NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY GIVEN** that a Public Hearing, as provided by law, will be held by the Santa Fe Springs City Council, to consider **Resolution No. 9637**.

**Resolution No. 9637** concerns declaring the City's intention to provide for an Annual Levy and Collection of Assessments for certain maintenance in an existing district, pursuant to the provisions of Division 12, of the Streets and Highways Code of the state of California, and setting a time and place for public hearing thereon.

The Public Hearing will take place on July 25, 2019, at 6:00 p.m. in the City Hall - Council Chambers, 11710 Telegraph Road, Santa Fe Springs, California. Any person may attend and speak on this matter. A copy of Resolution No. 9639 is on file in the City Clerk's office. Inquiries concerning this Public Hearing may be directed to the Department of Public Works, (562) 868-0511, Ext. 7540.

Dated: June 19, 2019

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Janet Martinez, CMC  
City Clerk  
City of Santa Fe Springs, California



# City of Santa Fe Springs

City Council Meeting

ITEM NO. 15

June 27, 2019

## NEW BUSINESS

Resolution Nos. 9638 and 9639 – Approval of Engineer's Report (FY 2019/20) in Conjunction with Annual Levy of Assessments for Street Lighting District No. 1

### RECOMMENDATION

- Adopt Resolution No. 9638, approving the Engineer's Report (FY 2019/20) in conjunction with the annual levy of assessments for Street Lighting District No. 1; and
- Adopt Resolution No. 9639, declaring the City of Santa Fe Springs' intention to provide for an annual levy and collection of assessments for Lighting District No. 1, and setting the public hearing for the Council meeting of July 25, 2019

### BACKGROUND

Santa Fe Springs Lighting District No. 1 (District) was formed May 26, 1982, pursuant to the provisions of the Landscaping and Lighting Act of 1972. A map of the District is shown on Page 16 of the Engineer's Report. The District does not include any residential properties, or any properties with a residential land code, are being assessed. The annual assessment rate for the District has not been increased since fiscal year 1992/1993, although the costs of providing the improvements that benefit the properties within the District continue to rise. In 2004, the City conducted an election to try to increase the annual assessment rate. However a majority protest existed and the proposed assessment increase was not imposed.

After the initial formation of the district, it is necessary for the City to annually update the Lighting District. This allows the City to continue levying annual assessments against the properties located within the Lighting District. The required documents to satisfy the legal requirements are outlined in Chapter 3 of the Landscaping and Lighting Act of 1972 as contained in the Streets and Highways Code.

The Council, at their meeting of March 28, 2019 approved Resolution No. 9627 ordering the preparation of plans, specifications, cost estimate, diagram, assessment, and report pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California.

A copy of the Annual Engineer's Report for the City of Santa Fe Springs Lighting District No. 1 is attached for your review and approval. The Engineer's Report satisfies the legal requirements described previously. In summary, the Engineer's Report addresses compliance with the state law, describes method of apportionment and presents a proposed budget for FY 2019/20. As noted on Page 15 of the Engineer's Report, the estimated total direct and administrative costs for

Report Submitted By: Noe Negrete  
Director of Public Works

 Date of Report: June 19, 2019

providing street lights is \$699,900. The balance to levy is \$195,661.00, which takes into consideration a general fund contribution of \$302,544 to subsidize the District.



Raymond R. Cruz  
City Manager

Attachments:

- Exhibit A: Engineer's Report
- Exhibit B: Resolution Nos. 9638 and 9639
- Exhibit C: Lighting District No. 1 Boundary Map





# **City of Santa Fe Springs**

## **Lighting District No. 1**

### **2019/20 ENGINEER'S ANNUAL LEVY REPORT**

**Intent Meeting: June 27, 2019**

**Public Hearing: July 25, 2019**

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**ENGINEER'S REPORT AFFIDAVIT**  
**Establishment of Annual Assessments for the:**

**Santa Fe Springs Lighting District No. 1**

**City of Santa Fe Springs**  
**Los Angeles County, State of California**

This Report identifies the parcels within the District, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Willdan Financial Services  
Assessment Engineer  
On Behalf of the City of Santa Fe Springs

By: \_\_\_\_\_

Susana Hernandez, Project Manager  
District Administration Services

By: \_\_\_\_\_

Richard Kopecky  
R. C. E. #16742



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## **I. OVERVIEW**

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### **A. INTRODUCTION**

The City of Santa Fe Springs (hereafter referred to as “City”) annually levies and collects special assessments in order to provide and maintain the improvements within the Santa Fe Springs Lighting District No. 1 (hereafter referred to as “District”). The District was formed on May 26, 1982 and is annually levied pursuant to the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code* (hereafter referred to as the “1972 Act”). The annual assessments levied on parcels within the District are based on the special benefits received, and partially fund the costs associated with the installation, maintenance, operation and administration of the public streetlight system within the District.

This Engineer's Report (hereafter referred to as the “Report”) has been prepared pursuant to the order of the City Council as required by the provisions *Chapter 3, of the 1972 Act (commencing with Section 22620)*, which outlines the procedures for the annual levy of assessments. This Report provides an update of the District including the proposed expenses and revenues, any substantial change in the improvements or the District, and the proposed assessments to be levied on the County tax roll for Fiscal Year 2019/20 and has been prepared pursuant to the requirements of *Article 4, Chapter 1, of the 1972 Act (inclusive of Sections 22565 through 22574)*. In addition to the provisions of the 1972 Act, it has been determined that the existing annual assessments for this District have been previously levied in accordance with the provisions of the *California Constitution Article XIID* which was enacted as a result of the passage of Proposition 218, approved by the California voters in November 1996.

The annual assessment rate for the District has not been increased since Fiscal Year 1992/1993, although the costs of providing the improvements that benefit the properties within the District have continued to rise. Initially, the rising costs to provide streetlights within the District were offset by the District fund balance and an assessment increase was not necessary. Eventually the District fund balance was exhausted and the City began making increasingly greater contributions each year to the District expenses, not only to cover the general benefit portion of the costs, but also to subsidize the special benefit costs not recovered by the annual assessments.

In 2004, the City performed an extensive review of the District including the boundaries of the District, the properties therein, the special benefit properties received from the improvements, the general benefit the improvements may provide to properties outside the District or to the public at large, as well as the current and long-term costs and expenses associated with providing the improvements. Based on this review and evaluation, the City Council determined that it was necessary and in the best interest of the property owners within the District to conduct a property owner protest ballot proceeding for an increase to the annual assessments for Fiscal Year 2004/2005 in accordance with the



provisions of the *California Constitution Article XIID*. Based on the ballot tabulation conducted on July 8, 2004, a majority protest existed, and the proposed assessment increase was not imposed.

The word “parcel”, for the purposes of this Report, refers to an individual property assigned its own Assessment Parcel Number by the Los Angeles County Assessor’s Office. The Los Angeles County Auditor/Controller uses Assessment Parcel Numbers and specific Fund Numbers to identify, on the tax roll, properties assessed for special district benefit assessments.

At a noticed annual Public Hearing the City Council will consider public testimony regarding the District. The City Council will review the Engineer’s Annual Report and may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report and confirmation of the assessments, the Council will order the levy and collection of assessments for Fiscal Year 2019/20 pursuant to the Act. In such case, the assessment information will be submitted to the County Auditor/Controller for inclusion on the property tax roll for each parcel in Fiscal Year 2019/20. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current Fiscal Year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved by the City Council.

## **B. COMPLIANCE WITH THE CURRENT LEGISLATION**

As a result of the passage of Proposition 218 in November 1996, *Articles XIIC and XIID* were added to the California Constitution. *Article XIID* specifically addressed both the substantive and procedural requirements to be followed for assessments. The procedural and approval process for assessments outlined in this article apply to assessment districts, with the exception of those existing assessments that met one or more of the exemptions set forth in *Section 5* of the Article. Specifically as it relates to Lighting District No. 1, the exemption provision set forth in *Section 5(a) of Article XIID* states:

*“...assessments existing on the effective date of this Article shall be exempt from the procedures and approval process set forth in Section 4 [if they were] imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage systems or vector control.”*

The District’s streetlight assessments were established in Fiscal Year 1982/1983 and have not been increased since Fiscal Year 1992/1993. These assessments have funded improvements that are classified as street improvements as defined herein based on the definitions provided by the Office of the Controller for the State of California in the “Guidelines Relating to Gas Tax Expenditures” published by the

Division of Local Government Fiscal Affairs. The state's gas tax program is administered in city agencies, but audited by the Office of the State Controller. The proceeds of the gas tax are statutorily limited to expenditures for streets and roads. Because the funds are restricted to street and road expenditures, the State Controller has developed the "Street Purpose Definitions and Guidelines" based on the "Manual of Uniform Highway Accounting and Financial Management Procedures" developed by the American Association of State Highway Officials. Street improvement, as it relates to this District, is defined as the construction, operation, or maintenance of facilities within the right of way used for street or road purposes including but not limited to the following:

- Installation or expansion of the streetlight system including replacement of old equipment with superior equipment, installation of traffic signals at intersections and railroad crossings, replacement of equipment as required for relocations for street purposes, and purchase and installation of traffic signal control equipment.
- Servicing lighting systems and street or road traffic control devices including, repainting and repairing traffic signals and lighting standards; and furnishing of power for street and road lighting and traffic control devices.

Therefore, the existing District assessments (assessment rates and method of apportionment) approved and levied prior to the passage of Proposition 218, are exempt from both the substantive and procedural approval process defined by *Article XIID, Section 4*, until such time the assessments are increased.



## ***II. Description of the District and Services***

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### **A. BOUNDARIES OF THE DISTRICT**

The boundary of the District is completely within the city limits of the City of Santa Fe Springs and is shown on the Assessment Diagram, which is on file in the office of the City Clerk at the City Hall of Santa Fe Springs, a depiction of which is shown in Exhibit A of this Report. The parcels of real property included within the District are identified by land use categories ("Use Codes"). A listing of the Use Codes that may be applicable to parcels within this District and typically utilized by the Los Angeles County Assessor's Office for identification of property land uses is provided in the Method of Apportionment section of this Report. Excluded from assessments are utility easements, rights-of-way, common areas, public schools, public streets, residential properties, and other public properties. The parcels within the District are described in detail on the assessor parcel maps on file in the Los Angeles County Assessor's Office, which by reference are made a part of this Report.

### **B. IMPROVEMENTS AUTHORIZED BY THE 1972 ACT**

As applicable or may be applicable to this proposed District, the 1972 Act defines improvements to mean one or any combination of the following:

- The installation or construction of public lighting facilities.
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.



Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting and mailing of notices;
- Compensation payable to the County for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "Maintain" or "maintenance" to mean furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal, or replacement of all or any part of any improvement.
- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
- The removal of trimmings, rubbish, debris, and other solid waste.
- The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

### **C. IMPROVEMENTS, PLANS AND SPECIFICATIONS**

The annual special benefit assessments levied on parcels within the District provide funding for a portion of the annual expenses related to the installation, maintenance, operation and administration of the streetlight system within the District boundaries. The costs associated with the improvements are equitably spread among benefiting parcels in proportion to their special benefits. Streetlight improvements within the City of Santa Fe Springs but not within the District boundaries and that portion of the District improvements determined to be general benefit are funded by other revenue sources. Only improvements, services and

incidental expenses permitted under provisions of the 1972 Act that are necessary for the ongoing maintenance, operation and administration of the District streetlight system that provides special benefits to the parcels within the District are included in the annual assessment.

Maintenance of the streetlight system within the District may include, but is not limited to removal, repair, replacement, modification, or relocation of the light standards, poles, bulbs, fixtures, and appurtenances. Servicing of the Southern California Edison Company-owned streetlights is furnished by the Southern California Edison Company or by its successors or assignees. The rates charged by the Edison Company include both the power and maintenance costs and are regulated and authorized by the Public Utilities Commission of the State of California. The City of Santa Fe Springs Public Works Department provides for the servicing of the City-owned streetlights. The energy rates charged for City-owned streetlights is also regulated and authorized by the Public Utilities Commission.



Approximately eleven percent (11%) of the streetlights within the District are owned and maintained by Southern California Edison Company. The remaining eighty-nine percent (89%) of the streetlights are owned by the City of Santa Fe Springs and are maintained by the City. The following table provides a summary of the streetlight inventory within the District for Fiscal Year 2019/20:

**Table 1 - Street Light Inventory for Fiscal Year 2019/20**

Account No/ Description	Number of Lights Per Type											
	Series 70			Series 100			Series 150			Series 200		
	Watt	Watt	Watt	Watt	Watt	Watt	Watt	Watt	Watt	Watt	Watt	Watt
3-008-8387-95 LS-1 (Edison-owned)	-	2	-	-	-	-	-	-	-	-	-	200
3-008-8182-13 LS-1 (Edison-owned)	-	-	-	-	-	3	-	-	1	-	-	850
3-008-8182-03 LS-1 (Edison-owned)	-	12	-	22	-	16	-	-	-	-	-	7,700
3-008-8182-02 LS-1 (Edison-owned)	-	6	-	-	-	-	-	-	-	-	-	600
3-008-8181-99 LS-1 (Edison-owned)	1	163	-	1	-	1	-	-	-	-	5	18,720
3-008-8181-96 LS-1 (Edison-owned)	5	127	-	-	-	6	-	1	-	-	-	14,500
<b>LS - 1 TOTAL</b>	<b>6</b>	<b>310</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>26</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>5</b>	<b>372</b>	<b>42,570</b>
3-008-9238-08 LS-2 (City-owned)	-	87	158	13	-	69	1	-	-	-	-	40,450
3-008-8181-98 LS-2 (City-owned)	-	-	-	126	2	85	-	37	3	-	-	46,380
3-008-8182-00 LS-2 (City-owned)	-	15	90	25	-	96	1	6	-	-	-	35,150
3-008-8182-01 LS-2 (City-owned)	-	14	-	160	-	119	-	22	9	-	-	57,490
3-008-8182-11 LS-2 (City-owned)	-	29	-	334	-	136	46	128	-	17	690	128,200
3-008-8182-14 LS-2 (City-owned)	-	12	-	279	-	356	-	88	4	15	754	143,490
3-008-8182-16 LS-2 (City-owned)	-	-	-	148	21	118	80	11	-	-	378	67,700
<b>LS - 2 TOTAL</b>	<b>-</b>	<b>157</b>	<b>248</b>	<b>1,085</b>	<b>23</b>	<b>979</b>	<b>128</b>	<b>292</b>	<b>16</b>	<b>32</b>	<b>2,960</b>	<b>518,860</b>
<b>GRAND TOTAL</b>	<b>6</b>	<b>467</b>	<b>248</b>	<b>1,108</b>	<b>23</b>	<b>1,005</b>	<b>128</b>	<b>294</b>	<b>16</b>	<b>37</b>	<b>3,332</b>	<b>561,430</b>

The proposed improvements for Fiscal Year 2019/20 are unchanged from the previous Fiscal Year. Streetlight Inventory Maps showing the location of the various streetlights within the District are on file in the office of the City Clerk at the City Hall of the City of Santa Fe Springs and by reference are made part of this Report.



### **III. Method of Apportionment**

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#### **A. GENERAL**

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of streetlights and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit:

*"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."*

The formula used for calculating assessments in this District reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on estimated benefit to each parcel.

In addition, pursuant to *Article XIID, Section 4*, a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel, only special benefits may be assessed and the costs associated with general benefit must separate from the special benefits. Therefore, in compliance with these requirements only the District costs that have been identified as "Special Benefit" are assessed, the costs of any improvements considered to be "General Benefit" have been eliminated from the net amount to be assessed.

#### **B. BENEFIT ANALYSIS**

The District's improvements, the associated costs and proposed assessments described in this Report, have been carefully reviewed and have been identified and allocated based on a benefit calculation that proportionally allocates the net cost to the benefiting properties pursuant to the provisions of *Article XIID* and the 1972 Act. The location and extent of the various streetlight improvements within the District and the associated costs have been identified as either "General Benefits" (not assessed) or "Special Benefits".

##### ***Special Benefits***

The method of apportionment (method of assessment) established for this District utilizes commonly accepted engineering practices and is based on the premise that each of the assessed parcels within the District receives special benefit from the improvements maintained and financed by District assessments. The desirability and security of properties within the District is enhanced by the presence of streetlights in close proximity to those properties.

The primary benefits of streetlights are for the convenience, safety and protection of people as well as the security and protection of property, property improvements



and goods. Specifically, the benefits of adequate and well-maintained streetlights that benefit both the properties and property owners within the District include:

- Improves ingress and egress to property, provides customers, suppliers and employees an enhanced environment in which to access the properties.
- Enhanced deterrence of crime and the aid to police protection and security activities.
- Reduced vulnerability to criminal assault of employees, patrons and owners at night.
- The promotion of increased business activities during nighttime hours.
- Increased nighttime safety on roads and highways.
- Reduced vandalism and other criminal acts and damage to improvements or personal property.
- Improved traffic circulation and reduced nighttime accidents and personal property loss.
- Reduction of dumping, graffiti and loitering typically associated with poorly lighted areas.
- Enhances desirability of properties and the ability to conduct or expand business opportunities through association with an area that has sufficient streetlights.

The intensity or degree of illumination provided within the District can enhance these benefits and is a significant factor in determining the benefits properties receive from streetlights improvements. The number and intensity of the streetlights provided in this District are significantly greater than the residential areas of the City and are generally more extensive than the streetlights provided in similar commercial and industrial areas of other cities. For these reasons, it has been determined that the streetlight improvements provided by the District are a special benefit to the properties within the District.

### ***General Benefit***

Although the improvements clearly provide special benefits to properties within the District, it is recognized that some of these facilities by the nature of their location may also benefit properties outside the District that are not assessed and to a lesser extent may provide some benefit to the public at large. Therefore, a portion of the cost to operate, maintain, and service the streetlight improvements within the District are identified as general benefit and not included in the annual assessments as special benefit. In a detailed evaluation of the entire streetlight system within the City of Santa Fe Springs it was determined that, over eighty percent (80%) of the cost to maintain and service the City's streetlights is attributable to the streetlights within this District. The remaining twenty percent (20%) of the City's annual costs for streetlights is associated primarily with the residential areas of the City and these streetlights are currently funded by other revenues sources. Approximately seven percent (7%) of the streetlight improvement costs within the District itself are attributable to streetlight facilities

that benefit properties outside the District as well as properties within the District. Based on this evaluation, it has been determined that twenty-seven percent (27%) of the District's annual costs budgeted for Fiscal Year 2019/20 is considered general benefit. This is a quantifiable percentage based on the current City streetlight system and expenditures. Although not as quantifiable, it is also reasonable to assume that the District improvements also provide some general benefit to the public at large and a reasonable percentage of this benefit should not exceed three percent (3%) for a total general benefit of thirty percent (30%) of the District's costs. The cost of providing the District improvements that are considered general benefit, benefits conferred on real property or to the public at large, shall not be included in the annual assessments and shall be funded by other revenue sources available to the City. These funds are shown in the annual budget of this Report as a General Fund contribution and the amount to be levied as assessments for the District represent only the special benefit portion of the District expenses.

### **C. ASSESSMENT METHODOLOGY**

Pursuant to the Act, the costs of the District may be apportioned by any formula or method that fairly distributes the net amount to be assessed among assessable parcels in proportion to the estimated benefits to be received by each such parcel from the improvements. The apportionment of costs used should reflect the composition of the parcels and the improvements and services provided based on each parcel's estimated special benefit.

#### ***Benefit Assessment Unit***

To assess benefits equitably, it is necessary to relate the different types of parcel improvements to each other. A value of one unit has been assigned as the basic benefit assessment unit. The benefit assessment unit consists of three classifications of benefit: people, security and intensity. The Benefit Factor for each property type is equal to the aggregate amount of benefit assessment units that a parcel receives.

The following table summarizes the various property types within the District by use code and the applicable benefit assessment units that are applied to those properties.



**Table 2 - Use Codes and Benefit Assessment Units**

Use Code	Description	People	Security	Intensity	Benefit Factor
00-09*	Residential	-	-	-	0
10	Vacant Commercial Land	0	0.5	0.5	1
11	Stores	2	1	1	4
12	Store Combinations	2	1	1	4
13	Department Stores	4	2	2	8
15**	Neighborhood Shopping Center	**	**	**	8
16**	Regional Shopping Center	**	**	**	8
17	Office Building	1	1	1	3
18	Hotels and Motels	4	2	2	8
19	Professional Buildings	1	1	1	3
21	Restaurants	3	1	1	5
23	Banks, Savings and Loans	1	1	1	3
24	Service Shops	1	1	1	3
25	Service Stations	2	1	1	4
26	Auto/Recreation Equip Sales	2	2	2	6
27	Parking Lots (Commercial)	1	1	0.5	2.5
28	Animal Kennel	1	0.5	0.5	2
29	Nurseries or Greenhouses	1	0.5	0.5	2
30	Vacant Industrial Land	0	0.5	0.5	1
31	Light Manufacturing	3	1	2	6
32**	Heavy Manufacturing	**	**	**	8
33	Warehousing	2	1	2	5
34	Food Processing Plants	3	1	2	6
36	Lumber Yards	1	1	1	3
37**	Mineral Processing	**	**	**	5
38	Parking Lots (Industrial)	1	0.5	0.5	2
39**	Open Storage	**	**	**	8
44	Truck Crops	0.5	0.25	0.25	1
47	Dairies	0.5	0.25	0.25	1
61	Theaters	3	1	1	5
63	Bowling Alleys	4	2	2	8
64	Club, Lodge Hall, Fraternal Organization	2	1	1	4
65	Recreational	2	1	1	4
71	Churches	1	0.5	0.5	2
72	Schools (Private)	1	0.5	0.5	2
77	Cemeteries, Mausoleums, Mortuaries	0.5	0.25	0.25	1
83	Petroleum and Gas	1	0.5	0.5	2
89	Dump Sites	0.5	0.25	0.25	1
99**	Distribution Centers	**	**	**	8

\* Residential Properties are not assessed

\*\* Minimum Assigned Benefit Factor. See Special Use Codes Section for details.



### ***Special Use Codes***

The following Use Codes have been listed separately because of their unique operations inherent to their classifications, the size of real property, and the high use as a result of their specific operation. The total benefit assessment unit assigned to each parcel is calculated based on the parcel's acreage and a specified weighting factor applied to that use code designation (formula). However, the minimum benefit units assigned to a parcel shall not be less than the Benefit Factor shown on the "Use Code and Benefit Assessment Units" table shown on the previous page unless the parcel fronts on a street without lights. In this case, the Benefit Factor may be reduced below this minimum. (Refer to the table for "Streets Without Lights").

Use Code 99 is a special use code not found in the Los Angeles County Assessor's listing and is assigned to distribution centers for this District only. Parcels of land in Use Code 99 typically run continual 24-hour operations and receive substantial benefit from the District's streetlight improvements.

**Table 3 – Special Use Code**

Use Code	Description	Formula	
15	Neighborhood Shopping Center	6.32	benefit units / acre
16	Regional Shopping Center	8.71	benefit units / acre
32	Heavy Manufacturing	5.45	benefit units / acre
37	Mineral Processing	3.27	benefit units / acre
39	Open Storage	6.53	benefit units / acre
99	Distribution Center	9.80	benefit units / acre

### ***Streets Without Lights***

The total Benefit Assessment Units of any parcel identified on the "Use Code and Benefit Assessment Units" table shown on the previous page that front on a street without District streetlights shall be assessed for people-related benefits only. It has been determined that these parcels do not receive the same special benefits from security or intensity that other parcels in the District receive.

The Special Use Code parcels on streets with no District streetlight facilities are reduced by 1/3 (of Table 3) to account for their reduced special benefits from security or intensity. The calculation of this reduced benefit is outlined in the following table for Special Use Codes:

**Table 4 – Special Use Code (Streets Without Lights)**

Use Code	Description	Formula
15	Neighborhood Shopping Center	4.23 benefit units / acre
16	Regional Shopping Center	5.84 benefit units / acre
32	Heavy Manufacturing	3.66 benefit units / acre
37	Mineral Processing	2.18 benefit units / acre
39	Open Storage	4.36 benefit units / acre
99	Distribution Center	6.58 benefit units / acre

#### **D. BENEFIT FORMULA**

The benefit formula applied to each parcel is based on the preceding Benefit Assessment Unit tables. Each parcel's Benefit Factor is equal to the aggregate amount of benefit assessment units that a parcel receives and correlates to the parcel's special benefit received as compared to other parcels in the District.

The following formulas are used to calculate each property's assessment:

$$\text{People Benefit Assessment Unit} + \text{Security Benefit Assessment Unit} + \text{Intensity Benefit Assessment Unit} = \text{Parcel's Benefit Factor}$$

$$\text{Total Balance to Levy / Aggregate of Benefit Factors} = \text{Levy per Benefit Factor (Assessment Rate)}$$

$$\text{Assessment Rate} \times \text{Parcel's Benefit Factor} = \text{Parcel Levy Amount}$$



The following table provides a summary, by Use Code, of the benefit units, proposed charge, and total count of assessable parcels in the District.

**Table 5 – Summary of Assessable Parcels (by Use Code)**

Use Code	Description	Benefit Units	Applied Rate	Proposed Charge	Parcel Assessed
10	Vacant Commercial Land	20.00	\$17.05	\$341.00	20
11	Stores	76.00	\$17.05	1,295.80	19
12	Store Combinations	24.00	\$17.05	409.20	6
15**	Neighborhood Shopping Center	620.68	\$17.05	10,582.45	36
16**	Regional Shopping Center	94.10	\$17.05	1,604.43	6
17	Office Building	120.00	\$17.05	2,046.00	40
18	Hotels and Motels	24.00	\$17.05	409.20	3
19	Professional Buildings	18.00	\$17.05	306.90	6
21	Restaurants	135.00	\$17.05	2,301.75	27
23	Banks, Savings and loans	15.00	\$17.05	255.75	5
24	Service Shops	3.00	\$17.05	51.15	1
25	Service Stations	36.00	\$17.05	613.80	9
26	Auto/Recreation Equip Sales	186.00	\$17.05	3,171.30	31
27	Parking Lots (Commercial)	80.00	\$17.05	1,363.84	32
30	Vacant Industrial Land	164.00	\$17.05	2,796.20	164
31	Light Manufacturing	3,759.00	\$17.05	64,090.95	627
32**	Heavy Manufacturing	718.04	\$17.05	12,242.52	39
33	Warehousing	3,599.00	\$17.05	61,362.95	721
34	Food Processing Plants	78.00	\$17.05	1,329.90	13
36	Lumber Yards	15.00	\$17.05	255.75	5
37**	Mineral Processing	412.49	\$17.05	7,032.88	22
38	Parking Lots (Industrial)	58.00	\$17.05	988.90	29
39**	Open Storage	336.40	\$17.05	5,735.55	18
65	Recreational	4.00	\$17.05	68.20	1
71	Churches	2.00	\$17.05	34.10	1
72	Schools (Private)	8.00	\$17.05	136.40	4
83	Petroleum and Gas	2.00	\$17.05	34.10	1
89	Dump Sites	7.00	\$17.05	119.35	7
99**	Distribution Centers	861.02	\$17.05	14,680.34	2
<b>*Total</b>		<b>11,475.73</b>		<b>\$195,660.66</b>	<b>1,895</b>

\* Total parcel count will vary as parcels are submitted under five SBE numbers.

\*\* See Special Use Codes Section.



#### IV. District Budget

**Table 6 – District Budget FY 2019/20**

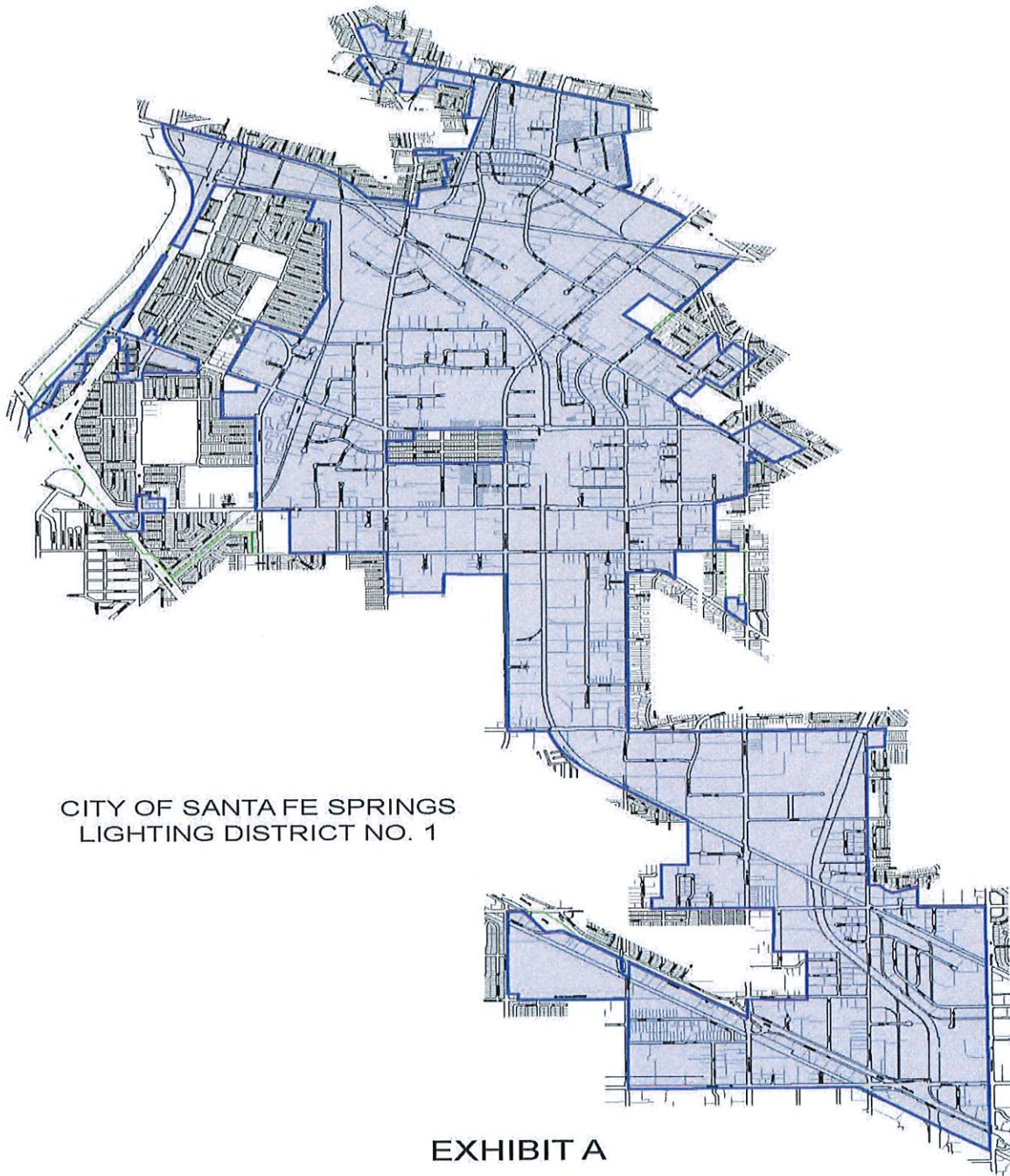
LIGHTING BUDGET (FY 2019/20)		District Budget
Energy Costs		\$320,000
Maintenance and Labor Costs		214,900
Supplies, Materials and Equipment		33,000
Contractual Services		16,000
Overhead		107,500
<b>Direct Costs (Subtotal)</b>		<b>\$691,400</b>
Miscellaneous/Special Administration Expenses		8,500
<b>Administration Costs (Subtotal)</b>		<b>8,500</b>
<b>Total Direct and Admin. Costs</b>		<b>\$699,900</b>
General Benefit Contribution		(201,696)
General Fund Contribution * (Not General Benefit)		(302,544)
<b>Balance to Levy</b>		<b>\$195,661</b>
Total Parcels Levied		1,895
Total Benefit Units		11,475.73
<b>Proposed Levy per Benefit Unit</b>		<b>\$17.05</b>
<b>Current Maximum Assessment Rate</b>		<b>\$17.05</b>

\* The City will continue to attempt to identify ways to decrease costs in order to reduce the General Fund Contribution required.

## ***EXHIBIT A – DISTRICT ASSESSMENT DIAGRAM***

---

An Assessment District Diagram has been prepared for the District in the format required by the 1972 Act and is on file in the Office of the City Clerk at the City Hall of Santa Fe Springs and is made part of this Report. The Assessment Diagram is available for inspection at the Office of the City Clerk during normal business hours.





## **EXHIBIT B – 2019/20 ASSESSMENT COLLECTION ROLL**

Parcel identification for each lot or parcel within the District shall be the parcel as shown on the Los Angeles County Assessor's map for the year in which this Report is prepared.

The land use classification for each parcel has been based on the Los Angeles County Assessor's Roll. A listing of parcels assessed within this District, along with the proposed assessment amounts, has been submitted to the City Clerk and by reference is made part of this Report.

Approval of the Annual Engineer's Report (as submitted or as modified) confirms the method of apportionment and the assessment rate to be levied against each eligible parcel and thereby constitutes the approved levy and collection of assessments for Fiscal Year 2019/20. The listing of parcels and the amount of assessment to be levied shall be submitted to the County Auditor/Controller and included on the property tax roll for each parcel in Fiscal Year 2019/20.

If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current Fiscal Year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

**RESOLUTION NO. 9638**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS,  
CALIFORNIA, APPROVING THE ENGINEER'S "REPORT" FOR ANNUAL LEVY OF  
ASSESSMENT FOR FISCAL YEAR IN A DISTRICT WITHIN SAID CITY**

WHEREAS, the CITY COUNCIL of the CITY OF SANTA FE SPRINGS, CALIFORNIA, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California, did, by previous Resolution, order the preparation of an Engineer's "Report" for the annual levy of assessments, consisting of plans and specifications, an estimate of the cost, a diagram of the district, and an assessment relating to what is now known and designated as

**CITY OF SANTA FE SPRINGS  
LIGHTING DISTRICT NO. 1**

(hereinafter referred to as the "District") and,

WHEREAS, there has now been presented to this City Council the "Report" as required by said Division 15 of the Streets and Highways Code and as previously directed by Resolution; and,

WHEREAS, this City Council has now carefully examined and reviewed the "Report" as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the assessments, on a preliminary basis, have been spread in accordance with the benefits received from the maintenance to be performed, as set forth in said "Report."

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are true and correct.

SECTION 2. That the "Report" as presented, consisting of the following:

- A. Estimate of costs;
- B. Diagram of the District;
- C. Assessment of the estimated Cost

Is hereby approved; and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.



SECTION 3. That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Engineer's "Report."

APPROVED and ADOPTED this 27<sup>th</sup> day of June, 2019.

\_\_\_\_\_  
Juanita Trujillo, Mayor

ATTEST:

\_\_\_\_\_  
Janet Martinez, CMC, City Clerk

**RESOLUTION NO. 9639**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS,  
CALIFORNIA, DECLARING ITS INTENTION TO PROVIDE FOR AN ANNUAL LEVY  
AND COLLECTION OF ASSESSMENTS FOR CERTAIN MAINTENANCE IN AN  
EXISTING DISTRICT, PURSUANT TO THE PROVISIONS OF DIVISION 15, PART 2  
OF THE STREETS AND HIGHWAYS CODE OF THE STATE OF CALIFORNIA, AND  
SETTING A TIME AND PLACE FOR PUBLIC HEARING THEREON**

WHEREAS, the CITY COUNCIL of the CITY OF SANTA FE SPRINGS,  
CALIFORNIA has previously formed a lighting district pursuant to terms and provisions  
of the "Landscaping and Lighting Act of 1972", being Division 15, Part 2 of the Streets  
and Highways Code of the State of California, in what is known and designated as

**CITY OF SANTA FE SPRINGS  
LIGHTING DISTRICT NO. 1**

(hereinafter referred to as the "District") and,

WHEREAS, at this time, this City Council is desirous to take proceedings to  
provide for the annual levy of assessments for the next ensuing fiscal year, to provide for  
the costs and expenses necessary for continual maintenance of improvements within said  
District; and,

WHEREAS, at this time there has been presented and approved by this City  
Council, the Engineer's "Report" as required by law, and this City Council is desirous of  
proceeding with the proceedings for said annual levy.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are true and correct.

**PUBLIC INTEREST**

SECTION 2. That the public interest and convenience requires, and it is the intention  
of this City Council, to undertake proceedings for the annual levy and  
collection of special assessments for the continual maintenance of  
certain improvements, all to serve and benefit said District as said area  
is shown and delineated on a map as previously approved by this City  
Council and on file in the Office of the City Clerk, open to public  
inspection, and herein so referenced and made a part hereof, and  
proposed changes thereto are set forth in the "Report" of the Engineer,  
incorporated herein as a part hereof.

## REPORT

- SECTION 3. That the "Report" of the Engineer regarding the annual levy for said District, which "Report" is for maintenance for the Fiscal Year 2019/2020 is hereby approved and is directed to be filed in the Office of the City Clerk.
- SECTION 4. That the public interest and convenience requires, and it is the intention of this City Council to order the annual assessment levy for the District as set forth and described in said Engineer's "Report," and further it is determined to be in the best public interest and convenience to levy and collect annual assessments to pay the costs and expenses of said maintenance and improvement as estimated in said "Report."

## DESCRIPTION OF MAINTENANCE

- SECTION 5. The assessments levied and collected shall be for the maintenance of certain improvements, as set forth in the Engineer's "Report," referenced and so incorporated herein.

## COUNTY AUDITOR

- SECTION 6. The County Auditor shall enter on the County Assessment Roll the amount of the assessments, and shall collect said assessments at the time and in the same manner as County taxes are collected. After collection by the County, the net amount of the assessments, after the deduction of any compensation due to the County for collection, shall be paid to the Treasurer for purposes of paying for the costs and expenses of said District.

## SPECIAL FUND

- SECTION 7. That all monies collected shall be deposited in a special fund known as

### "SPECIAL FUND CITY OF SANTA FE SPRINGS LIGHTING DISTRICT NO. 1"

Payment shall be made out of said fund only for the purpose provided for in this Resolution, and in order to expedite the making of this maintenance and improvement, the City Council may transfer into said special fund, from any available source, such funds as it may deem necessary to expedite the proceedings. Any funds shall be repaid out of the proceeds of the assessments provided for in this Resolution.

## BOUNDARIES OF THE DISTRICT

SECTION 8. Said contemplated maintenance work is, in the opinion of this City Council, of direct benefit to the properties within the boundaries of the District, and this City Council makes the costs and expenses of said maintenance chargeable upon a district, which district said City Council declares to be the district benefited by said improvement and maintenance, and to be further assessed to pay the costs and expenses thereof. Said District, shall include each and every parcel of land within the boundaries of said District, as said District is shown on a map as approved by this City Council and on file in the Office of the City Clerk, and designated by the name of the District.

## PUBLIC PROPERTY

SECTION 9. Any lots or parcels of land known as public property, as the same are defined in Section 22663 of Division 15, Part 2 of the Streets and Highways Code of the State of California, which are included within the boundaries of the District, shall be omitted and exempt from any assessment to be made under these proceedings to cover any of the costs and expenses of said improvement and maintenance work.

## PUBLIC HEARING

SECTION 10. NOTICE IS HEREBY GIVEN THAT THURSDAY, THE 25<sup>th</sup> DAY OF JULY, 2019 AT THE HOUR OF 6:00 O'CLOCK P.M., IN THE REGULAR MEETING OF THE CITY COUNCIL, BEING THE COUNCIL CHAMBERS, IS THE TIME AND PLACE FIXED BY THIS CITY COUNCIL FOR THE HEARING OF PROTESTS OR OBJECTIONS IN REFERENCE TO THE ANNUAL LEVY OF ASSESSMENTS, TO THE EXTENT OF THE MAINTENANCE, AND ANY OTHER MATTERS CONTAINED IN THIS RESOLUTION, ANY PERSONS WHO WISH TO OBJECT TO THE PROCEEDINGS FOR THE ANNUAL LEVY SHOULD FILE A WRITTEN PROTEST WITH THE CITY CLERK PRIOR TO THE TIME SET AND SCHEDULED FOR SAID PUBLIC HEARING.

NOTICE

SECTION 11. That the City Clerk is hereby authorized and directed to publish a copy of this Resolution. Said publication shall be not less than ten (10) days before the date for said Public Hearing.

EFFECTIVE DATE

SECTION 12. That this Resolution shall take effect immediately upon its adoption.

PROCEEDINGS INQUIRIES

SECTION 13. For any and all information relating to the proceedings, protest procedure, any documentation and/or information of a procedural or technical nature, your attention is directed to the below listed person at the local agency or department so designated:

Noe Negrete  
City Engineer  
CITY OF SANTA FE SPRINGS  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
(562) 868-0511

APPROVED and ADOPTED this 27<sup>th</sup> day of June, 2019.

\_\_\_\_\_  
Juanita Trujillo, Mayor

ATTEST:

\_\_\_\_\_  
Janet Martinez, CMC, City Clerk

## NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY GIVEN** that a Public Hearing, as provided by law, will be held by the Santa Fe Springs City Council, to consider **Resolution No. 9639**.

**Resolution No. 9639** concerns declaring the City's intention to provide for an Annual Levy and Collection of Assessments for certain maintenance in an existing district, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the state of California, and setting a time and place for public hearing thereon.

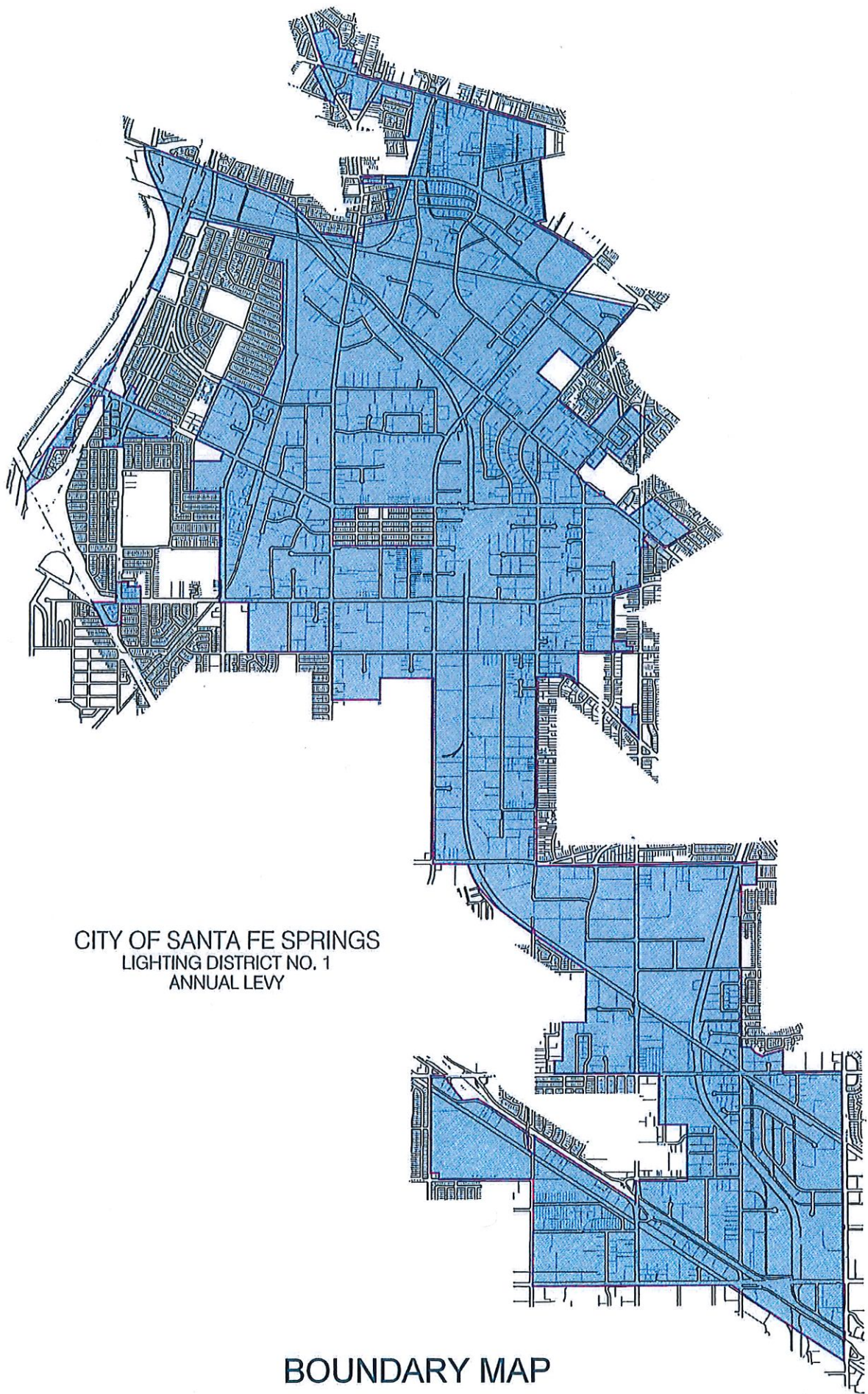
The Public Hearing will take place on July 25, 2019, at 6:00 p.m. in the City Hall - Council Chambers, 11710 Telegraph Road, Santa Fe Springs, California. Any person may attend and speak on this matter. A copy of Resolution No. 9639 is on file in the City Clerk's office. Inquiries concerning this Public Hearing may be directed to the Department of Public Works, (562) 868-0511, Ext. 7540.

Dated: June 19, 2019

ss

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Janet Martinez, CMC  
City Clerk  
City of Santa Fe Springs, California



CITY OF SANTA FE SPRINGS  
LIGHTING DISTRICT NO. 1  
ANNUAL LEVY

BOUNDARY MAP





# City of Santa Fe Springs

City Council Meeting

ITEM NO. 16

June 27, 2019

## **NEW BUSINESS**

Interstate 5 Freeway Widening / Florence Avenue Segment First Amendment with the State Department of Transportation

### **RECOMMENDATION**

- Approve the First Amendment to Utility Agreement No. 7UA-13073 with the State Department of Transportation; and
- Authorize the Director of Public Works to execute the First Amendment.

### **BACKGROUND**

On August 8, 2013, the City Council approved Utility Agreement No. 7UA-13073. The Utility Agreement and any subsequent Amendments are prepared by the State (Caltrans) to formalize the State's obligation to reimburse the City of Santa Fe Springs for all utility relocation work done by the City associated with the I-5 Freeway Florence Avenue freeway widening segment.

The schedule to perform the work of relocating fire hydrants, mains, water pipelines, and restoring highway conditions with the limits of the Interstate 5 Widening / Florence Avenue Segment was directly impacted by Security Paving's project schedule, which was Caltrans's prime contractor. As a consequence, the Water Main Relocation project schedule was affected and forced into construction in two phases, instead of one. Ferreira Coastal Construction Company (Ferreira) completed Phase I of the project and G.J. Gentry General Engineering, Inc. (Gentry) completed Phase II.

Furthermore, there were additional costs incurred by the City due to coordinating work with Security Paving, damages caused by Security Paving to the water main after it was installed, work performed at night instead of the day, and errors by Caltrans survey. These are just a few of the examples that make the First Amendment to the agreement necessary.

### **LEGAL REVIEW**

The City Attorney's office has reviewed the First Amendment to Utility Agreement No. 7UA-13073.

### **FISCAL IMPACT**

The City is herein requesting approval of the First Amendment in the amount of \$1,122,271.40 to the Utility Agreement for a total estimated project cost of \$2,637,271.40. The original utility agreement amount totaled \$1,515,000.00. All the work is complete on this segment of the project, and the final invoice is pending the approval of the First Amendment.

Report Submitted By:

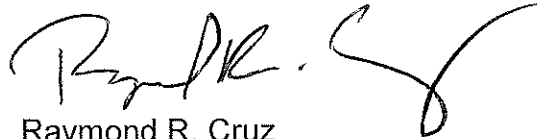
Noe Negrete  
Director of Public Works

A handwritten signature in blue ink, appearing to be "N. Negrete".

Date of Report: June 19, 2019

**INFRASTRUCTURE IMPACT**

Execution of the First Amendment will allow reimbursement to the City for the relocation of City-owned utilities/facilities in conflict with the proposed widening of the I-5 Freeway, Florence Avenue Segment.



Raymond R. Cruz  
City Manager

**Attachments:**

Exhibit A: First Amendment to Utility Agreement 7UA-13073

Exhibit B: Utility Agreement 7UA-13073

DISTRICT 7	COUNTY Los Angeles	ROUTE 5	POST MILE 5.8/8.3	PROJECT ID 07000001835
FEDERAL AID NUMBER			OWNER'S FILE NUMBER City of Santa Fe Springs	
FEDERAL PARTICIPATION On the Project <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No      On the Utilities <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				

Owner Payee Data No. VC\*23659 or Form STD 204 is attached ☐

**FIRST AMENDMENT TO UTILITY AGREEMENT NO. 7UA-13073**

**WHEREAS**, the State of California, acting by and through its Department of Transportation, hereinafter called STATE, and City of Santa Fe Springs, hereinafter called OWNER, have entered into that certain Utility Agreement No. 13073, dated 08/12/2013, which Agreement sets forth the terms and conditions pursuant to which OWNER owns and maintains 4" water on Mondon(U-1), 6" water on Mondon (U-2), 8" water cross I-5 @ Sta 323+20 (U-2), 6" ACP water south of I-5 on Buell & Muller St. (U-2), 8" Abn stl water south of I-5 (U-2), 8" water crossing I-5 @ Sta 323+20 & along southbound I-5 (U-2), 4" abandon water line on Cecilia, Buell, & Muller St (U-2), 6" ACP water south of I-5 on Quinn St (U-3), 4" Abn stl water south of I-5 on Quinn St (U-3), 4" water on Fairford (U-8), 8" water on Fairford (U-8), and,

**WHEREAS**, in the performance of said work, increased costs over and above those estimated at the time of the execution of said Agreement were incurred due to the fact that changes to scope of project was forced in II phases, segment was directly impacted by Security Paving (State's contractor); and,

**WHEREAS**, it has been determined that, since final costs have overrun the amount shown in said Agreement by 57.44%, and when the increased cost exceeds by 25% the estimated amount set forth in said Agreement, said Agreement shall be amended to show the increased cost of the work to the STATE; and,

**WHEREAS**, the estimated cost to the STATE of the work to be performed under said Agreement was \$1,515,000.00, and by reason of the increased costs referred to above, the amended estimated cost to the STATE is \$2,637,271.40.

**NOW, THEREFORE**, it is agreed between the parties as follows:

1. The estimated cost to the STATE of \$1,515,000.00 as set forth in said Agreement is hereby amended to read \$2,637,271.40.
2. All other terms and conditions of said Agreement remain unchanged.

**AMENDMENT TO UTILITY AGREEMENT (Cont.)**  
(Form #)

EXHIBIT  
13-EX-24 (REV 1/2014)  
Page 2 of 2

**IN WITNESS WHEREOF**, the parties hereto have executed this First Amendment to Utility Agreement No. 13073 this 11<sup>th</sup> day of June, 2019.

STATE: DEPARTMENT OF TRANSPORTATION

OWNER:

By \_\_\_\_\_  
Name MICHELE GRAVES Date \_\_\_\_\_  
Title District Utility Coordinator  
Senior Right of Way Agent

By \_\_\_\_\_  
Name \_\_\_\_\_ Date \_\_\_\_\_  
Title \_\_\_\_\_

APPROVAL RECOMMENDED:

By \_\_\_\_\_  
Name DAVID RIOS Date \_\_\_\_\_  
Title Utility Coordinator  
Associate Right of Way Agent

**THIS AGREEMENT SHALL NOT BE EXECUTED BY THE STATE OF CALIFORNIA –  
DEPARTMENT OF TRANSPORTATION UNTIL FUNDS ARE CERTIFIED.**

CT DOCUMENT	EVENT TYPE	DEPT	UNIT	PROJECT ID	PHASE	REPORTING	OBJ CODE	(N)	BFY	AMOUNT
	C401	2660				9				
	C401	2660				9				
	C401	2660				9				<u>\$1,122,271.40</u>

PROJECT ID FUNDING VERIFIED	
Sign:>	
Print> R/W Planning and Management	Date

REVIEW/REQUEST FUNDING:	
Sign>	
DAVID RIOS Utility Coordinator	DATE

THE ESTIMATED COST TO STATE FOR ITS SHARE OF THE ABOVE DESCRIBED WORK IS \$ 1,122,271.40

CERTIFICATION OF FUNDS				
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure shown here.				
Planning and Management				Date
ITEM	CHAP	STAT	FY	AMOUNT

FUND TYPE	PROJECT ID	AMOUNT
Design Funds		\$
Construction Funds		\$
RW Funds		\$1,122,271.40

Distribution: 2 originals to R/W Accounting  
1 original to Utility Owner  
1 original to Utility File

**DEPARTMENT OF TRANSPORTATION**

Right of Way Division  
100 South Main Street  
Los Angeles, CA 90012  
PHONE (213) 897-6524  
FAX (213) 897-2916



*Flex your power!  
Be energy efficient!*

August 13, 2013  
EA 215951  
7-LA-5-PM -5.8/8.3  
UA # 7UA-13073

City of Santa Fe Springs  
Public Works Engineering  
11710 Telegraph Road  
Santa Fe Springs, CA 90670

Dear: Noe Negrete,

Attached you'll find a fully executed original signature Agreement, dated 08/12/2013 for your records. Please make sure to reference 7UA-13073 on your invoices when you start billing Caltrans. If you have any questions please feel free to call me at anytime.

Sincerely,

A handwritten signature in blue ink, appearing to read 'David Rios'.

David Rios  
Associate Right of Way Agent  
Utility Relocation/District 07  
(213) 897-6524  
(213) 897-8902 fax

RECEIVED  
CITY OF SANTA FE SPRINGS  
2013 AUG 19 AM 10:16



**UTILITY AGREEMENT**

RW 13-5 (REV 12/2012)

DISTRICT 7	COUNTY Los Angeles	ROUTE 5	POST MILE 5.8/8.3	PROJECT ID 07000001835
FEDERAL AID NUMBER			OWNER'S FILE NUMBER City of Santa Fe Springs	
FEDERAL PARTICIPATION On the Project <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No      On the Utilities <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				

Owner Payee Data No. VC\*23659 AD001 or Form STD 204 is attached ☐UTILITY AGREEMENT NO. 7UA-13073DATE 8/12/13

The State of California acting by and through the Department of Transportation, hereinafter called "STATE" proposes to construct I-5 to add one HOV lane and one mixed-flow lanes in each direction and upgrading the inside and outside shoulders to the standard width. Two structures - Florence Ave. OC, NB on ramp from Florence Ave, and Orr and Day Overhead structure will be replaced as part of Segment 5. **City of Santa Fe Springs, 11710 Telegraph Road, Santa Fe Springs, CA 90670-3679**, hereinafter called "OWNER," owns and maintains 4" water on Mondon (U-1), 6" water on Mondon (U-2), 8" water cross I-5 @ Sta 323+20 (U-2), 6" ACP water south of I-5 on Buell & Muller St. (U-2), 8" Abn stl water south of I-5 (U-2), 8" water crossing I-5 @ Sta 323+20 & along southbound I-5 (U-2), 4" abandon water line on Cecilia, Buell, & Muller St (U-2), 6" ACP water south of I-5 on Quinn St (U-3), 4" Abn stl water south of I-5 on Quinn St (U-3), 4" water on Fairford (U-8), 8" water on Fairford (U-8), within the limits of STATE'S project which requires relocation to accommodate STATE's project.

**I. WORK TO BE DONE**

In accordance with Notice to Owner No. 7-13073 dated June 20, 2013, Owner shall relocate the referenced facilities that are in conflict with the proposed widening of Route 5. All work shall be performed substantially in accordance with Owner's Plan No. 12W298 dated: 05/2/2013, consisting of 11 sheets, a copy of which is on file in the District Office of the Department of Transportation at 100 S. Main Street, Los Angeles, California, 90012. Deviations from the OWNER's plan described above initiated by either the STATE or OWNER, shall be agreed upon by both parties hereto under a Revised Notice to Owner. Such Revised Notices to Owner, approved by the STATE and agreed to/acknowledged by the OWNER, will constitute an approved revision of the Owner's plan described above and are hereby made a part hereof. No work under said deviation shall commence prior to written execution by the OWNER of the Revised Notice to Owner. Change in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner.

**II. LIABILITY FOR WORK**

The existing facilities are lawfully maintained in their present location and qualify for relocation at STATE expense under the provisions of Section (702) (703) of the Streets and Highways Code.



### III. PERFORMANCE OF WORK

OWNER agrees to perform the herein described work with its own forces or to cause the herein described work to be performed by the OWNER's contractor, employed by written contract on a continuing basis to perform work of this type, and to provide and furnish all necessary labor, materials, tools, and equipment required therefore, and to prosecute said work diligently to completion.

Use of out-of-state personnel (or personnel requiring lodging and meal "per diem" expenses) will not be allowed without prior written authorization by State's representative. Requests for such authorization must be contained in OWNER's estimate of actual and necessary relocation costs. Accounting Form FA-1301 is to be completed and submitted for all non-State personnel travel per diem. OWNER shall include an explanation why local employee or contract labor is not considered adequate for their location work proposed. Per Diem expenses shall not exceed the per diem expense amounts allowed under the State's Department of Personnel Administration travel expense guidelines.

Pursuant to Public Works Case No. 2001-059 determination by the California Department of Industrial Relations dated October 25, 2002, work performed by OWNER's contractor is a public work under the definition of Labor Code section 1720(a) and is therefore subject to prevailing wage requirements. Owner shall verify compliance with this requirement in the administration of its contracts referenced above.

### IV. PAYMENT FOR WORK

The STATE shall pay its share of the actual and necessary cost of the herein described work within 45 days after receipt of five (5) copies of OWNER'S itemized bill signed by a responsible official of OWNER's organization and prepared on OWNER's letterhead, compiled on the basis of the actual and necessary cost and expense incurred and charged or allocated to said work in accordance with the uniform system of accounts prescribed for OWNER by the California Public Utilities Commission, Federal Energy Regulatory Commission or Federal Communications Commission whichever is applicable.

It is understood and agreed that the STATE will not pay for any betterment or increase in capacity of OWNER's facilities in the new location and that OWNER shall give credit to the STATE for the "used life" or accrued depreciation of the replaced facilities and for the salvage value of any material or parts salvaged and retained or sold by OWNER.

Not more frequently than once a month, but at least quarterly, OWNER will prepare and submit progress bills for costs incurred not to exceed OWNER's recorded cost as of the billing date less estimated credits applicable to completed work. Payment of progress bills not to exceed the amount of this Agreement may be made under the terms of this Agreement. Payment of progress bills which exceed the amount of this Agreement may be made after receipt and approval by STATE of documentation supporting the cost increase and after an Amendment to this Agreement has been executed by the parties to this Agreement.

The OWNER shall submit a final bill to the STATE within 360 days after the completion of the work described in Section 1 above. If the STATE has not received a final bill within 360 days after notification of completion of Owner's work described in Section 1 of this Agreement, and STATE has delivered to OWNER fully executed Director's Deeds, Consents to Common Use or Joint Use Agreements as required for OWNER's

facilities, STATE will provide written notification to OWNER of its intent to close its file within 30 days and OWNER hereby acknowledges, to the extent allowed by law, that all remaining costs will be deemed to have been abandoned. If the STATE processes a final bill for payment more than 360 days after notification of completion of OWNER's work, payment of the late bill may be subject to allocation and/or approval by the California Transportation Commission.

The final billing shall be in the form of an itemized statement of the total costs charged to the project, less the credits provided for in this Agreement, and less any amounts covered by progress billings. However, the STATE shall not pay final bills which exceed the estimated cost of this Agreement without documentation of the reason for the increase of said cost from the OWNER and approval of documentation by STATE. Except, if the final bill exceeds the OWNER's estimated costs solely as the result of a revised Notice to Owner as provided for in Section 1, a copy of said revised Notice to Owner shall suffice as documentation. In either case, payment of the amount over the estimated cost of this

Agreement may be subject to allocation and/or approval by the California Transportation Commission.

In any event if the final bill exceeds 125% of the estimated cost of this agreement, an Amended Agreement shall be executed by the parties to this agreement prior to the payment of the OWNER's final bill. Any and all increases in costs that are the direct result of deviations from the work described in Section I of this Agreement shall have prior concurrence of the STATE.

Detailed records from which the billing is compiled shall be retained by the OWNER for a period of three years from the date of the final payment and will be available for audit by State and/or Federal auditors. Owner agrees to comply with Contract Cost Principles and Procedures as set forth in 48CFR, Chapter 1, Part 31, et seq., 23 CFR, Chapter 1, Part 645 and/or 18 CFR, Chapter 1, Parts 101,201, et al. If a subsequent State and/or Federal audit determines payments to be unallowable, OWNER agrees to reimburse STATE upon receipt of STATE billing.

## **V. GENERAL CONDITIONS**

If STATE's project which precipitated this Agreement is canceled or modified so as to eliminate the necessity of work by OWNER, STATE will notify OWNER in writing and STATE reserves the right to terminate this Agreement by Amendment. The Amendment shall provide mutually acceptable terms and conditions for terminating the Agreement.

All costs accrued by OWNER as a result of STATE's request of May 16, 2011 to review study and/or prepare relocation plans and estimates for the project associated with this Agreement may be billed pursuant to the terms and conditions of this Agreement.

OWNER shall submit a Notice of Completion to the STATE within 30 days of the completion of the work described herein.

It is understood that said highway is a Federal aid highway and accordingly 23 CFR 645 is hereby incorporated in this Agreement by reference; provided, however, that the provisions of any agreements entered into between the STATE and the OWNER pursuant to State law for apportioning the obligations and costs to be borne by

UTILITY AGREEMENT NO. 13073

each, or the use of accounting procedures prescribed by the applicable Federal or State regulatory body and approved by the Federal Highway Administration, shall govern in lieu of the requirements of said 23 CR 645.

STATE will acquire new rights of way in the name of either the STATE or OWNER through negotiation or condemnation and when acquired in STATE's name shall convey same to OWNER by Director's Easement Deed.


Where the OWNER has prior rights in areas which will be within the highway right of way and where OWNER's facilities will remain on or be relocated on STATE highway right of way, Joint Use Agreement or Consent to Common Use Agreement shall be executed by the parties.

Upon completion of the work to be done by STATE in accordance with the above-mentioned plans and specification, the new facilities shall become the property of OWNER, and OWNER shall have the same rights in the new location that it had in the old location.


IN WITNESS WHEREOF, the above parties have executed this Agreement the day and year above written.

STATE: DEPARTMENT OF TRANSPORTATION

OWNER:


By   
Name MICHELE GRAVES  
Title District Utility Coordinator  
Senior Right of Way Agent

8/12/13  
Date

By   
Name NOG NEGRETE  
Title DIRECTOR OF PUBLIC WORKS

8/12/13  
Date

APPROVAL RECOMMENDED:

By   
Name DAVID RIOS  
Title Utility Coordinator  
Associate Right of Way Agent

8/12/13  
Date

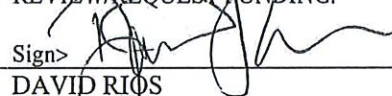
UTILITY AGREEMENT NO. 13073

**THIS AGREEMENT SHALL NOT BE EXECUTED BY THE STATE OF CALIFORNIA –  
DEPARTMENT OF TRANSPORTATION UNTIL FUNDS ARE CERTIFIED.**

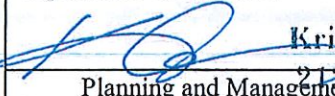
Additional Amount (Revised)

CT DOCUMENT	EVENT TYPE	DEPT	UNIT	PROJECT ID	PHASE	REPORTING	OBJ CODE	(N)	BFY	AMOUNT
0713/UA013073	C401	2660	1902	07X/835	9	9UA/3073	054		14	\$443,875.00
	C401	2660		253728	9					
	C401	2660			9					

PROJECT ID FUNDING VERIFIED	
Sign: 	Kris Andersen 213-897-0767 Date 7/18/13
Print: R/W Planning and Management	

REVIEW REQUEST FUNDING:	
Sign: 	7/17/13
DAVID RIOS Utility Coordinator	DATE

THE ESTIMATED COST TO STATE FOR ITS SHARE OF THE ABOVE DESCRIBED WORK IS \$ 443,875.00.

CERTIFICATION OF FUNDS				
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure shown here.				
Sign: 		Kris Andersen 213-897-0767 Date 7/18/13		
Planning and Management				
ITEM	CHAP	STAT	FY	AMOUNT
2660-301-0890	20	2013	13/4	\$443,875.00

FUND TYPE	PROJECT ID	AMOUNT
Design Funds		\$
Construction Funds		\$
RW Funds		\$443,875.00

Distribution: 2 originals to R/W Accounting  
1 original to Utility Owner  
1 original to Utility File




UTILITY AGREEMENT NO. 13073

THIS AGREEMENT SHALL NOT BE EXECUTED BY THE STATE OF CALIFORNIA –  
DEPARTMENT OF TRANSPORTATION UNTIL FUNDS ARE CERTIFIED.

CT DOCUMENT	EVENT TYPE	DEPT	UNIT	PROJECT ID	PHASE	REPORTING	OBJ CODE	(N)	BFY	AMOUNT
071344013073	C401	2660	1902	07X1835	9	9VA13073	054		13	\$1,071,125.00
	C401	2660		238408	9					
	C401	2660			9					

PROJECT ID FUNDING VERIFIED	
Sign> 	Date 6/19/13
Print> Kris Andersen	
R/W Planning and Management	213-897-0767

REVIEW/REQUEST FUNDING:	
Sign> 	Date 6/19/13
DAVID RIOS	
Utility Coordinator	DATE

THE ESTIMATED COST TO STATE FOR ITS SHARE OF THE ABOVE DESCRIBED WORK IS \$ 1,071,125.00.

CERTIFICATION OF FUNDS				
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure shown here.				
Kris Andersen				
213-897-0767				
Planning and Management				Date
ITEM	CHAP	STAT	FY	AMOUNT
2460-301-888	21	2012	13	\$1,071,125.00

FUND TYPE	PROJECT ID	AMOUNT
Design Funds		\$
Construction Funds		\$
RW Funds		\$1,071,125.00

Distribution: 2 originals to R/W Accounting  
1 original to Utility Owner  
1 original to Utility File



# City of Santa Fe Springs

City Council Meeting

ITEM NO. 17

June 27, 2019

## **NEW BUSINESS**

Request for Approval of Recyclable Materials Dealer Permits, Fiscal Year 2019-2020

### **RECOMMENDATION(S)**

Approve the issuance of Recyclable Materials Dealer Permits for the attached list of applicants (Exhibit A), subject to the conditions of approval as contained within Chapter 50 of the City Ordinance.

### **BACKGROUND**

City Ordinance No. 1101, approved by the City Council on March 28, 2019, repealing Chapters 50 and 119, and in their place adopting a New Chapter 50 (Collection of Solid Waste and Recyclables). Section 50.20 to the City's Municipal Code requires all new persons engaged in the business of purchasing or collecting recyclable materials within the city must first obtain from the City Council a permit as a "Recyclable Materials Dealer."

### **STAFF CONSIDERATIONS**

As part of the permit process, staff conducts a review of the Applicant's request for a Recyclable Materials Dealers Permit. Based on the information provided, it is determined if the recycling activity is conducted in accordance with the conditions of approval contained within Chapter 50, that would include the use will not pose a risk or nuisance to the public.

In accordance with Section 50.20, the applicants, are requesting a Recyclable Materials Dealers Permit to allow the collection of recyclable materials. City Staff and City Consultant have reviewed all applications and recommend the approval of all applications; except those noted that have either an open case file with the City Attorney's office, or do not meet the qualifications as stipulated in Chapter 50.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz  
City Manager

Attachment(s):

Exhibit – A



### 2019-20 Recyclable Materials Dealer Permit

Approve	Tentative Approval	DENY
Allan Company	Fortune Metals	Ware Disposal (Open Case)
American Chung Nam	International Paper	California Waste Services (C&D)
Angelus Western Paper Fibers	Lakin Tire West	
ASCO METALS	New-Indy Recycling	
Universal Waste Systems, INC. (No C&D)	Sunwest Metals	
City Fibers	WALMART STORE #2948	
Corridor Recycling	Western Pacific Pulp & Paper	
GP Harmon		
Imperial Western Products		
Marko Metals		
Mid America Paper		
New Green Day		
ReConserve of California		
Star Scrap Metal		
Tzeng Long USA Tai		
United Alloys and Metals		



# **City of Santa Fe Springs**

*City Council Meeting*

ITEM NO. 18

*June 27, 2019*

## **NEW BUSINESS**

Approval of the Agreements Between the City of Santa Fe Springs and the City of Santa Fe Springs General City Employees Association (SFSCEA) and the City of Santa Fe Springs Executive, Management & Confidential Association (SFSEMCA)

### **RECOMMENDATION(S)**

- Approve the FY 2019-20 labor agreements with SFSCEA; and
- Approve the FY 2019-20 Memorandum of Understanding with the SFSCEA.

## **BACKGROUND**

Staff has reached agreement with the Santa Fe Springs City Employees Association (SFSCEA) and the City's labor negotiator has reached agreement with the Santa Fe Springs Executive, Management & Confidential Association (SFSEMCA). The members of each bargaining group have ratified the tentative agreements for a term that begins July 1, 2019 through June 30, 2020. The City Council approved the agreement with the SFSEMCA at the June 13, 2019 City Council meeting. The agreements are summarized below:

### **Santa Fe Springs City Employees Association (SFSCEA)**

FY 2019-20 – 3% pay increase for all represented classifications effective the first pay period that includes July 1, 2019 and a one-time lump sum signing bonus of \$400; increase of 2.7% to the current city medical contribution cap for full-time employees based on the March 2018 – March 2019 LA/Riverside/Orange County All Urban Consumer Price Index (CPI); increase the vacation leave cash-out of the reserve bank from 6 hours to 20 hours once per fiscal year and allow for vacation leave cash-out from current leave accrual bank of 12 hours once per year for full-time employees; increase the life insurance from \$50,000 to \$75,000 per member; increase the standby rate from \$35 per day to \$70 per day on Saturday, Sunday and Holidays; the City agrees to work with labor relations committee on revising procedures as they pertain to the personnel advisory board members.

The comprehensive Memorandum of Understanding (MOU) includes the agreed upon provisions and additional contract language changes based on the need to clarify or update provisions in accordance with practice or law.

### **Santa Fe Springs Executive, Management & Confidential Association (SFSEMCA)**

FY 2019-20 – 3% pay increase for all represented classifications effective the first pay period that includes July 1, 2019; increase of 2.7% to the current city medical contribution cap for full-time employees based on the March 2018 – March 2019

LA/Riverside/Orange County All Urban Consumer Price Index (CPI); increase the longevity increments to include 2% at 15 years of service and 2% at 20 years of service; increase employee vision reimbursement from \$350 to \$450 per fiscal year, increase employee dependent vision reimbursement from \$300 to \$400 per fiscal year, increase laser eye surgery employee reimbursement from \$1400 to \$1800 and employee dependent reimbursement from \$1,200 to \$1,600. This benefit is in lieu of receiving annual reimbursement for four (4) years.

### **FISCAL IMPACT**

The costs associated with the FY 2019-20 agreements are approximately \$361,000 for the SFSCEA and \$207,000 for the SFSEMCA. The costs for the agreements are anticipated to be funded through a reduction in the proposed transfer to the Employee Benefits Fund more fully discussed in the FY 2019-20 budget adoption agenda item.



Raymond R. Cruz  
City Manager

### **Attachment(s):**

1. Agreement between City and SFSCEA
2. SFSCEA MOU

**ATTACHMENT NO. 1**

**CITY OF SANTA FE SPRINGS  
AGREEMENT BETWEEN REPRESENTATIVES OF THE CITY  
OF SANTA FE SPRINGS AND THE SANTA FE SPRINGS EMPLOYEE  
ASSOCIATION (SFSCEA)**

**JUNE 27, 2019**

In accordance with provisions of the Meyers-Milias-Brown Act, Section 3500, et. seq., of The California Government Code, and the City of Santa Fe Springs Resolution No. 3005, setting forth procedures on the employer-employee relations, the parties to this agreement have met and conferred in good faith and have reached agreement upon matters within the defined scope of representation as set forth herein and have agreed to jointly recommend to the Association membership for approval and to the City Council of the City of Santa Fe Springs that appropriate actions be taken to implement the following changes in salaries, benefits and other terms and conditions of employment for the employee-members represented by the SFSCEA.

1. **Term:** July 1, 2019 – June 30, 2020 (1 year)

2. **Cost of Living Adjustment:**

- a. Effective July 1, 2019, the City will provide a 3% salary increase to full-time and part-time represented employees.
- b. No later than July 31, 2019, the City will provide a \$400 signing bonus to full-time and part-time represented employees.

3. **Medical/Health Insurance:**

Effective January 1, 2020, the City will provide a 2.7% adjustment to the current medical/health insurance cap based on the CPI.

4. **Vacation Leave Cash Out:**

- a. Full-time employees who have hours in the vacation reserve bank can cash out up to 20 hours once per fiscal year.
- b. Full-time employees can cash out up to 12 vacation leave hours once per fiscal year.

5. **Life Insurance:**

The City agrees to increase the life insurance, but from \$50,000 to \$75,000 per member.

6. **Standby Rate:**

The City agrees to increase the standby rate from \$35/day to \$70/day on Saturday, Sunday and Holidays.

7. **Personnel Advisory Board:**

The City agrees to work with labor relations committee on revising procedures as they pertain to the personnel advisory board members.



**ATTACHMENT NO. 2**



# MEMORANDUM OF UNDERSTANDING

between the

CITY OF SANTA FE SPRINGS

and the

SANTA FE SPRINGS EMPLOYEES ASSOCIATION

July 1, 2019 - June 30, 2020

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## **Preamble**

*It is the purpose of this Memorandum of Understanding (hereinafter referred to as the "MOU") to promote and provide for harmonious relations, cooperation, and understanding between the City and its representatives and the general employees covered under this MOU and to set forth the agreement of the parties reached as a result of good faith negotiations regarding wages, hours and other terms and conditions of employment of the employees covered under this MOU, which agreement the parties intend jointly to submit and recommend for City Council approval and implementation.*

## **Article I.** **Recognition and Rights**

### **Section 1. Representation and Duration**

This MOU is between the City of Santa Fe Springs (City or Employer) and the Santa Fe Springs Employees Association (hereinafter referred to as the Association) and shall remain in full force and effect between the dates of July 1, 2018 and June 30, 2019.

### **Section 2. Recognition**

Pursuant to the provisions of City Council Resolution No. 3005, the City recognizes the Association as the exclusive bargaining representative with regards to the meet and confer process relating to wages, hours and other terms and conditions of employment contained in this MOU. The job titles represented by the Association are those identified in Appendix A. The City shall recognize its obligations under this MOU, the Meyers-Milias-Brown Act, Government Code Section 3500, et.seq.

### **Section 3. Release Time**

During periods of formal labor negotiations between the Association and City, Association negotiation team members who are on-duty shall be granted release time. Association Board members will be granted reasonable time off without loss of pay but for not more than two days at any one time, and limited to not more than five Board members at any one time, to attend but not exclusively limited to legislative and employer-employee relations conferences and training sessions. Approval by the City Manager for release time requests of this nature beyond two meetings per year is needed. The Association will use its best faith efforts to keep the frequency and number of members attending to a reasonable level. The Association will always work with department management to ensure that the release time requested is properly scheduled to avoid undue hardship to the operations of the department. All expenses associated with such release time will be borne by the Association unless otherwise permitted by the City. (PPPM 6-1.3, 05-06 MOU)



#### **Section 4. Labor Relations Committee**

A Labor Relations Committee composed of City and Association representatives will meet quarterly to discuss workplace issues regarding wages, hours and working conditions or special projects related to those areas. When beneficial, the committee may consult with outside individuals with specific knowledge on the topic of discussion. (PPPM 7-9 MOU 2007-2009)

#### **Section 5. Association Dues Deduction**

The City shall deduct from each paycheck of unit employees the regular [periodic] Association membership dues as certified by an authorized official of the Association, pursuant to the City's deduction authorization form duly completed and signed by the employee, and transmit such deductions each pay period to the Association. Such deductions shall be made only when the Association member's earnings for a pay period are sufficient after other legally required deductions are made. It is agreed that the City assumes no liability on account of any actions taken pursuant to this section.

#### **Section 6. Bulletin Board Space**

The Association will be permitted to maintain areas accessible for all represented employees adequate bulletin board space suitable for the display of Association business.

### **Article II.** **Management Rights**

#### **Section 1. General Provision**

The exclusive rights of the City include, but are not limited to, the right to determine the mission of its constituent departments, divisions or commissions and boards; set standards of service and municipal fees and charges; determine the procedures and standards of selection for employment, assignment, transfer and promotions; direct its employees; take disciplinary actions; relieve its employees from duty for legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which governmental operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; exercise complete control and discretion over its organization and the technology of performing its work. The City is in no way precluded from seeking alternative ways of providing services if the City Council deems it is in the City's best interest to do so.

The parties recognize that there are existing ordinances, resolutions and policies relating to benefits and other conditions of employment and the same are not affected by this Agreement except as provided herein. The City agrees not to reduce or abridge the level of supplemental benefits currently available to all represented employees during the term of this Agreement without mutual consent.

The parties hereto recognize that the City shall and will retain the exclusive right to manage and direct the performance of City services and work force performing such services. The City and Association agree that nothing in this Memorandum of Understanding shall in any way abridge, restrict or modify the rights and prerogatives of the City as set forth in Section 6 of Resolution No. 3005 of the Santa Fe Springs City Council and such section is hereby incorporated by this reference and made part hereof as though set forth in full. (*Resolution No. 3005, PPPM 7-1 and 7-2*)

## **Section 2. Disciplinary Action and Employment Separations**

An employee may be suspended, demoted or dismissed whenever the employee's work or conduct so warrants. Any such action shall be in accordance with the procedures as set forth in the Personnel Resolution and appropriate Personnel Policy & Procedure. Whenever employee performance falls below the required level or when an employee's conduct falls under one of the causes for action listed in the Personnel Resolution, the supervisor shall inform the employee promptly and specifically of such lapses. If appropriate and justified, following a discussion of the matter, a reasonable time for improvement or correction may be allowed before any further disciplinary action is initiated. In situations where oral warning has not resulted in the correction of the condition or where more severe initial action is warranted, a written reprimand shall be sent to the employee and a copy placed in the employee's personnel file. When other forms of disciplinary action have proven ineffective, or where the seriousness of the offense or condition warrants, the City Manager may reduce pay, transfer, demote or dismiss the employee for any cause listed in the Personnel Resolution No. 5969. (*Res. #5969, XI.1; PPPM 5-13.1*)

Suspensions - In those cases where one or more written reprimands have not proven to be effective, or in those cases where the seriousness of the events or conditions warrant it, an employee may be suspended without pay by their Department Head a maximum of three days without the approval of the City Manager or with the approval of the City Manager for a period not to exceed 30 calendar days for each offense for any cause listed in the Personnel Resolution. (*Res. #5969, XI.1; PPPM 5-13.1*)

## **Section 3. Re-Opener**

If state or federal law is adopted or documented evidence such as the passage of the California State budget indicates a significant change in the City's financial conditions which adversely affects the City's capability to meet the terms of this agreement, any part of the total agreement can be opened to the meet and confer process during the term of this agreement.

## **Section 4. Waiver**

Except as provided herein, the Association hereby expressly waives any right to request any improvements or changes in salaries, benefits or other terms and conditions of employment for the employees represented by the Association which would take effect prior to July 1, 2018, and the City of Santa Fe Springs, through its representatives, shall

not be required to meet and confer as to any such request.

### **Article III.**

#### **Work Period, Hours and Staffing**

##### **Section 1. Work Period**

The traditional work period is a seven day work cycle beginning on Monday at 12:01 a.m. and ending on the following Sunday at midnight. Upon the authorization of the City Manager, employees may work a traditional 5/40, 4/10 or 9/80 work period. For employees working the alternative work schedule known as the 9/80, each such employee's work week shall begin and end four hours into the eight hour work day which the employee works in alternating weeks. Regularly scheduled hours within the 7 day work period shall be comprised of 40 hours. (*Res. # 5969, IX.1 and IX.2; PPPM 6-1.1*)

##### **Section 2. Modified Duty**

If the industrial medical provider recommends modified duty on the same date an injury occurs and with approval from the City Manager, the employee will report to work for the remainder of the shift in a modified duty capacity. The City has the right to revert the employee to a traditional 5/40 schedule during the time the employee is on modified duty. A request to work a 4/10 or 9/80 work schedule or another schedule may be approved by the City at its sole discretion, until the industrial medical provider returns the employee to regular duty. (*PPPM 5-10. 2*)

The same procedure shall be followed to schedule modified duty for employees whose medical status change, such as from "unable to return to duty" to "able to return to modified duty" as determined by the industrial medical provider.

At the sole discretion of the City, modified duty may be available for employees whose temporary restrictions, as certified by a medical provider, can be accommodated by the City. Priority will be given to those employees whose injuries are industrial. The City's decision to provide modified duty is final and is not subject to appeal.

### **Article IV.**

#### **Wages and Compensation**

##### **Section 1. Pay Plan**

All employees will be paid on a bi-weekly basis. Payroll checks will be made available to employees on the Thursday following the completion of each bi-weekly period. In the event that a payday falls on a holiday, payroll checks may be made available on the first day preceding the holiday. Direct deposit is also available to all employees. The City will directly deposit the payroll check into the employee's savings or checking account. Funds are normally available on Friday morning. (*Res. #5969, IV.13, PPPM 2-1.1*)

## **Section 2. Wages**

Effective June 24, 2019, the City will provide a three percent (3%) cost of living adjustment (COLA) to full-time and part-time represented employees.

No later than July 31, 2019, the City will provide a one-time \$400 lump sum signing bonus, to all full-time and part-time represented employees.

The salary range for each classification covered by this agreement for fiscal year July 1, 2019, shall be as set forth in Appendix A.

Upon recommendation of the Department Director that an employee's performance has been above average, an employee receiving less than the maximum rate of base pay within the assigned range for the classification may be given a merit salary adjustment upon approval by the City Manager. A full time employee is eligible for this adjustment upon completion of 6 months service each in Steps A and in Step B and 1 year service each in Steps C and D. (*PPPM 2-2.1b*)

## **Section 3. Special Assignment Pay - Bilingual**

Bilingual pay may be paid to positions where the need to speak in another language is deemed useful by the City. To receive compensation, employees must pass a testing process as determined by the Human Resources Office. Compensation is granted at the level needed for the position and as designated:

		Full-Time	Part-Time Benefitted	Tests
Level 1	ability to speak and understand basic Spanish	\$100/month	\$50/month	Oral test every 2 years
Level 2	ability to speak and understand Spanish fluently	\$175/month	\$90/month	Oral test every 4 years
Level 3	ability to speak, understand, read, write and translate Spanish fluently	\$250/month	\$125/month	Oral and written test every 4 years

The City shall maintain an approved list of positions recognized by the City to receive bilingual pay. Approval of the incentive pay and the number of employees who receive this incentive pay are at the sole discretion of the City and are not subject to appeal. (*PPPM 2-2.5c*)

## **Section 4. Excellence in Performance Pay**

The City Manager may approve a 5½% incentive payment to the rate of base pay to recognize excellence in performance. Continuance of pay is reviewed annually and is

measured against predetermined goals and objectives. (PPPM 2-2.3, 2.21c)

### **Section 5. Longevity Pay**

Full time-general employees who commenced service prior to January 1, 1983 and have maintained continuous service to the City of Santa Fe Springs are entitled to the following:

- A 5½ % salary increase upon completion of 8 years of continuous full-time service
- An additional 5 ½% salary increase upon completion of 16 years of continuous full-time service
- An additional 5 ½% salary increase upon completion of 22 years of continuous full-time service

Regardless of hire date, a full-time general employee who has 25 years of service as a benefitted employee of the City of Santa Fe Springs will receive a 3.0% longevity pay adjustment upon their completion of 25 years of service. (PPPM2.21e)

### **Section 6. Physical Fitness Incentive Program**

A full-time employee is eligible for physical fitness pay upon satisfactory completion of the first six months of the employee's probationary period, passage of the annual physical fitness test and certification as a non-smoker. The eligible employee is entitled to the "P" step in the range. The test shall assess cardiovascular fitness, flexibility and strength.

The program shall be administered by the City as set forth by Personnel Policies and Procedures Section 2-2.7a: Physical Fitness Pay – General Employees. Participation in this program is optional and is not required of employees. All decisions regarding the Physical Fitness Incentive Program are at the sole discretion of the City and are not subject to appeal. (Res. #5969; PPPM 2-2.7a)

### **Section 7. Overtime Compensation**

When necessary to perform essential work, Department Directors, Managers or Supervisors may require employees to work at any time other than during their regular working hours until such work is accomplished. Payment of overtime shall be paid at a rate of one and one half (1½) the rate of pay in accordance with the Fair Labor Standards Act and shall apply to all designated non-exempt positions. The maximum number of hours worked per work period paid at the regular rate shall be 40 hours. An employee may, with Department Head approval, take time off in lieu of overtime pay if it is taken in the same work period the overtime is earned. For example, if an employee works 2 hours overtime on Monday, the employee may take 2 hours off before the end of the work week. For the purpose of overtime calculations, furlough hours will be considered hours worked. (PPPM 2-2.9a)

### **Section 8. Standby Compensation**

An employee required to be available for emergency service between the end of their work

day and the beginning of the next work day will be paid \$35.00 for each standby period. They must be available for immediate response to a telephone call or a page. Employees who are on standby and who are called back to duty shall receive standby pay and call back pay. (80-81, 99-01, 05-06 MOU; PPPM 2-2.10a)

Effective July 1, 2019, an employee required to be available for emergency service between Saturday, Sunday or a Holiday will be paid \$70.00 for each day they are required to be on standby.

### **Section 9. Call Back Compensation**

Employees called back to work shall receive a minimum of 4 hours pay. If a second call back of the same employee occurs within the four hours of the first call back, additional call back pay is not allowed. If the second call back occurs after four hours have elapsed since the first call back, it shall be treated as a new incident and the employee shall receive a minimum of four hours pay. After three hours of call back, all hours, including the first three, will be paid at time and one-half (1½). Scheduled work, even though not during normal working hours, shall not qualify for call back pay. (PPPM 2-2.11)

### **Section 10. Deferred Compensation Program**

The City's deferred compensation program is designed to provide employees with a supplemental retirement savings plan. It is established and regulated according to Internal Revenue Service (IRS) guidelines and is known as an IRS 457(b) Plan. It is a tax deferral program in which an employee may elect to defer compensation up to the amount permitted by the IRS for any particular calendar year and thereby realize an immediate tax benefit. The money is invested and available to the employee with interest after retirement. IRS "catch-up" provisions are also available under this plan.

Effective June 27, 2016, the City agrees to match employee contributions into their deferred compensation plan an additional 0.5% (for a maximum of 1.5%). The match will be at a rate of 2:1. To receive the City's maximum 1.5% match, the employee must contribute 0.75%. Employee contributions less than 0.75% are matched by the City at a proportional 2:1 ratio. Lump sum amounts listed in Article IV, Section 2 are not eligible for the match contribution.

Specifics concerning program application and investment options change periodically. The most current information can be obtained from the Human Resources Office. (86-87, 88-89, 89-90, 90-91, 05-07 MOU, PPPM 2-5.1)

### **Section 11. Class A Driver's License**

The City shall pay a monthly \$100 pay differential to fifteen (15) Public Works Maintenance Division employees who possess and maintain a valid California Commercial driver's license. This pay differential will not be given to those in positions where a Commercial driver's license is a required minimum qualification for the position. (PPPM 2-2.5k rev 5/25/06)



## **Section 12. Cost of Living Data**

Cost of living data shall consist of the March to March change in the All Urban Consumer Price Index issued by the Department of Labor, Bureau of Labor Statistics for the Los Angeles/Riverside/Orange County Area. (PPPM 7-4.2)

## **Article V.** **Retirement Benefits**

California Public Employee's Retirement System (CalPERS) Coverage. All full-time employees covered by this MOU shall participate in the CALPERS retirement plan.

### **Section 1. For employees hired prior to November 19, 2012 (Classic Members/Tier 1), the City shall provide the CalPERS 2.7% @ age 55 retirement formula.**

The City shall continue to provide CalPERS Classic Members with retirement benefits in accordance with the existing contract with CalPERS, and all amendments to the contract, including:

1. Retirement Benefit Formula - 2.7% @ age 55 Formula for Local Miscellaneous Members (Government Code Section 21354.5).
2. To be eligible for service retirement, you must be at least age 50 and have a minimum of five years of CalPERS-credited service.
3. Employee Cost Share - The employee's eight percent (8%) portion of the retirement cost is paid fully by the City as "Employer Paid Member Contribution (EPMC). The value of the EPMC is reported as special EPMC compensation (Government Code Section 20516).
4. Employee Contribution – Full-time employees contribute eight percent (8%) of their salary (cost share) on a pre-tax basis to offset the City's cost in providing enhanced retirement benefits (Government Code Section 20516(f)). If there are any changes that legally require the cost sharing to terminate, any percentage of cost sharing shall be applied towards the Employer Paid Member Contribution (EPMC).
5. Death Benefits - Pre-Retirement Death Benefits to continue after marriage of survivor (Government Code Section 21551).
6. 1959 Survivor Benefit Level 4 – provides a monthly benefit for eligible survivor(s) who are not covered by social security (Government Code Section 21574).
7. Additional Service Credit of 2 years for Local Miscellaneous Members (Government Code Section 20903).
8. Military Service Credit as Public Service (Government Code Section 21024).
9. Unused Sick Leave Credit – Unused sick leave will be converted to service credit at the rate of .004 year of service for each day of sick leave, provided there are less than 120 days between the member's separation date and retirement date (Government Code Section 20965).
10. Final Compensation - The average full-time monthly pay rate for the highest 12 consecutive month period (Government Code Section 20042). If service is coordinated with Social Security, member is subject to the \$133.33 reduction in

final compensation.

11. 2% Annual Cost of Living Allowance Increase (Government Code Section 21329).
12. Death Benefit (Retired) - Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's survivor (Government Code Section 21620).
13. Prior Service Credit (Government Code Section 20055). Service credit payment by payroll deduction is pre-tax.

**Section 2. For employees hired between November 19, 2012 and December 31, 2012 (Tier 2), the City shall provide the CalPERS 2% @ age 55 retirement formula.**

The City shall continue to provide CalPERS Tier 2 Members with retirement benefits in accordance with the existing contract with CalPERS, and all amendments to the contract, including:

1. Retirement Benefit Formula – 2% @ age 55 Formula for Local Miscellaneous Members (Government Code Section 21354).
2. To be eligible for service retirement, you must be at least age 50 and have a minimum of five years of CalPERS-credited service.
3. Employee Contribution – Full-time employees pay the seven percent (7%) member contribution.
4. Death Benefits - Pre-Retirement Death Benefits to continue after marriage of survivor (Government Code Section 21551).
5. 1959 Survivor Benefit Level 4 – provides a monthly benefit for eligible survivor(s) who are not covered by social security (Government Code Section 21574).
6. Additional Service Credit of 2 years for Local Miscellaneous Members (Government Code Section 20903).
7. Military Service Credit as Public Service (Government Code Section 21024).
8. Unused Sick Leave Credit – Unused sick leave will be converted to service credit at the rate of .004 year of service for each day of sick leave, provided there are less than 120 days between the member's separation date and retirement date (Government Code Section 20965).
9. Final Compensation – The highest average annual compensation earnable by the member during the consecutive 36-month period of employment (Government Code Section 20037). If service is coordinated with Social Security, member is subject to the \$133.33 reduction in final compensation.
10. 2% Annual Cost of Living Allowance Increase (Government Code Section 21329).
11. Death Benefit (Retired) - Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's survivor (Government Code Section 21620).
12. Prior Service Credit (Government Code Section 20055). Service credit payment by payroll deduction is pre-tax.

**Section 3. For employees hired on or after January 1, 2013 and meeting the definition of "New Member" set forth in Government Code 7522.02(c), shall be eligible for the retirement plan pursuant to California Public Employees' Pension Reform Act of 2013 (PEPRA).**

The City shall provide CalPERS Members with retirement benefits in accordance with

PEPRA, including:

1. Retirement Benefit Formula – 2% @ age 62 Formula for Local Miscellaneous Members (Government Code Section 7522.20).
2. To be eligible for service retirement, you must be at least age 52 and have a minimum of five years of CalPERS-credited service.
3. Employee Contribution – Full-time employees pay the member contribution of fifty percent (50%) of normal cost as determined by CalPERS.
4. Death Benefits - Pre-Retirement Death Benefits to continue after marriage of survivor (Government Code Section 21551).
5. 1959 Survivor Benefit Level 4 – provides a monthly benefit for eligible survivor(s) who are not covered by social security (Government Code Section 21574).
6. Additional Service Credit of 2 years for Local Miscellaneous Members (Government Code Section 20903).
7. Military Service Credit as Public Service (Government Code Section 21024).
8. Unused Sick Leave Credit – Unused sick leave will be converted to service credit at the rate of .004 year of service for each day of sick leave, provided there are less than 120 days between the member's separation date and retirement date (Government Code Section 20965).
9. Final Compensation – The highest average annual compensation earnable by the member during the consecutive 36-month period of employment (Government Code Section 20037).
10. 2% Annual Cost of Living Allowance Increase (Government Code Section 21329).
11. Death Benefit (Retired) - Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's survivor (Government Code Section 21620).
12. Prior Service Credit (Government Code Section 20055). Service credit payment by payroll deduction is pre-tax.

#### **Section 4. Sick Leave Credit**

Full-time general employees shall be compensated annually in November for one-half of their accumulated sick leave in excess of 960 hours. The remaining excess leave shall be accumulated in an individual retirement credit account. The balance in the account, along with other accumulated sick leave, shall be applied to the Retirement "Sick Leave Credit" benefit upon the employee's retirement. (*PPPM 5-11.2*)

#### **Section 5. Part-Time Employees**

In accordance with the Federal Omnibus Budget act of 1990, Section 3121 (b)(7)(F), 7.5% of qualified salary is deposited in a retirement plan for part-time employees. The terms and conditions for withdrawal of these funds shall be as set forth in the existing plan and as permitted by IRS Code Section 457.

The City makes a 3.75% contribution based upon gross earnings towards this plan. Part-time employees may contribute the maximum allowable under IRS regulations or a minimum of 3.75% of their gross earnings. The retirement plan used by the City is a defined

contribution plan which means that an employee is fully vested and may withdraw all funds, including interest earnings, upon separation. (PPPM 2-4.1)

## **Article VI.**

### **Health and Other Insurance Benefits**

#### **Section 1. Health Insurance**

##### **Full-Time Employees:**

The City contracts with the Public Employees' Retirement System (PERS) for employee, spouse, registered domestic partner and dependent health insurance benefits. An open enrollment period is held annually in the fall to permit employees to change plans and add/delete dependents.

Effective January 1, 2020, the medical cap will be increased by 2.7% in accordance with the Consumer Price Index, Department of Labor's Bureau of Statistics, All Urban Consumers, March 2018 to March 2019 .

Tier 1: (Employees hired into full-time positions on or before November 18, 2012:

The full-time medical benefit that the City will pay for medical insurance premiums for employees and eligible dependents will be capped at \$1,498.14 per month effective January 1, 2020.

Tier 2 (Classic and PEPR):

For employees hired into full-time positions after November 18, 2012 and subject to the second tier benefits, the City's maximum contribution for medical insurance premiums for employees and their eligible dependents is \$1,088.59 per month effective January 1, 2020.

##### **Retiree Medical**

An employee who is vested in CalPERS and retires from the City is eligible for medical coverage through retirement. The City pays the insurance premium up to the current applicable medical cap.

##### **Part-Time Benefited Employees**

The City contracts with the PAC FED for part-time benefited employee, spouse, registered domestic partner and dependent HMO health insurance benefits. An open enrollment

period is held annually in the fall, to permit employees to change plans and add/delete dependents. Effective July 1, 2013, the part-time medical benefit that the City will pay for insurance premiums for employees and eligible dependents will be capped at the medical premium cost for employee and one dependent in the Kaiser PEBT plan. Employees who chose other alternate plans or family coverage will pay the difference in premiums via payroll deduction.

#### Medical Opt Out:

Requirements for a full-time employee to receive employer contributions that may be cashed out: Pursuant to the Affordable Care Act (ACA) Employer Mandate "affordability" determination, an eligible opt-out arrangement requires the following in order for employees who opt-out of employer-provided health coverage to receive cash in lieu:

- a. Employee must provide reasonable evidence that the employee and each member of the employee's expected tax family (i.e. individuals for whom the employee expects to claim a personal exemption deduction) has or will have the minimum essential coverage (other than coverage in the individual market, whether or not obtained through Covered California) during the period of coverage to which the opt-out arrangement applies;
- b. Employee must provide proof of coverage by completing the Health Insurance Waiver Form.
- c. Employee must provide proof of coverage every plan year, by completing a new Health Insurance Waiver Form to which the eligible opt-out arrangement applies; and
- d. The opt-out payment cannot be made if the City knows or has reason to know that the employee or any other member of the employee's expected tax family does not have or will have the alternative minimum essential coverage.

Full-Time employees electing to opt-out will receive the medical opt-out amount stabilized at the July 1, 2012 rates as follows:

Single party:	\$214.61
Two party:	\$429.22
Family:	\$557.98

Part-Time Benefitted Employees electing to opt-out will receive the Medical Opt Out amount, stabilized at the July 1, 2012 rates as follows:

Single party:	\$200.50
Two-party or more:	\$390.50

#### **Section 2. Dental Insurance**

The City contracts with Delta Dental to provide dental benefits to all full-time and part-

time benefited employees and eligible dependents. An open enrollment period is held annually to permit employees to change plans and add/delete dependents. Retired full-time employees may continue dental coverage for self, spouse and eligible dependents with entire cost borne by the retiree. (78-80, 80-81, 82-83, 83-84, 94-95, 97-98, 01-02, 05-07 MOU; PPPM 2-3.2)

#### Full-time Employees:

The City offers Delta Care and Delta Premiere options. Employees who elect enrollment in the Delta Premiere plan will contribute \$50 per month towards the dental insurance premium. Employees who elect enrollment in Delta Care pay no contribution toward dental insurance premium.

#### Part-Time Benefitted Employees:

The City offers and pays the dental insurance premiums for Delta Care dental coverage for the employee and eligible dependents.

### **Section 3. Vision Plan**

The City has established a vision care plan for full-time employees, spouses, registered domestic partners and dependents up to the age of 26, consistent with the Affordable Care Act (ACA). There is a \$20 deductible for eye examinations and no deductible for frames, lenses, contact lenses, or vision therapy. The employee reimbursement cap is \$350 per fiscal year; the spouse, registered domestic partner and other dependents are capped at \$300 per person per fiscal year. Employees and eligible dependents may choose laser surgery in lieu of receiving an annual reimbursement for four years. Employees are eligible for \$1,400 reimbursement for laser surgery and eligible dependents are eligible for \$1,200 reimbursement. If the employee retires or resigns during the four-year reimbursement period, the employee is responsible for reimbursing the City the prorated difference for him/herself and dependents. (95-96, 97-98, 01-02, 05-07 MOU; PPPM 2-3.6)

### **Section 4. Life Insurance**

The City pays the premium cost for each full-time employee to receive Life and Accidental Death & Dismemberment (AD&D) insurance under a group policy. Full-time employees are eligible for coverage upon hire. Effective July 1, 2019, the City will increase the basic amount specified in the group contract from \$50,000 to \$75,000. Employee members must authorize payroll deduction for any premium costs related to policy coverage in excess of the basic amount (including dependent coverage). (91-92 MOU; PPPM 2-3.3a)

### **Section 5. Long Term Disability Insurance**

The City pays the premium cost for each full-time employee to receive long term disability insurance. This plan is administered by Standard Insurance. Full-time employees are



eligible on the first day of the month following the first day of employment. However, the employee must not be off duty for illness or injury on that date. If the employee is off, then the effective date is the first day of the month following the date of return to work. Employees are covered for both sickness and accident. Maximum benefit period for disability due to injury or illness is age 65 or 12 months, whichever is longer. Employees are paid 66 2/3% of basic monthly earnings up to a maximum payment of \$8,000. Sick leave, Workers' Compensation and PERS payments are integrated into this amount. If the employee dies during a period for which benefits are payable, three additional months of payment will be paid to the designated beneficiary. A copy of the actual plan description is on file in the Human Resources office. (PPPM 2-3.4a)

## **Section 6. Physical Examination**

Full-time and part-time employees and their spouses are eligible to participate in the annual physical examination program. Employees are invited to participate during the month of their birthday. The cost for the physical is paid for by the employee. If an employee wishes to participate, the employee must identify their choice of physical examination and method of payment. Should the employee wish to pay by payroll deduction, the employee must deduct an amount large enough to pay the cost of the physical within one year. Examinations for full-time employees may be scheduled during regular work hours. At no time will the City review the results of the test. (*Letter from City Manager dated 2-24-83; Fee Schedule for Annual Physical; 94-95 MOU*)

## **Article VII.** **Leave Benefits**

### **Section 1. Bereavement Leave**

Full-time and part-time benefited employees are entitled to a maximum absence of three days with pay for bereavement purposes in the event of death of a member of the immediate family. Leave for benefited part-time employees shall be consistent with the employee's regularly scheduled hours. An employee may take additional leave for bereavement purposes by charging the time off to sick leave. Such leave shall be granted up to the employee's accumulated sick leave balance with the approval of the employee's Department Head. Immediate family is defined as father, mother, brother, sister, son, daughter, spouse, registered domestic partner, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, step-mother, step-father, step-sister, step-brother, step-child and step-grandchild. An employee will be allowed bereavement leave to accompany a minor child (under 18 years old) in the employee's sole custody if a parent of the child, who is not defined as a member of the employee's immediate family such as an ex-spouse, passes away. (*Res. #5969, IX.7; 77-78 04-05 MOU; PPPM 6-8*)

### **Section 2. Family Medical Leave Act (FMLA) and California Family Rights Act (CFRA)**

An employee is eligible for FMLA/CFRA leave after 12 months of continuous employment, if he or she has worked at least 1,250 hours during the previous 12-month period. FMLA/CFRA leave is unpaid leave. An employee requesting FMLA/CFRA leave may utilize any accumulated leave, except sick leave, for part or all of the leave period, if leave is for a purpose other than the employee's own serious health condition. If the leave is for the employee's own serious health condition, any accumulated sick leave must also be used.

Under FMLA, an eligible employee is entitled to a total of 12 work weeks of leave during any 12-month period in four situations: (1) for the employee's own serious health condition; (2) to care for a family member with a serious health condition; (3) for the birth or placement of a child for adoption or foster care; and (4) to address a "qualifying exigency" involving an employee's family member on active military duty status in support of a contingency operation.

In addition, an employee is entitled to up to 26 weeks of leave during a single 12-month period to care for a family member or "next of kin" service member who incurs a serious injury or illness while on active duty. The single 12-month period applicable to military caregiver leave can be different from the 12 month period applicable to other FMLA leave.

The CFRA regulation provides that if an employee takes pregnancy disability leave which is also an FMLA leave, and then wants to take CFRA leave to bond with her child immediately after her pregnancy disability leave, the 12-month period during which she must have worked 1,250 hours is that period immediately preceding her first day of FMLA leave based on her pregnancy, not the first day of the subsequent CFRA leave for reason of the birth of her child. (*Res. #5969, IX.8; PPPM 6-4.3*)

### **Section 3. Flexible Leave**

General full-time employees will receive 36 hours of flex leave each fiscal year. As of June 30 of each year, all unused flexible leave up to a maximum of 24 hours shall be carried over to the next fiscal year. Benefited part-time employees will receive 12 hours per fiscal year with a not to exceed cap of 20 hours per fiscal year. (*Res. #5969, IX.4; 76-77, 81-82, 83-84, 90-91, 97-98, 01-04, MOU and Addendum to 01-04 MOU, 07-08 MO; PPPM 6-5*)

### **Section 4. Holidays**

The following are observed City holidays:

- |   |                           |
|---|---------------------------|
| • New Year's Day                        | January 1                 |
| • Dr. Martin Luther King Jr.'s Birthday | Third Monday in January   |
| • Lincoln's Birthday                    | Second Monday in February |
| • President's Day                       | Third Monday in February  |
| • Cesar Chavez's Birthday               | March 31                  |
| • Memorial Day                          | Last Monday in May        |

- Independence Day July 4
- Labor Day First Monday in September
- Veteran's Day November 11
- Thanksgiving Day Fourth Thursday in November
- Day after Thanksgiving Fourth Friday in November
- The day before Christmas December 24
- Christmas Day December 25
- Every day appointed by the President or Governor as a holiday

When a holiday falls on a Saturday, the preceding Friday shall be observed as the holiday.  
When a holiday falls on a Sunday, the following Monday shall be observed as the holiday.

### **Section 5. Bonus Day Holiday**

A bonus day off with pay per fiscal year may be taken as a floating holiday for any full-time general employee who does not utilize any sick leave during the fiscal year. Part-time benefited employees shall receive a prorated number of hours based upon their regular work schedule. (*Res. #5969, IX.3; 76-77, 83-84, 86-87, 92-93, 97-98, 05-07 MOU; PPPM 6-7.1*)

### **Section 6. Jury Duty**

Leave of absence with pay shall be granted to a maximum of fifteen (15) working days to an employee who serves on a jury. In such cases, the employee shall be paid their regular salary, or their normal hours scheduled to work. Employees on call for jury duty are expected to report for work. Jury and witness fees the employee may receive from court service shall be remitted to the City. Mileage reimbursement will be kept by the employee (*Res. #5969, IX, 13; 92-93; 01-02 MOU; PPPM 6-10*). On a case-by-case basis, the City Manager may extend said leave of absence with pay for jury duty. (11-12 MOU)

### **Section 7. Leaves of Absence**

Leaves of absence without pay may be granted at the sole discretion of the City Manager. A leave of absence shall be granted only to an employee who desires to return to City service and has a satisfactory service record. The City Council must approve leaves of absence involving pay or benefit issues. (*Res. #5969, IX.12; PPPM 6-4.1*)

### **Section 8. California Kin Care Leave**

Employees may use one-half of their annual sick leave accrual (e.g., 48 hours for full-time employees) to care for their grandparents, grandchildren, and siblings, as well as children, parents, spouse or domestic partner who is ill. Use of sick leave for this purpose is to be recorded on leave slips and turned in with employee time cards. Notice should be given for appointments seven days in advance. If emergencies arise, an exception can be made to this policy. (*PPPM 6-3.6*)

## **Section 9. Military Leave**

Military leave is granted in accordance with state and federal law. If you are entitled to military leave, you must give the City an opportunity, within the limit of military regulations, to determine when such leave will be taken. Each request for military leave will be referred to the City Attorney for interpretation of such related issues as entitlement to pay, benefits, reinstatement, etc. (See Appendix for Military Leave Policy) (*Res. #5969, IX.14; PPPM 6-9*)

## **Section 10. Sick Leave**

Sick leave shall not be considered a right, which employees may use at their discretion, but shall be allowed as an employee benefit only in case of actual sickness or disability of the employee which prevents the employee from working. Exceptions are made for cases of pregnancy, childbirth or related conditions, for a doctor's appointment or to care for a sick child in accordance with these rules and regulations. Up to 32 hours per fiscal year of sick leave may be used for doctor's appointments.

Employees are eligible to use accrued sick leave at any time after original appointment subject to the provisions of these rules and regulations. Sick leave shall be accrued while an employee is absent from duty because of injury or illness arising out of and in the course of employment as determined under the provisions of workers' compensation law.

In order to receive compensation when absent on sick leave, employees shall notify their department no later than 15 minutes after the time set for beginning their daily duties. When absent for three or more consecutive working days, the employee may be required by the Department Head to obtain and submit a physician's certification of illness.

Sick leave with pay for full-time general employees shall be accrued at the rate of 8 hours for each calendar month of service beginning with probationary appointment. Benefited part-time employees shall accrue a total of 1 hour sick leave per pay period but only if the employee works a minimum of 20 hours within that pay period. If the benefited part-time employee works a minimum of 32 hours per week per pay period, they will accrue 2.77 hours of sick leave for that pay period. At the discretion of the Department Head, full-time employees only may request an advance of up to five days of sick leave. (*PPPM 6-3.1, 6-3.2, 6-3.4, and 6-3.6*)

## **Section 11. Vacation**

General full-time employees on a 40 hour work week schedule will accrue vacation leave as follows:

<u>Years of Service</u>	<u>Days per Year</u>	<u>Hours per Year</u>	<u>Hours per Month</u>
0-1	10.00	80	6.64
1-2	11.25	90	7.52

2-3	12.50	100	8.32
3-4	13.75	110	9.20
4-5	15.00	120	10.00
5-6	15.50	124	10.32
6-7	16.00	128	10.64
7-8	16.50	132	11.04
8-9	17.00	136	11.36
9-10	17.50	140	11.68
10-11	18.00	144	12.00
11-12	18.50	148	12.32
12-13	19.00	152	12.64
13-14	19.50	156	12.96
14-15+	20.00	160	13.28
20+	21.00	168	14.00

The following methodology is used regarding the initial accrual of vacation time:

<u>Date hired</u>	<u>1<sup>st</sup> through 15<sup>th</sup></u>	<u>16<sup>th</sup> through end of month</u>
Month hired	Accrues vacation	Does not accrue vacation
Month terminated	Does not accrue vacation	Accrues vacation

The anniversary month for additional vacation accrual is based on the same time periods. If an employee is hired before the 15<sup>th</sup> of the month, the anniversary month is the month hired; if hired after the 15<sup>th</sup> of the month, the anniversary is the month following.

Benefited part-time employees who work between 20 and 59¼ hours within a pay period shall receive a prorated accrual of 1.85 hours. For each pay period in which the number of hours worked by a benefited part-time employee is 60 hours or more, the bi-weekly accrual rate shall be 3.00 hours.

At the discretion of the Department Head, full-time employees may request an advance of up to five days of vacation.

Vacation shall be accrued when an employee is absent from duty because of injury or illness arising out of and in the course and scope of employment as determined under the provisions of the workers' compensation law.

#### Vacation Maximum Accrual

General employees may accumulate 240 vacation hours in their vacation bank. Once this balance has been reached, the Department of Finance and Administrative Services will advise the employee that they must take the vacation and reduce their balance. Employees whose vacation balance exceeds the maximum accrual will be given the opportunity to work with their supervisor/department head on a balance reduction plan. Employees who have extenuating circumstances and request the maximum accrual be temporarily lifted

due to an anticipated parenthood leave, extended worker's compensation leave or similar situation will notify their supervisor and Human Resources of their special circumstance and be granted a temporary reprieve from vacation accrual enforcement. (*Res. #5969, IX.5; 76-77, 82-83, 86-87 MOU; PPPM 6-2.1, 6-2.3, 6-2.4, 6-2.5 and 6-2.6*)

#### Reserve Vacation Bank

The Reserve Vacation Bank contains the balance of vacation leave hours accrued through August 31, 2011.

When vacation hours are used, they will be first deducted from the Vacation Bank (accruals after September 1, 2011), and then from the Reserve Vacation Bank (accruals prior to September 1, 2011).

If an employee is unable to take pre-approved vacation time due to staffing needs, and that causes the employee's Vacation Bank to go over the 240 hour cap, the hours above the cap may be moved to the Reserve Vacation Bank only with the written recommendation of the Department Head, a review by the Human Resources Office and approval by the City Manager

#### Vacation & Reserve Vacation Bank Cash-Out

Effective July 1, 2019, represented members will be permitted to cash-out accrued vacation leave hours annually, as follows:

- Current Vacation Accrual Bank: 12 hours once per fiscal year.
- Reserve Vacation Bank: 20 hours once per fiscal year.

#### **Section 12. Critical Family Leave**

At the sole discretion of the City Manager, authorization for whatever amount of paid leave that may be necessary for full-time and benefited part-time employees to care for a child or spouse with a terminal or critical life-threatening situation may be given. This action may be taken at the request of the employee with the concurrence of the employee's Department Head with full pay and benefits and without loss of seniority. Leave will be exclusive of the employee's vacation, flex and sick leave. Leave balances do not have to be exhausted for the City Manager to authorize critical family leave. This policy is intended to be applied in conjunction with the Federal Family and Medical Leave Act of 1993 and the California Family Rights Act. (*CC 3-14-96, PPPM 6-4.4*)

#### **Section 13. Voluntary Vacation and Flexible Leave Time Donation**

If an employee suffers a personal medical crisis or catastrophic event that requires a prolonged absence from duty that will result in a substantial loss of income to the employee and if the employee has exhausted all available paid leave time, the employee may request assistance from other employees by means of leave time donation. Leave time donation may be in the form of vacation leave, flexible leave or any combination of these two leave



types. Sick leave may not be donated.

The value of the donated leave will be paid to the recipient employee at the recipient's normal rate of compensation. The amounts paid to the recipient employee under the conditions of this policy are treated as regular income of the recipient under Internal Revenue Code Section 61. Employee(s) who donate leave do not incur any income or any deductible expense or loss upon the donation of this leave. Any leave accrued by the recipient employee during a pay period will first be applied, supplemented by voluntary leave donations in order for the recipient to receive a regular paycheck. Under no circumstances will the recipient employee be paid for more than their regular number of hours in a pay period.

On a case-by-case basis, the City Manager may allow voluntary donations of vacation and flex leave to an employee who suffers a catastrophic event. The City Manager may seek recommendation from a committee, made up of one member from each of the recognized employee associations and the Human Resources Office, regarding the determination of a catastrophic event. The City Manager's decision shall be final and not subject to appeal. (PPPM 6-13)

#### **Section 14. Family School Leave**

In accordance with the California Labor Code, a full-time employee may take up to 40 hours per calendar year, not exceeding 8 hours in any calendar month, to participate in their children's school or licensed day care facility activities. The employee shall utilize vacation leave, flexible leave or time off without pay for this purpose. The employee shall give reasonable notice of the planned absence. The City may require the employee to provide documentation from the school or licensed day care facility as proof that they actually participated in the activities on the specified day at a particular time. (Res. 5969, IX.10; PPPM 6-2.6)

### **Article VIII.** **Additional Benefits**

#### **Section 1. Tuition Reimbursement**

All full-time employees are eligible for tuition reimbursement. Each employee is allowed up to \$350 during each fiscal year. The maximum reimbursement for employees engaged in a degree program is \$2,000 per year including books. The employee must complete the course(s) listed on the tuition reimbursement agreement with a grade of "C" or better. The employee must return all text materials which have been paid for by the City and the employee must remain employed with the City after completion of the course for a period of one year or refund to the City the full amount reimbursed for the course(s).

There is no tuition reimbursement for part-time employees except for those requiring certification. (Res. #5969, X.3; 1977, 95-96 MOU; PPPM 9-1.2)

## **Section 2. Uniforms**

Uniforms provided are as follows. Any and all parts of the uniforms may be replaced at the discretion of the Department Head.

- Lifeguard Personnel – two shirts, one pair of shorts, one swimming suit for instruction, one swimming suit for lifeguarding. Parkas are available on location for use, but are not required.
- Public Safety Officers – Two short sleeve shirts, one class “A” shirt, two pairs of pants, one class “A” pair of pants, one jacket, one pair of boots, one rain coat, one utility belt with accessories, one Sam Brown belt and one tie.
- Public Works Maintenance, Inspectors, and Storekeeper – six shirts, six pairs of pants or shorts, if desired, one jacket, one pair of boots and one hat. Safety belts for maintenance personnel only.
- Recreation Leaders – Two shirts upon hire, one additional shirt mid-summer and one jacket. Employees may purchase additional uniforms.
- Teachers – Three shirts.
- Bus Drivers – Five shirts, five pairs of pants or shorts and one jacket.
- Heritage Park Rangers – Two dress shirts, two polo shirts, two pairs of pants, one jacket, one pair of boots and one belt.

Uniforms issued by the City are considered as compensation and the value of such is reported to the Public Employees’ Retirement System annually as special compensation. Those items issued as safety equipment, even if worn as part of regular duty, are exempt from being reported as compensation. These items include steel toe safety shoes/boots, high visibility orange shirts, hard hats and high visibility orange work jackets. (*PPPM 2-9.1 and 2-9.2*)

## **Section 3. Employee Personal Computer Purchase Plan**

Any (non-probationary) full-time employee or part-time benefited employee with five years of service with the City is eligible to purchase a personal computer or digital camera in conjunction with a computer; peripheral equipment and software through an interest free loan of City funds. Only one computer loan is allowed at a time. Repayment is guaranteed through bi-weekly payroll deductions. The employee agrees that the computer equipment is for their own or their immediate family’s use only. The minimum loan amount is \$500 and the maximum loan amount is \$3,000. Full details for this plan may be found under *PPPM 7-8.2. (CC action of 1-8-98 and 5-10-01; PPPM 7-8.2)*

## **Section 4. Section 125 Program**

The City has implemented an Internal Revenue Section 125 program which allows employees to allocate specified amounts of monthly pre-tax salary or wages for the reimbursement of medical care expenses or dependent care expenses or both. (*PPPM 2-6*)

## **Section 5. Employee Assistance Program**

The City provides an Employee Assistance Program (EAP) for full-time employees. Employees contact the EAP provider confidentially on an as-needed basis.

## **Article IX.**

## **Appointments, Promotions, and Temporary Assignments**

### **Section 1. Original and Promotional Appointments**

Original or promotional appointments shall be made by the City Manager from among the candidates on a certified eligibility list who indicate a willingness to accept the position. The individual standing first on any given closed promotional list should generally be appointed by the Department Head. Any other appointment must receive approval by the City Manager. When an employee is promoted, the employee shall be entitled to the step in the new range which provides at least a 5 ½% increase. (*PPPM 5-1; PPPM 5-6.2*)

### **Section 2. Appointment – Probationary Status**

Full-Time employees are on probation for six months from the date of hire and Part-Time benefited employees are on probation for one year from date of hire. During the probationary period, employee performance evaluations are required. A probationary employee may be terminated without appeal during the probationary period. The appointment is made to regular status at the end of the probationary period upon the recommendation of the Department Head and the approval of the City Manager. In the event the probationary employee's performance does not qualify for regular status, the City Manager may grant a one-time extension of the probationary period up to the length of the original probationary period. (*Res. #5969, VII.1 and .2; PPPM 5-9.1*)

### **Section 3. Temporary Appointments**

When vacancies occur that appear to be of a temporary duration but are not emergencies, a temporary appointment may be made. Such appointments will be made primarily in those cases where the incumbent has been temporarily disabled because of an on or off the job injury. When the duration of the incumbent's absence is expected to be of such length that the replacement will be required to assume virtually all responsibilities inherent in the position, a temporary appointment will be made. Temporary appointments must be made from an appropriate eligibility list, if one exists. The appointment will be made on the recommendation of the Department Head with the approval of the City Manager. Temporary appointees are not in the same status as regular employees and only attain such after receiving a regular appointment. (*PPPM 5-1; PPPM 5-4.1*)

#### **Section 4. Veteran's Preference**

Veterans of the Armed Forces of the United States of America will be given preference over other identically qualified applicants on an eligibility list. (*PPPM 4-8 and State Government Code Section 50088*)

#### **Section 5. Eligibility Lists – Certification**

The Human Resources Office shall certify lists of candidates who have successfully competed in examinations. The names may be placed on the list in order of their total rating in the examination or may be grouped in a tier based on similar ratings. The list will be certified for a minimum of one year and a maximum of two years. The list may be extended at the discretion of the City Manager. A candidate's name may be removed from the eligibility list for any of the following reasons:

- Appointment to fill a position for which the examination was given
- Evidence that the candidate no longer meets the qualifications of the position
- Removal by the City Manager after rejection of the candidate for a vacant position by the Department Head

Whenever a vacant position is to be filled, the Department Head shall consider the candidates and recommend one from the appropriate list to the City Manager unless the Department Head rejects in writing all candidates. (*PPPM 4-6.1*)

### **Article X.** **Employment Policies**

#### **Section 1. Alcohol and Drugs**

It is the policy of the City of Santa Fe Springs that employees shall:

- Not report to work, or be subject to City duty, while under the influence of unlawful drugs, controlled substances or alcohol
- Not possess or ingest alcohol or impairing drugs, including illegal drugs and prescription drugs without prescription, during work hours or while subject to duty, on breaks, during meal periods or at anytime while on City property
- Not directly or through a third party sell or provide drugs or alcohol to any person, including any employee, while either or both employees are on duty or subject to being called to duty
- Not use City property or premises to manufacture, sell or distribute alcohol, unlawful drugs or controlled substances during work and non-work hours
- Notify their supervisors before beginning work when they are taking legally prescribed medication which could foreseeably interfere with the safe and effective performance of their duties or the operation of City equipment

The use of illegal drugs or controlled substances, on or off the job, by City employees will not be tolerated and is grounds for immediate termination. (See Appendix for Alcohol & Drug Abuse Policy revised as of 02-09-06) (*PPPM 7-10*)

## **Section 2. Computer Usage**

The City's Computer Usage policy outlines the use of the City's electronic mail (e-mail) system by all full-time and part-time employees, as well as elected officials, independent contractors, seasonal employees and any vendors with authorized use of the City computer resources. Technology staff will change your password on a regular basis (annually). All City electronic media is to be used for City and employment purposes only and is not to be used for personal non-job related purposes. Electronic media includes all computers, computer equipment, hardware, peripherals, medium (connection lines), cameras, televisions and telecommunications equipment of any kind, whether owned, leased, rented or used by the City. It also includes all documents, records, software, and stored and deleted files relating to City business regardless of form including but not limited to hard copy, computer stored data, disks, hard drives, tapes and any other form in which data may be stored or retained.

Employees have no privacy rights or expectations thereto in any transmission created, received or sent using City property whether the employee is on working time or not. Routine searches or inspection of City property may include computer files, voice mail boxes or similar places where City property or City related information may be placed or stored, regardless of whether such places are locked or protected by access codes or passwords. Because even a routine search might result in discovery of employee personal possessions, employees are encouraged not to bring into the workplace any item of personal property that the employee would not want revealed to the City. (See Appendix for Electronic Media Policy revised as of 02-02-06) (*PPPM 7-8.1*)

## **Section 3. Harassment, Discrimination and Retaliation**

In keeping with the City's strong commitment to providing a work environment that is free of harassment, discrimination and retaliation, the City maintains a strict policy prohibiting harassment, discrimination and retaliation by or against any of its employees, applicants, volunteers, independent contractors, customers, invitees and members of the public. The City prohibits harassment in any form, including verbal, physical or visual harassment.

The City will not tolerate discrimination or harassment based upon race, color, national origin, ancestry, sex, sexual orientation, disability, medical condition, marital status, age or religion. All employees are to be treated with dignity and respect. Employees who believe they have been discriminated against or harassed by a co-worker, vendor, volunteer or member of the public should report the allegation to their Department Head, the City Manager or Human Resources. An investigation of the allegations will be conducted immediately and appropriate disciplinary action will be taken in the event that the allegations are substantiated.

Each employee is personally liable under the Fair Employment and Housing Act (FEHA) for unlawful harassment perpetrated by that employee.

False Claims: An employee who deliberately makes a false claim or charge of unlawful discrimination or harassment will likewise be subject to disciplinary action up to and including termination.

Retaliation: Any retaliation against a person for filing a discrimination or harassment charge or making a discrimination or harassment complaint or a person assisting in a discrimination or harassment investigation is prohibited. An employee found to be retaliating against another employee, volunteer or person in the act of volunteering shall be subject to disciplinary action up to and including termination. (See Appendix for Harassment, Discrimination and Retaliation Policy revised 02-9-06) (*CC Minutes 10-28-97, AB 1856; PPPM 5-13-.5*)

#### **Section 4. Military Leave**

In accordance with state and federal laws, the City will grant military leave to all employees. Any employee who is ordered to report for military duty shall, after receiving such an order, promptly provide the City with notice of the order to report along with a written request for military leave and a copy of the order. However, an employee is not required to provide the City with notice if the giving of such notice is precluded by military necessity or, under all of the relevant circumstances, the giving of such notice is otherwise impossible or unreasonable. (See Appendix for Military Leave Policy revised as of 02-09-06) (PPPM 6-9)

#### **Section 5. Workplace Safety/Security**

The City is committed to providing a work environment that is safe, secure and free of intimidation, threats and violence. The City maintains this commitment with a policy of "zero tolerance" to acts of violence and by training its employees to recognize and effectively respond to violent/potential violent behavior in the workplace. All acts of violence or force, either threatened or actual, are prohibited and are met with disciplinary action, up to and including termination and criminal prosecution. (See Appendix for Workplace Safety/Security Policy revised as of 02-16-06) (*PPPM 5-13.2; 7-2; 8-9.1; 8-9.2*)

#### **Section 6. Workplace Safety, Security, Inspection and Access**

To ensure a safe work environment, the City reserves the right, based upon reasonable suspicion, to inspect, search and access all property which is brought to or utilized by an employee in the workplace. This property includes, but is not limited to, offices, facilities, vehicles, desks, tool boxes, safes, lockers, files, file cabinets, closets, documents, computer data storage, voice and e-mail, internet use, telephones, electronic data, file and fax transmissions and audio/video tape recordings. The City reserves the right to conduct searches described in this policy without notice or consent of the affected employee or that employee's representative. Searches shall be conducted with the approval of the City



Manager or designee, by the employee's supervisor, law enforcement and Human Resources. (PPPM 8-9.2)

### **Section 7. Tuberculosis (TB) Testing**

The State and County require those employees in direct contact with children to be tested for tuberculosis once every four years. The provision applies to the following employee groups: (PPPM 12-1.5)

1. Library and Cultural Services personnel
2. Public Safety Officers
3. Recreation personnel
4. Family and Human Services personnel

### **Section 8. Blood-borne Pathogens and Hepatitis B Vaccinations**

Employees who can be "reasonably anticipated" to come in contact with contaminants and potentially infectious materials through the performance of their work are subject to this policy. This would include employees in the following job classifications:

1. Bus Drivers
2. Recreation personnel
3. Family and Human Services personnel
4. Public Safety Officers
5. Maintenance Workers
6. Designated Maintenance personnel

These classifications are deemed to be within the group of employees that may have frequent contact with infectious materials. Employees who may have frequent contact are required to receive the Hepatitis B vaccination series. Vaccinations will be available to the employee within 10 working days of job assignment at no cost to the employee. Employees must sign a declaration form if they choose not to be vaccinated but may later opt to receive the vaccine at no cost. Should booster doses later be recommended, employees will be offered them at no cost to the employee. (PPPM 12-4)

### **Section 9. Additional Employment**

Employees must report outside employment to their Department Head prior to the start of employment utilizing the City's "Additional Employment" form. The City Manager or Department Head may prohibit or restrict additional employment if it would bring discredit or embarrassment to the City, reduce the effectiveness of work as an employee of the City, create a conflict or perceived conflict with the employee's duties of the City or create a potential conflict when an employee's outside employment is related to employment matters of another City employee. Reasonable conditions may be attached to the approval of additional employment. Employees are expected to give priority to City work if called for emergency duty or required to work overtime. (Res. #5969, XIV; PPPM 10-2)

## **Section 10. Gambling**

Gambling or conducting games of chance is not permitted on City premises or on City time or by utilizing City property for on-line gambling. (*Res. #5969, XI.5, PPPM 5-13.1*)

## **Section 11. Gifts and Gratuities**

City employees are prohibited from receiving personal gifts, including gratuities, from citizens, persons or firms doing business with or being regulated by the City or likely to do business with or be regulated by the City. (*Res. #5969, XI.5, PPPM 5-13.1*) In addition, City employees will also abide by the restrictions on gifts and honoraria, set forth by the Fair Political Practices Commission.

## **Section 12. Use of City Vehicles**

City vehicles shall be used for official business only and only as authorized. Seat and shoulder belts are to be used at all times. Failure to follow this policy shall result in disciplinary action. Employees must have a valid California driver's license whenever they drive City vehicles or use their own vehicle for City business. (*PPPM 8-6.1 and 8-6.2*)

## **Section 13. No Smoking in City Vehicles**

Smoking is prohibited in City vehicles or while operating City equipment. (*PPPM 8-6.6*)

## **Section 14. Driver's License**

Designated employees required to drive City vehicles in the line of duty will be enrolled in an Employer Pull Notice Program. Enrollment in the Pull Program will enable the City to learn of any citations or changes in the employee's driver's license which may impact their ability to drive as part of their work duties. Driver's License will be checked once a year for all other employees by the Human Resources Office. If a position requires a Class "A" or "B" driver's license, the employee is responsible for obtaining the license. If an employee in another classification is requested by the City to obtain a Class "A" or "B" license, the City will reimburse the employee for the cost of the license. Employees driving City vehicles without a valid California Driver's License are subject to serious disciplinary action. If an employee's driver's license status changes in any way, the employee must immediately advise their supervisor and the Human Resources Office. (*PPPM 8-6.3a*)

## **Section 15. Use of Personal Vehicles**

Employees shall be reimbursed for mileage while driving in personal automobiles on City business at the rate approved by the City Council. This is for employees who use their own cars on official City business and who have a current "Automobile Insurance Affidavit" on file in Human Resources. Employees who drive a personal vehicle while on City business must complete an "Automobile Insurance Affidavit". Each employee must identify whether they carry sufficient liability insurance of at least the following:

- \$50,000 injury per person
- \$100,000 bodily injury each occupant
- \$25,000 property damage each occupant **or**
- \$100,000 combined single limits

Employees who do not carry automobile insurance or do not have sufficient coverage are not permitted to drive their personal vehicles for City business.

City employees are prohibited from working on personal vehicles on City premises and using City equipment and supplies. Said work can only be done if it is approved in advance by the Director of Public Works (or his designee). (*PPPM 2-10, 8-6.4 and 8-6.5*)

### **Section 16. Bids for City Jobs**

Employees may submit bids for City jobs. A conflict of interest would not exist so long as the employee was not in a position to determine who would be awarded the contract. (*PPPM 7-5.1*)

### **Section 17. Political Activities of Employees**

No City employee will solicit, either directly or indirectly, political contributions, favors, etc. from other City employees on behalf of any political candidate. No City employee will use their position in the City to benefit any political candidate. No City employee will engage in political activities during working hours or while in uniform at any time. City employees are permitted to exercise their political rights like any other citizen during their off-duty hours when out of uniform. (*PPPM 7-7*)

## **Article XI.** **Layoff and Reductions in Force**

### **Section 1. Layoff and Reductions in Force**

Whenever it becomes necessary for one or more employees to be laid off because of lack of work or financial reasons, all non-regular employees in the affected classification shall be laid off before any regular employees and in the following order: emergency, provisional and temporary. If additional reductions are necessary, regular employees in the affected classifications shall be laid off in reverse order of their seniority. If the person in one of the affected classifications has seniority over someone in a lower classification, the person with seniority may accept a voluntary demotion to a lower classification if the employee is qualified for the classification. This process may continue until the person in the lowest classification with the least seniority is laid off. All employees laid off shall be given written notice of such layoff at least 10 working days prior to the effective date of the layoff. (*PPPM 5-12.1*)

## **Section 2. Seniority and Bumping Rights**

Full-time seniority shall be defined as regular full-time City service within the affected vertically related classifications. Regular service time shall include probationary time in the affected classification if regular status has been acquired. Part-time hours accumulated in the City do not have consideration in full-time seniority calculations.

“Bumping” into a lower related classification shall occur on the basis of total seniority attained within a series of vertically related classifications. Vertically related classifications carry cumulative seniority downward and not upward. For example, an employee who has five years of seniority as an Administrative Clerk II and five years seniority as an Administrative Clerk I (10 years total) is in a senior position to an Administrative Clerk I who has nine years of seniority in that classification. An Administrative Clerk I with 11 years of seniority in that classification is in a senior position to the Administrative Clerk II cited in the example above. Length of qualifying service, not rank, is the determining factor when calculating seniority.

Seniority calculations shall not include time on unpaid leave, time on inactive service or time during breaks in City service. (*PPPM 5-12.2*)

## **Section 3. Layoffs – Call-backs**

The names of regular and probationary employees laid off shall be placed on a reemployment list for the class of positions involved in the layoff. Persons on the list shall retain eligibility for reappointment for a period of three years from the date the name was first placed on the list. Recall shall be by inverse order, i.e., the most recent person laid off shall be first rehired. Persons reinstated shall return to the same position and step previously held. Persons who are on a reemployment list and have committed an offense while on layoff which would have been cause for termination, will not be reinstated. Any person who is refused reinstatement because of the commission of such an offense may appeal such action to the City Manager and to the Personnel Advisory Board. (*PPPM 5-12.3*)

## **Section 4. Lay-off Procedures**

The parties agree to discuss during the term of this MOU.

# **Article XII.** **Appeal and Grievance Rights and Procedures**

## **Section 1. Appeal Process**

An employee who has been subject to disciplinary action, excluding written or oral counseling, warnings or reprimand shall be entitled to appeal such action to the City Manager and to the Personnel Advisory Board in accordance with the proper procedures.

## **Section 2. Grievance Procedure**

A grievance is defined as a claim of violation, misinterpretation or misapplication of a specific written City or Department rule or regulation or specific provision of a Memorandum of Understanding. A grievance procedure has been established to provide adequate opportunities for employees to bring forth their concerns relating to any claim of unfair or improper aspect of their employment situation and to seek correction.

The employee concerned shall first make efforts to resolve the grievance with the immediate supervisor. In the event a mutual solution is not reached, the aggrieved employee may submit the complaint in writing. The complaint shall set forth all the facts necessary to understand the issue involved. The grievance shall be signed by the employee and submitted to the immediate supervisor within 10 calendar days of the resolution effort. The Department Head shall make an investigation of the facts and issues. Within 10 calendar days of receipt of the grievance statement, the Department Head shall reply in writing stating the department's views on the issue involved.

If the employee wishes to discuss the grievance further, the employee shall submit a written request for a meeting with the City Manager within 10 working days of the receipt of the Department Head's reply.

The requested meeting will be held by the City Manager at the earliest date possible at which the employee, the Department Head, and any other persons invited by the City Manager, the employee, or the Department Head may be present. The decision made by the City Manager as the result of the findings and conclusions determined at this meeting shall be final. However, in cases which involve alleged violations of the Personnel Resolution or Personnel Rules, the employee may, within 10 calendar days, request that the issue be submitted to the Personnel Advisory Board if the employee does not accept the decision of the City Manager.

Upon receipt of the request from the employee, the Personnel Advisory Board shall conduct hearing(s) as it deems necessary to determine the pertinent facts related to the alleged violation of Personnel Resolution No. 5969, Personnel Policies and Procedures or personnel rules. The employee(s) and management representative(s) shall have the right to appear before the Board and to have counsel present. If either party appears before the Board, both shall be present. Within 10 calendar days of the conclusion of the Board's hearing(s), it shall certify its findings and submit them to the City Manager for consideration. Any action thereafter taken by the City Manager affirming or modifying his earlier decision shall be final. (*Res. #5969, XII.2; PPPM 11-1, 11-2*)

## **Article XIII.**

## **Other Legal Clauses**

### **Section 1. Non-discrimination**

The City and the Association agree that they shall not discriminate against any employee because of race, citizenship status, uniformed service member status, religion, color, national origin, ancestry, physical disability, mental disability, medical condition (cancer or genetic characteristics), marital status, sex (including gender and pregnancy), age, sexual orientation (including heterosexuality, homosexuality and bisexuality) or the exercise of rights under the Meyers-Milias-Brown Act. The City and the Association shall reopen any provision of this MOU for the purpose of complying with any final order of a federal or state agency or court of competent jurisdiction requiring a modification or change in any provision or provisions of this MOU or to be in compliance with federal or state anti-discrimination laws.

### **Section 2. Severability**

Should any provision of this MOU be found to be inoperative, void or invalid by a final decision of a court of competent jurisdiction, all other provisions of the MOU shall remain in full force and effect during the term of this Memorandum of Understanding.

### **Section 3. Strikes, Work Stoppages and Slowdowns**

The City and Association mutually agree that differences shall be resolved without interruption in work. During the terms of this agreement, neither the Association, its officers or agents or any employees will, for any reason, authorize, condone, encourage or engage in a work slowdown or stoppage, strike or other interference with the work and functions or obligations to the City for the benefit of public safety. (*Resolution No. 3005*)

### **Section 4. Applicability of Memorandum of Understanding**

It is the intent of the parties hereto that the provisions of this MOU shall supersede all prior agreements in prior Memoranda of Understanding or other understandings, oral or written, express or implied, between the parties. This MOU shall govern the entire relationship of the parties and shall be the sole source between all rights which may be asserted hereunder. This MOU is intended to set forth the full statement of wages, hours and other terms and conditions of employment for employees represented by the Association during the term of this MOU. The City's personnel rules, policies and procedures are included in full in City Personnel Resolution No. 5969 and the City Personnel Policy and Procedures Manual (PPPM) and incorporated into the MOU by reference. If a provision in City Resolution No. 5969 or PPPM contradicts the MOU, the MOU governs. The parties agree that during the term of this MOU they shall not seek to negotiate or bargain concerning wages, hours, or other terms and conditions of employment, regardless of whether covered by this MOU or in the negotiations leading thereto irrespective of whether such matters were discussed or were even within the contemplation of the parties hereto during the negotiations leading to this MOU. Regardless of the waiver contained in this paragraph, the parties may, by



mutual agreement, and in writing, agree to meet and confer by any matter during the term of this MOU.

Should an additional, viable source of City revenue become available during the term of this Agreement, the City agrees to evaluate the possibility of relieving any portion of any concessions provided by the Association in the MOU.

#### **Section 5. Parity**

The City agrees to reopen this agreement, if 1) any other bargaining unit receives any benefit(s) greater to that which is contained in this agreements.

#### **Section 6. Ratification and Execution**

This MOU shall be effective only upon ratification by the Association and adoption by the City Council. Subject to the foregoing, this MOU is hereby executed by the authorized representatives of the City and the Association.

**City of Santa Fe Springs**

**Santa Fe Springs Employees Association**

\_\_\_\_\_  
Juanita Trujillo, Mayor

\_\_\_\_\_  
William Dill, President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



# *City of Santa Fe Springs*

*City Council Meeting*

ITEM NO. 24A

*June 27, 2019*

## **PRESENTATION**

Presentation to Milestone Event Celebrant.

## **RECOMMENDATION:**

The Mayor may wish to call upon Raelene Barraza, Public Relations Specialist, to assist with this presentation.

## **BACKGROUND**

Quarterly, the City Council holds a Milestone Celebration to recognize residents for significant "milestone" achievements (e.g., significant birthdays or wedding anniversaries). Tonight, the following City resident has been invited to be recognized:

Laura Beatriz Morillo – 93<sup>rd</sup> Birthday

  
Raymond R. Cruz  
City Manager

Attachment(s):

None



# *City of Santa Fe Springs*

City Council Meeting

ITEM NO. 24B

June 27, 2019

## **PRESENTATION**

Chamber of Commerce Youth Enrichment Fund Destiny Scholarship/Powell Grant Recipients

## **RECOMMENDATION**

The Mayor may wish to call upon the Santa Fe Springs Chamber of Commerce Representatives.

## **BACKGROUND**

Representatives from the Chamber of Commerce will introduce the scholarship recipients.



Raymond R. Cruz  
City Manager



# *City of Santa Fe Springs*

City Council Meeting

ITEM NO. 24C

June 27, 2019

## **PRESENTATION**

Recognition of Santa Fe High School students who graduated from the Tri-Cities ROP Administration of Justice Academy.

## **RECOMMENDATION**

The Mayor may wish to call upon Dino Torres, Director of Police Services, to assist with this presentation.

## **BACKGROUND**

The Tri-Cities ROP Administration of Justice Academy is a 20 week course with a Police Academy design. The course is taught by Whittier Police Officers who give students that may be contemplating pursuing a career in law enforcement, real insight into what it takes to be a law enforcement officer.

Students are given lessons in ethics, cultural diversity, crime scene investigations, search and seizure procedures, arrest and control tactics, criminal statutes, patrol procedures, firearms safety, and CPR and first aid practices. Throughout the course, students participate in physical training including push-ups, sit-ups, 1 mile runs, and an obstacle course and must successfully complete a physical exam.

The City of Santa Fe Springs would like to recognize Ginger Morales and Paulina Valdivia for their participation, successful completion and graduation of the Tri-Cities ROP Administration of Justice Academy 20 week course. Both graduates are current students of Santa Fe High School.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz", is written over a light blue grid background.

Raymond R. Cruz  
City Manager





# City of Santa Fe Springs

City Council Meeting

ITEM NO. 24D

June 27, 2019

## **PRESENTATION**

Proclaiming month of July 2019 as Parks and Recreation Month: Game On! in Santa Fe Springs

## **RECOMMENDATION**

Proclaim the month July 2019 as Parks and Recreation Month in Santa Fe Springs.


## **BACKGROUND**

Get ready to get in the game this July with the City of Santa Fe Springs and the National Recreation and Park Association (NRPA).

Since 1985, America has celebrated July as the nation's official Parks and Recreation Month. Created by NRPA, Parks and Recreation Month specifically highlights the vital and powerful role local parks and recreation play in conservation, health and wellness, and social equity efforts in communities all across the country.

This year, it's all about highlighting the fun, games, and exciting offerings in Santa Fe Springs. From providing special events to exciting sports leagues and everything in between, the Parks and Recreation Services Division has a wide variety of programs that are not only fun, they also bring the community together. We are encouraging everyone to get out there and get in the game in their own way at the parks and recreation facilities.

The Mayor may wish to call upon Adam Matsumoto, Parks & Recreation Manager, to assist with the presentation.

  
Raymond R. Cruz  
City Manager

## **Attachment**

Proclamation – Parks and Recreation Month: Game On!

**WHEREAS**, Parks and Recreation make lives and communities better now and in the future; and

**WHEREAS**, our parks and recreation are vitally important to establishing and maintaining the quality of life in our communities, ensuring the health of all citizens, and contributing to the economic and environmental well-being of Santa Fe Springs; and

**WHEREAS**, parks and recreation programs build healthy, active communities, that aid in the prevention of chronic disease and also improve the mental and emotional health of all residents; and

**WHEREAS**, the residents of Santa Fe Springs including children, youth, families, adults, seniors, businesses, community organizations, and visitors benefit from the wide range of parks, open space, sports fields, facilities and programs including Santa Fe Springs, Little Lake, Lakeview, and Los Nietos Parks provided by the City of Santa Fe Springs.

**WHEREAS**, the City of Santa Fe Springs City Council urges all its residents to recognize that parks and recreation enriches the lives of its residents and visitors as well as adding value to the community's homes and neighborhoods.

**NOW, THEREFORE**, be it resolve that I, Juanita Trujillo, Mayor of the City of Santa Fe Springs, proclaim July 2019 as

**Parks and Recreation Month: Game On!**

in the City of Santa Fe Springs. The City of Santa Fe Springs encourages all its citizens to use and enjoy its parks and facilities and take advantage of the many recreation opportunities.

Dated this 27<sup>th</sup> day of June 2019

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Juanita Trujillo, MAYOR

ATTEST:

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Janet Martinez, CITY CLERK





# *City of Santa Fe Springs*

City Council Meeting

ITEM NO. 24E

June 27, 2019

## **PRESENTATION**

Presentation – Relay for Life

## **RECOMMENDATION**

The Mayor may wish to call upon Tammy Murray.

## **BACKGROUND**

A representative from the Relay for Life event will be at the Council Meeting to speak on the Santa Fe Springs Relay for Life event.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz  
City Manager

Attachment:

None



# City of Santa Fe Springs

City Council Meeting

June 27, 2019

## APPOINTMENTS TO COMMITTEES AND COMMISSIONS

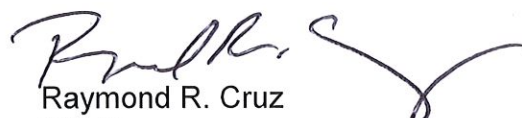
Committee	Vacancies	Councilmember
Beautification	2	Rounds
Beautification	5	Rodriguez
Beautification	2	Zamora
Beautification	1	Trujillo
Family & Human Services	1	Mora
Family & Human Services	2	Rodriguez
Historical	3	Mora
Historical	2	Rodriguez
Historical	2	Zamora
Historical	2	Rounds
Historical	3	Trujillo
Parks & Recreation	1	Mora
Parks & Recreation	2	Zamora
Parks & Recreation	1	Rounds
Parks & Recreation	3	Trujillo
Senior	3	Mora
Senior	1	Zamora
Senior	4	Trujillo
Sister City	1	Mora
Sister City	3	Rodriguez
Sister City	3	Zamora
Sister City	2	Rounds
Sister City	2	Trujillo
Youth Leadership Committee	3	Rounds
Youth Leadership Committee	1	Rodriguez

### Applications Received: None

**Recent Actions:** Ivan Aguilar was removed from the Youth Leadership Committee, Gloria Madrid was removed from the Senior Advisory Committee, Lydia Gonzalez was removed from the Parks & Recreation Advisory Committee, and Francis Carbajal was removed from the Beautification Committee.

### Attachments:

1. Prospective Members
2. Committee Lists

  
Raymond R. Cruz  
City Manager

Report Submitted by: Janet Martinez  
City Clerk

Date of Report: June 20, 2019

## **Prospective Members for Various Committees/Commissions**

**Beautification**

**Family & Human Services**

**Heritage Arts**

**Historical**

**Personnel Advisory Board**

**Parks & Recreation**

Nicolas Gonzalez

**Planning Commission**

**Senior Citizens Advisory**

**Sister City**

**Traffic Commission**

**Youth Leadership**

## BEAUTIFICATION COMMITTEE

Meets the fourth Wednesday of each month, except July, Aug, Dec.

9:30 a.m., Town Center Hall

Qualifications: 18 Years of age, reside or active in the City

Membership: 25 Residents appointed by City Council

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Mora</b>	Juliet Ray	(20)
	Guadalupe Placencia	(21)
	Francis Carbajal	(20)
	Eileen Ridge	(21)
	Jeannie Hale	(21)
<b>Zamora</b>	Annette Ramirez	(20)
	Charlotte Zevallos	(20)
	Doris Yarwood	(20)
	<b>Vacant</b>	(21)
	<b>Vacant</b>	(21)
<b>Rounds</b>	<b>Vacant</b>	(20)
	Jeanette Lizaraga	(20)
	Mary Arias	(21)
	Marlene Vernava	(21)
	<b>Vacant</b>	(21)
<b>Rodriguez</b>	<b>Vacant</b>	(20)
	<b>Vacant</b>	(20)
	<b>Vacant</b>	(21)
	<b>Vacant</b>	(21)
	<b>Vacant</b>	(21)
<b>Trujillo</b>	Jacqueline Martinez	(20)
	AJ Hayes	(20)
	<b>Vacant</b>	(21)
	Debra Cabrera	(21)
	Kay Gomez	(20)

*\*Indicates person currently serves on three committees*

# FAMILY & HUMAN SERVICES ADVISORY COMMITTEE

Meets the third Wednesday of the month, except Jun., Sept., and Dec., at 5:45 p.m., Gus Velasco Neighborhood Center

Qualifications: 18 Years of age, reside or active in the City

Membership: 15 Residents Appointed by City Council

5 Social Service Agency Representatives Appointed by the Committee

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Mora</b>	Martha Villanueva	(20)
	<b>Vacant</b>	(20)
	Miriam Herrera	(20)
<b>Zamora</b>	Gaby Garcia	(20)
	Tina Delgado	(20)
	Gilbert Aguirre	(20)
<b>Rounds</b>	Dolores Duran	(20)
	Janie Aguirre	(20)
	Peggy Radoumis	(20)
<b>Rodriguez</b>	<b>Vacant</b>	(20)
	<b>Vacant</b>	(20)
	Hilda Zamora	(20)
<b>Trujillo</b>	Dolores H. Romero*	(20)
	Laurie Rios	(20)
	Bonnie Fox	(20)

**Organizational Representatives:** Nancy Stowe  
(Up to 5) Evelyn Castro-Guillen  
Elvia Torres  
(SPIRITT Family Services)

*\*Indicates person currently serves on three committees*

## HERITAGE ARTS ADVISORY COMMITTEE

Meets the Last Tuesday of the month, except Dec., at 9:00 a.m., at the Gus Velasco Neighborhood Center Room 1

Qualifications: 18 Years of age, reside or active in the City

Membership: 9 Voting Members  
6 Non-Voting Members

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Mora	AJ Hayes	6/30/2021
Zamora	Larry Oblea	6/30/2020
Rounds	Richard Moore	6/30/2021
Rodriguez	Francis Carbajal	6/30/2021
Trujillo	Laurie Rios	6/30/2021

### Committee Representatives

Beautification Committee	Jacqueline Martinez	6/30/2019
Historical Committee	Sally Gaitan	6/30/2019
Planning Commission	Gabriel Jimenez	6/30/2019
Chamber of Commerce	Debbie Baker	6/30/2019

### Council/Staff Representatives

Council Liaison	Bill Rounds
Council Alternate	Vacant
City Manager	Ray Cruz
Director of Community Services	Maricela Balderas
Director of Planning	Wayne Morrell

*\*Indicates person currently serves on three committees*



## HISTORICAL COMMITTEE

Meets Quarterly - The 2nd Tuesday of Jan., April, July, and Oct., at 5:30 p.m.,  
Heritage Park Train Depot

Qualifications: 18 Years of age, reside or active in the City

Membership: 20

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Mora</b>	<b>Vacant</b>	(20)
	Tony Reyes	(20)
	<b>Vacant</b>	(20)
	<b>Vacant</b>	(20)
<b>Zamora</b>	Francis Carbajal	(20)
	<b>Vacant</b>	(20)
	<b>Vacant</b>	(20)
	Larry Oblea	(20)
<b>Rounds</b>	<b>Vacant</b>	(20)
	Adrienne Matte	(20)
	Mark Scoggins*	(20)
	<b>Vacant</b>	(20)
<b>Rodriguez</b>	<b>Vacant</b>	(20)
	<b>Vacant</b>	(20)
	Annette Ramirez	(20)
	Sally Gaitan	(20)
<b>Trujillo</b>	<b>Vacant</b>	(20)
	<b>Vacant</b>	(20)
	Merrie Hathaway	(20)
	<b>Vacant</b>	(20)

*\*Indicates person currently serves on three committees*

# PARKS & RECREATION ADVISORY COMMITTEE

Meets the First Wednesday of the month, except Jul., Aug., and Dec., 7:00 p.m., Town Center Hall, Meeting Room #1

Subcommittee Meets at 6:00 p.m.

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Mora</b>	<b>Vacant</b>	(20)
	Adrian Romero	(21)
	William Logan	(21)
	Ralph Aranda	(21)
	Kurt Hamra	(21)
<b>Zamora</b>	Michael Givens	(20)
	Ruben Gonzalez	(20)
	Frank Aguayo, Sr.	(20)
	<b>Vacant</b>	(21)
	<b>Vacant</b>	(21)
<b>Rounds</b>	Kenneth Arnold	(20)
	Mary Anderson	(20)
	<b>Vacant</b>	(20)
	Tim Arnold	(21)
	Mark Scoggins*	(21)
<b>Rodriguez</b>	Rudy Lagarreta Jr.	(20)
	Priscilla Rodriguez	(20)
	Lisa Garcia	(21)
	Sylvia Perez	(20)
	David Diaz-Infante	(21)
<b>Trujillo</b>	Dolores Romero	(21)
	Andrea Lopez	(20)
	<b>Vacant</b>	(21)
	<b>Vacant</b>	(21)
	<b>Vacant</b>	(20)

*\*Indicates person currently serves on three committees*

## PERSONNEL ADVISORY BOARD

Meets Quarterly on an As-Needed Basis

Membership: 5 (2 Appointed by City Council, 1 by Personnel Board, 1 by Firemen's Association, 1 by Employees' Association)

Terms: Four Years

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Council	Angel Munoz	6/30/2019
	Ron Biggs	6/30/2019
Personnel Advisory Board	Neal Welland	6/30/2020
Firemen's Association	Jim De Silva	6/30/2019
Employees' Association	Johnny Hernandez	6/30/2020

## PLANNING COMMISSION

updated 10/17/17

Meets the second Monday of every Month at 4:30 p.m.,  
Council Chambers

Qualifications: 18 Years of age, reside or active in the City

Membership: 5

### APPOINTED BY

### NAME

---

Mora	Ken Arnold
Rounds	Ralph Aranda
Rodriguez	Francis Carbajal
Trujillo	Frank Ybarra
Zamora	Gabriel Jimenez

## SENIOR ADVISORY COMMITTEE

Meets the Second Tuesday of the month, except Jun., Sep., and Dec., at 9:30 a.m., Gus Velasco Neighborhood Center

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Mora</b>	Paul Nakamura	(20)
	Astrid Shesterkin	(20)
	<b>Vacant</b>	(20)
	<b>Vacant</b>	(20)
	<b>Vacant</b>	(20)
<b>Zamora</b>	Dolores Duran	(20)
	Elena Lopez Armendariz	(20)
	Josefina Lara	(20)
	Amelia Acosta	(20)
	<b>Vacant</b>	(20)
<b>Rounds</b>	Sally Gaitan	(20)
	Bonnie Fox	(20)
	Gilbert Aguirre	(20)
	Lorena Huitron	(20)
	Janie Aguirre	(20)
<b>Rodriguez</b>	Yoko Nakamura	(20)
	Linda Vallejo	(20)
	Hilda Zamora	(20)
	Martha Villanueva	(20)
	Delia Chavez	(20)
<b>Trujillo</b>	Eduardo Duran	(20)
	<b>Vacant</b>	(20)
	<b>Vacant</b>	(20)
	<b>Vacant</b>	(20)
	<b>Vacant</b>	(20)

*\*Indicates person currently serves on three committees*

## SISTER CITY COMMITTEE

Meets the First Monday of every month, except Dec., at 6:45 p.m., Town Center Hall, Mtg. Room #1. If the regular meeting date falls on a holiday, the meeting is held on the second Monday of the month.

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Mora</b>	Martha Villanueva	(20)
	<b>Vacant</b>	(20)
	Laurie Rios	(21)
	Peggy Radoumis	(21)
	Francis Carbajal	(21)
<b>Zamora</b>	Charlotte Zevallos	(20)
	<b>Vacant</b>	(20)
	<b>Vacant</b>	(21)
	Doris Yarwood	(21)
	<b>Vacant</b>	(21)
<b>Rounds</b>	Manny Zevallos	(20)
	Susan Johnston	(20)
	Jacqueline Martinez	(20)
	<b>Vacant</b>	(20)
	<b>Vacant</b>	(21)
<b>Rodriguez</b>	Jeannette Wolfe	(20)
	Kayla Perez	(20)
	<b>Vacant</b>	(21)
	<b>Vacant</b>	(21)
	<b>Vacant</b>	(21)
<b>Trujillo</b>	Beverly Radoumis	(20)
	Andrea Lopez	(20)
	<b>Vacant</b>	(21)
	Marcella Obregon	(21)
	<b>Vacant</b>	(21)

*\*Indicates person currently serves on three committees*



## TRAFFIC COMMISSION

Meets the Third Thursday of every month, at 6:00 p.m., Council Chambers

Membership: 5

Qualifications: 18 Years of age, reside or active in the City

### APPOINTED BY

### NAME

**Mora**

Bryan Collins

**Rounds**

Johana Coca

**Rodriguez**

Felix Miranda

**Trujillo**

Linda Vallejo

**Zamora**

Nancy Romo

\*Albert Hayes removed on 7/19/17

## YOUTH LEADERSHIP COMMITTEE

Meets the First Monday of every month, at 6:30 p.m., Gus Velasco Neighborhood Center

Qualifications: Ages 13-18, reside in Santa Fe Springs

Membership: 20

APPOINTED BY	NAME	Term Expires in Year Listed or upon Graduation
<b>Mora</b>	Kharisma Ruiz	(20)
	Destiny Cornejo	(21)
	Zachary Varela	(20)
	Jazmine A. Duque	(21)
<b>Zamora</b>	Joseph Casillas	(20)
	Savanna Aguayo	(21)
	Valerie Melendez	(21)
	Christian Zamora	(21)
<b>Rounds</b>	Abraham Walters	(21)
	<b>Vacant</b>	
	<b>Vacant</b>	
	<b>Vacant</b>	
<b>Rodriguez</b>	Angel M. Corona	(21)
	Jasmine Rodriguez	(21)
	<b>Vacant</b>	
	Jennifer Centeno Tobar	(21)
<b>Trujillo</b>	Bernardo Landin	(20)
	Isaac Aguilar	(21)
	Andrew Bojorquez	(20)
	Alan Avalos	(21)