Members of the public may address the City Council on any item shown on the agenda or matter of the Council's authority after completion of "Request to Address the Council Form" available in the lobby of the Council Chambers or in the City Clerk's office. This form must be completed 15 minutes prior to the scheduled meeting time. Pursuant to Section 54957.5 of the California Government Code, Any writings (Except for those writings which are exempt from disclosure) which are distributed to all or a majority of the members of the City Council are available for public inspection in the lobby of the City Council Chambers and in the office of the City Clerk during regular business hours.

COMPTON CITY COUNCIL
AGENDA
05/28/2019
5:30 PM

OPENING

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

ROLL CALL

INTRODUCTION OF SPECIAL GUESTS

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

CONSENT AGENDA

Consent items are routine and expected to be non-controversial. They will be acted upon by the Council at one time without discussion unless a Council Member requests an item be removed or discussed.

APPROVAL OF MINUTES

1. MAY 7, 2019

CITY MANAGER/CITY ATTORNEY/CITY CONTROLLER/CITY TREASURER REPORTS

2. WARRANT REPORT - APRIL 2019 (Receive and File)

PUBLIC WORKS DEPARTMENT

3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2019-2020 FUNDED BY SB 1 PURSUANT TO THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

4. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE PUBLIC WORKS 2018-2019 FISCAL YEAR BUDGET TRANSFERRING FUNDS BETWEEN ACCOUNTS, AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH AND ESTABLISH A PURCHASE ORDER FOR RAFTELIS FINANCIAL CONSULTANTS, INC. TO PROVIDE A COMPREHENSIVE SEWER RATE AND FEE STUDY ($47,792)

REGULAR AGENDA

CITY MANAGER'S REPORT

5. AUDITOR'S POWER POINT REPORT PRESENTATION - Eadie Payne LLP

6. POWER POINT PRESENTATION - PUBLIC WORK'S WEEKLY REPORT UPDATE

7. TRAVEL REQUEST TO THE NATIONAL ASSOCIATION OF LATINO ELECTED AND APPOINTED OFFICIALS 36TH ANNUAL CONFERENCE - JUNE 19-23, 2019 MIAMI FLORDIA (Action Item)

NEW BUSINESS

8. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER XXIII OF THE COMPTON MUNICIPAL CODE TO AMEND SECTION 23-1 (WATER CODE) TO ADOPT THE STATE'S MODEL WATER EFFICIENT LANDSCAPE ORDINANCE (MWELO) **(First Reading)**

9. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER IX OF THE COMPTON MUNICIPAL CODE BY ADDING SECTION 9-27 GOVERNING THE ISSUANCE OF PERMITS TO ENGAGE IN FILMING ACTIVITIES (MOTION PICTURES, TELEVISION AND PHOTOGRAPHIC PRODUCTION) WITHIN THE CITY **(First Reading)**

10. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONSTRUCTION CONTRACT WITH AND ESTABLISH PURCHASE ORDERS FOR ALL AMERICAN ASPHALT FOR ROAD REPAIR SERVICES CITYWIDE ($1,121,010)

11. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2018-2019 FISCAL YEAR BUDGET TO TRANSFER FUNDS AND AUTHORIZING THE CITY MANGER TO AMEND THE EXISTING PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COMPTON AND EADIE & PAYNE, LLP FOR PROFESSIONAL INDEPENDENT AUDITING SERVICES ($1,067,500)

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: 6/4/2019 @ 5:30 PM

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MAY 7, 2019

The Closed Session Compton City Council meeting was called to order at 4:48 p.m. in the Council Chambers of City Hall by Mayor Aja Brown. The Pledge of Allegiance and Moment of silence ceremonies were also led by Mayor Aja Brown.

ROLL CALL

Council Members Present – McCoy, Sharif, Brown
Council Members Absent – Zurita, Galvan

Other Officials Present: R. Rugley, C. Cornwell, A. Godwin, C. Rhambo, Jr.

CLOSED SESSION AGENDA ITEMS

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Barnes v. City of Compton, LASC Case No. 18STCV02796
Bradford v. City of Compton, LASC Case No. TC026769
Sully Miller v. City of Compton, LASC Case No. TC029050
Sims v. City of Compton, LASC Case No. BC711257
Pursuant to California Government Code Section 54956.9(a)

Deputy City Attorney Ruth Rugley requested a closed session to discuss Conference with Legal Counsel-existing litigation Barnes v. City of Compton, LASC Case Number 18STCV02796; Bradford v. City of Compton, LASC Case No. TC026769; Sully Miller v. City of Compton, LASC Case No. TC029050; and Sims v. City of Compton, LASC Case No. BC711257, Pursuant to California Government Code Section 54956.9(a).

AUDIENCE COMMENTS REGARDING CLOSED SESSION ITEMS ONLY

Robert Ray, Compton resident, commented on the Sully Miller item and urged the Council to pay the contractor as soon as possible.

On motion by McCoy, seconded by Sharif, the meeting was recessed to closed session at 4:50 p.m. by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

On motion by Sharif, seconded by McCoy, the Compton City Council meeting reconvened at 6:22 p.m. by the following vote on roll call:

AYES: Council Members McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

REPORT OUT OF CLOSED SESSION

City Attorney Craig Cornwell explained that during closed session, the City Council discusses litigation matters and legal strategies including settlement parameters. During today's closed session only Councilmembers McCoy, Sharif and Brown were present. In the matters of: Barnes v. City of Compton, LASC Case No. 18STCV02796, Bradford v. City of Compton, LASC Case No. TC026769; Sully Miller v. City of Compton, LASC Case No. TC029050; and Sims v. City of Compton, LASC Case No. BC711257—there was no reportable action taken during closed session in any of the three cases. These matters were discussed Pursuant to California Government Code Section 54956.9(a).

5:35 P.M. - PUBLIC HEARING - PROPOSED ANNUAL ACTION PLAN FOR FISCAL YEAR 2019-2020 (Item #6)

On motion by McCoy, seconded by Sharif, the hearing was open at 6:25 p.m., by the following vote on roll call:

AYES: Council Members McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

Dr. Aubrey Relf, **Grants Compliance Manager,** presented the Staff report stating that in order to be eligible to receive federal funds, the U.S. Department of Housing and Urban Development (HUD) requires the City of Compton ("City") to prepare an Annual Action Plan for each of the five (5) years covered by the City's Consolidated 5-Year Plan (2015-2020). The City must develop a Consolidated Annual Action Plan which combines into a single submission to HUD the planning and application elements for the Community Development Block Grant (CDBG), the HOME Investment Partnership Grant (HOME), and the Emergency Solutions Grant (ESG). The primary purpose of the ESG program is to engage homeless individuals and families living on the street.

Dr. Relf further stated that the primary objective of the CDBG program is to develop viable urban communities by providing decent housing and a suitable living environment, principally for persons of low and moderate income. Dr. Relf further indicated that the city is partnering with non-profit organizations for the program, adding that a Notice of Funding, along with the application submittal deadlines, were publicized in the Compton Bulletin on November 8 and 15, 2018 and printed documents pertaining to the program were made available in City Hall as well as the Compton Library. Applications were received in December and an applicant workshop was held on December 17, 2018.

On April 3, 2019, the City released a Notice of Availability for the draft FY 2019-2020 Consolidated Annual Action Plan for a 30-day review period to obtain public input and comments on the proposed Action Plan, adding that today's comments will also be included. The City of Compton has met all HUD requirements in the development of the Annual Action Plan. The city will institute programs for affordable housing, housing preservation, public facility improvements, public services, fair housing and administration and special needs.

PUBLIC COMMENTS REGARDING THE HEARING

Robert Ray, Compton resident, questioned whether the city is using different contractors for the homeowner's rehabilitation improvement program. Mr. Ray indicated that the work previously performed by the contractors was grossly inadequate.

Dr. Relf replied in the affirmative, adding that the city will require procurement projects and select the most responsible contractor.

Unidentified resident, thanked and commended Dr. Relf for his excellent report. He also thanked the Council for putting their beautiful minds together to improve the city.

Joyce Kelly, Compton resident, commended Dr. Relf for his very informative presentation, indicating that this was undoubtedly one of the best presentations to the community she has ever seen. Ms. Kelly then questioned the difference between home improvement and home preservation.

Dr. Relf replied that the home improvement involves rehabilitating and improving homes. The Home Preservation program involves preserving affordable housing through the First-Time Home Buyer's Program.

Dawn Franks, Compton resident, asked how many people attended the December workshop. Ms. Dawn also raised concerns regarding the 'red tape' involved with the Inspectors for housing improvements, indicating that she has been informed that there are issues relating to the work of the Inspectors, adding that they must be held accountable.

Rev. Gordon, commended Dr. Relf for providing an excellent power point presentation in laymen's terms. Rev. Gordon requested a list of the non-profit organizations in the city, adding that it is important that all the non-profits in the city are aware of the various programs. He also urged the city to make the various programs and application period deadlines available online for the benefit of the citizens. Rev. Gordon then stated that he would love to own a home in Compton someday and was unaware that the city has a Section 8 Housing Program.

Janice Jackson, requested that printed copies of the power point presentations be made available to the audience members during the meeting.

Ivy Jefferson, Compton resident, commented that she is part of the HOME Rehabilitation Program, and has experienced many problems such as a leaky roof and poorly installed windows that also leak. She also indicated that a contractor working with the program left a safety hazard in her attic and requested that the City Council assist her in a resolving her issues.

Lynn Boone, Compton resident, questioned the selection of Neighborhood Housing Services of L. A. County as part of the program, indicating that this organization does not serve the residents of Compton. Ms. Boone stated that the homeless residents do not wish to leave the city, therefore, funds must be appropriated to serve the Compton residents.

There being no further comments, It was moved by McCoy, seconded by Sharif the public hearing was closed at 6:45 p.m. by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

Dr. Relf closed by stating that Staff will make improvements to the marketing of the program in an effort to improve the dissemination of information regarding the various programs available.

Mayor Brown commented that she has been made aware of many issues from the community regarding the quality of work of the contractors involved with the various home improvement programs. Mayor Brown further suggested that the City Manager conduct a survey of the existing homeowners to determine their experiences with the quality of work performed and determine if additional repairs/improvements are required. Mayor Brown also suggested that the city investigate what recourses are available to the city in cases where the contractors has done substandard work, along with an audit of the programs to determine the overall effectiveness of the various programs.

Councilmember McCoy suggested that during the RFP process we make sure the contractors are adequately screened and provide references from residents they have worked for in the past.

Councilmember Sharif requested the amount of funds set aside for residential streets repair from 2015 through 2018, as well as which streets were repaired.

5:50 P.M. - JOINT PUBLIC HEARING - HOUSING AUTHORITY 2019 PHA ANNUAL PLAN (Item #7)

On motion by Sharif, seconded by McCoy, the City Council/Urban Community Development Commission (UCDC) joint public hearing was open at 6:56 p.m., by the following vote on roll call:

AYES: Commissioner/Council Members - McCoy, Sharif, Brown
NOES: Commissioner/Council Members - None
ABSENT: Commissioner/Council Members - Zurita, Galvan

On motion by Sharif, seconded by McCoy, the Urban Community Development Commission meeting was called to order at 6:57 p.m., by the following vote on roll call:

AYES: Commissioner/Council Members - McCoy, Sharif, Brown
NOES: Commissioner/Council Members - None
ABSENT: Commissioner/Council Members - Zurita, Galvan

Delmonsha Green, Housing Department Manager, presented a report stating that as required by Section 511 of the Quality Housing Work Responsibility Act of 1988, staff has prepared the Annual Plan for Fiscal Year 2019 for submittal to the Department of Housing and Urban Development (HUD). The Public Housing Authority (PHA) Plans advise the HUD, Section 8 participants and other members of the public about the PHA's mission, goals and objectives policies, programs, operations for serving the needs of low-income and very low-income families, and the PHA's strategies for addressing those needs. The Annual PHA Plan provides details about the PHA's immediate operations, programs and services and notifies HUD of changes made that were not included in the Five-Year Plan. The Annual Plan informs HUD, residents and the public of the PHA's mission for servicing the needs of low income and very low income families and the PHA strategy for addressing those needs. Ms. Green further indicated that PHA's are required to conduct a City Council and Urban Community Development Commission (UCDC) joint public hearing. HUD regulations require approval of the Plans by the UCDC. The draft Plan has been made available for review at the City's Clerk's Office and the Local Housing Authority. The City is required to consider written comments, as well as those comments made at the public hearing.

The PHA's goals and objectives are identified on page one of the PHA Plan. The primary goal of the program is to assist as many households as possible with the funding provided.

Robert Ray, Compton resident, stated that he is a Red Cross Ambassador and assists residents who have been displaced from their homes due to house fires. Mr. Ray questioned whether displaced fire victims can be placed at the top of the housing waiting list.

Ms. Green replied that if the displaced resident(s) has a Section 8 Housing voucher, they should contact the city Housing Authority for assistance.

Rev. Frederick Gordon, Compton resident, requested that non-profit organizations and local churches be presented with housing vouchers, which will greatly assist with those seeking assistance. Rev. Gordon then stated that he was unaware that the city had a Section 8 Housing program. He further stated that on many occasions, the church is approached by homeless families seeking shelter and if the church had housing vouchers on hand, the residents can be assisted sooner, rather than coming to City Hall or the Housing Department. Rev. Gordon also requested that the city improve the dissemination of information to the residents.

Benjamin Holifield, Compton resident, commented that homeless individuals are flooding the City of Compton and requested that the city develop a strong program to assist the homeless population. Mr. Holifield then reminded everyone that he and his wife assisted the homeless residents for 14 years, and they would be happy to assist the city with the various homeless outreach programs.

City Manager Rhambo replied that there are funds set aside to assist the homeless, such as HOPICS, Volunteers of America (VOA), LASA and PATH (People Assisting the Homeless).

Candace Leos, Compton resident, stated that she worked at the Midnight Mission and further questioned if there are definitive plans to bring a homeless shelter to the City of Compton.

City Manager Rhambo replied that there is various programs and funding to assist the homeless, indicating that the next step in the process will be to conduct community meetings to determine the location of the shelter.

Janice Jackson addressed the issue of the homeless population and stated that while she sympathizes with the homeless individuals, the Council is not properly taking care of the city, so why would we bring in additional problems. Ms. Jackson stated that she is looking forward to community meetings regarding proper location of a homeless shelter.

Joyce Kelly, Compton resident, commented that the city does not provide any assistance to the homeless resident. Ms. Kelly felt that the Councilmembers/Commissioners should not be paid if they do not attend the Council/UCDC meetings.

Unidentified resident, addressed the Council and requested assistance in removing the individuals sleeping in their cars, SUVs and motor homes around the city. He then requested that the city address the homeless population.

Dr. Michael Tankersley, Compton resident, requested that the City Council work towards moving the city into the 21st Century. Dr. Tankersley suggested that the Council invest in a project manager specifically hired to assist the homeless population. He concluded by stating that the City of Compton must have innovative programs and technology and move toward solar powered energy.

Dawn Franks, Compton resident, asked do we have a city plan and have we applied for any funding from LASA regarding the different service from Measure H.

City Manager Rhambo replied that the city has an outreach program which provides various community services to the unsheltered and is working actively with community organizations to improve service to the residents. Mr. Rhambo candidly commented that the biggest obstacle to the city's plans to address the situation is the citizens, because they are opposed to the idea of placing a homeless shelter in their community. Mr. Rhambo then stated that the city is continuing to develop a comprehensive plan in conjunction with faith-based organizations to enhance outreach and provide additional assistance to our homeless population.

Maria Villareal, Compton resident, addressed the homeless crises and noted that she has a program to assist the homeless, however, no Council wanted a homeless shelter in their district. Ms. Villareal stated that the homeless crisis is adversely affecting some of the business owners because individuals are loitering in front of the businesses. Ms. Villareal then stated that the city is required by the State to have a homeless shelter and further suggested that the city utilize many of the empty buildings as a shelter.

Lynn Boone, Compton resident, questioned why the city is counting the homeless population, adding that the Council has no plans to assist them. Ms. Boone then expressed her opinion that the City Manager has not done anything for the homeless population. Ms. Boone further questioned why the homeless are being counted.

Ms. Green responded that the city is mandated by the State to conduct a homeless count to identify the number of homeless individuals living on the street, which is necessary to receive funding to address the homeless population.

Celeste, business owner and resident, commented that she has been promoting and marketing the City of Compton, and urged the city to do more to assist and protect the homeless population. Ms. Celeste stated that she was once homeless, and now she is a business owner and she has been assisting the homeless for 4 years.

There being no further public comments, It was moved by Commissioner/Councilmember McCoy seconded by Sharif, the hearing was closed at 7:28 p.m., by the following vote on roll call:

AYES: Commissioner/Council Members - McCoy, Sharif, Brown
NOES: Commissioner/Council Members - None
ABSENT: Commissioner/Council Members - Zurita, Galvan

Ms. Delmonsha Green commented that the homeless population has significantly increased over the last few years and has now become a National issue, not just in the City of Compton. Ms. Green further stated that a comprehensive project required to open a shelter, as it takes time, planning and partnership with the community. She candidly stated the city has compassion and an overwhelming need to assist the homeless, however, the biggest obstacle remains the community. We all agree that there must be a facility somewhere to assist the homeless, however, most residents are not willing to place a shelter in their community. Ms. Green then noted that the city is working behind the scenes to assist the homeless population and indicated

that there are resources available at 700 North Bullis Road, Compton. Ms. Green concluded by stating that she has an 'open door' policy and many times homeless individuals and families come in to request services, however, they are adamantly opposed to going into a shelter.

Mayor Brown thanked the citizens for assisting with the canvassing of our homeless residents which will assist the city in obtaining our fair share of funding, and further indicated that the city is part of a larger consortium of agencies which utilize Measure H funds to assist the homeless. Mayor Brown suggested that an Advisory Board be established to develop a program to work together with the community to provide input on proposed shelter locations. Mayor Brown further noted that we have a responsibility to serve and protect our residents while providing a comprehensive plan to assist the homeless families in our community. Mayor Brown thanked the City Manager and Staff for tirelessly working behind the scenes.

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Robert Ray, Compton resident, spoke out against agenda items 10 and 11 (ordinances removing various committees and commissions), noting that the Oversight Commission is necessary because the other commissions report to them. Mr. Ray noted that there are 50 active block clubs in the city and the Public Safety Commission is crucial and necessary, as it addressed public safety issues and concerns. He also noted that if Bingo returns to the city, the Gaming Commission is a necessity. Mr. Ray concluded by speaking in opposition to the resolution of this evening's agenda declaring the April 16th Election results, indicating that the results are being challenged in court.

Marie Hollis, Compton resident, requested that agenda Item Numbers 10 and 11 (ordinances deleting committees and commissions and reducing membership) be removed from the agenda. Mr. Hollis urged the Council to find a solution to maintain the various committees and commissions which are so vital to the City of Compton.

Benjamin Holifield, Founder/President-Compton Business Chamber of Commerce, submitted documents regarding a centralized block club which was formed in 1973 with 300 people. Mr. Holifield spoke out against agenda Item Numbers 10 and 11 (ordinances deleting committees and commissions and reducing membership). Mr. Holifield addressed the lack of adequate parking for individuals visiting City hall, adding that many times business people applying for business licenses are given parking tickets which is completely counterproductive to building relationships with incoming business owners and a slap in the face to the business community. Mr. Holifield respectfully demanded that the City Manager remove the recently installed 'fence' in the City Council Chambers.

Ron Goldman, Neighborhood Parks, gave an update on the neighborhood community park meeting discussions, which were very fruitful and informative for the residents. Mr. Goldman stated that he had attended several meetings which addressed the questions and concerns of the residents and further highlighted that the community parks will not cost the city any money, adding that the construction of the parks will include remedial work on the streets.

Maria Villareal, CEO-Latino Chamber of Commerce, stated that the committees and commissions are crucial, as they are the bridge between the community and the City Council. Ms. Villareal requested that the Council and the community work out a plan to perhaps have the commission members donate their services. Ms. Villareal concluded by inviting the community to a Mother's Day Luncheon celebration on Friday, May 10, 2019 from 11 a.m. to 2 p.m. at the Latino Chamber of Commerce located at 331 East Compton Boulevard.

John B. Wagoner, Compton resident, spoke in regards to Resolution Number 13 to resale 310 N. Willowbrook Avenue. Mr. Wagoner informed the Council that Mid-Cities Association began in Compton in 1954 and they transport 450 adults to vocational opportunities, he then indicated that his organization will pay 60 % more than L. A. Metro to lease the site, and install EV power charging for vehicles. It will be a Community center for the residents and they will re-establish the Farmer's Market. Mr. Wagoner further indicated that their organizations will keep the public restrooms open and clean.

Mr. Wagoner then stated that the City Council should have his proposal included for their consideration.

Mayor Brown commented that the Transit Center site has been underutilized for the past 10 years, and expressed her concerns that Council should be presented with options for the best use of the site on behalf of the community. Mayor Brown then requested a written legal opinion regarding the parameters of the Memorandum of Agreement (MOA) between the City of Compton and L.A. Metro.

John Potts, Executive officer of real estate for LA. Metro stated that he is available to answer any questions presented by the City Council.

Dwayne Myers, Compton resident, thanked the Council for trimming the trees and also questioned when the City was divided into 4 different districts.

City Attorney Cornwell replied that the City was incorporated in 1888 and the Articles of Incorporation detailed the boundaries for the four Councilmatic Districts.

Adolpho Varas, Latino Chamber of Commerce, announced the upcoming Public Health workshop on disaster preparedness which will take place on May 17, 2019 beginning at 10 a.m. at the Latino Chamber of Commerce, 331 East Compton Boulevard. Mr. Varas also announced that the Chamber is planning the 2nd Annual *Taste of Compton*, which will be held October 26, 2019 and will showcase restaurants and different cultures in the community.

(The City Council took a brief recess from 8:06 p.m. until 8:26)

Ms. Marjorie Shipp, Compton resident, addressed the City Council and expressed her wishes that the City of Compton return to 'at large' voting for the various City Council-members. Ms. Shipp indicated that the concerns of Districts 1 and 4 are the same concerns for the rest of the city, therefore, we must return to at-large voting to improve representation.

City Attorney Craig Cornwell stated that in June of 2012 the voters approved a charter amendment instituting 'by district' voting for City Councilmember elections. City Attorney Cornwell further indicated that there are still legal challenges concerning 'by district' voting laws and he will update the Council and community regarding the results of that litigation. Attorney Cornwell then informed the community that the voters may begin the initiative process by gathering signatures to place an initiative on the ballot for 'at large' City Councilmember elections.

Susan Adams, Compton resident, addressed the City Council representing the South Poinsettia Block Club and the President, Aaron Voorhees, and requested that she bring a message of help. Ms. Adams indicated that Councilperson Emma Sharif has been wonderful in assisting the community in combating the illegal dumping in the alleys, and further requested a meeting with city officials to development a long-term solution to this problem. She also agreed that the city must return to 'at large' voting, and further indicated that our voting system must be improved. Ms. Adams felt that the Block Club Commission must remain for the city's benefit, and concluded by expressing her disappointment that the Measure P Oversight Committee has not had a quorum. She stated that the Council must appoint individuals that are dedicated and committed to moving the city forward.

Lynn Boone, Compton resident, referenced the April 2, 2019 City Council meeting minutes whereby there was a request from the Council for a report from the City Manager, however, the City Council has not received the report. Ms. Boone urged the community to read the State Controller's Audit of the city, which will explain the rationale behind agenda item Numbers 10 and 11. Ms. Boone then indicated that a Measure P Oversight Committee must be established. She then commented on the recent April 16th election and indicated that the voter rosters must be purged, adding that many of the signatures on the rosters do not match the signatures on the voters' registration affidavits. Ms. Boone

concluded by suggesting that Code Enforcement Officers be placed at the polls for the upcoming General Election in June.

Janice Jackson, Compton resident, stated that 'homelessness' is big business. Ms. Jackson commented that mental health and drug rehabilitation must be addressed to combat the homeless crisis. She indicated that the Union Rescue Mission is supposed to assist the vulnerable women and children, however, they offered to place a shelter in District 2, which has many social ills with the illegal drugs and prostitution in the area. Ms. Jackson expressed her compassion for the homeless and stated that she is looking forward to the city addressing the issue. Ms. Jackson then commented that 'fence' in the Council Chambers is outrageously ridiculous.

Joyce Kelly, Compton resident, mentioned the recently installed 'fence.' in the Council Chambers and asked that it be removed immediately. Ms. Kelly stated that she has spoken with members of the business community and they have indicated that the City of Compton is not 'business friendly.'

CONSENT AGENDA

APPROVAL OF MINUTES

1. APRIL 2, 2019 (***Approved***)

CITY FIRE DEPARTMENT

2. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDNG THE FIRE DEPARTMENT'S 2018-2019 FISCAL YEAR BUDGET TO TRANSFER FUNDS BETWEEN ACCOUNTS AND ACCEPTING THE QUOTE OF AND AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO COMMLINE INC. FOR THE PURCHASE OF BATTERIES TO REPLACE IN THE FIRE DEPARTMENT RADIOS (***Re-agendad)***

On motion by McCoy, seconded by Sharif, the minutes were approved by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES AND CITY COUNCIL

CITY MANAGER'S REPORT

3. A REQUEST TO SCHEDULE THE 2019 FIREWORKS PUBLIC HEARING

On motion by McCoy, seconded by Sharif, the hearing was scheduled for **June 11, 2019** at **5:35 p.m**. by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

4. POWER POINT PRESENTATION - PUBLIC RELATIONS CONSULTANT - Melissa Franklin (***Re-agendad***)

5. POWER POINT PRESENTATION - PUBLIC WORKS WEEKLY REPORT UPDATE

Wendell Johnson, Public Works Director, submitted a report regarding the street improvement projects. The complete presentation is on file and available for review in the City Clerk's Office.

NEW BUSINESS

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING AND AUTHORIZING THE SUBMISSION OF THE CITY'S FISCAL YEAR 2019-2020 CONSOLIDATED ANNUAL ACTION PLAN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) AND USE OF FUNDS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), THE HOME INVESTMENT PARTNERSHIP GRANT (HOME), AND EMERGENCY SOLUTIONS GRANT (ESG) PROGRAMS

On motion by McCoy, seconded by Sharif, **Resolution Number 25,009** entitled **'A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING AND AUTHORIZING THE SUBMISSION OF THE CITY'S FISCAL YEAR 2019-2020 CONSOLIDATED ANNUAL ACTION PLAN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) AND USE OF FUNDS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), THE HOME INVESTMENT PARTNERSHIP GRANT (HOME), AND EMERGENCY SOLUTIONS GRANT (ESG) PROGRAMS'** was adopted by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

7. A RESOLUTION OF THE CITY OF COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO SIGN THE PUBLIC HOUSING AUTHORITY PLAN CERTIFICATIONS AND APPROVE THE SUBMISSION OF THE 2019 PUBLIC HOUSING AUTHORITY ANNUAL PLAN

On motion by Sharif, seconded by McCoy, **Resolution Number 25,010** entitled **'A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO SIGN THE PUBLIC HOUSING AUTHORITY PLAN CERTIFICATIONS AND APPROVE THE SUBMISSION OF THE 2019 PUBLIC HOUSING AUTHORITY ANNUAL PLAN'** was adopted by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ACCEPT THE CONSTRUCTION OF THE "CITY-WIDE POTHOLE REPAIR SERVICES PROJECT" AS COMPLETE, APPROVE CHANGE ORDERS, ISSUE A PURCHASE ORDER IN THE AMOUNT OF $161,280.50 AND AUTHORIZE THE RELEASE OF THE CONTRACTOR'S RETENTION ($31,548.80)

On motion by McCoy, seconded by Sharif, **Resolution Number 25,011** entitled **'A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ACCEPT THE CONSTRUCTION OF THE "CITY-WIDE POTHOLE REPAIR SERVICES PROJECT" AS COMPLETE, APPROVE CHANGE ORDERS, ISSUE A PURCHASE ORDER IN THE AMOUNT OF $161,280.50 AND AUTHORIZE THE RELEASE OF THE CONTRACTOR'S RETENTION'** was adopted by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

9. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (LACMTA) FOR THE CITY OF COMPTON WAYFINDING SIGNAGE/TRANSIT USABILITY IMPROVEMENT PROJECT

On motion by Sharif, seconded by McCoy, **Resolution Number 25,012** entitled **'A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (LACMTA) FOR THE CITY OF COMPTON WAYFINDING SIGNAGE/TRANSIT USABILITY IMPROVEMENT PROJECT'** was adopted by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

10. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER II OF THE COMPTON MUNICIPAL CODE TO DELETE SECTION 2-7 (OVERSIGHT COMMITTEE), SECTION 2-9 (PUBLIC SAFETY COMMISSION), SECTION 2-14 (FEDERAL GRANTS ADVISORY BOARD), SECTION 2-15 (EMPLOYMENT AND TRAINING ADVISORY COUNCIL), SECTION 2-16 (COMMUNITY RELATIONS COMMISSION), SECTION 2-18 (BLOCK CLUB COMMISSION), SECTION 2-20 (COMPTON YOUTH LEADERSHIP COUNCIL), AND SECTION 2-30 (PUBLIC WORKS COMMISSION) IN THEIR RESPECTIVE ENTIRETY (FIRST READING) (***Removed from agenda***)

11. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER II OF THE COMPTON MUNICIPAL CODE TO AMEND SECTION 2-5 (RECREATION AND PARKS COMMISSION) TO INCREASE MEMBERSHIP COMPENSATION, AMEND SECTION 2-10 (BEAUTIFICATION COMMITTEE) TO REDUCE THE NUMBER OF MEMBERSHIPS, AND AMEND SECTION 2-12 (COMMISSION FOR WOMEN) TO REDUCE THE NUMBER OF MEMBERSHIPS AND INCREASE MEMBERSHIP COMPENSATION (FIRST READING) (***Removed from agenda***)

12. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE CONTRACT TERM AND INCREASING THE CONTRACT COST WITH PALP, INC. (DBA) EXCEL PAVING COMPANY FOR THE STREET REHABILITATION PROJECT (CIP# 13-01) AND ISSUING A PURCHASE ORDER ($1,062,820)

On motion by Sharif, seconded by McCoy, Resolution Number 25,013 entitled **'A RESOLUTION A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE CONTRACT TERM AND INCREASING THE CONTRACT COST WITH PALP, INC. (DBA) EXCEL PAVING COMPANY FOR THE STREET REHABILITATION PROJECT (CIP# 13-01) AND ISSUING A PURCHASE ORDER'** was adopted by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

13. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A SIXTY (60) MONTH LEASE AGREEMENT WITH THE LOS ANGELES COUNTY METROPLITAN AUTHORITY FOR CITY-OWNED PROPERTY LOCATED AT 310 NORTH WILLOWBROOK AVEUNE (***Re-agendad***)

It was moved by McCoy, seconded by Sharif, that the resolution be adopted.

Mayor Brown commented that from the inception of this project it has been used as a community meeting site with more of a civic use and further raised concerns regarding lease agreement amount. Mayor Brown further requested a legal opinion regarding the legal requirements of the city relative to the Memorandum of Agreement, so that there will be a clear understanding of the legal usage for the site.

John Potts, Executive Officer of Real Estate for L. A. Metro, addressed the City Council stating that the MOA include a specific Scope of Work (SOW), which establishes specific instruction that all uses for the Transit Center be transit related. Mr. Potts further stated that L.A. Metro contributed $3 Million for the building, but will be happy to pay the fair market lease rate of $1 per square foot. Mr. Potts further explained that the L.A. Metro intends to house their security forces, which include an anti-terrorism unit from the Sheriff's Department and will provide additional law enforcement security.

City Attorney Cornwell concurred that when the city entered into the Memorandum of Understanding (MOU) it was agreed that all uses for the site would be transit-related at the time the agreement was signed. Attorney Cornwell then noted that tax exempt bonds were used for the construction of the site and further indicated that he would provide a legal opinion to the City Council regarding the land use restrictions of the agreement.

Mayor Brown commented that the area is in dire need of additional security as well as enhanced lighting. She also commented that the site is deteriorating because it is underutilized.

After further discussion, Councilmember McCoy withdrew her motion and Sharif withdrew her second.

Councilmember McCoy offered a motion to direct the City Manager to amend the lease agreement to increase the lease rate to $1 per square foot in accordance with the city's policy. The motion was seconded by Sharif and approved by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

14. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING THE RESULTS OF THE PRIMARY NOMINATING ELECTION HELD IN SAID CITY ON APRIL 16, 2019

On motion by Sharif, seconded by McCoy, **Resolution Number 25,014** entitled **'A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING THE RESULTS OF THE PRIMARY NOMINATING ELECTION HELD IN SAID CITY ON APRIL 16, 2019'** was adopted by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

COUNCIL COMMENTS

Councilperson McCoy offered the following communications/announcements:

- Announced that May is ***Lupus Awareness Month*** and urged the residents to find out more about this disease.

- Announced that she is co-sponsoring an Expungement Clinic with Assembly-man Mike Gipson on June 28, 2019 from 9 a.m. until 1 p.m. at the Dollarhide Community Center, 301 S. Tamarind Avenue—rsvp to: Venita Alsenat at (310) 605-5612

- Invited the community to attend her 5K Run on June 22, 2019 beginning at 7 a.m. at Centennial High School and concluding at the Compton Towne Center.

- Adjourn in memory of **Jennifer Lopez, Barbara Ann Brown** and **John Singleton**

Councilperson Sharif offered the following communications/announcements:

- Invited the community to attend her Town Hall Meeting on May 15, 2019 from 6 to 8 p.m. at Burrell MacDonald Park, 2319 E. Caldwell Street—there will be discussions regarding community concerns and solutions.

- Requested that the City Manager address the illegal marijuana dispensaries in the city.

Mayor Brown offered the following communications/announcements:

- Mayor Brown presented a formal request to remove the recently installed 'barrier' in the City Council Chambers. Mayor Brown indicated that the Council Chambers belong to the residents of the community; and the barrier sends the wrong message to the citizens and is counterproductive to the partnership between the City Council and the Compton community family.

ADJOURNMENT

On motion by McCoy, seconded by Sharif, the meeting was adjourned in memory of **Jennifer Lopez, Barbara Ann Brown** and **John Singleton** at 9:18 p.m. by the following vote on roll call:

AYES: Council Members - McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Zurita, Galvan

_____ _____

CITY CLERK OF THE CITY OF COMPTON **MAYOR OF THE CITY OF COMPTON**

REPORT OF ALL WARRANTS

APRIL 2019

CITY CONTROLLER'S OFFICE

RAFAELA T. KING

APRIL 30, 2019

To: MAYOR, CITY COUNCIL, AND CITY MANAGER

From: CITY CONTROLLER

Re: REPORT OF WARRANTS APRIL 2019

The purpose of this document is to provide totals of Warrants issued and/or reversed for the month of April 2019.

Total of AP Warrants per Check Register:	**$5,693,741.99**	
Total of Auto/EP Deposits per Check Register:	**$2,811,653.31**	
Total of SA per Check Register:	**$15,139.64**	**$ 8,520,534.94**
Add City Employee Payroll:	**$2,223,453.99**	
Add Council Member Payroll:	**$6,650.00**	**$2,230,103.99**
	Grand Total:	**$10,750,638.93**

Beginning Warrant:	248923
Ending Warrant:	249292
Total Warrants Issued:	373
Beginning Auto Deposit:	63515
Ending Auto Deposit:	63867
Total Auto Deposits Issued:	350
Beginning Successor Agency Warrant:	1668
Ending Successor Agency Warrant:	1675
Total SA checks Issued:	8

Dorothea Young
Accounting Specialist

Rafaela T. King
City Controller

Certification of Warrant Register for April 2019

Warrants:

248924 - 248950
248951 - 249026
249027 - 249036
249037 - 249067
249068 - 249093
249094 - 249140
249141 - 249170
249171 - 249203
249204 - 249204
249205 - 249243
249244 - 249270
249271 - 249288
249289 - 249290
249291 - 249292

Auto Deposits:

63515 - 63515
63516 - 63516
63517 - 63517
63518 - 63518
63519 - 63519
63520 - 63867

Successor Agency Warrants:

1668 -1668
1669 -1669
1670 -1673
1674 -1675

Dorothea Young
Accounting Specialist

Rafaela T. King
City Controller

CASH DISBURSEMENT

April-19

DATE	CHECK NUMBERS	# OF CHECKS	# OF TRANS	AMT TOTALS
4/1/2019	AP00248924-AP00248950	27	46	$ 3,977.56
4/2/2019	AP00248951-AP00249026	76	165	$ 730,311.70
4/3/2019	EP00063515-EP00063515	1	6	$ 192,063.91
4/3/2019	SA00001668-SA00001668	1	6	$ 175.52
4/8/2019	AP00249027-AP00249036	10	57	$ 160,636.37
4/10/2019	AP00249037-AP00249067	31	100	$ 501,883.63
4/10/2019	AP00249068-AP00249093	26	40	$ 108,661.57
4/10/2019	EP00063516-EP00063516	1	4	$ 1,764.00
4/10/2019	SA00001669-SA00001669	<VOIDED>		
4/16/2019	EP00063517-EP00063517	1	4	$ 190,280.31
4/16/2019	AP00249094-AP00249140	43	219	$ 244,726.24
4/17/2019	AP00249141-AP00249170	30	56	$ 363,439.95
4/17/2019	SA00001671-SA00001673	3	3	$ 4,208.14
4/18/2019	EP00063518-EP00063518	1	6	$ 820,374.94
4/23/2019	EP00063519-EP00063519	1	3	$ 88,615.06
4/23/2019	SA00001674-SA00001675	2	3	$ 3,162.93
4/23/2019	AP00249171-AP00249203	32	66	$ 54,824.32
4/23/2019	AP00249204-AP00249204	1	1	$ 4,414.00
4/23/2019	AP00249205-AP00249243	39	88	$ 2,906,428.46
4/24/2019	AP00249244-AP00249270	27	669	$ 22,390.58
4/24/2019	AP00249271-AP00249288	17	99	$ 227,857.59
4/24/2019	EP00063520-EP00063867	348	630	$ 611,311.54
4/25/2019	EP00063868-EP00063869	2	9	$ 907,243.54
4/25/2019	AP00249289-AP00249290	<VOIDED>		
4/25/2019	AP00249291-AP00249292	2	3	$ 34,599.19
4/29/2019	AP00249293-AP00249309	17	22	$ 10,921.57
4/30/2019	AP00249310-AP00249347	38	72	$ 172,343.36
TOTALS		750	2377	$ 6,667,141.72

GENERAL CITY ACCOUNT

*AP = GENERAL LEDGER PHYSICAL CHECKS

*EFT = ELECTRONIC FUNDS TRANSFER

*EP = ELECTRONIC PAYMENT

SUCCESOR AGENCY ACCOUNT

*SA = SUCCESSOR AGENCY

CASH DISBURSEMENT
April-19

DATE	CHECK NUMBERS	# OF CHECKS	# OF TRANS	AMT TOTALS
4/4/2019	GL12253-GL12320	68		$ 13,377.52
4/11/2019	GL12321-GL12333	13		$ 4,086.14
4/18/2019	GL12334-GL12335	2		$ 3,928.50
4/22/2019	GL12336-GL12338	3		$ 96,903.54
4/25/2019	GL12339-GL12339	1		$ 207.60
				-
			TOTAL	$ 118,503.30
4/4/2019	WC80060-WC80094	35		$ 16,236.58
4/4/2019	WC80095-WC80116	22		$ 10,579.08
4/18/2019	WC80117-WC80189	73		$ 14,075.50
4/25/2019	WC80190-WC80240	51		$ 13,579.64
			TOTAL	$ 54,470.80
TOTALS				
TOTALS		268		$ 172,974.10

RISK MANAGEMENT

*GL = GENERAL LIABILITY CHECKS

*WC = WORKER'S COMPENSATION CHECKS

AP WARRANTS

VOIDS ORIGINATING APRIL 2019

CHECK NUMBER	CHECK DATE	VOID DATE		CHECK AMOUNT	VOID REASON
248931	4/1/2019	4/15/2019	$	18.32	Returned insufficient address
248962	4/2/2019	4/3/2019	$	6,768.51	Invoice number keyed in wrong
248994	4/2/2019	4/3/2019	$	80.25	Invoice number keyed in wrong
248995	4/9/2019	4/24/2019	$	4,884.00	Re-issue returned UTL from WF Bk
249004	4/2/2019	4/3/2019	$	1,053.00	Invoice number keyed in wrong
249006	4/2/2019	4/3/2019	$	2,833.00	Invoice number keyed in wrong
249009	4/2/2019	4/3/2019	$	2,578.33	Invoice number keyed in wrong
249050	4/10/2019	4/15/2019	$	128.96	Input coded wrong s/b SA check
249289	4/25/2019	4/25/2019	$	27,379.08	Wrong check number used
249290	4/25/2019	4/25/2019	$	7,220.10	Wrong check number used

SUBTOTAL	$	52,925.23

VOIDS ISSUED PRIOR TO APRIL 2019

CHECK NUMBER	CHECK DATE	VOID DATE		CHECK AMOUNT	VOID REASON
248512	3/5/2019	4/15/2019	$	73.59	Returned not deliverable as addressed
248646	3/13/2019	4/15/2019	$	250.00	Returned and reissued
248703	3/20/2019	4/15/2019	$	500.00	Rteurned not deliverable as addressed

SUBTOTAL	$	823.59

AUTO DEPOSITS

VOIDS ORIGINATING IN APRIL 2019

EFT NUMBER	EFT DATE	VOID DATE	EFT AMOUNT	VOID REASON

SUBTOTAL	$	-

VOIDS ISSUED PRIOR TO APRIL 2019

EFT NUMBER	EFT DATE	VOID DATE	EFT AMOUNT	VOID REASON
		SUBTOTAL	$ -	

SUCCESSOR AGENGY

SA NUMBER	SA DATE	VOID DATE	SA AMOUNT	VOID REASON
1669	4/10/2019	4/15/2019	4,993.05	Name differ from on system-S/B AP ck
		SUBTOTAL	$ 4,993.05	

TOTAL AMT VOIDED		$58,741.87
TOTAL NUMBER OF CHECKS VOIDED		14
TOTAL AMT OF WARRANTS VOIDED ORIGINATING IN APRIL		$52,925.23
TOTAL NUMBER OF WARRANTS VOIDED ORIGINATING IN APRIL		10
TOTAL AMT OF WARRANTS VOIDED PRIOR TO APRIL	$	823.59
TOTAL NUMBER OF WARRANTS VOIDED PRIOR TO APRIL		3
TOTAL AMT OF AUTO DEPOS. VOIDED ORIGINATING IN APRIL		$0.00
TOTAL NUMBER OF AUTO DEPOS. VOIDED ORIGINATING IN APRIL		0
TOTAL AMT OF AUTO DEPOS. VOIDED PRIOR TO APRIL		$0.00
TOTAL NUMBER OF AUTO DEPOS. VOIDED PRIOR TO APRIL		0
TOTAL AMT OF SUCCESSOR AGENCY VOIDED IN APRIL		$4,993.05
TOTAL NUMBER OF SUCCESSOR AGENCY VOIDED IN APRIL		1

City of Compton

Consolidated Checks Register

04/01/2019 to 04/30/2019 Job Number: 1327326

Check		Payee ID	Payee Name	Check Date	Cancel Date	Reverse Date	Stale Date	Status	BK Job #	Check Amount
EP EFT	00063515	00712030	PUBLIC EMPLOYEES RETIREMENT	04/02/19	04/02/19			CX	1327326	$192,063.91
EP EFT	00063516	10007521	AUTUMN WIND LLC	04/09/19	04/09/19			CX	1329989	$1,764.00
EP EFT	00063517	00712030	PUBLIC EMPLOYEES RETIREMENT	04/16/19	04/16/19			CX	1332689	$190,280.32
EP EFT	00063518	00712030	PUBLIC EMPLOYEES RETIREMENT	04/18/19	04/18/19			CX	1334957	$820,374.94
EP EFT	00063519	00712030	PUBLIC EMPLOYEES RETIREMENT	04/23/19	04/23/19			CX	1336172	$88,615.06
EP EFT	00063520	10005715	1117 TUCKER LP	04/24/19	04/24/19			CX	1336878	$1,171.00
EP EFT	00063521	10007374	1510 N WILLOWBROOK LLC	04/24/19	04/24/19			CX	1336878	$430.00
EP EFT	00063522	10009040	527-531 W ROSECRANS AVE LLC	04/24/19	04/24/19			CX	1336878	$2,680.00
EP EFT	00063523	10009071	708NTAMARIND LLC	04/24/19	04/24/19			CX	1336878	$1,359.00
EP EFT	00063524	10003354	ACCESS COMMUNITY HOUSING	04/24/19	04/24/19			CX	1336878	$12,772.00
EP EFT	00063525	10009187	ANTHONY L ADAMS SR	04/24/19	04/24/19			CX	1336878	$3,059.00
EP EFT	00063526	10008651	SADIE M ADDISON	04/24/19	04/24/19			CX	1336878	$709.00
EP EFT	00063527	10008516	AFFORDABLE LLC	04/24/19	04/24/19			CX	1336878	$1,217.00
EP EFT	00063528	10006497	PAVAN AGARWAL	04/24/19	04/24/19			CX	1336878	$1,165.00
EP EFT	00063529	10002512	RACHEL DENISE AGNEW	04/24/19	04/24/19			CX	1336878	$1,333.00
EP EFT	00063530	00025490	H DAVID & HAIDEH VIJEH ALEXANDER	04/24/19	04/24/19			CX	1336878	$4,726.00
EP EFT	00063531	10008297	ALHAMBRA-ATLANTIC LP	04/24/19	04/24/19			CX	1336878	$1,035.00
EP EFT	00063532	10005737	MICAH ALI	04/24/19	04/24/19			CX	1336878	$2,735.00
EP EFT	00063533	10008475	ALONDRA ELITE LIVING LLC	04/24/19	04/24/19			CX	1336878	$2,496.00
EP EFT	00063534	10003349	FRANK ALTAMIRANO	04/24/19	04/24/19			CX	1336878	$246.00
EP EFT	00063535	10008884	ANGEL ALVAREZ	04/24/19	04/24/19			CX	1336878	$1,351.00
EP EFT	00063536	10000133	JUANITA ANDERSON	04/24/19	04/24/19			CX	1336878	$4,703.00
EP EFT	00063537	10004804	EFREN AND MARIA LUZ ANDRADE	04/24/19	04/24/19			CX	1336878	$975.00
EP EFT	00063538	00054455	MICHAEL C ANDRY	04/24/19	04/24/19			CX	1336878	$1,040.00
EP EFT	00063539	10003990	IMELDA KARINA ANGUIANO	04/24/19	04/24/19			CX	1336878	$460.00
EP EFT	00063540	00060715	EL MICHAEL ARMSTRONG	04/24/19	04/24/19			CX	1336878	$6,933.00
EP EFT	00063541	10007274	EULA ARMSTRONG	04/24/19	04/24/19			CX	1336878	$1,800.00
EP EFT	00063542	10003983	GEORGE ARMSTRONG	04/24/19	04/24/19			CX	1336878	$869.00
EP EFT	00063543	10003265	MARIE ARMSTRONG	04/24/19	04/24/19			CX	1336878	$88.00
EP EFT	00063544	10007988	ARNETA R OR BEVERLY FINNEY	04/24/19	04/24/19			CX	1336878	$1,285.00
EP EFT	00063545	10008383	BLANCA ARRIOLA	04/24/19	04/24/19			CX	1336878	$1,674.00
EP EFT	00063546	10007521	AUTUMN WIND LLC	04/24/19	04/24/19			CX	1336878	$452.00
EP EFT	00063547	10007714	GRACIELA BAEZ	04/24/19	04/24/19			CX	1336878	$766.00

City of Compton

Consolidated Checks Register

04/01/2019 to 04/30/2019 Job Number: 1336878

Check		Payee ID	Payee Name	Check Date	Cancel Date	Reverse Date	Stale Date	Status	BK Job #	Check Amount
EP EFT	00063548	10007257	GREGORY A BANKS	04/24/19	04/24/19			CX	1336878	$1,245.00
EP EFT	00063549	10004923	ELIZABETH AND ALFREDO BARAJAS	04/24/19	04/24/19			CX	1336878	$969.00
EP EFT	00063550	10004276	SAUTI L BARAKA	04/24/19	04/24/19			CX	1336878	$956.00
EP EFT	00063551	10001200	HAROLD L & PEGGYE R BARNES	04/24/19	04/24/19			CX	1336878	$652.00
EP EFT	00063552	00082580	GLENN BAYLESS	04/24/19	04/24/19			CX	1336878	$1,454.00
EP EFT	00063553	10009155	BCAH ENTERPRISES LLC	04/24/19	04/24/19			CX	1336878	$1,986.00
EP EFT	00063554	10007392	CAROL A BEAL	04/24/19	04/24/19			CX	1336878	$920.00
EP EFT	00063555	10003589	KENNETH R BENSON SR	04/24/19	04/24/19			CX	1336878	$1,270.00
EP EFT	00063556	10004089	MELANIE BERRY	04/24/19	04/24/19			CX	1336878	$6,806.00
EP EFT	00063557	10008726	BEST WESTERN SUMMIT INN INC	04/24/19	04/24/19			CX	1336878	$1,204.00
EP EFT	00063558	10006025	WILLIE G BOLDEN	04/24/19	04/24/19			CX	1336878	$685.00
EP EFT	00063559	00103900	LILLIE BOSWELL	04/24/19	04/24/19			CX	1336878	$1,935.00
EP EFT	00063560	10001960	BEATRICE OR VIVIAN SMITH BRADLEY	04/24/19	04/24/19			CX	1336878	$1,181.00
EP EFT	00063561	10008679	GONZELLA BRAME	04/24/19	04/24/19			CX	1336878	$1,036.00
EP EFT	00063562	10002094	ALFRED & LINDA BROOKS	04/24/19	04/24/19			CX	1336878	$1,766.00
EP EFT	00063563	10004282	CAROLYN D BROWN	04/24/19	04/24/19			CX	1336878	$1,254.00
EP EFT	00063564	00107006	CHARLINE BROWN	04/24/19	04/24/19			CX	1336878	$1,674.00
EP EFT	00063565	10005101	LARENCE BROWN	04/24/19	04/24/19			CX	1336878	$1,202.00
EP EFT	00063566	10009099	PECOLIA DAY BROWN	04/24/19	04/24/19			CX	1336878	$1,383.00
EP EFT	00063567	10008983	SHIRLEY ANN BROWN	04/24/19	04/24/19			CX	1336878	$1,178.00
EP EFT	00063568	00111343	EL MARIE BRUMFIELD	04/24/19	04/24/19			CX	1336878	$1,593.00
EP EFT	00063569	10004458	DOROTHY BURNETT	04/24/19	04/24/19			CX	1336878	$904.00
EP EFT	00063570	00113735	WALLACE ANDERSON BURNEY III	04/24/19	04/24/19			CX	1336878	$1,288.00
EP EFT	00063571	10006491	PATRICIA McGEE BUTLER	04/24/19	04/24/19			CX	1336878	$1,138.00
EP EFT	00063572	10002994	GEORGE CALCOTE	04/24/19	04/24/19			CX	1336878	$1,609.00
EP EFT	00063573	10002850	VIRGIL CALCOTE	04/24/19	04/24/19			CX	1336878	$816.00
EP EFT	00063574	10008807	ABELINO CAMORLINGO	04/24/19	04/24/19			CX	1336878	$2,657.00
EP EFT	00063575	00147523	JOHN A & MARGARET P CARLISLE	04/24/19	04/24/19			CX	1336878	$840.00
EP EFT	00063576	10007613	TONY XIA CHEN	04/24/19	04/24/19			CX	1336878	$1,168.00
EP EFT	00063577	10005631	TAMIKA CHILDRESS	04/24/19	04/24/19			CX	1336878	$1,386.00
EP EFT	00063578	10008078	DONELDA LAKE CHRISPELL	04/24/19	04/24/19			CX	1336878	$587.00
EP EFT	00063579	00405034	CITY OF INGLEWOOD	04/24/19	04/24/19			CX	1336878	$2,489.36
EP EFT	00063580	10002917	DARRYL COLEMAN	04/24/19	04/24/19			CX	1336878	$815.00

City of Compton

Consolidated Checks Register

04/01/2019 to 04/30/2019 Job Number: 1336878

Check		Payee ID	Payee Name	Check Date	Cancel Date	Reverse Date	Stale Date	Status	BK Job #	Check Amount
EP EFT	00063581	10008316	SADIE COLEMAN	04/24/19	04/24/19			CX	1336878	$634.00
EP EFT	00063582	10008387	YORY COLL	04/24/19	04/24/19			CX	1336878	$687.00
EP EFT	00063583	00164190	LULA B COLLINS	04/24/19	04/24/19			CX	1336878	$2,785.00
EP EFT	00063584	10003727	COMPTON HOLDINGS LLC	04/24/19	04/24/19			CX	1336878	$2,219.00
EP EFT	00063585	10007120	COMPTON SENIOR APARTMENTS LP	04/24/19	04/24/19			CX	1336878	$5,941.00
EP EFT	00063586	10004544	ROBERTO OR MARIA CORNEJO	04/24/19	04/24/19			CX	1336878	$1,710.00
EP EFT	00063587	10008965	DIANE COUEY	04/24/19	04/24/19			CX	1336878	$1,021.00
EP EFT	00063588	10004082	JOHN B CRAWFORD	04/24/19	04/24/19			CX	1336878	$3,210.00
EP EFT	00063589	10008546	CRISPIN SALCEDO SANTOS	04/24/19	04/24/19			CX	1336878	$967.00
EP EFT	00063590	10007127	BRENDA CUMMINGS	04/24/19	04/24/19			CX	1336878	$819.00
EP EFT	00063591	00232497	CURRY TEMPLE SR APT LTD	04/24/19	04/24/19			CX	1336878	$4,554.00
EP EFT	00063592	10005682	DELORIS CURTIS	04/24/19	04/24/19			CX	1336878	$894.00
EP EFT	00063593	10008621	D SCHIPE TRUSTEE OF RODEO TRUST	04/24/19	04/24/19			CX	1336878	$513.00
EP EFT	00063594	10006461	KEVIN DANG	04/24/19	04/24/19			CX	1336878	$2,000.00
EP EFT	00063595	10003672	KIM DANG	04/24/19	04/24/19			CX	1336878	$1,208.00
EP EFT	00063596	10006424	THANH DANG	04/24/19	04/24/19			CX	1336878	$833.00
EP EFT	00063597	00241595	GARY L. DANIELS	04/24/19	04/24/19			CX	1336878	$757.00
EP EFT	00063598	10008804	FESIA A DAVENPORT	04/24/19	04/24/19			CX	1336878	$866.00
EP EFT	00063599	10004426	CATHERINE DAVIS	04/24/19	04/24/19			CX	1336878	$614.00
EP EFT	00063600	10004920	ERIC DAVIS	04/24/19	04/24/19			CX	1336878	$1,209.00
EP EFT	00063601	10008010	JOSE C DE CASAS	04/24/19	04/24/19			CX	1336878	$917.00
EP EFT	00063602	00247536	MOISES DE LA TORRE	04/24/19	04/24/19			CX	1336878	$341.00
EP EFT	00063603	10008544	DE MIRANDA PROPERTY MGMT	04/24/19	04/24/19			CX	1336878	$2,017.00
EP EFT	00063604	10007256	DESIDERIO LLC	04/24/19	04/24/19			CX	1336878	$1,064.00
EP EFT	00063605	10001591	JOE DIAZ	04/24/19	04/24/19			CX	1336878	$2,538.00
EP EFT	00063606	10007146	LAWRENCE DIGGS	04/24/19	04/24/19			CX	1336878	$1,608.00
EP EFT	00063607	00262550	HOLLIS & BERDIE DILLON	04/24/19	04/24/19			CX	1336878	$2,043.00
EP EFT	00063608	10008927	DOROTHA CALLOWAY RVOC LIVING	04/24/19	04/24/19			CX	1336878	$638.00
EP EFT	00063609	10007810	ROY E DUMAS	04/24/19	04/24/19			CX	1336878	$2,389.00
EP EFT	00063610	10007398	MARCO ANTONIO ECHEVERRIA	04/24/19	04/24/19			CX	1336878	$1,410.00
EP EFT	00063611	10008678	ALICE J EDWARDS	04/24/19	04/24/19			CX	1336878	$1,713.00
EP EFT	00063612	10005600	HELEN C EDWARDS	04/24/19	04/24/19			CX	1336878	$1,959.00
EP EFT	00063613	10007611	ELLY NESIS COMPANY INC	04/24/19	04/24/19			CX	1336878	$7,254.00

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Check		Payee ID	Payee Name	Check Date	Cancel Date	Reverse Date	Stale Date	Status	BK Job #	Check Amount
EP EFT	00063614	00291326	LILLIE ENGLISH	04/24/19	04/24/19			CX	1336878	$462.00
EP EFT	00063615	10007204	ERICK R. ETHERIDGE	04/24/19	04/24/19			CX	1336878	$3,677.00
EP EFT	00063616	10007973	FAITHFUL CHURCH OF GOD IN CHRIST	04/24/19	04/24/19			CX	1336878	$855.00
EP EFT	00063617	10000123	WESLEY J FARRELL	04/24/19	04/24/19			CX	1336878	$844.00
EP EFT	00063618	00293115	DENIA L FERGUSON	04/24/19	04/24/19			CX	1336878	$1,293.00
EP EFT	00063619	10007135	HUMBERTO OR ALINA FERNANDEZ	04/24/19	04/24/19			CX	1336878	$1,782.00
EP EFT	00063620	00293802	CHRISTOPHER D FIELDS	04/24/19	04/24/19			CX	1336878	$461.00
EP EFT	00063621	10000807	LADARO FIGURES	04/24/19	04/24/19			CX	1336878	$1,338.00
EP EFT	00063622	10007663	RUBEN FLOOD JR	04/24/19	04/24/19			CX	1336878	$1,024.00
EP EFT	00063623	10003610	DERRICK FLORENCE	04/24/19	04/24/19			CX	1336878	$1,493.00
EP EFT	00063624	10003880	MILTON FORD	04/24/19	04/24/19			CX	1336878	$1,268.00
EP EFT	00063625	10002213	ROBERTA R FOSTER	04/24/19	04/24/19			CX	1336878	$811.00
EP EFT	00063626	00310034	ROLEETA J FRENCH	04/24/19	04/24/19			CX	1336878	$3,976.00
EP EFT	00063627	10002633	RUDY GARAVITO	04/24/19	04/24/19			CX	1336878	$949.00
EP EFT	00063628	10007294	JESUS GARCIA	04/24/19	04/24/19			CX	1336878	$766.00
EP EFT	00063629	00324170	ALPHONZO OR WILLIE MAE GARLAND	04/24/19	04/24/19			CX	1336878	$899.00
EP EFT	00063630	10007202	VICTOR GARRETT	04/24/19	04/24/19			CX	1336878	$1,097.00
EP EFT	00063631	10004309	MINNIE GIBSON FAMILY TRUST	04/24/19	04/24/19			CX	1336878	$941.00
EP EFT	00063632	00336678	RAUL GODINEZ	04/24/19	04/24/19			CX	1336878	$1,063.00
EP EFT	00063633	10008874	ALBELARDO GONZALEZ	04/24/19	04/24/19			CX	1336878	$1,128.00
EP EFT	00063634	10001010	LOIS CARROLL GOODLOE	04/24/19	04/24/19			CX	1336878	$1,103.00
EP EFT	00063635	10008984	CRAIG D GORDON	04/24/19	04/24/19			CX	1336878	$1,234.00
EP EFT	00063636	10003720	GRANADA PROPERTIES LLC	04/24/19	04/24/19			CX	1336878	$5,664.00
EP EFT	00063637	10004386	CHARLESTON J GRANTHAM	04/24/19	04/24/19			CX	1336878	$828.00
EP EFT	00063638	10006194	RODNEY K GRAY	04/24/19	04/24/19			CX	1336878	$856.00
EP EFT	00063639	10008011	GREEN4 LLC	04/24/19	04/24/19			CX	1336878	$2,925.00
EP EFT	00063640	10007772	DE ANDRE D GREENE	04/24/19	04/24/19			CX	1336878	$1,091.00
EP EFT	00063641	10005373	VICKIE OR ANTHONY GRIGGS-SMITH	04/24/19	04/24/19			CX	1336878	$1,242.00
EP EFT	00063642	10001691	DONALD RAY HALL	04/24/19	04/24/19			CX	1336878	$3,817.00
EP EFT	00063643	10005149	JONATHAN HAMMOND SR	04/24/19	04/24/19			CX	1336878	$781.00
EP EFT	00063644	00367740	DAVID OR LAVADA HANCOCK	04/24/19	04/24/19			CX	1336878	$6,726.00
EP EFT	00063645	10007246	MARY E HANSBOROUGH	04/24/19	04/24/19			CX	1336878	$1,469.00
EP EFT	00063646	10003818	FRANK HARRIS JR	04/24/19	04/24/19			CX	1336878	$542.00

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Check		Payee ID	Payee Name	Check Date	Cancel Date	Reverse Date	Stale Date	Status	BK Job #	Check Amount
EP EFT	00063647	00368780	CLEVELAND HARRIS	04/24/19	04/24/19			CX	1336878	$1,118.00
EP EFT	00063648	00369380	IVRY HARRIS	04/24/19	04/24/19			CX	1336878	$1,040.00
EP EFT	00063649	10005855	LOUIS D HARRIS	04/24/19	04/24/19			CX	1336878	$3,354.00
EP EFT	00063650	00383500	EMILY HART-HOLIFIELD	04/24/19	04/24/19			CX	1336878	$1,194.00
EP EFT	00063651	10002927	FRANK HARVEY III	04/24/19	04/24/19			CX	1336878	$2,331.00
EP EFT	00063652	00370213	PHYLLIS HAYES	04/24/19	04/24/19			CX	1336878	$1,807.00
EP EFT	00063653	00372675	LONEAR W HEARD-DAVIS	04/24/19	04/24/19			CX	1336878	$3,582.00
EP EFT	00063654	10009141	ALBERT L HEARVEY	04/24/19	04/24/19			CX	1336878	$1,659.00
EP EFT	00063655	10007370	BARBARA D HENRY	04/24/19	04/24/19			CX	1336878	$666.00
EP EFT	00063656	10005757	RAFAEL HEREDIA	04/24/19	04/24/19			CX	1336878	$1,162.00
EP EFT	00063657	10002849	WAIL HINDI	04/24/19	04/24/19			CX	1336878	$4,918.00
EP EFT	00063658	10008719	KIM THI HOANG	04/24/19	04/24/19			CX	1336878	$1,484.00
EP EFT	00063659	00382951	FRED HOBBS JR	04/24/19	04/24/19			CX	1336878	$1,115.00
EP EFT	00063660	10009005	NICHOLAS S HOGAN	04/24/19	04/24/19			CX	1336878	$1,003.00
EP EFT	00063661	10004812	KEVIN OR SHEREDA HOLMES	04/24/19	04/24/19			CX	1336878	$1,733.00
EP EFT	00063662	10003936	LEON C HOLMES	04/24/19	04/24/19			CX	1336878	$312.00
EP EFT	00063663	10004709	SHADRON HOLMES	04/24/19	04/24/19			CX	1336878	$1,722.00
EP EFT	00063664	10008966	ROBBIE M HOUSTON	04/24/19	04/24/19			CX	1336878	$1,464.00
EP EFT	00063665	00390050	JESSIE LEE HOWARD	04/24/19	04/24/19			CX	1336878	$1,475.00
EP EFT	00063666	10005705	MINNIE HOWARD	04/24/19	04/24/19			CX	1336878	$1,713.00
EP EFT	00063667	10004362	JOAN HUGHES	04/24/19	04/24/19			CX	1336878	$1,547.00
EP EFT	00063668	10002177	KENNETH OR CHERYL HUNTER	04/24/19	04/24/19			CX	1336878	$752.00
EP EFT	00063669	10008999	HWY 111 HOTEL GROUP LP	04/24/19	04/24/19			CX	1336878	$5,775.00
EP EFT	00063670	10007580	VICTOR OR IBARRA MENDEZ	04/24/19	04/24/19			CX	1336878	$861.00
EP EFT	00063671	10009012	RICARDO IBARRA	04/24/19	04/24/19			CX	1336878	$2,129.00
EP EFT	00063672	10002611	KIPLING JACKSON OR PAMELA WILLIAMS	04/24/19	04/24/19			CX	1336878	$1,014.00
EP EFT	00063673	00418940	CHARLES L & SANDRA E A JACKSON	04/24/19	04/24/19			CX	1336878	$1,044.00
EP EFT	00063674	00419085	THERON JACKSON	04/24/19	04/24/19			CX	1336878	$977.00
EP EFT	00063675	00419300	ANTHONY F JAMES	04/24/19	04/24/19			CX	1336878	$1,033.00
EP EFT	00063676	10002095	BILLIE L JOHNSON	04/24/19	04/24/19			CX	1336878	$2,771.00
EP EFT	00063677	10001839	DAVID JOHNSON	04/24/19	04/24/19			CX	1336878	$823.00
EP EFT	00063678	10002235	JAMES OR EULA JOHNSON	04/24/19	04/24/19			CX	1336878	$1,522.00
EP EFT	00063679	00435770	MARCUS C JOHNSON	04/24/19	04/24/19			CX	1336878	$1,572.00

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Check		Payee ID	Payee Name	Check Date	Cancel Date	Reverse Date	Stale Date	Status	BK Job #	Check Amount
EP EFT	00063680	10004361	DIANE E JOHNSON-WALKER	04/24/19	04/24/19			CX	1336878	$1,555.00
EP EFT	00063681	10007130	ALMA L JONES	04/24/19	04/24/19			CX	1336878	$1,710.00
EP EFT	00063682	10008530	DANYELL JONES	04/24/19	04/24/19			CX	1336878	$1,151.00
EP EFT	00063683	10008620	HENRY JONES	04/24/19	04/24/19			CX	1336878	$1,573.00
EP EFT	00063684	00436764	JAMES OTIS JONES	04/24/19	04/24/19			CX	1336878	$1,362.00
EP EFT	00063685	10008951	MONA JONES	04/24/19	04/24/19			CX	1336878	$2,069.00
EP EFT	00063686	10007886	KAREN L KIRKS ADMIN	04/24/19	04/24/19			CX	1336878	$781.00
EP EFT	00063687	10002783	ALLEN J KENNETT	04/24/19	04/24/19			CX	1336878	$3,346.00
EP EFT	00063688	00453865	BARBARA KEYES	04/24/19	04/24/19			CX	1336878	$2,309.00
EP EFT	00063689	10005479	DAWIT KIDANE	04/24/19	04/24/19			CX	1336878	$2,205.00
EP EFT	00063690	10008318	KIM HOA INVESTMENTS LLC	04/24/19	04/24/19			CX	1336878	$5,070.00
EP EFT	00063691	10009028	MICHAEL KING	04/24/19	04/24/19			CX	1336878	$953.00
EP EFT	00063692	10007410	TRACEY M LAWRENCE	04/24/19	04/24/19			CX	1336878	$2,094.00
EP EFT	00063693	10005661	CARLOS W LEAKE	04/24/19	04/24/19			CX	1336878	$833.00
EP EFT	00063694	10002747	GERALD LEE	04/24/19	04/24/19			CX	1336878	$1,034.00
EP EFT	00063695	10003139	GRACE LEE	04/24/19	04/24/19			CX	1336878	$733.00
EP EFT	00063696	10004945	HELEN LEE	04/24/19	04/24/19			CX	1336878	$1,919.00
EP EFT	00063697	10005960	LETICIA MONTOYA C/O PAMA MGMT INC	04/24/19	04/24/19			CX	1336878	$895.00
EP EFT	00063698	10007470	GREGORY LEVY	04/24/19	04/24/19			CX	1336878	$1,348.00
EP EFT	00063699	10008597	FUMEI LIU	04/24/19	04/24/19			CX	1336878	$4,313.00
EP EFT	00063700	00475640	HESTER B LIVELY	04/24/19	04/24/19			CX	1336878	$865.00
EP EFT	00063701	10009034	KATURAH A LOGAN	04/24/19	04/24/19			CX	1336878	$284.00
EP EFT	00063702	10006149	HECTOR R LOPEZ	04/24/19	04/24/19			CX	1336878	$1,129.00
EP EFT	00063703	10009095	JOSUE LOPEZ	04/24/19	04/24/19			CX	1336878	$1,139.00
EP EFT	00063704	00510826	ALMA LURRY	04/24/19	04/24/19			CX	1336878	$784.00
EP EFT	00063705	10005603	ASHOK OR MANJU MADAN	04/24/19	04/24/19			CX	1336878	$804.00
EP EFT	00063706	10007028	EARTHA MADISON JR	04/24/19	04/24/19			CX	1336878	$688.00
EP EFT	00063707	00519610	ARIL MANNING	04/24/19	04/24/19			CX	1336878	$1,829.00
EP EFT	00063708	00519612	CARDELL MANNING	04/24/19	04/24/19			CX	1336878	$411.00
EP EFT	00063709	10004991	MARTIN TEMPLE AME ZION CHURCH	04/24/19	04/24/19			CX	1336878	$818.00
EP EFT	00063710	00533105	EDIE MARTIN	04/24/19	04/24/19			CX	1336878	$529.00
EP EFT	00063711	10003674	GIOVANNI MARTINEZ	04/24/19	04/24/19			CX	1336878	$3,573.00
EP EFT	00063712	10007301	ROBERT T OR VIVIAN J MARTINEZ	04/24/19	04/24/19			CX	1336878	$1,311.00

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EP EFT	00063713	00537211	JOE T MASON SR	04/24/19	04/24/19			CX	1336878	$675.00
EP EFT	00063714	10005614	ANTHONY E MASON	04/24/19	04/24/19			CX	1336878	$1,355.00
EP EFT	00063715	10008823	RUBY L MATTHEWS	04/24/19	04/24/19			CX	1336878	$557.00
EP EFT	00063716	10004590	ARTHUR OR VALENCIA MAYFIELD	04/24/19	04/24/19			CX	1336878	$403.00
EP EFT	00063717	00539158	EVERLEANE B MAYFIELD	04/24/19	04/24/19			CX	1336878	$784.00
EP EFT	00063718	00547030	WILLIE M & HATTIE E MC DANIEL	04/24/19	04/24/19			CX	1336878	$719.00
EP EFT	00063719	10004957	MILDRED MC GUIRE	04/24/19	04/24/19			CX	1336878	$1,079.00
EP EFT	00063720	00549184	GLORIA J HUFF MC QUEEN	04/24/19	04/24/19			CX	1336878	$805.00
EP EFT	00063721	10008763	AAKASH MEHTA	04/24/19	04/24/19			CX	1336878	$1,079.00
EP EFT	00063722	10006256	CARLOS MENDEZ	04/24/19	04/24/19			CX	1336878	$906.00
EP EFT	00063723	00550662	IGNACIO IBARRA MENDEZ	04/24/19	04/24/19			CX	1336878	$11,640.00
EP EFT	00063724	10006031	JAVIER MENDEZ	04/24/19	04/24/19			CX	1336878	$1,316.00
EP EFT	00063725	00550657	JUAN B MENDEZ	04/24/19	04/24/19			CX	1336878	$4,239.00
EP EFT	00063726	00557598	EULOS & BEVERLY MILLER	04/24/19	04/24/19			CX	1336878	$2,051.00
EP EFT	00063727	10007393	APRIL D MITCHELL	04/24/19	04/24/19			CX	1336878	$1,348.00
EP EFT	00063728	10007909	KINGSLEY M MMEJE	04/24/19	04/24/19			CX	1336878	$3,038.00
EP EFT	00063729	10008455	FELICIA MOODY	04/24/19	04/24/19			CX	1336878	$887.00
EP EFT	00063730	10009135	BILLIE JO MOORE	04/24/19	04/24/19			CX	1336878	$714.00
EP EFT	00063731	10007916	IVANIA R OR PAUL MORALES	04/24/19	04/24/19			CX	1336878	$793.00
EP EFT	00063732	10004870	KAREN MORALES OR ANDREW MORALES	04/24/19	04/24/19			CX	1336878	$2,555.00
EP EFT	00063733	00580940	MARJIE P MOSLEY	04/24/19	04/24/19			CX	1336878	$1,548.00
EP EFT	00063734	00580945	ROY LEE MOSLEY	04/24/19	04/24/19			CX	1336878	$1,545.00
EP EFT	00063735	10007516	DAVID MUNOZ	04/24/19	04/24/19			CX	1336878	$244.00
EP EFT	00063736	10007465	OSCAR A MUNOZ	04/24/19	04/24/19			CX	1336878	$3,007.00
EP EFT	00063737	00685042	OXFORD MURRY	04/24/19	04/24/19			CX	1336878	$841.00
EP EFT	00063738	10002505	CRISANTO NEVAREZ	04/24/19	04/24/19			CX	1336878	$1,372.00
EP EFT	00063739	10004373	CHRISTOPHER NEWCOMBE	04/24/19	04/24/19			CX	1336878	$4,305.00
EP EFT	00063740	10008730	NEWMAN HARRIET L	04/24/19	04/24/19			CX	1336878	$1,784.00
EP EFT	00063741	10007445	MIKE HONG NGAN	04/24/19	04/24/19			CX	1336878	$1,501.00
EP EFT	00063742	10008579	COLLINS I NWEKE	04/24/19	04/24/19			CX	1336878	$975.00
EP EFT	00063743	10005888	JAMES OGBURN	04/24/19	04/24/19			CX	1336878	$124.00
EP EFT	00063744	10002863	KATHY OH & TIMOTHY DEBAETS	04/24/19	04/24/19			CX	1336878	$3,578.00
EP EFT	00063745	10008173	JULIE ANN OH	04/24/19	04/24/19			CX	1336878	$1,875.00

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Check		Payee ID	Payee Name	Check Date	Cancel Date	Reverse Date	Stale Date	Status	BK Job #	Check Amount
EP EFT	00063746	10005858	RUTH C OLMSTED	04/24/19	04/24/19			CX	1336878	$800.00
EP EFT	00063747	10004725	CHIERE J. OR HAROLD L. OWENS	04/24/19	04/24/19			CX	1336878	$713.00
EP EFT	00063748	10003427	ESTATE OF OLLIE LEE PALMER	04/24/19	04/24/19			CX	1336878	$197.00
EP EFT	00063749	10009140	ON JUNG PARK	04/24/19	04/24/19			CX	1336878	$1,495.00
EP EFT	00063750	10007924	RICHARD I PATTERSON	04/24/19	04/24/19			CX	1336878	$938.00
EP EFT	00063751	10007447	MARIO C PERES	04/24/19	04/24/19			CX	1336878	$716.00
EP EFT	00063752	10000567	JAMES L PERRY	04/24/19	04/24/19			CX	1336878	$777.00
EP EFT	00063753	10009105	PI PROPERTIES NO 170 LLC	04/24/19	04/24/19			CX	1336878	$1,633.00
EP EFT	00063754	10009052	PI PROPERTIES NO 34 LLC	04/24/19	04/24/19			CX	1336878	$895.00
EP EFT	00063755	10009106	PI PROPERTIES NO 86 LLC	04/24/19	04/24/19			CX	1336878	$657.00
EP EFT	00063756	10008235	PI PROPERTIES NO. 77 LLC	04/24/19	04/24/19			CX	1336878	$2,560.00
EP EFT	00063757	10009127	ERIC G PIPKIN	04/24/19	04/24/19			CX	1336878	$1,164.00
EP EFT	00063758	10003687	MINTHORNE POLE	04/24/19	04/24/19			CX	1336878	$579.00
EP EFT	00063759	10007602	ANDREA Y OR PAMELA EDWARDS	04/24/19	04/24/19			CX	1336878	$866.00
EP EFT	00063760	10003215	RENAE L POWELL	04/24/19	04/24/19			CX	1336878	$1,038.00
EP EFT	00063761	10008985	DIANE PRINCE	04/24/19	04/24/19			CX	1336878	$874.00
EP EFT	00063762	10007046	PROGRESSIVE EQUITIES LLC	04/24/19	04/24/19			CX	1336878	$1,724.00
EP EFT	00063763	10008350	VERLEAN RACHAL	04/24/19	04/24/19			CX	1336878	$1,021.00
EP EFT	00063764	00714515	LAWRENCE M RAMSEY	04/24/19	04/24/19			CX	1336878	$4,276.00
EP EFT	00063765	10007409	MONA RANDLE	04/24/19	04/24/19			CX	1336878	$1,178.00
EP EFT	00063766	10002119	JAMES RANSOM	04/24/19	04/24/19			CX	1336878	$1,230.00
EP EFT	00063767	10006011	GARY A REECE	04/24/19	04/24/19			CX	1336878	$2,399.00
EP EFT	00063768	10007678	DANIELA REYES	04/24/19	04/24/19			CX	1336878	$3,130.00
EP EFT	00063769	10008873	ANDREW REYNOLDS	04/24/19	04/24/19			CX	1336878	$2,151.00
EP EFT	00063770	10008568	DIONDRE RICHARDS	04/24/19	04/24/19			CX	1336878	$765.00
EP EFT	00063771	10003430	MIKE RIOS	04/24/19	04/24/19			CX	1336878	$735.00
EP EFT	00063772	10008989	RENEE RIOS	04/24/19	04/24/19			CX	1336878	$4,147.00
EP EFT	00063773	10008976	JOSE RIVAS	04/24/19	04/24/19			CX	1336878	$3,371.00
EP EFT	00063774	10007290	GILBERTO RIVERA	04/24/19	04/24/19			CX	1336878	$1,812.00
EP EFT	00063775	10008642	DOMONIQUE ROBERTS	04/24/19	04/24/19			CX	1336878	$1,837.00
EP EFT	00063776	10005711	SHANALA D ROBERTS	04/24/19	04/24/19			CX	1336878	$867.00
EP EFT	00063777	10007154	VENUS J M ROBERTS	04/24/19	04/24/19			CX	1336878	$815.00
EP EFT	00063778	10008347	IRENE OR MARVIN K ROBINSON	04/24/19	04/24/19			CX	1336878	$3,286.00

City of Compton

Consolidated Checks Register

04/01/2019 to 04/30/2019 Job Number: 1336878

Check		Payee ID	Payee Name	Check Date	Cancel Date	Reverse Date	Stale Date	Status	BK Job #	Check Amount
EP EFT	00063779	10002268	MICHELLE A GLASPIE ROBINSON	04/24/19	04/24/19			CX	1336878	$1,589.00
EP EFT	00063780	10006175	ERIK ROGERS	04/24/19	04/24/19			CX	1336878	$2,459.00
EP EFT	00063781	10005604	CRISTINA ROJO	04/24/19	04/24/19			CX	1336878	$1,176.00
EP EFT	00063782	10002723	CINDY ROSS	04/24/19	04/24/19			CX	1336878	$3,810.00
EP EFT	00063783	10008057	OTIS OR TRACEY RUCKER	04/24/19	04/24/19			CX	1336878	$1,805.00
EP EFT	00063784	10004464	AQUIL SAAFIR	04/24/19	04/24/19			CX	1336878	$944.00
EP EFT	00063785	10007553	LILLIAN SALDANA-SIMONIAN	04/24/19	04/24/19			CX	1336878	$1,066.00
EP EFT	00063786	10006555	JEFFERY D SALLIE	04/24/19	04/24/19			CX	1336878	$1,665.00
EP EFT	00063787	10001565	ICILDA SANFORD	04/24/19	04/24/19			CX	1336878	$657.00
EP EFT	00063788	10007891	SANTA FE APARTMENTS CORP	04/24/19	04/24/19			CX	1336878	$3,211.00
EP EFT	00063789	10008492	SCTHU LLC	04/24/19	04/24/19			CX	1336878	$2,793.00
EP EFT	00063790	10008622	SCWJ LLC	04/24/19	04/24/19			CX	1336878	$7,198.00
EP EFT	00063791	10003794	CHARLES A SEALS	04/24/19	04/24/19			CX	1336878	$2,953.00
EP EFT	00063792	00782045	W SPAULDING SETTLE	04/24/19	04/24/19			CX	1336878	$10,512.00
EP EFT	00063793	10002893	VERGIE E SEYMORE	04/24/19	04/24/19			CX	1336878	$2,269.00
EP EFT	00063794	10007653	DONALD SHAW SR.	04/24/19	04/24/19			CX	1336878	$1,141.00
EP EFT	00063795	00785020	LEE & SARAH SHELTON	04/24/19	04/24/19			CX	1336878	$819.00
EP EFT	00063796	00785022	DEBRA A SHELTON-LOVE	04/24/19	04/24/19			CX	1336878	$3,242.00
EP EFT	00063797	10009165	MANDI SHERMAN	04/24/19	04/24/19			CX	1336878	$2,212.00
EP EFT	00063798	10008967	BARBARA OR SIMIEN	04/24/19	04/24/19			CX	1336878	$1,081.00
EP EFT	00063799	00786930	THELMA M SIMMONS	04/24/19	04/24/19			CX	1336878	$1,191.00
EP EFT	00063800	10000808	JAMMIE LEE SMITH	04/24/19	04/24/19			CX	1336878	$585.00
EP EFT	00063801	10008508	MARION SMITH	04/24/19	04/24/19			CX	1336878	$1,191.00
EP EFT	00063802	10002715	SHIRLEY R SMITH	04/24/19	04/24/19			CX	1336878	$1,314.00
EP EFT	00063803	10009058	TATIANA SMITH	04/24/19	04/24/19			CX	1336878	$2,259.00
EP EFT	00063804	10003377	TYRONE SMITH	04/24/19	04/24/19			CX	1336878	$3,888.00
EP EFT	00063805	00794035	WILBERT OR LEE ETTA SMITH	04/24/19	04/24/19			CX	1336878	$988.00
EP EFT	00063806	00794045	YOLANDA Y SMITH	04/24/19	04/24/19			CX	1336878	$1,250.00
EP EFT	00063807	10006520	DANIELLE C SMYER	04/24/19	04/24/19			CX	1336878	$395.00
EP EFT	00063808	10008887	SOLA REAL ESTATE FUND I LLC	04/24/19	04/24/19			CX	1336878	$1,100.00
EP EFT	00063809	00806543	ASHOK K SOOD OR SUSHAM SOOD	04/24/19	04/24/19			CX	1336878	$4,370.00
EP EFT	00063810	10006288	SOUTHERN NEVADA REGIONAL H A	04/24/19	04/24/19			CX	1336878	$1,550.18
EP EFT	00063811	10008635	SOUTHWESTERN ENTERPRISES	04/24/19	04/24/19			CX	1336878	$3,803.00

City of Compton

Consolidated Checks Register

04/01/2019 to 04/30/2019 Job Number: 1336878

Check		Payee ID	Payee Name	Check Date	Cancel Date	Reverse Date	Stale Date	Status	BK Job #	Check Amount
EP EFT	00063812	00840175	EUGENE & VERNA ST AMANT	04/24/19	04/24/19			CX	1336878	$1,811.00
EP EFT	00063813	10003524	JOHNNY STALLWORTH II	04/24/19	04/24/19			CX	1336878	$705.00
EP EFT	00063814	10003774	ALEX STAMIRES	04/24/19	04/24/19			CX	1336878	$8,699.00
EP EFT	00063815	10008330	ALEX STAMIRES	04/24/19	04/24/19			CX	1336878	$4,974.00
EP EFT	00063816	10008876	STANLEY & LEATRICE JOHNSON	04/24/19	04/24/19			CX	1336878	$1,040.00
EP EFT	00063817	00853440	JOSEPH & MAXINE STEPHEN	04/24/19	04/24/19			CX	1336878	$5,377.00
EP EFT	00063818	10002895	AMBROSE STEVENS	04/24/19	04/24/19			CX	1336878	$3,160.00
EP EFT	00063819	10009162	SYCLE GROUP LLC	04/24/19	04/24/19			CX	1336878	$2,459.00
EP EFT	00063820	10007542	T K PROPERTIES LLC	04/24/19	04/24/19			CX	1336878	$3,051.00
EP EFT	00063821	00867766	WILLIAM TANNER OR REGINA TANNER	04/24/19	04/24/19			CX	1336878	$1,104.00
EP EFT	00063822	10006571	TERRY LYNN TASBY	04/24/19	04/24/19			CX	1336878	$2,081.00
EP EFT	00063823	10008294	DELETHA TAYLOR	04/24/19	04/24/19			CX	1336878	$914.00
EP EFT	00063824	10008225	JACQUELINE TAYLOR	04/24/19	04/24/19			CX	1336878	$1,466.00
EP EFT	00063825	00867941	LAVERNE TAYLOR	04/24/19	04/24/19			CX	1336878	$738.00
EP EFT	00063826	00847946	LEO OR BETTE TAYLOR	04/24/19	04/24/19			CX	1336878	$1,129.00
EP EFT	00063827	10007218	TDB CONSULTING SOLUTIONS INC	04/24/19	04/24/19			CX	1336878	$3,118.00
EP EFT	00063828	10008773	THE PRUDE FAMILY TRUST	04/24/19	04/24/19			CX	1336878	$1,336.00
EP EFT	00063829	10004137	EVELYN THIBEAUX	04/24/19	04/24/19			CX	1336878	$725.00
EP EFT	00063830	10008404	CHRISTIAN THOMAS	04/24/19	04/24/19			CX	1336878	$1,192.00
EP EFT	00063831	00878134	BERDIS THOMPSON	04/24/19	04/24/19			CX	1336878	$801.00
EP EFT	00063832	00878176	JERRY D THORNTON	04/24/19	04/24/19			CX	1336878	$1,697.00
EP EFT	00063833	10003731	EVA J TOLBERT	04/24/19	04/24/19			CX	1336878	$3,854.00
EP EFT	00063834	10007589	TOMMIE MARQUETTE TRUST	04/24/19	04/24/19			CX	1336878	$1,329.00
EP EFT	00063835	10003275	LATANYA J ALLEN TOWNSEND	04/24/19	04/24/19			CX	1336878	$435.00
EP EFT	00063836	10005814	JANNICE TUCKER	04/24/19	04/24/19			CX	1336878	$501.00
EP EFT	00063837	10004517	KEVIN L TUCKER	04/24/19	04/24/19			CX	1336878	$9.00
EP EFT	00063838	10007291	ARENA M. TURNER-COPELAND	04/24/19	04/24/19			CX	1336878	$579.00
EP EFT	00063839	10008704	JOSEPHINE TWINE	04/24/19	04/24/19			CX	1336878	$160.00
EP EFT	00063840	10008118	MJENZI R UJAMAA	04/24/19	04/24/19			CX	1336878	$776.00
EP EFT	00063841	00918000	WARREN W & VIRGINIA R VALDRY	04/24/19	04/24/19			CX	1336878	$483.00
EP EFT	00063842	10008486	SHEILA VASQUEZ	04/24/19	04/24/19			CX	1336878	$1,429.00
EP EFT	00063843	10007535	SYLVIA D VERNON	04/24/19	04/24/19			CX	1336878	$813.00
EP EFT	00063844	10007811	JOSE MANUEL VILLALOBOS	04/24/19	04/24/19			CX	1336878	$868.00

City of Compton

Consolidated Checks Register

04/01/2019 to 04/30/2019 Job Number: 1336878

Check		Payee ID	Payee Name	Check Date	Cancel Date	Reverse Date	Stale Date	Status	BK Job #	Check Amount
EP EFT	00063845	10007305	VU NGOC QUANG	04/24/19	04/24/19			CX	1336878	$1,191.00
EP EFT	00063846	10003078	DONALD S WADE	04/24/19	04/24/19			CX	1336878	$1,171.00
EP EFT	00063847	00927110	JAMES WALKER	04/24/19	04/24/19			CX	1336878	$635.00
EP EFT	00063848	00933260	LUCINDA WARREN	04/24/19	04/24/19			CX	1336878	$751.00
EP EFT	00063849	10003063	DUDLEY LOUIE WASHINGTON	04/24/19	04/24/19			CX	1336878	$2,519.00
EP EFT	00063850	10003052	GAIL M WASHINGTON	04/24/19	04/24/19			CX	1336878	$1,779.00
EP EFT	00063851	00936220	WATTS LABOR COMMUNITY ACTION	04/24/19	04/24/19			CX	1336878	$2,167.00
EP EFT	00063852	00887075	WILLIE A WATTS-TROUTMAN	04/24/19	04/24/19			CX	1336878	$1,309.00
EP EFT	00063853	00942665	JESSE R or YVONNE A WEBB	04/24/19	04/24/19			CX	1336878	$1,154.00
EP EFT	00063854	10008202	WILBERT JR& ALTHEA WILLIAMS LVNG	04/24/19	04/24/19			CX	1336878	$5,559.00
EP EFT	00063855	10008986	LACHANDRA WILKERSON	04/24/19	04/24/19			CX	1336878	$1,314.00
EP EFT	00063856	10002417	MONIQUE WILKES	04/24/19	04/24/19			CX	1336878	$2,642.00
EP EFT	00063857	10008430	LTASHIKA WILLIAMS	04/24/19	04/24/19			CX	1336878	$854.00
EP EFT	00063858	00967610	TYRONE OR GERALDINE WILLIAMS	04/24/19	04/24/19			CX	1336878	$1,192.00
EP EFT	00063859	10002712	VERONICA WILLIAMS	04/24/19	04/24/19			CX	1336878	$568.00
EP EFT	00063860	10006262	MARIE WILLIS	04/24/19	04/24/19			CX	1336878	$1,156.00
EP EFT	00063861	10001182	ROBERT L WILLIS	04/24/19	04/24/19			CX	1336878	$492.00
EP EFT	00063862	10006332	WISE CAPITAL LLC	04/24/19	04/24/19			CX	1336878	$1,406.00
EP EFT	00063863	00970020	JOHNNY OR PEGGIE WITHERS	04/24/19	04/24/19			CX	1336878	$4,197.00
EP EFT	00063864	10001519	TRINA WITHERSPOON	04/24/19	04/24/19			CX	1336878	$1,181.00
EP EFT	00063865	10005871	GIRMA WOLDE	04/24/19	04/24/19			CX	1336878	$1,794.00
EP EFT	00063866	10003218	BILLIE WOODS	04/24/19	04/24/19			CX	1336878	$496.00
EP EFT	00063867	10006920	KENNETH G WRIGHT	04/24/19	04/24/19			CX	1336878	$796.00
EP EFT	00063868	00712030	PUBLIC EMPLOYEES RETIREMENT	04/25/19	04/25/19			CX	1337759	$189,073.71
EP EFT	00063869	00712050	PUBLIC EMPLOYEES RETIREMENT	04/25/19	04/25/19			CX	1337759	$718,169.83

** SORT TOTALS **

Cancelled:	$2,811,653.31
EP Group Total:	$2,811,653.31

** GRAND TOTALS **

Grand Total: $2,811,653.31

City of Compton

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04/01/2019 to 04/30/2019 Job Number: 1333679

Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP EFT 00045757	10006163	WELLS FARGO FINANCIAL LEASING	90440118	OH	04/17/2019		MW	RV	$2,083.11
AP CHK 00248924	T15392	IRVING BENNETT	1126360030	OH	04/01/2019		MW	IS	$183.72
AP CHK 00248925	T16782	BRECKENRIDGE PROPERTY FUND 2016	2034300050	OH	04/01/2019		MW	IS	$111.20
AP CHK 00248926	10009169	CALIFORNIA LAWYERS ASSOCIATION	MILY	OH	04/01/2019		MW	IS	$385.00
AP CHK 00248927	00153905	CITY OF COMPTON PETTY CASH	16273	OH	04/01/2019		MW	IS	$634.08
AP CHK 00248928	T18067	ROSALVA CORDOVA	2197335070	OH	04/01/2019		MW	IS	$126.43
AP CHK 00248929	T18068	SALLY DAFOV	2052095050	OH	04/01/2019		MW	IS	$16.79
AP CHK 00248930	T18069	CHRISTOPHER DUNHAM	1180570060	OH	04/01/2019		MW	IS	$58.50
AP CHK 00248931	T18070	CLAUDIA GASCA	1267065120	OH	04/01/2019		MW	RV	$18.32
AP CHK 00248932	T18071	ARCHIE HEATH	2290570120	OH	04/01/2019		MW	IS	$27.53
AP CHK 00248933	T18072	NICHELLE JACKSON	1247940030	OH	04/01/2019		MW	IS	$121.04
AP CHK 00248934	T18073	JULIANA LAM	1053275040	OH	04/01/2019		MW	IS	$131.03
AP CHK 00248935	T18073	JULIANA LAM	1053270070	OH	04/01/2019		MW	IS	$145.68
AP CHK 00248936	T18074	MAGNUM PROPERTY INVESTMENTS LLC	116360030	OH	04/01/2019		MW	IS	$184.91
AP CHK 00248937	T17185	MORGAN PICKS TWO LLC	2165530050	OH	04/01/2019		MW	IS	$115.77
AP CHK 00248938	T18075	HENRIK NGHIEM	1188350020	OH	04/01/2019		MW	IS	$137.52
AP CHK 00248939	T18077	P & P ZAMIN LLC	2049095030	OH	04/01/2019		MW	IS	$98.38
AP CHK 00248940	T18076	CECILIA PADILLA	1124180100	OH	04/01/2019		MW	IS	$17.20
AP CHK 00248941	T18078	MARIA PERAZA	1053730045	OH	04/01/2019		MW	IS	$12.22
AP CHK 00248942	T18079	LAURA REYES	2032320042	OH	04/01/2019		MW	IS	$74.84
AP CHK 00248943	T18080	JUAN SALGADO	1026015033	OH	04/01/2019		MW	IS	$34.98
AP CHK 00248944	T18081	JUAN SANCHEZ	2198090050	OH	04/01/2019		MW	IS	$129.41
AP CHK 00248945	T18082	SHEERIN TRUST DATED 8-16-89	2070540050	OH	04/01/2019		MW	IS	$38.98
AP CHK 00248946	00811270	SO CA EDISON	2368635876	OH	04/01/2019		MW	IS	$84.97
AP CHK 00248947	T18083	SOUTHWEST PIPELINE	2321099010	OH	04/01/2019		MW	IS	$932.68
AP CHK 00248948	T18084	IVA VOLDASE	2201275060	OH	04/01/2019		MW	IS	$23.95
AP CHK 00248949	T18085	ANTHONY WILLIAMS	1115493021	OH	04/01/2019		MW	IS	$26.79
AP CHK 00248950	T18086	HUMBERTO ZUNIGA	1193470090	OH	04/01/2019		MW	IS	$105.64
AP CHK 00248951	10008147	ACTION LOCK & SAFE INC	3-20-19	OH	04/02/2019		MW	IS	$167.00
AP CHK 00248952	00025519	ALL CITY MANAGEMENT SERVICES INC	60461	OH	04/02/2019		MW	IS	$19,955.72
AP CHK 00248953	10000866	AMTECH ELEVATOR SERVICES	DVL05706918	OH	04/02/2019		MW	IS	$575.25
AP CHK 00248954	10006620	CHARLENE PAULETTE GARVEY	3/7/19 SPCL	OH	04/02/2019		MW	IS	$250.00
AP CHK 00248955	10009164	ALDO ARGUELLO	02425408	OH	04/02/2019		MW	IS	$280.99
AP CHK 00248956	10003356	AT & T	56263367212666	OH	04/02/2019		MW	IS	$7.63

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04/01/2019 to 04/30/2019 Job Number: 1326573

Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00248957	10007691	AT&T	284207791	OH	04/02/2019		MW	IS	$132.37
AP CHK 00248958	10002973	BANK OF THE WEST	679-003558	OH	04/02/2019		MW	IS	$363.00
AP CHK 00248959	10002954	BAY ALARM CO	2681170190115	OH	04/02/2019		MW	IS	$289.50
AP CHK 00248960	10002639	BEST BUY CO	1119078783169	OH	04/02/2019		MW	IS	$325.60
AP CHK 00248961	T18062	MELODEE BLACK	V#087027 REFD	OH	04/02/2019		MW	IS	$250.00
AP CHK 00248962	00100790	BLUE DIAMOND MATERIALS	1434089	OH	04/02/2019		MW	RV	$6,768.51
AP CHK 00248963	10007224	ANGELA BURRELL	3/7/19 SPLC	OH	04/02/2019		MW	IS	$250.00
AP CHK 00248964	10001406	CINTAS CORPORATION #053	4018610707	OH	04/02/2019		MW	IS	$341.28
AP CHK 00248965	10007677	CITIBANK N.A.	0110502	OH	04/02/2019		MW	IS	$140.06
AP CHK 00248966	10008601	HARTSELL DUHART	3/7/19 SPLC	OH	04/02/2019		MW	IS	$250.00
AP CHK 00248967	00274438	DUNN-EDWARDS CORPORATION	2074305632	OH	04/02/2019		MW	IS	$2,282.35
AP CHK 00248968	10005125	EXPERT PLANT CARE INC	122656	OH	04/02/2019		MW	IS	$740.00
AP CHK 00248969	00292662	FAIR HOUSING FOUNDATION	REQ#8 -2/1-	OH	04/02/2019		MW	IS	$880.37
AP CHK 00248970	00292880	FEDERAL EXPRESS CORP	6-497-56439	OH	04/02/2019		MW	IS	$102.82
AP CHK 00248971	10007555	FIRST INSURANCE FUNDING	900-7081250	OH	04/02/2019		MW	IS	$326,075.15
AP CHK 00248972	10008457	FRONTIER CALIFORNIA INC	20915139060305	OH	04/02/2019		MW	IS	$202.19
AP CHK 00248973	00310055	FRYS ELECTRONICS	18627283	OH	04/02/2019		MW	IS	$3,308.00
AP CHK 00248974	T18063	ALEXIS GILLIARD	V#087022 REFD	OH	04/02/2019		MW	IS	$250.00
AP CHK 00248975	10009113	LEROY GUILLORY	3/7/19 SPLC	OH	04/02/2019		MW	IS	$250.00
AP CHK 00248976	10009118	GREGORY L HAYNES	3/7/19 SPLC	OH	04/02/2019		MW	IS	$250.00
AP CHK 00248977	10008181	ITCONNECT INC	164204	OH	04/02/2019		MW	IS	$2,647.54
AP CHK 00248978	10003365	THE JANKOVICH COMPANY	5312393	OH	04/02/2019		MW	IS	$6,409.07
AP CHK 00248979	00426990	JETRO CASH & CARRY	154192	OH	04/02/2019		MW	IS	$619.64
AP CHK 00248980	10007690	JMDIAZ INC	003 (19-035)	OH	04/02/2019		MW	IS	$73,514.86
AP CHK 00248981	00459436	L & B PIPE/SUPPLY CO	S1207480.001	OH	04/02/2019		MW	IS	$26.65
AP CHK 00248982	00302741	L A COUNTY SHERIFF	193125VL	OH	04/02/2019		MW	IS	$761.13
AP CHK 00248983	10009082	LA TRUCK & AUTO INC	5156-102885	OH	04/02/2019		MW	IS	$162.71
AP CHK 00248984	10009167	LEAGUEAPPS INC	18710209	OH	04/02/2019		MW	IS	$495.00
AP CHK 00248985	10003516	LOS ANGELES CO PUBLIC WORKS	RE-	OH	04/02/2019		MW	IS	$893.44
AP CHK 00248986	10007980	LOS ANGELES SUPERIOR COURT	02/01-2/28/2019	OH	04/02/2019		MW	IS	$40,533.00
AP CHK 00248987	10003411	M V TRANSPORTATION INC	99213	OH	04/02/2019		MW	IS	$73,668.13
AP CHK 00248988	10008869	MARK KADESH	4-19	OH	04/02/2019		MW	IS	$8,000.00
AP CHK 00248989	T18064	BARBARA MARKS	V#087207 REFD	OH	04/02/2019		MW	IS	$250.00
AP CHK 00248990	00533103	MARTIN CONTAINERS	RI74777	OH	04/02/2019		MW	IS	$744.20

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Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00248991	T18065	FRED MARTIN	V#087015 REFD	OH	04/02/2019		MW	IS	$250.00
AP CHK 00248992	10008729	LOUIS MENDOZA JR	A62618	OH	04/02/2019		MW	IS	$1,970.00
AP CHK 00248993	T18066	MYREE MUSTAFA	V#087209 REFD	OH	04/02/2019		MW	IS	$250.00
AP CHK 00248994	10007898	NESTLE WATERS NORTH AMERICA	19B0026266195	OH	04/02/2019		MW	RV	$80.25
AP CHK 00248995	10004183	NEW WEST LANDSCAPING	3216	OH	04/02/2019		MW	RV	$4,884.00
AP CHK 00248996	00650802	OFFICE DEPOT	287345666001	OH	04/02/2019		MW	IS	$155.71
AP CHK 00248997	10008573	PARKHOUSE TIRE SERVICE INC	1010664825	OH	04/02/2019		MW	IS	$69.00
AP CHK 00248998	10008301	PRUDENTIAL OVERALL SUPPLY	42342472	OH	04/02/2019		MW	IS	$765.46
AP CHK 00248999	10005846	QUALITY RENTALS INC	QE647545	OH	04/02/2019		MW	IS	$3,450.85
AP CHK 00249000	10005980	QUILL CORPORATION	6128179	OH	04/02/2019		MW	IS	$555.99
AP CHK 00249001	10009176	MARYBELLE F REYES	TRVL 4/15-	OH	04/02/2019		MW	IS	$1,446.06
AP CHK 00249002	00732280	RICHARDS WATSON & GERSHON	220378	OH	04/02/2019		MW	IS	$22,448.26
AP CHK 00249003	10009043	RICHARD ROJAS	TRVL 4/13-	OH	04/02/2019		MW	IS	$1,126.98
AP CHK 00249004	10009157	SEHILA ROSAS	13730	OH	04/02/2019		MW	RV	$1,053.00
AP CHK 00249005	10009145	SAM ASH CORPORATION	0308962DAOT	OH	04/02/2019		MW	IS	$966.03
AP CHK 00249006	10008915	ASHLEY SANELLO	314	OH	04/02/2019		MW	RV	$2,833.00
AP CHK 00249007	10004666	SOUTH COAST EMERGENCY VEHICLE SV	402720	OH	04/02/2019		MW	IS	$60,243.42
AP CHK 00249008	00815000	SOUTHERN CALIFORNIA GAS COMPANY	09620139098	OH	04/02/2019		MW	IS	$305.82
AP CHK 00249009	00846370	STAPLES ADVANTAGE	3408222175	OH	04/02/2019		MW	RV	$2,578.33
AP CHK 00249010	10004166	SUNSTATE EQUIPMENT CO LLC	7809019-001	OH	04/02/2019		MW	IS	$778.62
AP CHK 00249011	10008371	T-MOBILE USA INC	953790872	OH	04/02/2019		MW	IS	$1,628.36
AP CHK 00249012	10009096	ROGER TEJEDA	1	OH	04/02/2019		MW	IS	$3,500.00
AP CHK 00249013	10001753	THOMPSON TROPHY MFG INC	57954	OH	04/02/2019		MW	IS	$87.55
AP CHK 00249014	10005571	TIME WARNER NY CABLE LLC	84483005009591	OH	04/02/2019		MW	IS	$52.50
AP CHK 00249015	10006462	TOTAL CORPORATE SOLUTIONS	157297	OH	04/02/2019		MW	IS	$487.33
AP CHK 00249016	10006172	TRIMMING LAND CO INC	11289	OH	04/02/2019		MW	IS	$17,379.50
AP CHK 00249017	T18038	WALTER TUCKER	176 S LONG	OH	04/02/2019		MW	IS	$160.51
AP CHK 00249018	10008827	MARLON D TURNER	#(1086)	OH	04/02/2019		MW	IS	$200.00
AP CHK 00249019	10007642	UNIFIRST CORPORATION	324 2207274	OH	04/02/2019		MW	IS	$582.48
AP CHK 00249020	10004248	UNITED SITE SERVICES OF CA INC	114-8186237	OH	04/02/2019		MW	IS	$149.25
AP CHK 00249021	10009128	DANIEL VASQUEZ	2-5-19	OH	04/02/2019		MW	IS	$3,180.00
AP CHK 00249022	00925156	VISION SERVICE PLAN	APRIL 2019	OH	04/02/2019		MW	IS	$8,670.27
AP CHK 00249023	00930000	WALTERS WHOLESALE ELECTRIC CO	S112660901.001	OH	04/02/2019		MW	IS	$529.65
AP CHK 00249024	10004949	WATERLINE TECHNOLOGIES INC	5447523	OH	04/02/2019		MW	IS	$1,019.06

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Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00249025	00936332	WAXIE'S ENTERPRISES INC	78139838	OH	04/02/2019		MW	IS	$6,515.19
AP CHK 00249026	00977030	YAMADA CO INC	77337	OH	04/02/2019		MW	IS	$6,546.11
AP CHK 00249027	10002636	AT&T	9391065062	OH	04/08/2019		MW	IS	$1,290.55
AP CHK 00249028	10007691	AT&T	292644454	OH	04/08/2019		MW	IS	$304.67
AP CHK 00249029	10007588	AT&T MOBILITY II LLC	832948075	OH	04/08/2019		MW	IS	$2,436.52
AP CHK 00249030	10008778	ENTERPRISE CAR RENTAL	RNTL	OH	04/08/2019		MW	IS	$5,634.02
AP CHK 00249031	00336736	GOLDEN STATE WATER CO	17682300003	OH	04/08/2019		MW	IS	$56.05
AP CHK 00249032	10008940	RAFAELA KING	4/11/19 SAC	OH	04/08/2019		MW	IS	$115.00
AP CHK 00249033	00782061	SEPULVEDA BLDG MATERIALS	136061	OH	04/08/2019		MW	IS	$947.54
AP CHK 00249034	00811270	SO CA EDISON	2337467849	OH	04/08/2019		MW	IS	$133,228.36
AP CHK 00249035	00815000	SOUTHERN CALIFORNIA GAS COMPANY	17570144000	OH	04/08/2019		MW	IS	$8,434.00
AP CHK 00249036	10001363	VERIZON WIRELESS - LA	36111507300001	OH	04/08/2019		MW	IS	$8,189.66
AP CHK 00249037	10007975	AMERICAN EXPRESS TRAVEL RELATED	3787-	OH	04/10/2019		MW	IS	$2,639.92
AP CHK 00249038	10008939	BEST RENOVATION SERVICE	413	OH	04/10/2019		MW	IS	$3,840.00
AP CHK 00249039	10008339	BUCKEYE INTERNATIONAL INC	90105987	OH	04/10/2019		MW	IS	$1,637.25
AP CHK 00249040	10008547	MARGARITA G CARRILLO	MC028	OH	04/10/2019		MW	IS	$300.00
AP CHK 00249041	10007677	CITIBANK N.A.	7970985	OH	04/10/2019		MW	IS	$2,993.91
AP CHK 00249042	10007499	DR JACKIE LAVAREE JOHNSON	JJ024	OH	04/10/2019		MW	IS	$250.00
AP CHK 00249043	00835060	DS SERVICES OF AMERICA INC	17274453	OH	04/10/2019		MW	IS	$63.13
AP CHK 00249044	10007799	MARY L EDWARDS	A154	OH	04/10/2019		MW	IS	$300.00
AP CHK 00249045	10009181	FIREMATIC SUPPLY INC	B11160COM	OH	04/10/2019		MW	IS	$390,990.23
AP CHK 00249046	00349350	GRAINGER	9122035380	OH	04/10/2019		MW	IS	$1,279.67
AP CHK 00249047	10007921	ELIZABETH HARDING	C00053	OH	04/10/2019		MW	IS	$300.00
AP CHK 00249048	10007768	DONNA HEFFLIN	A153	OH	04/10/2019		MW	IS	$300.00
AP CHK 00249049	10005223	KNORR SYSTEMS INC	SI204225	OH	04/10/2019		MW	IS	$2,838.30
AP CHK 00249050	00561298	MOBILE MINI INC	9004032019	OH	04/10/2019		MW	RV	$128.96
AP CHK 00249051	10007923	GAYNELL MONROE	F00116	OH	04/10/2019		MW	IS	$240.00
AP CHK 00249052	10007898	NESTLE WATERS NORTH AMERICA	19B0026286195	OH	04/10/2019		MW	IS	$80.25
AP CHK 00249053	10004183	NEW WEST LANDSCAPING	3222	OH	04/10/2019		MW	IS	$7,770.00
AP CHK 00249054	10007546	OCEAN BLUE ENVIRONMENTAL SRVS INC	472	OH	04/10/2019		MW	IS	$31,436.88
AP CHK 00249055	00650802	OFFICE DEPOT	287869076001	OH	04/10/2019		MW	IS	$1,262.83
AP CHK 00249056	10001748	PRAXAIR DISTRIBUTION	88406253	OH	04/10/2019		MW	IS	$152.73
AP CHK 00249057	10008898	RAYS AUTO	265	OH	04/10/2019		MW	IS	$1,349.21
AP CHK 00249058	10008854	RELX INC DBA LEXISNEXIS	3091953737	OH	04/10/2019		MW	IS	$765.00

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Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00249059	00732280	RICHARDS WATSON & GERSHON	220949	OH	04/10/2019		MW	IS	$36,465.15
AP CHK 00249060	00762845	DOUGLAS SANDERS	3/20/19	OH	04/10/2019		MW	IS	$1,154.86
AP CHK 00249061	10008915	ASHLEY SANELLO	#14	OH	04/10/2019		MW	IS	$2,833.00
AP CHK 00249062	00846370	STAPLES ADVANTAGE	3407652836	OH	04/10/2019		MW	IS	$2,276.62
AP CHK 00249063	10007642	UNIFIRST CORPORATION	324 2204226	OH	04/10/2019		MW	IS	$452.55
AP CHK 00249064	00926825	MARIE WADE	C0866	OH	04/10/2019		MW	IS	$300.00
AP CHK 00249065	10004949	WATERLINE TECHNOLOGIES INC	5448144	OH	04/10/2019		MW	IS	$3,350.52
AP CHK 00249066	00973958	WORTHINGTON FORD	5073852	OH	04/10/2019		MW	IS	$2,002.55
AP CHK 00249067	10008194	ZENNER PERFORMANCE METERS	0045684-IN	OH	04/10/2019		MW	IS	$2,130.11
AP CHK 00249068	10008885	ALBRIGHT YEE & SCHMIT APC	25680	OH	04/10/2019		MW	IS	$3,997.37
AP CHK 00249069	10007975	AMERICAN EXPRESS TRAVEL RELATED	3787-	OH	04/10/2019		MW	IS	$4,057.89
AP CHK 00249070	00051250	AMERICAN WATER WORKS ASSN	ORDR	OH	04/10/2019		MW	IS	$3,983.00
AP CHK 00249071	10008962	ARCHITERRA INC	25535	OH	04/10/2019		MW	IS	$303.00
AP CHK 00249072	10002639	BEST BUY CO	1119078783168	OH	04/10/2019		MW	IS	$5,000.00
AP CHK 00249073	00100790	BLUE DIAMOND MATERIALS	1434089	OH	04/10/2019		MW	IS	$6,768.51
AP CHK 00249074	10000895	BNi Building News	71524	OH	04/10/2019		MW	IS	$223.27
AP CHK 00249075	10002107	CEMEX	9439330686	OH	04/10/2019		MW	IS	$1,381.09
AP CHK 00249076	10001406	CINTAS CORPORATION #053	4019032590	OH	04/10/2019		MW	IS	$189.03
AP CHK 00249077	10007656	CIVIL SOURCE INC	119668	OH	04/10/2019		MW	IS	$847.50
AP CHK 00249078	10009027	CORE & MAIN LP	K227942	OH	04/10/2019		MW	IS	$8,915.13
AP CHK 00249079	10006007	DOUGLAS INDUSTRIAL MEDICAL CLINIC	949-7494	OH	04/10/2019		MW	IS	$260.00
AP CHK 00249080	00292880	FEDERAL EXPRESS CORP	6-504-71275	OH	04/10/2019		MW	IS	$29.01
AP CHK 00249081	00307730	WILLIE FORGE	DO769	OH	04/10/2019		MW	IS	$500.00
AP CHK 00249082	10007697	GENERAL PUMP COMPANY INC	27008	OH	04/10/2019		MW	IS	$21,247.50
AP CHK 00249083	10009139	GOODIES LLC	10913	OH	04/10/2019		MW	IS	$499.86
AP CHK 00249084	00349350	GRAINGER	9125566902	OH	04/10/2019		MW	IS	$23.60
AP CHK 00249085	10007527	HORIZON MECHANICAL CONTRACTORS	3762	OH	04/10/2019		MW	IS	$4,500.00
AP CHK 00249086	10009044	MILY HUNTLEY	2019	OH	04/10/2019		MW	IS	$115.00
AP CHK 00249087	10009148	J & A WINDOWS & DOORS INC	8139	OH	04/10/2019		MW	IS	$1,984.50
AP CHK 00249088	00475500	LINDSAY LUMBER COMPANY	439958	OH	04/10/2019		MW	IS	$215.59
AP CHK 00249089	10007980	LOS ANGELES SUPERIOR COURT	3/1-3/30/2019	OH	04/10/2019		MW	IS	$42,780.50
AP CHK 00249090	10009183	JOSE LOZANO	4/3/19	OH	04/10/2019		MW	IS	$522.96
AP CHK 00249091	10008950	PUERTA DE HIERRO	28768	OH	04/10/2019		MW	IS	$125.93
AP CHK 00249092	10006329	BOBBY SMITH	DMVPHYSICA	OH	04/10/2019		MW	IS	$60.00

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Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00249093	10009067	ANTHONY WARD	4/2/19	OH	04/10/2019		MW	IS	$131.33
AP CHK 00249094	00020154	ADVANCE FIRE EXTINGUISHER CO	21026	OH	04/16/2019		MW	IS	$1,195.13
AP CHK 00249095	10007192	ALL STAR INTERPRETING SERVICE INC	18305	OH	04/16/2019		MW	IS	$2,910.00
AP CHK 00249096	00056654	APEX BUSINESS MACHINE SUPPLIES	004249	OH	04/16/2019		MW	IS	$9,984.36
AP CHK 00249097	10003356	AT & T	9604498966	OH	04/16/2019		MW	IS	$1,347.25
AP CHK 00249098	10007691	AT&T	284207791	OH	04/16/2019		MW	IS	$442.19
AP CHK 00249099	10007587	AT&T CORP	8310001505623	OH	04/16/2019		MW	IS	$6,335.30
AP CHK 00249100	10002709	BACKFLOW APPARATUS & VALVE	869301	OH	04/16/2019		MW	IS	$200.00
AP CHK 00249101	10005228	BAMBOO NURSERY AND GARDEN	0903	OH	04/16/2019		MW	IS	$583.65
AP CHK 00249102	10008939	BEST RENOVATION SERVICE	144	OH	04/16/2019		MW	IS	$2,020.00
AP CHK 00249103	10008339	BUCKEYE INTERNATIONAL INC	90113785	OH	04/16/2019		MW	IS	$2,866.75
AP CHK 00249104	10001482	CALIFORNIA WATER SERVICE	8113215277	OH	04/16/2019		MW	IS	$1,086.58
AP CHK 00249105	10007677	CITIBANK N.A.	4120744	OH	04/16/2019		MW	IS	$131.69
AP CHK 00249106	00405030	CITY OF INGLEWOOD	311903	OH	04/16/2019		MW	IS	$11,167.56
AP CHK 00249107	10007656	CIVIL SOURCE INC	120342	OH	04/16/2019		MW	IS	$22,010.50
AP CHK 00249108	VOID.CONTI	Void - Continued Stub	CONTINUE	OH	04/16/2019		VM	VD	$0.00
AP CHK 00249109	VOID.CONTI	Void - Continued Stub	CONTINUE	OH	04/16/2019		VM	VD	$0.00
AP CHK 00249110	VOID.CONTI	Void - Continued Stub	CONTINUE	OH	04/16/2019		VM	VD	$0.00
AP CHK 00249111	VOID.CONTI	Void - Continued Stub	CONTINUE	OH	04/16/2019		VM	VD	$0.00
AP CHK 00249112	00202600	COMPTON MUNICIPAL WATER CO	4346105010	OH	04/16/2019		MW	IS	$36,006.64
AP CHK 00249113	00202600	COMPTON MUNICIPAL WATER CO	4346105010	OH	04/16/2019		MW	IS	$8,250.51
AP CHK 00249114	00202600	COMPTON MUNICIPAL WATER CO	4346105010	OH	04/16/2019		MW	IS	$5,271.26
AP CHK 00249115	00835060	DS SERVICES OF AMERICA INC	4479447 033119	OH	04/16/2019		MW	IS	$105.52
AP CHK 00249116	10004623	DEBRA H DUNCAN	190319	OH	04/16/2019		MW	IS	$1,600.00
AP CHK 00249117	10002771	EL NIDO FAMILY CENTERS	12/1-12/31/18	OH	04/16/2019		MW	IS	$3,862.80
AP CHK 00249118	10009065	ENTRENOUS YOUTH EMPOWERMENT	1/1-3/31/19	OH	04/16/2019		MW	IS	$7,751.15
AP CHK 00249119	10007552	EVAN BROOKS ASSOCIATES INC	19004-6	OH	04/16/2019		MW	IS	$15,730.00
AP CHK 00249120	00292880	FEDERAL EXPRESS CORP	6-512-41593	OH	04/16/2019		MW	IS	$429.11
AP CHK 00249121	10008457	FRONTIER CALIFORNIA INC	20915026921013	OH	04/16/2019		MW	IS	$111.67
AP CHK 00249122	10005788	GARDLINE COMMS INC	41950	OH	04/16/2019		MW	IS	$2,397.60
AP CHK 00249123	00336736	GOLDEN STATE WATER CO	74015100006	OH	04/16/2019		MW	IS	$61.58
AP CHK 00249124	00349350	GRAINGER	9130237259	OH	04/16/2019		MW	IS	$1,169.54
AP CHK 00249125	10006180	HOME DEPOT	H1858-88939	OH	04/16/2019		MW	IS	$4,995.16
AP CHK 00249126	10005591	INFOSEND INC	151363	OH	04/16/2019		MW	IS	$11,714.38

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Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00249127	10008935	JAIME L CERVANTES	3730	OH	04/16/2019		MW	IS	$4,652.14
AP CHK 00249128	10005623	KOA CORPORATION	JB81122-2	OH	04/16/2019		MW	IS	$27,262.29
AP CHK 00249129	00459436	L & B PIPE/SUPPLY CO	S1212422.001	OH	04/16/2019		MW	IS	$1,307.48
AP CHK 00249130	10009082	LA TRUCK & AUTO INC	5156-105031	OH	04/16/2019		MW	IS	$53.45
AP CHK 00249131	00685000	LIBERTY UTILITIES (PARK WATER) COR	024972	OH	04/16/2019		MW	IS	$247.25
AP CHK 00249132	00475500	LINDSAY LUMBER COMPANY	440267	OH	04/16/2019		MW	IS	$235.05
AP CHK 00249133	10006459	MARIA S LOPEZ	759	OH	04/16/2019		MW	RV	$330.00
AP CHK 00249134	10008613	LOS ANGELES AIR CONDITIONING INC	32661-1	OH	04/16/2019		MW	IS	$2,165.00
AP CHK 00249135	10003516	LOS ANGELES CO PUBLIC WORKS	RE-	OH	04/16/2019		MW	IS	$5,394.14
AP CHK 00249136	10006443	LOWE'S HIW INC	902205	OH	04/16/2019		MW	IS	$2,813.74
AP CHK 00249137	10005660	PAY PLUS BENEFITS INC	19844	OH	04/16/2019		MW	IS	$327.00
AP CHK 00249138	00811270	SO CA EDISON	2375234697	OH	04/16/2019		MW	IS	$35,203.50
AP CHK 00249139	00815000	SOUTHERN CALIFORNIA GAS COMPANY	12400621004	OH	04/16/2019		MW	IS	$79.01
AP CHK 00249140	10005571	TIME WARNER NY CABLE LLC	84483005005049	OH	04/16/2019		MW	IS	$2,918.31
AP CHK 00249141	00100790	BLUE DIAMOND MATERIALS	1442572	OH	04/17/2019		MW	IS	$2,559.69
AP CHK 00249142	10007481	EADIE AND PAYNE LLP	135158	OH	04/17/2019		MW	IS	$48,290.00
AP CHK 00249143	10008354	JOANNE HARTFIELD	04/11/19 MTG	OH	04/17/2019		MW	IS	$50.00
AP CHK 00249144	10004433	FRANCES D HAYES	04/11/19 MTG	OH	04/17/2019		MW	IS	$50.00
AP CHK 00249145	10009180	HERMILO SOTO	098110	OH	04/17/2019		MW	IS	$2,500.00
AP CHK 00249146	10004439	FRED HOBBS	04/11/19 MTG	OH	04/17/2019		MW	IS	$50.00
AP CHK 00249147	10008891	JIM J FORBES	995	OH	04/17/2019		MW	IS	$130.50
AP CHK 00249148	00474570	LIFE ASSIST INC	910237	OH	04/17/2019		MW	IS	$8,920.73
AP CHK 00249149	10007786	MOBILE MINI LLC	9006103936	OH	04/17/2019		MW	IS	$120.39
AP CHK 00249150	10007898	NESTLE WATERS NORTH AMERICA	19C0026286195	OH	04/17/2019		MW	IS	$172.31
AP CHK 00249151	10004183	NEW WEST LANDSCAPING	3225	OH	04/17/2019		MW	IS	$6,031.00
AP CHK 00249152	00650802	OFFICE DEPOT	294563695001	OH	04/17/2019		MW	IS	$260.59
AP CHK 00249153	10001748	PRAXAIR DISTRIBUTION	88323209	OH	04/17/2019		MW	IS	$433.10
AP CHK 00249154	10007629	REGENTS OF THE UNIVERSITY OF CALIF	10840827	OH	04/17/2019		MW	IS	$439.49
AP CHK 00249155	10004211	RON'S MAINTENANCE CORP	627	OH	04/17/2019		MW	IS	$32,040.00
AP CHK 00249156	10009157	SEHILA ROSAS	13731	OH	04/17/2019		MW	IS	$1,053.00
AP CHK 00249157	10007103	VICTOR J SANCHEZ	1535	OH	04/17/2019		MW	IS	$61.74
AP CHK 00249158	10002585	SERVICE FIRST CONTRACTORS NETWORK	28778	OH	04/17/2019		MW	IS	$1,100.00
AP CHK 00249159	10000956	SO CA EDISON	7700973491	OH	04/17/2019		MW	IS	$3,080.00
AP CHK 00249160	10001902	SOUTH BAY HEATING & AIR COND	217226	OH	04/17/2019		MW	IS	$420.83

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Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00249161	10004666	SOUTH COAST EMERGENCY VEHICLE SV	03615	OH	04/17/2019		MW	IS	$9,950.42
AP CHK 00249162	10000856	STATE WATER RESOURCES CONTROL	LW-1019887	OH	04/17/2019		MW	IS	$31,295.00
AP CHK 00249163	10001938	TECS ENVIRONMENTAL COMPLIANCE	CMPTN-0419	OH	04/17/2019		MW	IS	$24,150.00
AP CHK 00249164	10006172	TRIMMING LAND CO INC	11291	OH	04/17/2019		MW	IS	$14,286.00
AP CHK 00249165	10003754	TURF STAR INC	7057070-00	OH	04/17/2019		MW	IS	$125.72
AP CHK 00249166	00890190	UNDERGROUND SERVICE ALERT	320190151	OH	04/17/2019		MW	IS	$388.24
AP CHK 00249167	00934060	WATER REPLENISHMENT DISTRICT OF	FEBRUARY	OH	04/17/2019		MW	IS	$173,645.97
AP CHK 00249168	10004949	WATERLINE TECHNOLOGIES INC	5448777	OH	04/17/2019		MW	IS	$1,112.55
AP CHK 00249169	00973958	WORTHINGTON FORD	110188	OH	04/17/2019		MW	IS	$687.53
AP CHK 00249170	00977030	YAMADA CO INC	77396	OH	04/17/2019		MW	IS	$35.15
AP CHK 00249171	T18092	3556 TACOMA LLC	2121090090	OH	04/23/2019		MW	IS	$300.00
AP CHK 00249172	VOID.CONTI	Void - Continued Stub	CONTINUE	OH	04/23/2019		VM	VD	$0.00
AP CHK 00249173	10002636	AT&T	9391067289	OH	04/23/2019		MW	IS	$23,505.08
AP CHK 00249174	10007691	AT&T	288135197	OH	04/23/2019		MW	IS	$211.17
AP CHK 00249175	T18093	ENRIQUETA AVALOS	1193025030	OH	04/23/2019		MW	IS	$255.69
AP CHK 00249176	T18094	PEDRO AVINA	1137895040	OH	04/23/2019		MW	IS	$425.52
AP CHK 00249177	T18095	NITOSHA BENJAMIN	1220735110	OH	04/23/2019		MW	IS	$41.60
AP CHK 00249178	10005989	CALIF BUILDING STANDARDS	FEES 1/1-	OH	04/23/2019		MW	IS	$5,042.72
AP CHK 00249179	00850535	CALIFORNIA DEPARTMENT OF	ACCT	OH	04/23/2019		MW	IS	$1,161.00
AP CHK 00249180	T17289	COLFIN AI-CA 5 LLC	1051160040	OH	04/23/2019		MW	IS	$143.40
AP CHK 00249181	10003586	DEPARTMENT OF CONSERVATION	STRO MO 01-	OH	04/23/2019		MW	IS	$4,341.83
AP CHK 00249182	T18097	DJ & PROPERTIES LLC	1306890040	OH	04/23/2019		MW	IS	$150.00
AP CHK 00249183	T18098	WILLIAM DONALDSON	2016250074	OH	04/23/2019		MW	IS	$72.49
AP CHK 00249184	T15886	FO CONSTRUCTION INC	1027095020	OH	04/23/2019		MW	IS	$107.93
AP CHK 00249185	10008457	FRONTIER CALIFORNIA INC	20915026950618	OH	04/23/2019		MW	IS	$102.75
AP CHK 00249186	T18099	MARGARITA GARCIA	2284320090	OH	04/23/2019		MW	IS	$75.00
AP CHK 00249187	T15705	GGB PROPERTIES INC	2083680070	OH	04/23/2019		MW	IS	$116.65
AP CHK 00249188	T18100	SAMUEL GOMEZ	2233010190	OH	04/23/2019		MW	IS	$153.49
AP CHK 00249189	T18101	MARGAR GUTIERREZ	1105580020	OH	04/23/2019		MW	RV	$88.54
AP CHK 00249190	T18102	MARK HARRIS	2229695050	OH	04/23/2019		MW	IS	$69.86
AP CHK 00249191	T18103	MARICEL INC	2236882010	OH	04/23/2019		MW	IS	$906.20
AP CHK 00249192	T18104	CARLOS MORENO	1165535040	OH	04/23/2019		MW	IS	$295.83
AP CHK 00249193	T15473	CRUZ RIVAS	1061245010	OH	04/23/2019		MW	IS	$173.97
AP CHK 00249194	T18096	RAMON CARO RODRIGUEZ	2083280110	OH	04/23/2019		MW	IS	$200.00

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Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00249195	T18105	SULEYKA RODRIGUEZ	1277385080	OH	04/23/2019		MW	IS	$138.03
AP CHK 00249196	T18106	GUADALUPE SEGURA	2145020040	OH	04/23/2019		MW	IS	$93.51
AP CHK 00249197	00811270	SO CA EDISON	2313276255	OH	04/23/2019		MW	IS	$15,781.07
AP CHK 00249198	T18107	STRUCTURED CAPITAL INC	2141930110	OH	04/23/2019		MW	IS	$214.63
AP CHK 00249199	T17886	THOROCK METALS INC	2268465012	OH	04/23/2019		MW	IS	$359.34
AP CHK 00249200	10005571	TIME WARNER NY CABLE LLC	84483005001196	OH	04/23/2019		MW	IS	$80.06
AP CHK 00249201	T18108	SANDRA TREJO TORRES	2028695050	OH	04/23/2019		MW	IS	$50.71
AP CHK 00249202	T18109	PATRICIA WARE	2083159090	OH	04/23/2019		MW	IS	$35.55
AP CHK 00249203	T18110	ELECTA WILLIAMS	2120950070	OH	04/23/2019		MW	IS	$130.70
AP CHK 00249204	10008527	KABOOM!	SI-10521	OH	04/23/2019		MW	IS	$4,414.00
AP CHK 00249205	10007138	ACRYLATEX COATINGS & RECYCLING	17802	OH	04/23/2019		MW	IS	$1,555.85
AP CHK 00249206	T18087	AIR MAX HVAC INC	M19-000135	OH	04/23/2019		MW	IS	$255.20
AP CHK 00249207	10005295	B & M LAWN AND GARDEN INC	434259	OH	04/23/2019		MW	IS	$2,099.27
AP CHK 00249208	00097500	BISHOP CO	451974	OH	04/23/2019		MW	IS	$6,747.61
AP CHK 00249209	10007089	DARNELL BURNETT	4/15/19 TRV	OH	04/23/2019		MW	IS	$514.84
AP CHK 00249210	T18088	NERINA BUSCANO	YS19-000016	OH	04/23/2019		MW	IS	$10.00
AP CHK 00249211	10001406	CINTAS CORPORATION #053	4020279911	OH	04/23/2019		MW	IS	$566.80
AP CHK 00249212	00153905	CITY OF COMPTON PETTY CASH	16295	OH	04/23/2019		MW	IS	$415.26
AP CHK 00249213	10007648	CONSOLIDATED DISPOSAL SERVICES LLC	MARCH 2019	OH	04/23/2019		MW	IS	$898,521.03
AP CHK 00249214	00241781	DAVEY CAR WASH & DETAILING	#120	OH	04/23/2019		MW	IS	$24.00
AP CHK 00249215	10009116	DISCOUNT OFFICE ITEMS INC	3307939	OH	04/23/2019		MW	IS	$884.47
AP CHK 00249216	T18111	DREW CDC	V#087142 REFD	OH	04/23/2019		MW	IS	$250.00
AP CHK 00249217	00835060	DS SERVICES OF AMERICA INC	15993498	OH	04/23/2019		MW	IS	$109.26
AP CHK 00249218	10004623	DEBRA H DUNCAN	190402	OH	04/23/2019		MW	IS	$1,600.00
AP CHK 00249219	10003979	FERGUSON ENTERPRISES INC	0670323	OH	04/23/2019		MW	IS	$3,023.34
AP CHK 00249220	10008372	FORWARD THINKING SYSTEMS LLC	2097085	OH	04/23/2019		MW	IS	$1,800.00
AP CHK 00249221	00336680	ALITA GODWIN	4/3/19 TRVL	OH	04/23/2019		MW	IS	$42.70
AP CHK 00249222	T18113	TIMA GRACE	CIT#100234504	OH	04/23/2019		MW	IS	$32.00
AP CHK 00249223	00349350	GRAINGER	9135815059	OH	04/23/2019		MW	IS	$15.67
AP CHK 00249224	10003365	THE JANKOVICH COMPANY	5322025	OH	04/23/2019		MW	IS	$31,936.24
AP CHK 00249225	10009090	WENDELL JOHNSON	4/3/19 TRVL	OH	04/23/2019		MW	IS	$1,561.24
AP CHK 00249226	00302741	L A COUNTY SHERIFF	193217CY	OH	04/23/2019		MW	IS	$1,893,174.69
AP CHK 00249227	T18112	PATRICIA LEWIS	V#087205 REFD	OH	04/23/2019		MW	IS	$250.00
AP CHK 00249228	00650802	OFFICE DEPOT	303463092001	OH	04/23/2019		MW	IS	$945.49

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Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00249229	00764000	ALEX C SANTOS	BOOT PUR	OH	04/23/2019		MW	IS	$129.29
AP CHK 00249230	00818749	SO CA REGIONAL RAIL AUTHORITY	212345	OH	04/23/2019		MW	IS	$7,385.00
AP CHK 00249231	00846370	STAPLES ADVANTAGE	3410971775	OH	04/23/2019		MW	IS	$3,323.76
AP CHK 00249232	10004263	STRATEGIC COUNSEL PLC	9880	OH	04/23/2019		MW	IS	$7,500.00
AP CHK 00249233	10008458	SWIFT OIL & VACUUM INC	55578	OH	04/23/2019		MW	IS	$1,270.00
AP CHK 00249234	T18090	DORIS TOOMER	BL19-000361	OH	04/23/2019		MW	IS	$24.00
AP CHK 00249235	10004345	URBAN GRAFFITI ENTERPRISES INC	COM21903	OH	04/23/2019		MW	IS	$16,500.00
AP CHK 00249236	T18089	HUGO VAZQUEZ	ARB #18-0162	OH	04/23/2019		MW	IS	$2,500.00
AP CHK 00249237	00930000	WALTERS WHOLESALE ELECTRIC CO	S112807923.003	OH	04/23/2019		MW	IS	$1,548.10
AP CHK 00249238	10009067	ANTHONY WARD	4/10/19 HTL	OH	04/23/2019		MW	IS	$820.90
AP CHK 00249239	10004949	WATERLINE TECHNOLOGIES INC	5449530	OH	04/23/2019		MW	IS	$1,612.74
AP CHK 00249240	10000212	WILLDAN ASSOCIATES	00617420	OH	04/23/2019		MW	IS	$10,698.53
AP CHK 00249241	T18091	GAYLE T WILLIAMS	V#20892 REFD	OH	04/23/2019		MW	IS	$225.60
AP CHK 00249242	00977030	YAMADA CO INC	77224	OH	04/23/2019		MW	IS	$164.15
AP CHK 00249243	10008194	ZENNER PERFORMANCE METERS	0045861-IN	OH	04/23/2019		MW	IS	$6,391.43
AP CHK 00249244	10009168	DELOIS ANN ARMSTRONG	869 W	OH	04/24/2019		MW	IS	$1,029.00
AP CHK 00249245	T18114	ANA AVENA	UTIL 05-19	OH	04/24/2019		MW	IS	$10.00
AP CHK 00249246	10009041	BIRDIE C BALDWIN TRUST	426 W	OH	04/24/2019		MW	IS	$1,028.00
AP CHK 00249247	00100811	TURNER BOBBITT	474 W	OH	04/24/2019		MW	IS	$827.00
AP CHK 00249248	T17915	MELINDA CAGE	UTIL 05-19	OH	04/24/2019		MW	IS	$89.00
AP CHK 00249249	00147522	THURSTON C CARLOCK II	522 N SLOAN	OH	04/24/2019		MW	IS	$1,490.00
AP CHK 00249250	10004007	CITY OF HAWTHORNE HOUSING	14610 LEMOLI	OH	04/24/2019		MW	IS	$384.58
AP CHK 00249251	00160166	WILLIE COBB	826 W CHERRY	OH	04/24/2019		MW	IS	$613.00
AP CHK 00249252	T17472	RICARDO DAVIS	UTIL 05-19	OH	04/24/2019		MW	IS	$11.00
AP CHK 00249253	10009042	DIAMOND 1 LP	323 S	OH	04/24/2019		MW	IS	$225.00
AP CHK 00249254	T17912	MINETTA FLOWERS	UTIL 05-19	OH	04/24/2019		MW	IS	$10.00
AP CHK 00249255	T13162	NICOLE GRIFFIN	UTIL 05-19	OH	04/24/2019		MW	IS	$1.00
AP CHK 00249256	10008725	CHARMAINE Y GUMMS	1421 S TEMPLE	OH	04/24/2019		MW	IS	$1,272.00
AP CHK 00249257	10008276	HTW MANAGEMENT	1420 TEMPLE	OH	04/24/2019		MW	IS	$571.00
AP CHK 00249258	10008952	INTERNATIONAL INVESTMENTS TRADING	329 W	OH	04/24/2019		MW	IS	$1,255.00
AP CHK 00249259	10001789	CLAUDE E JONES	717 E OAKS #A	OH	04/24/2019		MW	IS	$5,476.00
AP CHK 00249260	10005730	LARRY EUGENE MASON	444ALMONDD	OH	04/24/2019		MW	IS	$1,616.00
AP CHK 00249261	10009150	LORENZO MELENDEZ	980 W 152ND	OH	04/24/2019		MW	IS	$1,353.00
AP CHK 00249262	10007559	NATIONSTAR MORTGAGE LLC	12625 S	OH	04/24/2019		MW	IS	$1,601.00

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Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00249263	10009189	OMG MARKETING VENTURES INC	200 CYPRESS	OH	04/24/2019		MW	IS	$911.00
AP CHK 00249264	T13915	JANITCHA PARKER-DAFNEY	UTIL 05-19	OH	04/24/2019		MW	IS	$23.00
AP CHK 00249265	10009100	PBP BELL LAKE LLC	445 W PALM #E	OH	04/24/2019		MW	IS	$1,506.00
AP CHK 00249266	T17840	ADRIANA RIVERA	UTIL 05-19	OH	04/24/2019		MW	IS	$1.00
AP CHK 00249267	10008923	RULO INVESTMENTS LLC	1920 EL	OH	04/24/2019		MW	IS	$987.00
AP CHK 00249268	T18115	KENNETH TAYLOR	UTIL 04-19	OH	04/24/2019		MW	IS	$2.00
AP CHK 00249269	T17914	MELINISE WATTREE	UTIL 05-19	OH	04/24/2019		MW	IS	$40.00
AP CHK 00249270	T17832	TAMIKO WILLIAMS	UTIL 05-19	OH	04/24/2019		MW	IS	$59.00
AP CHK 00249271	00025519	ALL CITY MANAGEMENT SERVICES INC	60782	OH	04/24/2019		MW	IS	$18,138.85
AP CHK 00249272	10007299	MARCUS BLACK	9/7/18 FIRE	OH	04/24/2019		MW	IS	$2,261.97
AP CHK 00249273	00100790	BLUE DIAMOND MATERIALS	1448731	OH	04/24/2019		MW	IS	$2,480.31
AP CHK 00249274	10007343	CHAMPIONS OF CARING CONNECTIONS	12/16/18-4/15/19	OH	04/24/2019		MW	IS	$8,875.00
AP CHK 00249275	10007677	CITIBANK N.A.	7190366	OH	04/24/2019		MW	IS	$1,344.88
AP CHK 00249276	VOID.CONTI	Void - Continued Stub	CONTINUE	OH	04/24/2019		VM	VD	$0.00
AP CHK 00249277	10007677	CITIBANK N.A.	9989929	OH	04/24/2019		MW	IS	$5,526.82
AP CHK 00249278	10009027	CORE & MAIN LP	K337453	OH	04/24/2019		MW	IS	$1,973.41
AP CHK 00249279	10009191	MANUEL EARLES	3/9/19 BOOT	OH	04/24/2019		MW	IS	$250.00
AP CHK 00249280	00307719	FONTENOT TOW SERVICE	59408	OH	04/24/2019		MW	IS	$1,695.00
AP CHK 00249281	10006336	GLADWELL GOVERNMENTAL SERVICES	4125	OH	04/24/2019		MW	IS	$1,000.00
AP CHK 00249282	00336680	ALITA GODWIN	5/19/19	OH	04/24/2019		MW	IS	$558.00
AP CHK 00249283	00349350	GRAINGER	9140110645	OH	04/24/2019		MW	IS	$6,466.01
AP CHK 00249284	10005721	SHEILA HOPPER	1/18/19 EXP	OH	04/24/2019		MW	IS	$185.00
AP CHK 00249285	00634075	NATIONAL FORUM FOR BLACK PUB A	2019-2020-7762	OH	04/24/2019		MW	IS	$250.00
AP CHK 00249286	10008831	PALP INC	1-	OH	04/24/2019		MW	IS	$174,245.25
AP CHK 00249287	00846370	STAPLES ADVANTAGE	3409320624	OH	04/24/2019		MW	IS	$72.96
AP CHK 00249288	10007642	UNIFIRST CORPORATION	324 2216392	OH	04/24/2019		MW	IS	$2,534.13
AP CHK 00249289	10006951	UNITED HEALTHCARE INSURANCE CO	C0046057910	OH	04/25/2019		MW	IS	$27,379.08
AP CHK 00249290	10007015	UNUM LIFE INSURANCE CO OF AMERIC	MAY 2019	OH	04/25/2019		MW	IS	$7,220.10
AP CHK 00249291	10006951	UNITED HEALTHCARE INSURANCE CO	C0046057910	OH	04/25/2019		MW	IS	$27,379.08
AP CHK 00249292	10007015	UNUM LIFE INSURANCE CO OF AMERIC	MAY 2019	OH	04/25/2019		MW	IS	$7,220.10
AP CHK 00249293	10006620	CHARLENE PAULETTE GARVEY	4/18/19 MTG	OH	04/30/2019		MW	IS	$250.00
AP CHK 00249294	10007224	ANGELA BURRELL	4/18/19 MTG	OH	04/30/2019		MW	IS	$250.00
AP CHK 00249295	T18124	NICHOLAS CHAVEZ	V#20388 REFD	OH	04/30/2019		MW	IS	$1,000.00
AP CHK 00249296	10001105	CRAIG CORNWELL	2/7/19 EXP	OH	04/30/2019		MW	IS	$287.00

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04/01/2019 to 04/30/2019 Job Number: 1339139

Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00249297	T18126	KEISHA DANIELS	V#17047 REFD	OH	04/30/2019		MW	IS	$1,000.00
AP CHK 00249298	10008601	HARTSELL DUHART	4/18/19 MTG	OH	04/30/2019		MW	IS	$250.00
AP CHK 00249299	T18129	EL PORTAL ROOFING GROUP	V#22186 REFD	OH	04/30/2019		MW	IS	$1,000.00
AP CHK 00249300	T18130	MARTHA GONZALEZ	V#22193 REFD	OH	04/30/2019		MW	IS	$1,000.00
AP CHK 00249301	T18131	GREEN ROOF DESIGNS	V#21661 REFD	OH	04/30/2019		MW	IS	$1,000.00
AP CHK 00249302	10009113	LEROY GUILLORY	4/18/19 MTG	OH	04/30/2019		MW	IS	$250.00
AP CHK 00249303	10009118	GREGORY L HAYNES	4/18/19 MTG	OH	04/30/2019		MW	IS	$250.00
AP CHK 00249304	T18116	GEORGETTE OR KAWAHARA	CIT#100199713	OH	04/30/2019		MW	IS	$150.00
AP CHK 00249305	10009195	ANNIE LIN	5/7/19 TRVL	OH	04/30/2019		MW	IS	$1,874.57
AP CHK 00249306	T18118	MEI LUN TRADING LLC JIN	CUT#100231440	OH	04/30/2019		MW	IS	$60.00
AP CHK 00249307	T18137	SILVIA R PINEDA	V#21832 REFD	OH	04/30/2019		MW	IS	$1,000.00
AP CHK 00249308	T16949	W S TECH	V#22225 REFD	OH	04/30/2019		MW	IS	$1,000.00
AP CHK 00249309	T18119	ALAN ZURITA	CIT#100198916	OH	04/30/2019		MW	IS	$300.00
AP CHK 00249310	00010720	AAA FLAG AND BANNER	INV245239	OH	04/30/2019		MW	IS	$979.11
AP CHK 00249311	10009182	AREA E FIRE CHIEFS ASSOCIATION	CFD2019-1	OH	04/30/2019		MW	IS	$500.00
AP CHK 00249312	10006969	BD WHITE TOP SOIL CO INC	81731	OH	04/30/2019		MW	IS	$71.18
AP CHK 00249313	10005207	BEST BUY BUSINESS ADV ACCT	3688993	OH	04/30/2019		MW	IS	$5,284.27
AP CHK 00249314	10004122	CARROT-TOP INDUSTRIES	41937700	OH	04/30/2019		MW	IS	$41.91
AP CHK 00249315	10002469	CDWG	RXL8933	OH	04/30/2019		MW	IS	$480.59
AP CHK 00249316	10008963	CENTEXT LEGAL SERVICES LLC	169990	OH	04/30/2019		MW	IS	$1,656.50
AP CHK 00249317	00208010	COMPTON UNIFIED SCH DIST	1001-33	OH	04/30/2019		MW	IS	$380.00
AP CHK 00249318	00255345	DEPT OF JUSTICE	364706	OH	04/30/2019		MW	IS	$175.00
AP CHK 00249319	10006592	DICKERSON DISABILITY CNSLTNG SERV	90315-0005	OH	04/30/2019		MW	IS	$1,276.60
AP CHK 00249320	10006007	DOUGLAS INDUSTRIAL MEDICAL CLINIC	949-7738	OH	04/30/2019		MW	IS	$540.00
AP CHK 00249321	00292662	FAIR HOUSING FOUNDATION	3/1/19-3/31/19	OH	04/30/2019		MW	IS	$900.88
AP CHK 00249322	00292880	FEDERAL EXPRESS CORP	6-526-58842	OH	04/30/2019		MW	IS	$48.67
AP CHK 00249323	10007764	HARBOR CHEVROLET CORP	15036568	OH	04/30/2019		MW	IS	$240.35
AP CHK 00249324	10002728	INTERNATIONAL INSTITUTE OF	ID#19207	OH	04/30/2019		MW	IS	$110.00
AP CHK 00249325	10008891	JIM J FORBES	1084	OH	04/30/2019		MW	IS	$2,315.00
AP CHK 00249326	10008558	ARSLAN A KHAN	6037	OH	04/30/2019		MW	IS	$4,375.00
AP CHK 00249327	00235050	L N CURTIS AND SON	INV273229	OH	04/30/2019		MW	IS	$45,883.62
AP CHK 00249328	10009082	LA TRUCK & AUTO INC	5156-105813	OH	04/30/2019		MW	IS	$286.50
AP CHK 00249329	00474565	LIEBERT CASSIDY WHITMORE	1461638	OH	04/30/2019		MW	IS	$3,795.00
AP CHK 00249330	00474570	LIFE ASSIST INC	913575	OH	04/30/2019		MW	IS	$2,339.32

City of Compton

Consolidated Checks Register

04/01/2019 to 04/30/2019 Job Number: 1339496

Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00249331	00555000	METROPOLITAN WATER DISTRICT OF S	9665	OH	04/30/2019		MW	IS	$1,765.87
AP CHK 00249332	10004507	RANDOLPH MONTANO	16326	OH	04/30/2019		MW	IS	$450.00
AP CHK 00249333	10004183	NEW WEST LANDSCAPING	3216	OH	04/30/2019		MW	IS	$4,884.00
AP CHK 00249334	10009161	POWERPLUS CLEANING SOLUTIONS INC	28126	OH	04/30/2019		MW	IS	$9,999.55
AP CHK 00249335	10001748	PRAXAIR DISTRIBUTION	88817245	OH	04/30/2019		MW	IS	$359.84
AP CHK 00249336	10005980	QUILL CORPORATION	6704241	OH	04/30/2019		MW	IS	$815.74
AP CHK 00249337	10009174	JAVIER BEDOLLA QUINTANA	6844	OH	04/30/2019		MW	IS	$4,956.52
AP CHK 00249338	10005398	ROADLINE PRODUCTS INC USA	14852	OH	04/30/2019		MW	IS	$4,939.20
AP CHK 00249339	10008847	RUSH TRUCK CENTERS OF CALIFORNIA	3014652370	OH	04/30/2019		MW	IS	$5,119.40
AP CHK 00249340	10008915	ASHLEY SANELLO	15	OH	04/30/2019		MW	IS	$2,833.00
AP CHK 00249341	10009054	ELIJAH SHELTON JR	105	OH	04/30/2019		MW	IS	$575.00
AP CHK 00249342	00791320	SKILLPATH SEMINARS	11990712	OH	04/30/2019		MW	IS	$598.00
AP CHK 00249343	00846370	STAPLES ADVANTAGE	3410971776	OH	04/30/2019		MW	IS	$1,005.63
AP CHK 00249344	10008458	SWIFT OIL & VACUUM INC	55621	OH	04/30/2019		MW	IS	$1,107.50
AP CHK 00249345	10008868	SYN-TECH SYSTEMS INC	184311	OH	04/30/2019		MW	IS	$550.00
AP CHK 00249346	10006172	TRIMMING LAND CO INC	11305	OH	04/30/2019		MW	IS	$58,521.50
AP CHK 00249347	10006163	WELLS FARGO FINANCIAL LEASING	90440118	OH	04/30/2019		MW	IS	$2,083.11
AP CHK 00249348	T18145	YESENIA ACEVES	V#20467 REFD	OH	04/30/2019		MW	IS	$1,000.00
AP CHK 00249349	T18120	BRANDON AKERS	500 N2 N	OH	04/30/2019		MW	IS	$0.94
AP CHK 00249350	T18121	LAVONNE ANDERSON	151D S	OH	04/30/2019		MW	IS	$22.70
AP CHK 00249351	10007691	AT&T	284207791	OH	04/30/2019		MW	IS	$134.25
AP CHK 00249352	T18122	BOMO INVESTMENTS LLC	1004 E	OH	04/30/2019		MW	IS	$74.11
AP CHK 00249353	T18123	CENTURY 21 POWERHOUSE REALTY	413 W CHERRY	OH	04/30/2019		MW	IS	$112.13
AP CHK 00249354	T18146	CONCRETE KITTY	BL 19-000256	OH	04/30/2019		MW	IS	$150.00
AP CHK 00249355	T18125	ABRAHAM CRUZ	1410 N	OH	04/30/2019		MW	IS	$0.72
AP CHK 00249356	T18127	MARY DRAKE	1032 S	OH	04/30/2019		MW	IS	$100.78
AP CHK 00249357	10009125	DESIREE E EDWARDS	5305	OH	04/30/2019		MW	IS	$772.08
AP CHK 00249358	T18128	MARJORIE EDWARDS	1016 E	OH	04/30/2019		MW	IS	$0.55
AP CHK 00249359	10008457	FRONTIER CALIFORNIA INC	20915139060305	OH	04/30/2019		MW	IS	$374.69
AP CHK 00249360	T18101	MARGARITA GUTIERREZ	336 W CEDAR	OH	04/30/2019		MW	IS	$88.54
AP CHK 00249361	T18132	CHAVELIA HENDLEY	108 E COCOA	OH	04/30/2019		MW	IS	$5.20
AP CHK 00249362	T17706	KB HOME CALIFORNIA LLC	16 IVEY LANE	OH	04/30/2019		MW	IS	$200.00
AP CHK 00249363	10007003	ALLEN KENNETT IV	GLVN 2019	OH	04/30/2019		MW	IS	$500.00
AP CHK 00249364	T18133	CHARLES LANDREAUX	1211 N	OH	04/30/2019		MW	IS	$7.39

City of Compton

Consolidated Checks Register

04/01/2019 to 04/30/2019 Job Number: 1340211

Check	Payee ID	Payee Name	First Reference	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP CHK 00249365	00165040	LEGAL AID SOCIETY OF ORANGE COUNTY	EQ #3	OH	04/30/2019		MW	IS	$3,673.37
AP CHK 00249366	00685000	LIBERTY UTILITIES (PARK WATER) CORP	028488	OH	04/30/2019		MW	IS	$125.46
AP CHK 00249367	10006459	MARIA S LOPEZ	759	OH	04/30/2019		MW	IS	$330.00
AP CHK 00249368	T18103	MARICEL INC	1705 N BULLIS	OH	04/30/2019		MW	IS	$114.15
AP CHK 00249369	T18134	JOSE & MARTHA MARTINEZ	623 W	OH	04/30/2019		MW	IS	$26.09
AP CHK 00249370	T18135	MANUEL MARTINEZ	1222 W 134TH	OH	04/30/2019		MW	IS	$10.10
AP CHK 00249371	T18136	NATALIE MORRIS	1325 W	OH	04/30/2019		MW	IS	$81.59
AP CHK 00249372	T18141	NOEMI SOLORZANO PEREZ	329 S HARRIS	OH	04/30/2019		MW	IS	$3.76
AP CHK 00249373	T18142	REPUBLIC SERVICES STAPLES INC	203 TOWNE	OH	04/30/2019		MW	IS	$481.11
AP CHK 00249374	T15473	CRUZ RIVAS	1304 B N MONA	OH	04/30/2019		MW	IS	$130.88
AP CHK 00249375	T18138	RIVERSIDE DIRECTIONAL DRILLING	SE	OH	04/30/2019		MW	IS	$735.66
AP CHK 00249376	T18139	CAMEO ROMERO	1220 S WHITE	OH	04/30/2019		MW	IS	$2.29
AP CHK 00249377	00811270	SO CA EDISON	2368635876	OH	04/30/2019		MW	IS	$106.00
AP CHK 00249378	T18140	FOKETI SOAIA	470 W	OH	04/30/2019		MW	IS	$2.56
AP CHK 00249379	00815000	SOUTHERN CALIFORNIA GAS COMPANY	09620139098	OH	04/30/2019		MW	IS	$131.39
AP CHK 00249380	00846370	STAPLES ADVANTAGE	3410971809	OH	04/30/2019		MW	IS	$379.68
AP CHK 00249381	00846370	STAPLES ADVANTAGE	3409320598	OH	04/30/2019		MW	IS	$503.42
AP CHK 00249382	10005571	TIME WARNER NY CABLE LLC	84483005010572	OH	04/30/2019		MW	IS	$59.10
AP CHK 00249383	T18143	TLB INVESTMENTS LLC	1520 W	OH	04/30/2019		MW	IS	$146.00
AP CHK 00249384	T18144	MELYSSA VILLALOBOS	1008 E	OH	04/30/2019		MW	IS	$14.58
AP CHK 00249385	00925156	VISION SERVICE PLAN	MAY 2019	OH	04/30/2019		MW	IS	$8,611.10
AP CHK 00249386	10009186	CHANTE L WARNER	732706	OH	04/30/2019		MW	IS	$676.25
AP CHK 00249387	10009194	MCWIL SPORT SURFACES INC	29422	OH	04/30/2019		MW	IS	$35,215.00
AP CHK 00249388	10009194	MCWIL SPORT SURFACES INC	29421	OH	04/30/2019		MW	IS	$54,640.00

** SORT TOTALS **

Issued:	$5,672,895.97
Reversed:	$20,846.02
AP Group Total:	$5,693,741.99

** GRAND TOTALS ** **Grand Total:** $5,693,741.99

City of Compton

Consolidated Checks Register

04/01/2019 to 04/30/2019 Job Number: 1327316

Check	Payee ID	Payee Name	Check Date	Cancel Date	Reverse Date	Stale Date	Status	BK Job #	Check Amount
SA CHK 00001668	00561298	MOBILE MINI INC	04/02/19				IS	1327316	$175.52
SA CHK 00001669	10003073	MIRACLE PLAYGROUND SALES OF SO CA	04/10/19		04/15/19		RV	1330198	$4,993.05
SA CHK 00001670	10009066	ROTH & ASSOCIATES	04/10/19				IS	1330198	$2,600.00
SA CHK 00001671	00561298	MOBILE MINI INC	04/17/19				IS	1334185	$159.18
SA CHK 00001672	00561298	MOBILE MINI INC	04/17/19				IS	1334185	$128.96
SA CHK 00001673	10004183	NEW WEST LANDSCAPING	04/17/19				IS	1334185	$3,920.00
SA CHK 00001674	00561298	MOBILE MINI INC	04/23/19				IS	1336534	$175.52
SA CHK 00001675	10004183	NEW WEST LANDSCAPING	04/23/19				IS	1336534	$2,987.41

** SORT TOTALS **

Issued:	$10,146.59
Reversed:	$4,993.05
SA Group Total:	$15,139.64

** GRAND TOTALS **

Grand Total: $15,139.64

May 28, 2019

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: WENDELL E. JOHNSON P.E.
PUBLIC WORKS DIRECTOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2019-2020 FUNDED BY SB 1 PURSUANT TO THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

SUMMARY

This Resolution adopts a list of projects for Fiscal Year 2019-2020 funded by SB 1, the Road Repair and Accountability Act of 2017.

BACKGROUND

Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 was passed by the Legislature and signed into law by the Governor in April 2017 in order to address the significant multi-modal transportation funding shortfalls statewide.

SB 1 includes accountability and transparency provisions that will ensure the residents of the City of Compton are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year.

The City of Compton must adopt a list of all projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1 by resolution, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement.

The City of Compton will receive an estimated $1,653,045 in RMRA funding in Fiscal Year 2019-2020 from SB 1. This will be the second year in which the City is receiving SB 1 funding and will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB 1.

Compton has undergone a robust public process to ensure public input into our community's transportation priorities/project list. The City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high priority and cost effective projects that also meet the communities priorities for transportation investment. The funding from SB 1 will help the City of Compton maintain and rehabilitate numerous streets/roads and add active transportation infrastructure throughout the City in FY 2019-2020 and of similar projects into the future.

The 2018 California Statewide Local Streets and Roads Needs Assessments found that the City of Compton streets and roads are in an “at risk” condition and this revenue will help us increase the overall quality of our road system and over the next decade will significantly improve our streets and roads.

The SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

STATEMENT OF THE ISSUE

Therefore, in order to adopt the list of projects for Fiscal Year 2019-2020 funded by SB 1, the Road Repair and Accountability Act of 2017, City Council’s authorization is necessary.

FISCAL IMPACT

Based upon on the State Department of Finance Statewide revenue projections as of January 22, 2019, the reports estimated a value of SB1 funding that may be available to the City of Compton FY 2019-2020 revenues will be approximately $1,653,045.

ALTERNATIVE

The City of Compton must adopt a list of all projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1 by resolution. Therefore, no other alternatives are being proposed.

RECOMMENDATION

Staff recommends that the City Council adopt the list of projects for Fiscal Year 2019-2020 funded by SB 1, pursuant to the Road Repair and Accountability Act of 2017.

WENDELL E. JOHNSON, P.E.
PUBLIC WORKS DIRECTOR

APPROVED FOR FORWARDING:

CECIL W. RHAMBO, JR.
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2019-2020 FUNDED BY SB 1 PURSUANT TO THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and signed into law by the Governor in April 2017 in order to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of the City of Compton are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, Compton must adopt a list of all projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1 by resolution, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, Compton will receive an estimated $1,653,045 in RMRA funding in Fiscal Year 2019-2020 from SB 1; and

WHEREAS, this is the third year in which Compton is receiving SB 1 funding and will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

WHEREAS, Compton has undergone a robust public process to ensure public input into our community's transportation priorities/the project list; and

WHEREAS, Compton used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high priority and cost-effective projects that also meet the communities priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City of Compton maintain and rehabilitate numerous streets/roads and add active transportation infrastructure throughout the City during FY 2019-2020 and of similar projects into the future; and

WHEREAS, the 2018 California Statewide Local Streets and Roads Needs Assessment found that the City of Compton streets and roads are in an "at risk" condition and this revenue will help us increase the overall quality of our road system and over the next decade will significantly improve our streets and roads; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the foregoing recitals are true and correct.

SECTION 2. That the attached list of proposed projects will be funded in-part or solely with fiscal year 2019-2020 Road Maintenance Account revenues.

SECTION 3. That the Fiscal year 2019-2020 list of projects planned to be funded with Road Maintenance and Rehabilitation Account revenues are hereby adopted.

SECTION 4. That the proposed and adopted projects may utilize Fiscal Year 2019-2020 Road Maintenance and Rehabilitation Account revenues in their delivery.

SECTION 5. That with the relisting of these projects in the adopted Fiscal Year Resolution, the City of Compton is reaffirming to the public and the State our intent to fund these projects with Road Maintenance and Rehabilitation Account revenues.

SECTION 6. That a copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, City Attorney and Public Works Department.

SECTION 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this ____ day of _____, 2019.

_____
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the ____ day of _____, 2019.

That said Resolution was adopted by the following vote to wit:

AYES: COUNCIL MEMBERS-
NOES: COUNCIL MEMBERS-
ABSENT: COUNCIL MEMBERS-
ABSTAIN: COUNCIL MEMBERS-

_____
CITY CLERK OF THE CITY OF COMPTON

Agency	Program	Funding FY	Package	PPNo	Project Type	Title	Description
City of Compton	Local Streets a	19/20	LSR-2019-1	PP001	Complete Streets (	Compton Boulevard West	Installation of raised medians and Class II bicycle lanes. Remove and replace locations for ADA ramps, curb gutters, sidewalk; grind/overlay asphalt; replace all traffic markings, linework, traffic loops
City of Compton	Local Streets a	19/20	LSR-2019-1	PP002	Complete Streets (	Compton Boulevard West	Install bike lanes and lighting along the corridor; enhance pedestrian crossing at 15 intersections. Remove and replace locations for ADA ramps, curb, gutter, sidewalk; grind/overlay asphalt; replace all traffic markings, linework traffic detectors loops.
City of Compton	Local Streets a	19/20	LSR-2019-1	PP004	Complete Streets (	Residential Street Resurfacing	crack sealing, micro surfacing, remove and replace ADA ramps , curb, gutter, sidewalk; replace all traffic markings and other minor associated work.
City of Compton	Local Streets a	19/20	LSR-2019-1	PP005	Complete Streets (	Residential Street Rehabilitation	Remove and replace locations of ADA ramps, curb, gutter, sidewalk; grind/overlay asphalt; replace all traffic markings, and linework

Location	Est Completion Pre Con	Est Completion Con	Est Useful Life Min	Est Useful Life Max	Submit Date	Status
Compton Boulevard from Willowbrook Avenue to East City Limits	Mar-20	Mar-22	10	20	5/1/2019	Design
Compton Boulevard from Willowbrook Avenue to West City Limits	Mar-20	Mar-22	10	20	5/1/2019	Design
Myrrh St. - Oleander Ave. - City Limit East; Walnut St. - City Limit - City Limit; Walnut Park Drive - City Limit - City Limit; Greenleaf Blvd. - Central Ave. - Center St.; Alondra Blvd. - City Limit East - City Limit West; Greenleaf Blvd. - Alameda St. - City Limit East; Central Parkway and Center Median - City Limit North - City Liimit (Greenleaf Blvd); Alondra Bridge Deck - City Limit East to Lime Ave.; Santa Fe - City Limit North - City Limit South; Alameda St. West - City Limit North - City Limit South; Alameda St. East - City Limit North - City Limit South	Mar-20	Dec-20	10	15	5/1/2019	Design
Tajauta Ave - Rosecrans Ave - Compton Blvd; Elva Ave. - 138th St. - Parmelee Ave.; Slater Ave - 133rd St - Wilmington Ave; Grandee Ave. - 138th St - City Limits North; Parmelee Ave - 138th St - City Limits North; Oris St - Grandee Ave. - City Limit East; 135th St. - Parmelee Ave. - Elva Ave.; Compton Ave. - 130th St. - 134th Pl.; Tucker St. - Rosecrans Ave. - Crane Ave. - Van Ness Ave; Palmer St. - Alameda St. - Bowen Ave; Bullis Road - City Limit - City Limit	Mar-20	Dec-20	10	15	5/1/2019	Design

May 28, 2019

TO: **MAYOR AND CITY COUNCIL**

FROM: **WENDELL E. JOHNSON, P.E., DIRECTOR**
PUBLIC WORKS DEPARTMENT

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE PUBLIC WORKS 2018-2019 FISCAL YEAR BUDGET TRANSFERRING FUNDS BETWEEN ACCOUNTS, AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH AND ESTABLISH A PURCHASE ORDER TO RAFTELIS FINANCIAL CONSULTANTS, INC. TO PROVIDE A COMPREHENSIVE SEWER RATE AND FEE STUDY (47,792)**

SUMMARY

Adoption of this resolution will amend the Public Works 2018-2019 Fiscal Year budget transferring funds in the amount of Forty Seven Thousand Seven Hundred Ninety Two Dollars ($47,792.00) between accounts, authorize the City Manager to enter into a professional service agreement with and establish a purchase order in the amount of $47,792.00 for Raftelis Financial Consultants, Inc. to provide a Comprehensive Sewer Rate and Fee Study.

BACKGROUND

The City of Compton's sewer utility provides wastewater services to a population of approximately 95,000, plus commercial customers. The sewer system includes over 140 miles of pipes for wastewater collection. Treatment services are provided by the Los Angeles County Sanitation District. The City's Public Works Department ("Department") operates and maintains the system, which was constructed during the 1940s and 1950s.

The current sewer rates include a sewer service charge based on historical water use and a capital charge based on volume of water to fund capital costs for the utility. The City seeks the experience and expertise of a qualified consultant firm to conduct a Comprehensive Sewer Rate and Fee Study to ensure revenue sufficiency, financial stability, compliance with Proposition 218 and other industry regulations, along with considerations for issues such as growing population and aging infrastructure.

On November 1, 2018, the Department released a Request for Proposal ("RFP") soliciting proposals from qualified firms to perform the Comprehensive Study. The intent of the study is to develop fair and equitable sewer rates that are based upon the cost of a service analysis.

The RFP specified the scope of services and indicated that the study is to be performed in conformance with the following policy directions:

1. Provide a comparison of current sewer system costs (operations, capital improvements, bonded debt, etc.) against appropriate industry benchmarks

2. Recommend sewer rate and fee structures that are based on the cost of a service analysis and are sufficient to meet the short and long term revenue requirements of the City's Sewer Funds

3. Recommend rate structures that will consider and make provisions for the following factors:

    a. Current and future cost of providing sewer services in accordance with established and anticipated standards and regulations
    b. Projected demands of a growing community
    c. Age and condition of the facilities and the need to fully fund projected improvements/replacements for supply, treatment, and distribution infrastructure
    d. Funding requirements for all current or future long term liabilities and debt obligations
    e. Impact of current and future sewer regulations
    f. Consistency with industry practice for utility rate making in California

4. Provide at least three recommended rate alternatives based upon standard rate practices (i.e. flat rate and increasing block rates) that meet the criteria above and make recommendations as to which one best meets the criteria

5. Benefits of any proposed modifications to be weighed against the financial impacts on rate payers

6. Justifications for classes of customers under the recommended rate structure shall be demonstrated

7. Recommended rate structure shall result in no decrease in stability of the revenue stream or the overall financial stability of the sewer funds as compared to the current structure

8. Recommended rate structure shall be easy to administer and understood by both the customer and the City

9. Review the City's automated billing system to determine if it is capable of administering any proposed rate structure

10. Provide the City with an easy-to-use electronic rate model in MS Excel which can be readily controlled to take into account alternative scenarios

11. The recommended rate structure shall be planned for at least five (5) years

12. Provide the City with recommendations on establishing developer impact fees or system capacity fees

STATEMENT OF ISSUE

On December 3, 2018, the Department received three (3) proposals from the following firms:

Consultant	Location	Cost
Bartle Wells Associates	Berkeley, CA	$80,775
MFSG	Annapolis, MD	$97,750
Raftelis	Los Angeles, CA	$47,792

After careful review of the submitted proposals and the presentation provided by the firm's teams, City staff determined that the proposal submitted by Raftelis Financial Consultants, Inc. ("Raftelis") reflected that they processed the requisite experience, expertise, training, staffing and was responsive along with a reasonable fee for the services to be rendered.

Raftelis has the largest water industry financial and rate consulting practice in the nation. Raftelis depth of resources will provide the City with the technical expertise necessary to meet the City's objectives.

Raftelis scope of services will include the following:

Task 1: Project Management, Administration, and Initiation

Task 2: **Financial Plan Development**

Task 3: Cost of Service and Rate Structure Analysis

Task 4: Customer Impact and Sensitivity Analysis

Task 5: Policy Evaluation for Capacity and Customer Service Fees

Task 6: Draft and Final Report Preparation

Task 7: Meetings with City Staff and Council

FISCAL IMPACT

Staff is requesting a budget amendment to transfer funds between accounts as follows:

From	To	Description	Amount
5117-720-000-4266	5117-720-000-4262	Other Professional Services	$47,792

Funds in the amount of $47,792.00 will be available in the Public Works 2018-2019 Fiscal Year budget in Account No. 5117-720-000-4262.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution.

WENDELL E. JOHNSON, P.E., DIRECTOR
PUBLIC WORKS DEPARTMENT

APPROVED FOR FORWARDING:

CECIL W. RHAMBO, JR.
CITY MANAGER

RESOLUTION NO._____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE PUBLIC WORKS 2018-2019 FISCAL YEAR BUDGET TRANSFERRING FUNDS BETWEEN ACCOUNTS, AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH AND ESTABLISH A PURCHASE ORDER TO RAFTELIS FINANCIAL CONSULTANTS, INC. TO PROVIDE A COMPREHENSIVE SEWER RATE AND FEE STUDY ($47,792)

WHEREAS, the City of Compton's sewer utility provides wastewater services to a population of approximately 95,000, plus commercial customers; and

WHEREAS, the sewer system includes over 140 miles of pipes for wastewater collection and treatment services are provided by the Los Angeles County Sanitation District; and

WHEREAS, the current sewer rates include a sewer service charge based on historical water use and a capital charge based on volume of water to fund capital costs for the utility; and

WHEREAS, the City seeks the experience and expertise of a qualified consultant firm to conduct a Comprehensive Sewer Rate and Fee Study to ensure revenue sufficiency, financial stability, compliance with Proposition 218 and other industry regulations, along with considerations for issues such as growing population and aging infrastructure; and

WHEREAS, on November 1, 2018, the Department released a Request for Proposal ("RFP") soliciting proposals from qualified firms to perform the Comprehensive Study; and

WHEREAS, On December 3, 2018, the Department received three (3) proposals from the following firms:

Consultant	**Location**	**Cost**
Bartle Wells Associates	Berkeley, CA	$80,775
MFSG	Annapolis, MD	$97,750
Raftelis	Los Angeles, CA	$47,792

WHEREAS, after careful review of the submitted proposals and the presentation provided by the firm's teams, City staff determined that the proposal submitted by Raftelis Financial Consultants, Inc. ("Raftelis") reflected that they processed the requisite experience, expertise, training, staffing and was responsive along with a reasonable fee for the services to be rendered; and

WHEREAS, Raftelis has the largest water industry financial and rate consulting practice in the nation and with Raftelis' depth of resources will provide the City with the technical expertise necessary to meet the City's objectives; and

WHEREAS, staff has requested a budget amendment to transfer funds between accounts to cover this expenditure.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the 2018-2019 Fiscal Year budget shall be amended to transfer funds between accounts as follow:

From	**To**	**Description**	**Amount**
5117-720-000-4266	5117-720-000-4262	Other Professional Services	$47,792; and

SECTION 2. That the City Manager, upon the advice and approval of the City Attorney is hereby authorized to enter into a professional service agreement with Raftelis Financial Consultants, Inc. to provide a Comprehensive Sewer Rate and Fee Study.

SECTION 3. That a purchase order in the amount of Forty Seven Thousand Seven Hundred Ninety Two Dollars ($47,792.00) is authorized to be established for Raftelis Financial Consultants, Inc.

SECTION 4. That funds in the amount of $47,792.00 will be available in the Public Works 2018-2019 Fiscal Year budget in Account No. 5117-720-000-4262 (Sewer Fund).

SECTION 5. That copies of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, City Attorney and the Public Works Department.

SECTION 6. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2019.

_____
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was passed and adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk, at a regular meeting thereof, held on the ___ day of _____, 2019.

That said Resolution was adopted by the following vote, to wit:

AYES: COUNCILMEMBERS-
NOES: COUNCILMEMBERS-
ABSTAIN: COUNCILMEMBERS-
ABSENT: COUNCILMEMBERS-

_____
CITY CLERK OF THE CITY OF COMPTON

PROFESSIONAL SERVICES AGREEMENT
BETWEEN
CITY OF COMPTON
AND
RAFTELIS FINANCIAL CONSULTANTS, INC.

This **AGREEMENT** is entered by and between the **CITY OF COMPTON**, a municipal corporation of the State of California (hereinafter referred to as **"CITY"**) located at 205 South Willowbrook Avenue, Compton, California 90220, and **RAFTELIS FINANCIAL CONSULTANTS, INC.** (hereinafter referred to as **"CONSULTANT"**), located at 445 South Figueroa Street, Suite 2270, Los Angeles, California 90017.

RECITALS:

WHEREAS, the City's sewer utility provides wastewater services to a population of approximately 95,000, plus commercial customers and includes over 140 miles of pipes for wastewater collection; and

WHEREAS, the current sewer rates include a sewer service charge based on historical water use and a capital charge based on volume of water to fund capital costs for the utility; however, the City seeks to have a Comprehensive Sewer Rate and Fee Study performed to ensure revenue sufficiency, financial stability, compliance with Proposition 218 and other industry regulations, along with considerations for issues such as growing population and aging infrastructure; and

WHEREAS, the City has identified the need to employ the services of a qualified and experienced consultant to perform a Comprehensive Sewer Rates and Fee Study; and

WHEREAS, by Resolution No. _____, adopted on the __ of _____ 2019, the City Council authorized the City Manager to accept the proposal of the Consultant (Raftelis Financial Consultations, Inc.) and enter into a contract to provide the necessary services; and

WHEREAS, Consultant warrants that it is specifically trained, experienced, competent, and has the resources to provide such services which will be required by this Project; and

WHEREAS, Consultant is willing to render such professional services subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, Consultant and City**,** for the consideration, terms and conditions herein described, mutually agree as follows:

AGREEMENT:

1. <u>Services to be rendered by Consultant.</u> It is the mutual understanding of the parties that the Consultant shall perform and be responsible for preparing Comprehensive Sewer Rate and Fee Study. Services to be rendered shall include, but not be limited to the below-indicated tasks and deliverables:

Task 1: Project Management, Administration, and Initiation. *Deliverables***:** Kick-off meeting agenda and meeting minutes, finalized data request

Task 2: **Financial Plan Development.** *Deliverables*: Draft financial plan in Microsoft Excel

Task 3: Cost of Service and Rate Structure Analysis. *Deliverables:* Draft cost of service and rate structure analysis in Microsoft Excel

Task 4: Customer Impact and Sensitivity Analysis. *Deliverables*: Draft customer impact and sensitivity analysis

Task 5: Policy Evaluation for Capacity and Customer Service Fees. *Deliverables:* Webinar with City staff

Task 6: Draft and Final Report Preparation. *Deliverables:* Eight (8) bound copies of Final Report, one (1) electronic copy in Microsoft Word, financial planning and rate model in Microsoft Excel

Task 7: Meetings with City Staff and Council. *Deliverables*: Presentation materials

As further described in the City's **"Request for Proposals for Sewer Rates and Fee Study Consultant Services",** dated November 1, 2018, and Consultant's **"Proposal for Sewer Rates and Fee Study",** dated November 29, 2018, both of which are incorporated herein by this reference.

Consultant acknowledges that in entering into this Agreement the City is relying on Consultant's special skills and experience to do and perform the Services in accordance with best standards of professional practice. While performing the services, Consultant agrees to perform all the said work and furnish all the necessary materials at its own cost and expense necessary to complete said services in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances and to the reasonable satisfaction of the City**.**

Consultant services hereunder shall be performed in good, workmanlike and professional manner. Consultant shall be responsible for correcting and completing all errors and omissions related to the services provided by the Consultant for this Agreement at no additional cost to the City**.** "Errors" and "Omissions" for purposes of this paragraph are defined to mean a failure by the Consultant to meet the standards of its profession as set forth in the preceding paragraph. The acceptance of the services by City does not release Consultant from these obligations.

Consultant will be responsible for employing or engaging all persons necessary to perform the services. All of Consultant's staff will be qualified by training and experience to perform their assigned tasks. Consultant will give its personal attention to the fulfillment of the provisions of this Agreement by all of its employees and subcontractors, if any, and will keep the services under its control. On demand of City, if any employee or subcontractor of Consultant fails or refuses to carry out the provisions of this Agreement or appears to be incompetent or to act in a disorderly or improper manner, he or she will be discharged immediately from the services provided pursuant to this Agreement.

Sanjay Gaur, Vice President of Consultant, shall be primarily responsible for representing Consultant in performance of this Agreement.

2. Duration of Contract. Consultant agrees to commence the services provided for herein upon written Notification to Proceed from the City and to continue in a diligent and professional manner until the project is complete, unless terminated earlier.

Consultant will generally adhere to the schedule set forth within Consultant's Proposal and as otherwise agreed by the City, provided, that City will grant reasonable extensions of time for the performance of the services occasioned by unusually lengthy governmental reviews of Consultant's work product or other unavoidable delays occasioned by unforeseen circumstances; provided, further, that such unavoidable delay will not include strikes, lockouts, work stoppages, or other labor disturbances conducted by, or on behalf of, Consultant's officers or employees.

Consultant acknowledges the importance to City of City's project schedule and agrees to put forth its best professional efforts to perform the services in a manner consistent with that schedule. City understands, however, that Consultant's performance must be governed by sound practices. Consultant will work such overtime or engage such personnel and equipment as necessary to maintain the schedule, without additional compensation.

3. Compensation. The method of payment for this Contract will be on a fee-for-services, per Task, basis as specified within Consultant's Cost Proposal. The total price paid the Consultant will include compensation for all work, including travel, materials, supplies, vendor services, expenses and subcontracted work. No additional compensation will be paid to the Consultant, unless there is a change in the scope of the work or the scope of the project. In the instance of a change in the scope of work or scope of the project, adjustment to the total compensation will be negotiated between the Consultant and the City. Adjustment in the total compensation will not be effective until authorized and approved in writing by the City**.**

Progress payments may be made in arrears based on the percentage of work and deliverables completed by the Consultant. If Consultant fails to submit the required deliverable items according to schedule or as required by the Agreement, except for those amounts that are due and not reasonably in dispute, the City shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions noted herein.

Consultant shall be reimbursed within thirty (30) days, or as promptly as fiscal procedures may permit, upon receipt by the City of itemized invoices for services completed. Invoices shall be submitted no later than 45 calendar days after the performance of work for which the Consultant is billing. Invoices shall detail the work performed on each task as applicable. Invoices shall be delivered or mailed to the **Director of Public Works Department** at the following address: **City of Compton, 205 South Willowbrook Avenue, Compton, California 90220.**

As full and complete compensation for performance of all the services performed by the Consultant pursuant to this Agreement, City shall pay, and Consultant agrees to accept, a not-to-exceed maximum sum of **Forty Seven Thousand Seven Hundred Ninety Two Dollars ($47,792.00).**

In the event of termination, the Consultant shall be entitled to compensation for the undisputed reasonable value of services performed to the effective date of termination, including any non-cancellable obligations incurred prior to termination; provided, however, that the City may condition payment of such compensation upon the Consultant's delivery to the City of any and all City property, documents, reports, records, materials and work product associated with the performance of this Agreement.

4. Ownership of Materials. All product produced by Consultant or its agents, employees, and subcontractors pursuant to this Agreement (the "Work Product") is the property of City. In the event this Agreement is terminated, all Work Product produced by Consultant or its agents, employees and subcontractors pursuant to this Agreement will be delivered to City pursuant to the termination clause of this Agreement.

The Work Product may be used by City and its agents, employees, representatives, and assigns, in whole or in part, or in modified form, for all purposes City may deem advisable, without further employment of or payment of any compensation to Consultant; provided, however, that if this Agreement is terminated for any reason prior to completion of the Project and if under such circumstances City uses, or engages the services of and directs another consultant to use, the Work Product, City agrees to hold Consultant harmless from any and all liability, costs, and expenses relative to claims arising out of matters and/or events which occur subsequent to the termination of this Agreement as a result of causes other than the fault or negligence of Consultant, or anyone for whose acts it is responsible, in preparation of the Work Product. Consultant will not be responsible for deficiencies solely attributable to modifications of the Work Product performed by others, or that arise from use of the Documents in connection with a project or site other than that shown in the Work Product.

5. Independent Contractor Status. Consultant, its officers, employees, subconsultants, subcontractors, agents and volunteers (collectively hereinafter the "Consultant"), will perform the services in Consultant's own way and pursuant to this Agreement as an independent contractor and in pursuit of Consultant's independent calling, and not as an employee of City. The persons used by Consultant to provide the services under this Agreement will not be considered employees of City for any purposes.

Neither the City nor any of its officers, employees, agents or volunteers shall have any control over the conduct of the Consultant, except as expressly set forth in this Agreement. Consultant expressly warrants that while engaged in carrying out and complying with any terms and conditions of this Agreement that Consultant shall not at any time or in any manner, represent that Consultant is in any manner officers, employees, agents or volunteers of the City. Consultant shall obtain no rights to retirement, health care or any other benefit that accrue to City officials, officers, or employees. Consultant expressly waives any claim to such rights.

The payment made to Consultant pursuant to the Agreement will be the full and complete compensation to which Consultant is entitled. City will not make any federal or state tax withholdings on behalf of Consultant or its agents, employees or subcontractors. City will not pay any workers' compensation insurance, retirement contributions or unemployment contributions on behalf of Consultant or its employees or subcontractors. Consultant agrees to indemnify and pay City within thirty (30) days for any tax, retirement contribution, social security, overtime payment, unemployment payment or workers' compensation payment which City may be required to make on behalf of Consultant or any agent, employee, or contractor of Consultant for work done under this Agreement. At the City's election, City may deduct the amounts paid pursuant to this Section, from any balance owing to Consultant.

6. Successors, Assignment and Delegation. City and the Consultant each binds themselves, their partners, successors, assigns and legal representatives to the other hereto and to partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in this Agreement.

The expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign or transfer any interest in this Agreement or the performance of any of Consultant's obligations under this Agreement without the prior written consent of the City. Any attempted assignment or transfer of any of Consultant's rights, duties or obligations arising under this Agreement shall be null and void.

7. Nondiscriminatory Employment Practices. During the performance of this Agreement, the Consultant agrees not to discriminate against any employee or applicant for employment because of race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, sex, creed, color, religion, age, sexual orientation, marital status, national origin, political affiliation, handicap or belief in accordance with requirements of City, State or Federal laws and regulations. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees, applicants and subcontractors for employment, notices setting forth the provisions of this non-discrimination clause.

In the event of the Consultant's non-compliance with the non-discrimination clause of this Agreement, this Agreement may be immediately canceled, terminated or suspended in whole or in part.

8. Subcontracting. Consultant's services are unique and personal. Except as may be specified in Consultant's Proposal and agreed to by the City, Consultant will not subcontract any portion of the services without prior written approval of City Manager or his/her designee. If Consultant subcontracts any of the services, Consultant will be fully responsible to City for the acts, errors and omissions of Consultant's subcontractor and of the persons either directly or indirectly employed by the subcontractor, as Consultant is for the acts and omissions of persons directly employed by Consultant. Nothing contained in this Agreement will create any contractual relationship between any subcontractor of Consultant and City. Consultant will be responsible for payment of subcontractors. Consultant will bind every subcontractor and every subcontractor of a subcontractor by the terms of this Agreement applicable to Consultant's work unless specifically noted to the contrary in the subcontract and approved in writing by City.

9. Other Consultants. The City reserves the right to employ other consultants in connection with the services.

10. Indemnification. Consultant shall indemnify and save harmless the City, its officials, officers, employees, agents and volunteers (collectively hereinafter the "City"), against any and all damages to property or injuries to or death of any person or persons, including property and employees or agents of the City and shall indemnify and save the City from any and all liability and expense including reimbursement of reasonable defense costs and legal fees, and claims, demands, suits, actions or proceedings of any kind or nature, including Workers' Compensation claims, of or by anyone whomsoever to the extent resulting from or arising out of the negligent, reckless or willful misconduct for the Consultant, its officers, employees, subconsultants, subcontractors or agents in the performance of the duties undertaken by Consultant pursuant to this Agreement.

This indemnification and hold harmless obligation does not extend to claims arising out of the negligence or willful misconduct of the City.

11. Insurance. Without limiting the Consultant's indemnification of the City, Consultant shall obtain and maintain, at its cost and expense, for the duration of the Agreement and any and all amendments, insurance against claims for injuries to persons or damage to property which may arise out of or in connection with performance of the services by Consultant or Consultant's agents, representatives, employees or subcontractors. The insurance will be obtained from an insurance carrier admitted and authorized to do business in the State of California. Such evidence shall specifically identify this Agreement and shall contain express conditions that the City is to be given written notice at least thirty (30) days in advance of any termination or implementation of a reduction of limits or material change of insurance coverage as specified herein. Failure on the part of the Consultant to procure or maintain insurance shall constitute a material breach upon which the City may immediately terminate this Agreement. All insurance required hereunder shall be primary with respect to any insurance maintained by the City**.**

Coverages and Limits. Consultant will maintain the types of coverages and minimum limits indicated below, unless the Risk Manager or City Manager, in consultation with the City Attorney approves a lower amount. These minimum amounts of coverage will not constitute any limitations or cap on Consultant's indemnification obligations under this Agreement. City, its officers, agents, volunteers and employees make no representation that the limits of the insurance specified to be carried by Consultant pursuant to this Agreement are adequate to protect Consultant. The coverage will contain no special limitations on the scope of its protection to the above-designated insureds except for Workers Compensation and errors and omissions insurance. Consultant will obtain occurrence coverage, excluding Professional Liability, which will be written as claims-made coverage. If Consultant believes that any required insurance coverage is inadequate, Consultant will obtain such additional insurance coverage, as Consultant deems adequate, at Consultant's sole expense.

11.1 Commercial General Liability Insurance. $1,000,000 combined single-limit per occurrence for bodily injury, personal injury and property damage. If the submitted policies contain aggregate limits, general aggregate limits will apply separately to the work under this Agreement or the general aggregate will be twice the required per occurrence limit.

11.2 Automobile Liability. $1,000,000 combined single-limit per accident for bodily injury and property damage.

11.3 Workers' Compensation and Employer's Liability. Workers' Compensation limits as required by the California Labor Code and Employer's Liability limits of $1,000,000 per accident for bodily injury. Workers' Compensation and Employer's Liability insurance will not be required if Consultant has no employees and provides, to City's satisfaction, a declaration stating this.

11.4 Professional Liability. Errors and omissions liability appropriate to Consultant's profession with limits of not less than $1,000,000 per claim. The coverage shall also provide an extended two (2) year reporting period commencing upon termination or cancellation of this Agreement.

Endorsements. For Commercial General Liability Insurance and Automobile Liability Insurance, Consultant will ensure that the policies are endorsed to name the City of Compton and its respective elected and appointed officers, officials, employees, agents and volunteers as **"additional insureds"** with respect to liability arising out of the activities of the Consultant. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City. ***Prior to City's execution of this Agreement, Consultant will furnish certificates of insurance and endorsements to City.***

Waiver of Subrogation. The policies shall contain a waiver of subrogation for the benefit of City.

12. Permits and Licenses. Consultant, at its own expense, during the term of this Agreement, shall obtain and maintain all appropriate business and professional permits, licenses and certificates that may be required in connection with the performance of services by the Consultant. Upon execution of this Agreement, the Consultant shall show evidence of a business license permit in conformance with *Section 9-1.2* of the *Compton Municipal Code*.

13. Maintenance of Records. Consultant will maintain complete and accurate records with respect to costs incurred under this Agreement. All records will be clearly identifiable. Consultant will allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of records and any other documents created pursuant to this Agreement. Consultant will allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years, or longer if required by law, from the date of final payment under this Agreement.

14. Warranties. Consultant represents and warrants (i) that Consultant has no obligations, legal or otherwise, inconsistent with the terms of this Agreement or with Consultant's undertaking this relationship with City, (ii) that the performance of the services called for by this Agreement do not and will not violate any applicable law, rule or regulation or any proprietary or other right of any third party, (iii) that Consultant will not use in the performance of his responsibilities under this Agreement any confidential information or trade secrets of any other person or entity and (iv) that Consultant has not knowingly entered into or will enter into any agreement (whether oral or written) in conflict with this Agreement.

15. Federal and State Withholding Taxes. Consultant shall be responsible for paying when due all federal and state income withholding taxes for all earning under this Agreement. Consultant agrees to indemnify City for any claims, costs, losses, fees, penalties, interest, or damages suffered by City resulting from Consultant's failure to comply with this provision.

16. General Compliance with Laws. Consultant will keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of the services by Consultant. Consultant will at all times observe and comply with these laws, ordinances, and regulations and will be responsible for the compliance of the services with all applicable laws, ordinances and regulations.

17. Termination. In the event of the Consultant's failure to prosecute, deliver, or perform the services, after giving written notice of default and two (2) days to correct the same, then, in addition to any other remedies, City may terminate this Agreement for nonperformance by notifying Consultant in writing. Consultant has five (5) business days to deliver any documents owned by City and all work in progress to City address contained in this Agreement. City will make a determination of fact based upon the work product delivered to City and of the percentage of work that Consultant has performed which is usable and of worth to City in having the Agreement completed. Based upon that finding City will determine the final payment of the Agreement. In the event City elects to terminate, City will have the right to immediate possession of all Work Product and work in progress prepared by Consultant, whether located at the project site, at Consultant's place of business, or at the offices of a subconsultant.

The City's obligation is payable only from funds appropriated for the purpose of this Agreement. All funds for payments after the end of the current fiscal year are subject to the City's legislative appropriation for this purpose. In the event this Agreement extends into succeeding fiscal year periods and the City Council does not allocate sufficient funds for the next succeeding fiscal year payments, this Agreement shall terminate immediately upon written notice from the City.

Either Party, upon tendering thirty (30) calendar days written notice to the other Party, may terminate this Agreement for convenience. In this event and upon request of City, Consultant will assemble the work product without charge and put it in order for proper filing and closing and deliver it to City. Consultant will be paid for work performed to the termination date; however, the total will not exceed the lump sum fee payable under this Agreement. City will make the final determination as to the portions of tasks completed and the compensation to be made.

18. Covenants Against Contingent Fees. Consultant warrants that Consultant has not employed or retained any company or person, other than a bona fide employee working for Consultant, to solicit or secure this Agreement, and that Consultant has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this Agreement. For breach or violation of this warranty, City will have the right to terminate this Agreement for nonperformance, or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of the fee, commission, percentage, brokerage fees, gift, or contingent fee.

19. Certifications. The Consultant, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal, State or local agency;
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal, State or local agency within the past 3 years;
- does not have a proposed debarment pending; and
- has not been indicted, convicted, or had a civil judgment rendered against he/she/it by a court of competent jurisdiction in any matter involving fraud or official misconduct in connection with obtaining, attempting to obtain, or performing a public (Federal, state or local) transaction or contract under a public transaction; violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property within the past 3 years; and
- are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in the preceding paragraph; and
- have not had one or more public transactions (Federal, State or local) terminated for cause or default within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

[Supply exceptions on separate page]

For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

[Attach separate page]

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction. The above certifications are part of this contract. Signing this agreement on the signature portion thereof shall also constitute signature of the above Certifications.

Sanjay Gaur, Vice President **(Date)**

20. Jurisdiction, Venue and Governing Law. Any action at law or in equity brought by either of the Parties for the purpose of enforcing a right or rights provided for by this Agreement will be tried in a court of competent jurisdiction in the County of Los Angeles, State of California, and the Parties waive all provisions of law providing for a change of venue in these proceedings to any other county. This agreement will be governed by the laws of the State of California.

21. Testimony. Consultant will testify at City's request if litigation is brought against City in connection with Consultant's services under this agreement. Unless the action is brought by Consultant, or is based upon Consultant's actual or alleged negligence or other wrongdoing, City, upon prior written agreement with Consultant will compensate Consultant for time spent in preparation for testimony, testimony, and travel at Consultant's standard hourly rates at the time of actual testimony.

22. Waivers. The waiver by either Party of any breach or violation of any term, covenant, or condition of this Agreement or of any applicable law will not be deemed to be a waiver of such term, covenant, condition or law or of any subsequent breach or violation of same or of any other term, covenant, condition or law. The acceptance by either Party of any fee or other payment which may become due under this Agreement will not be deemed to be a waiver of any preceding breach or violation by the other Party of any term, covenant, or condition of this Agreement or any applicable law.

23. Authority. The individuals executing this Agreement and the instruments referenced in it on behalf of Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions of this Agreement.

24. Severability. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

25. Amendments. This Agreement may be modified or amended only be written document executed by both Consultant and City's City Manager and approved as to form by the City Attorney. Such document shall expressly state that it is intended by the parties to amend the terms and conditions of this Agreement.

26. Confidentiality. All documents, reports, information, data, and exhibits prepared or assembled by Consultant in connection with the performance of the Services pursuant to the Agreement are confidential until released by the City to the public, and the Consultant will not make any of these documents or information available to any individual or organization not employed by the Consultant or the City without the written consent of the City before any such release.

27. Entire Agreement. This Agreement, together with any other written document referred to or contemplated by it embody the entire Agreement and understanding between the parties relating to the subject matter of it. The City Manager is authorized, in consultation with the City Attorney, to agree to non-material amendments to this Agreement. Neither this Agreement nor any of its provisions may be amended, modified, waived or discharged except in a writing signed by both parties.

28. **Notices.** Any notices required or permitted under this Agreement shall be effective when delivered in person; and effective one (1) business day after delivery by facsimile transmission; and effective five (5) days after mailing by U.S. Mail, postage prepaid and properly addressed as follows:

To Consultant:	**Raftelis Financial Consultants, Inc.** **445 South Figueroa Street, Suite 2270** **Los Angeles, California 90017** **Attn: Sanjay Gaur, Vice President** **(213) 262-9304** **sguar@raftelis.com**
To City:	**City of Compton** **205 South Willowbrook Avenue** **Compton, California 90220** **Attn: Director, Public Works Department** **(310) 605-5505** **(310) 761-1417 – fax.**
With copy to:	**City of Compton** **205 South Willowbrook Avenue** **Compton, California 90220** **Attn: City Manager**

29. **Miscellaneous.** No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision.

Should either party hereto, or any representative, successor or assign of either party hereto, resort to litigation to enforce the provisions of this Agreement, the party or parties prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to recover its or their reasonable attorney's fees and costs in such litigation from the party or parties against whom enforcement is sought.

IN WITNESS WHEREOF, CONSULTANT has executed this Agreement, and the **CITY**, by its City Manager, who is authorized to do so, has executed this Agreement.

RAFTELIS FINANCIAL CONSULTANTS, INC.
CONSULTANT

Dated: _____ **By _____**
Sanjay Gaur, Vice President

CITY OF COMPTON
Recommended for Approval:

By _____ **Dated: _____**
Wendell E. Johnson, P.E., Director
Public Works Department

Approved by:

Dated: _____ **By _____**
Cecil W. Rhambo, Jr., City Manager

Approved as to form:

By _____ **Dated: _____**
Craig J. Cornwell, City Attorney

ATTEST:

Dated: _____ **By _____**
Alita Godwin, City Clerk

RAFTELIS

Sewer Rate and Fee Study Consultant Services

COPY / TECHNICAL PROPOSAL / DECEMBER 3, 2018

Contact Person
Sanjay Gaur, Project Manager
445 S Figueroa Street, Suite 2270, Los Angeles, CA 90017
P: 213-262-9304 / E: sgaur@raftelis.com

City of Compton

REGISTERED MUNICIPAL ADVISOR

Raftelis is registered with the U.S. Securities Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) as a Municipal Advisor.

Registration as a Municipal Advisor is a requirement under the Dodd-Frank Wall Street Reform and Consumer Protection Act. All firms that provide financial forecasts that include assumptions about the size, timing, and terms for possible future debt issues, as well as debt issuance support services for specific proposed bond issues, including bond feasibility studies and coverage forecasts, must be registered with the SEC and MSRB to legally provide financial opinions and advice. Raftelis' registration as a Municipal Advisor means our clients can be confident that Raftelis is fully qualified and capable of providing financial advice related to all aspects of utility financial planning in compliance with the applicable regulations of the SEC and the MSRB.

RAFTELIS

445 S Figueroa Street, Suite 2270
Los Angeles, CA 90017

WWW.RAFTELIS.COM

November 29, 2018

Mr. Wendell Johnson, P.E.
Director of Public Works and Municipal Utilities
City of Compton
205 South Willowbrook Avenue
Compton, CA 90220

Subject: Proposal for Sewer Rates and Fee Study

Dear Mr. Johnson:

Raftelis is pleased to present this proposal to assist the City of Compton (City) with a Sewer Rate Study. With our industry expertise, depth of resources, and unparalleled qualifications, we can ensure a value-added project that efficiently and successfully implements forward-looking solutions that will benefit the City and its customers.

We have the largest practice in California and the nation specializing in financial and rate consulting for water, wastewater, recycled water, and stormwater utilities. Raftelis is confident in our ability to meet the City's goals and comply with Proposition 218. We have assisted numerous agencies in California and across the United States with successfully implementing equitable rate structures that fund capital infrastructure plans and ensure financial stability, while minimizing impacts on customers.

Raftelis understands the City's rate structure objectives as outlined in the Request for Proposals (RFP). The following objectives will guide the study and serve as the primary components of the proposed rate structure:

- Ensure revenue sufficiency and financial stability
- Fully fund costs to repair, replace, and improve infrastructure
- Accommodate demands of a growing community
- Minimize customer impacts from changes to the rate structure(s)
- Develop rates that are easy to understand and administer

We are confident in our ability to deliver a sustainable financial plan in line with the City's long-term objectives, analyze the cost of providing sewer service, and develop an optimal rate structure that complies with Proposition 218 and other industry standards and regulations.

Our project team has extensive experience and a reputation for high quality service. Our office, located in downtown Los Angeles, is a short distance from the City. I will serve as Project Manager and will be responsible for overall project accountability and provide insight and direction during the Study. I have more than 20 years of public-sector consulting experience and have conducted over 100 water, wastewater, and recycled water studies.

Raftelis is excited to have the opportunity to assist the City with this important study. If you have any questions, please do not hesitate to contact me at (213) 262-9304 or sgaur@raftelis.com.

Sincerely,

Sanjay Gaur
Vice President

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WHO IS Raftelis

RAFTELIS IS THE TRUSTED ADVISOR TO UTILITIES AND THE PUBLIC SECTOR.

+ Visit www.raftelis.com to learn more

Raftelis provides utilities and public-sector organizations with insights and expertise to help them operate as high-performing, sustainable entities providing essential services to their citizens. We help our clients solve their finance, organizational, and technology challenges, achieve their objectives, and, ultimately, make their communities better places to live, work, and play.

Independence
Raftelis is independent of the City, and we do not have any relationships involving the City or its employees.

Size of our Firm
90 employees (including 79 utility financial, organizational, and technology consultants)

Location of the Offices from Which the Work Will Be Conducted
445 S. Figueroa St., Suite 2270
Los Angeles, CA 90071

500 Yale Ave. North #109
Seattle, WA 98109

THE CITY
& RAFTELIS

The Right Fit

We believe that Raftelis is the right fit for this project. We provide several key factors that will benefit the City and help to make this project a success.

RESOURCES & EXPERTISE

This project will require the resources necessary to effectively staff the project, and the skillsets to complete all of the required components.

With more than 70 consultants, Raftelis has the largest water-industry financial and rate consulting practice in the nation. Our depth of resources will allow us to provide the City with the technical expertise necessary to meet your objectives. In addition to having many of the industry's leading rate consultants, we also have experts in key related areas, like stakeholder engagement and data analytics, to provide additional insights as needed.

DEFENSIBLE RECOMMENDATIONS

When your elected officials and customers are considering the validity and merit of recommended changes, they want to be confident that they were developed by experts using the latest industry standard methodology.

Our senior staff are involved in shaping industry standards by chairing various committees within the AWWA and WEF. Raftelis' staff members have also co-authored many industry standard books regarding utility financail planning and rate setting. Being so actively involved in the industry will allow us to keep the City informed of emerging trends and issues, and to be confident that our recommendations are insightful and founded on sound industry principles. In addition, with Raftelis' registration as a Municipal Advisor, you can be confident that we are fully qualified and capable of providing financial advice related to all aspects of utility financial planning in compliance with federal regulations.

HISTORY OF SIMILAR SUCCESSES

An extensive track record of past similar work will help to avoid potential pitfalls on this project and provide the know-how to bring it across the finish line.

Raftelis staff have assisted 1,000+ utilities throughout the U.S. with financial and rate consulting services, with wide-ranging needs and objectives. Our extensive experience will allow us to provide innovative and insightful recommendations to the City, and will provide validation long-term financial plan ensuring that industry best practices are incorporated.

USER-FRIENDLY MODELING

A modeling tool that your staff can use for scenario analysis and financial planning now and into the future will be key for the City going forward.

Raftelis has developed some of the most sophisticated yet user-friendly financial/rate models available in the industry. Our models are tools that allow us to examine different policy options and cost allocations and their financial/customer impacts in real time. Our models are non-proprietary and are developed with the expectation that they will be used by the client as a financial planning tool long after the project is complete.

EXPERTS ON CALIFORNIA REGULATORY REQUIREMENTS

This expertise will allow the City to be confident that our recommendations take into account all of these regulatory requirements.

The regulatory environment in California has become more stringent due to Proposition 218. Besides developing well thought out financial plans, Raftelis staff are very knowledgable about these regulations and have made presentations on this subject at various industry conferences. In addition, we are frequently called on to be expert witnesses regarding these regulatory matters.

How we stack up

25 years
serving the
utility industry

Our team includes

70+ consultants
focused on utility finance/
organization/technology

8 current and previous
AWWA and WEF committee
and division chairs

14 members of
AWWA, WEF, and NACWA
utility finance and management committees

Raftelis has provided financial/organizational assistance for

1,000+ water/wastewater/
stormwater
utilities

which serve more than

25% of the
U.S. population

and includes the utilities serving

33 of the nation's
50 largest cities

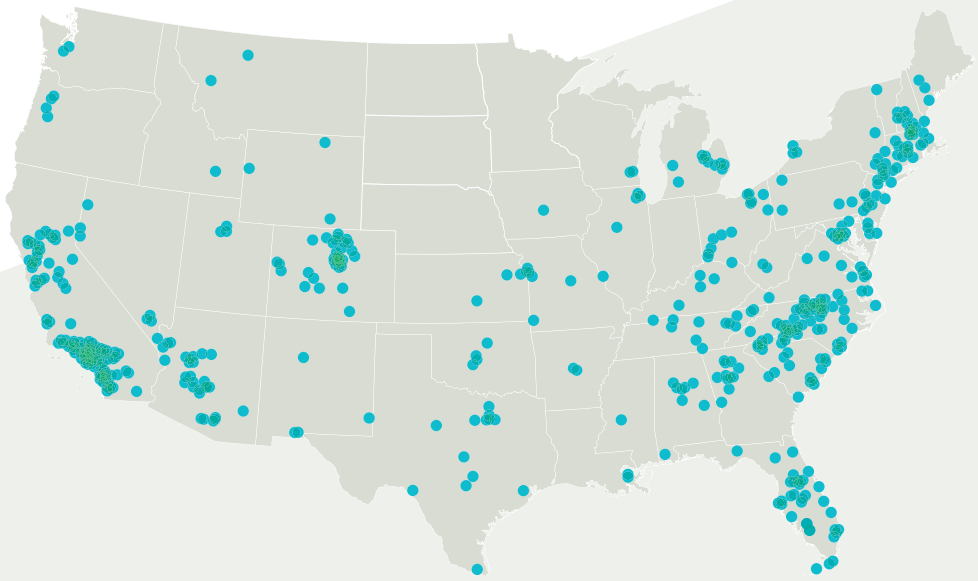
In the past year alone, we worked on

600+ projects
for **400+** utilities
in **40** states

Experience & References

RAFTELIS HAS THE MOST EXPERIENCED UTILITY FINANCIAL AND MANAGEMENT CONSULTING PRACTICE IN THE NATION.

Our staff have assisted more than 1,000 utilities across the U.S., including some of the largest and most complex agencies in the nation. In the past year alone, Raftelis worked on more than 600 financial/organizational/technology consulting projects for over 400 water, wastewater, and/or stormwater utilities in 40 states, the District of Columbia, and Canada.



Raftelis has provided financial/organizational/technology assistance to utilities serving more than

25%

of the U.S. population.

This map and the matrix on the following page shows some of the utility clients that we have assisted.

CALIFORNIA EXPERIENCE

This table lists the California utilities that Raftelis has assisted over the past five years on financial, rate, and/or management consulting projects.

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial and Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development / Impact Fees	Stormwater Utility Develoment	Organizational Optimization	Water/Wastewater Utility Valuation
Alameda County Water District		●		●		●	●	●	●			
Anaheim, City of				●		●	●	●				
Arroyo Grande, City of				●		●	●	●				
Atwater, City of				●	●	●		●				
Bakersfield, City of		●		●		●		●				
Benicia, City of									●			
Beverly Hills, City of		●		●		●	●	●	●		●	
Borrego Water District			●	●		●						
Brea, City of				●		●		●				
Brentwood (CA), City of				●		●	●	●				
CAL FIRE/San Luis Obispo								●				
Calleguas Municipal Water District		●		●		●	●	●				
Camarillo, City of		●		●		●		●	●			
Carlsbad Municipal Water District		●		●		●	●	●				
Casitas Municipal Water District				●		●		●				
Castaic Lake Water Agency			●	●		●	●	●	●			
Central Basin Municipal Water District		●		●			●	●				
Central Contra Costa Sanitary District				●		●		●				
Channel Islands Beach Community Services District				●		●		●				
Chino Hills, City of				●		●		●				
Chino, City of				●		●		●				
Chowchilla, City of				●		●	●	●				
Corona, City of						●			●			
County of San Diego				●				●		●		
Crescenta Valley Water District				●		●		●				
Cucamonga Valley Water District				●		●						
Del Mar Union School District		●										
Delta Diablo Sanitation District											●	
East Bay Municipal Utility District				●				●	●			
East Orange County Water District				●		●		●	●			
East Valley Water District				●		●	●	●				
Eastern Municipal Water District				●								
El Toro Water District				●		●		●				
Elk Grove Water District	●			●		●	●	●	●			
Elsinore Valley Municipal Water District				●		●			●			
Escondido, City of		●		●		●	●	●	●			
Galt, City of		●		●		●		●	●			
Glendora, City of						●						
Goleta Water District				●		●	●	●				
Goleta West Sanitary District			●	●		●	●	●	●			
Helix Water District				●		●		●				
Henderson, City of				●		●		●	●			
Hollister, City of				●		●		●	●			
Holtville, City of				●				●				
Huntington Beach, City of				●		●	●	●				
Imperial County				●		●		●				
Inland Empire Utilities Agency				●								

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial and Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development / Impact Fees	Stormwater Utility Develoment	Organizational Optimization	Water/Wastewater Utility Valuation
Irvine Unified School District		●										
Jurupa Community Services District				●		●	●	●				
Kern County Water Agency					●							
La Canada Irrigation District				●		●		●				
La Habra Heights County Water District				●		●	●	●	●			
Laguna Beach, City of				●								
Lake Valley Fire Protection District				●			●	●				
Las Virgenes Municipal Water District				●		●		●				
Leucadia Wastewater District				●		●						
Livermore, City of				●		●		●	●			
Long Beach City of	●	●		●		●		●				
Los Alamos Community Services District		●		●		●		●	●			
Los Angeles Department of Water and Power						●		●				
Los Angeles, City of Bureau of Sanitation					●							
Madera, City of		●		●								
Mammoth Community Water District				●		●		●				
Marin Municipal Water District					●							
Merced, City of				●		●		●	●			
Mesa Water District				●				●				
Metropolitan Water District of Southern California			●									
Modesto Irrigation District						●		●				
Mojave Water Agency				●		●	●					
Monterey County Water Resources Agency				●		●		●				
Monterey, City of		●		●		●	●					
Moulton Niguel Water District									●			
Municipal Water District of Orange County					●			●				
Napa Sanitation District				●		●		●				
Ojai Valley Sanitary District				●		●		●				
Olivenhain Municipal Water District				●		●	●					
Ontario Municipal Utilities Company								●				
Ontario, City of				●		●	●	●				
Orange, City of				●		●		●				
Palo Alto, City of				●		●	●	●				
Phelan Pinon Hills Community Services District	●			●		●		●	●			
Placer County Water Agency					●			●				
Pleasant Hill Recreation & Park District				●				●				
Pomona, City of				●		●		●	●			
Rainbow Municipal Water District				●		●	●	●				
Ramona Municipal Water District				●		●		●				
Rancho California Water District						●	●	●	●			
Redlands, City of				●		●	●	●	●			
Rincon del Diablo Municipal Water District				●		●		●				
Riverside Public Utilities				●		●	●	●	●			
Roseville, City of		●		●					●			
Sacramento Regional County Sanitation District						●						
Sacramento, City of				●		●		●				
Salton Community Services District				●				●				

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial and Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development / Impact Fees	Stormwater Utility Develoment	Organizational Optimization	Water/Wastewater Utility Valuation
San Bernardino Valley Municipal Water District						●						
San Bernardino, County of				●		●		●	●			
San Clemente, City of				●		●	●	●				
San Diego, City of Public Utilities Deptartment		●	●	●		●	●	●	●			
San Dieguito Water District				●		●		●				
San Elijo Joint Powers Authority				●	●	●	●	●	●			
San Gabriel County Water District				●		●		●				
San Gabriel, City of				●		●		●				
San Jose, City of								●				
San Juan Capistrano, City of				●		●	●	●	●			
Santa Ana, City of								●				
Santa Barbara, City of				●		●	●	●	●			
Santa Clara Valley Water District			●	●	●							
Santa Clarita Water District		●		●		●	●	●	●			
Santa Cruz, City of				●		●	●	●				
Santa Fe Irrigation District				●		●	●	●	●			
Santa Fe Springs, City of				●		●		●				
Santa Margarita Water District				●		●	●	●				
Santa Rosa, City Attorney's Office									●			
Scotts Valley Water District		●		●		●	●	●	●			
Shafter, City of				●		●		●				
Shasta Lake, City of				●		●	●	●				
Sierra Madre, City of	●			●		●		●				
Signal Hill, City of				●		●		●				
Simi Valley, City of				●		●	●	●	●			
Sonoma, City of				●		●		●				
South Mesa Water Company				●		●	●	●				
South Pasadena, City of				●		●		●				
South San Francisco, City of				●				●				
Sunnyslope County Water District				●		●	●	●	●			
Sweetwater Authority				●		●		●				
Temescal Valley Water District				●		●		●	●			
Thousand Oaks, City of				●		●	●	●	●			
Torrance, City of				●		●		●				
Trabuco Canyon Water District				●		●		●				
Triunfo Sanitation District				●		●		●				
Tustin, City of				●		●		●				
Union Sanitary District				●		●	●	●	●			
Ventura Regional Sanitation District				●		●		●				
Ventura, City of	●	●	●	●	●	●	●	●	●			
Vista, City of				●		●			●			
Walnut Valley Water District				●		●		●				
Watsonville, City of	●			●		●	●	●				
West Basin Municipal Water District				●		●	●	●				
Western Municipal Water District				●		●		●	●			
Yorba Linda Water District				●		●		●				
Zone 7 Water Agency				●		●		●				

On the following pages, we have provided detailed descriptions of several projects that are similar in type and size to the City's project. We have included references for each of these clients and urge you to contact them to better understand our capabilities and the quality of service that we provide. In Appendix B, we have also included a copy of a sewer rate study/cost of service analysis similar to the City's project.

City of Long Beach

CALIFORNIA

Reference: Anatole Falagan, Assistant General Manager
Long Beach Water Department
1800 E. Wardlow Rd., Long Beach, CA 90807 – 4994
P: 562.570.2317 / E: anatole.falagan@lbwater.org

The City of Long Beach Water Department (LBWD or Department) maintains a system of water, sewer, and recycled water infrastructure that provides services to nearly 470,000 Long Beach residents. LBWD receives its potable water supply from two main sources: groundwater produced from the Central Groundwater Basin, regulated by the Water Replenishment District of Southern California (WRD), and purchases from the Metropolitan Water District of Southern California (MWD).

The prior water and sewer rates were developed in 1996 and updated annually across the board to account for rising operating and capital costs. LBWD engaged Raftelis to conduct a cost of service and rate design study for its water and sewer services and develop an administrative record that demonstrates a nexus between LBWD's costs and rates to meet the requirements of Proposition 218.

Raftelis collaborated with LBWD staff to develop the rate design framework for water, recycled water, and sewer rates based on the policy priorities such as promoting conservation, being easy to administer and for customers to understand, and providing affordability for essential use. The current three-tier inclining rate structure for residential customers achieves most of these pricing objectives. LBWD meets the needs of its customers through a diverse portfolio of water resources, including local groundwater combined with imported supplies. To better align residential usage tiers with available water supply, Raftelis proposed to define tier breakpoints by water supply source.

The LBWD Board of Water Commissioners (Board) commits to continue the Exemption Program to provide affordability

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for essential water use for eligible customers in need in conjunction with the City of Long Beach Utility Users Tax Exemption Program. To continue to support the Exemption Program, Raftelis and LBWD staff recommended to use non-rate revenue such as rental income as qualified funding sources.

Raftelis conducted a detailed and vigorous cost of service analysis for water, recycled water, and sewer services and rate calculations demonstrating the nexus and proportionality between the costs and the rates to ensure compliance with Proposition 218. To help communicate with customers about the drivers and rationale behind the proposed rates, the water quantity rates include several cost-based rate components, including water supply costs, delivery, peaking, conservation and revenue offsets. To facilitate informed decisions by policy makers, sensitivity and customer impact analyses were conducted for all customer classes at various usage levels receiving water, recycled water, and sewer services. Raftelis developed an Excel-based, non-proprietary financial plan and rate model documenting all of the data and assumptions used in the study. The rate model presents the results of the study in a series of tables and charts that allows the Department to quickly review the impacts of different rates alternatives, so that policy makers can make informed decisions.

At the end of the study, Raftelis presented the results to the Board in a workshop illustrating the nexus between the costs and rates to ensure that the proposed water, recycled water, and sewer rate structures complied with Proposition 218 requirements. As part of the study, Raftelis developed the cost of service and rate study report to be used as an administrative record. The report highlighted the major issues and decisions made during the course of the study and discussed and explained the cost of service analysis and methodology used to develop the final rates. The explanation of the methodology found within the report demonstrates that the rates: are equitable, reflect the Department's policies and values, and are driven by the Department's revenue requirements. The final report was submitted to the LBWD, the Long Beach Board of Water Commissioners conducted a public hearing to consider the proposed changes outlined in the Proposition 218 legal notice, and the City Council adopted an ordinance approving the new rate structure.

City of Camarillo

CALIFORNIA

Reference: Mark S. Uribe, Assistant Director of Finance
601 Carmen Drive, Camarillo, CA 93010
P: 805.388.5358 / E: muribe@cityofcamarillo.org

In 2011, the City of Camarillo (City) engaged Raftelis to conduct a comprehensive water and wastewater rate study to independently assess and evaluate existing water and wastewater rates for compliance with industry standards and California regulations, and to develop a financial plan to ensure financial sufficiency while minimizing rate impacts to the greatest degree possible. The study included a comprehensive review of the water and wastewater enterprises' revenue requirements, a review of the City's user classification and usage patterns, a cost of service analysis, the development of water and wastewater connection fees, the design of water and wastewater rates, and the analysis of customer impacts along with a rate survey of neighboring agencies. The City had significant capital improvement projects scheduled in the immediate future (FY 2012 to FY 2014); to smooth out customer impacts while sufficiently maintaining the utility's systems, Raftelis developed water and wastewater financial plan models to evaluate different CIP scenarios, financing options, and associated financial impacts. Raftelis recommended water and wastewater rate schedules for a two-year period effective January 2012 and 2013, which were approved by the City Council in November 2011. Since then Raftelis has updated the City rates on a biennial basis and has recently revaluated the financial plan for FY 2017.

The City relies heavily upon imported water and has experienced a reduction on its groundwater allocation within the Fox Canyon Basin due to saltwater intrusion. To help mitigate the impacts from drought and increasing source costs, the City has developed a recycled water system to provide non-potable supply to irrigators and other non-residential accounts within the service area. In 2015 Raftelis developed a financial plan for the new recycled water enterprise. As part of the Study, Raftelis conducted a cost of service analysis and developed recycled water rates. Recycled water rates were adopted by City Council, in conjunction with potable rates, in July 2016

City of Lakewood

CALIFORNIA

Reference: Jason J. Wen, Ph.D., P.E.
Director of Water Resources
5812 Arbor Road, Lakewood, CA 90713
P: 562.866.9771 ext. 2701 / E: JWen@lakewoodcity.org

Raftelis helped the City of Lakewood establish water and recycled water rates. The City will move from a 2-tiered rate structure for single family residential customers to a 3-tiered rate structure. The first tier of the existing structure is a free tier with no commodity/volumetric rate. The City chose to phase in Raftelis' recommendations over the course of 5 years. The resulting phased in approach mitigated customer rate shock. The City will also move from a uniform multi-family residential rate to a 3-tiered rate structure. All rates are based on the cost to serve customers in accordance with Proportion 218.

City of Torrance

CALIFORNIA

Reference: Robert Beste, PE, Public Works Director
20500 Madrona Avenue, Torrance, CA 90503
P: 310.618.6258 / E: rbeste@torrnet.com

The City of Torrance (City) had not conducted a cost of service rate study in several years. Raftelis was engaged to assist the City with several issues including development of a long-term financial plan, cost of service rates, evaluation of the agreements with Mobil-Exxon and Cal-Water, lifeline rates, pass through charges, capital financing, debt funding, and conservation rates including an inclining rate structure. The process was conducted with input from a Utilities Advisory Board. Raftelis assisted the City with Proposition 218 requirements in conjunction with legal counsel. Additionally, Raftelis assisted the City with the development of recycled water rates. Raftelis has been retained again to assist with wastewater rates and to update water rates.

City of Huntington Beach

CALIFORNIA

Reference: Kenneth Dills, Project Manager
19001 Huntington Street, Huntington Beach, CA 92648
P: 714.375.5055 / E: kdills@surfcity-hb.org

In 2010, City of Huntington Beach (City) engaged Raftelis to conduct a water budget rate study and design a water budget rate structure for its 48,000 residential and irrigation accounts. Budgets were based on household size for indoor allocations and weather and irrigation area for outdoor allocations. The formula for developing allocation budgets considers irrigation efficiency and type of landscape. The concept is to encourage efficient use of water and to provide users adequate water but penalize wasteful practices.

In 2011, Raftelis developed a water budget rate model that allowed the City to quickly view the impacts of alternative rates and budgets. The water budget rate structure was designed to ensure revenue stability, financial sufficiency and conservation program funding for the City. This tool was invaluable when presenting results in graphical format to the City Council so that they could see the impacts of different water budgets and different rate alternatives on their customers instantaneously. In addition, Raftelis was requested to prepare the billing system framework required to accommodate a water budget rate structure. As part of this engagement, Raftelis conducted a market research to identify potential vendors that had successfully implemented a water budget rate structure, and provided the City a list of vendors and their associated contact information.

In 2012, the City commissioned Raftelis to develop a Financial Plan Model to evaluate financing options for the capital improvement projects (CIP) included in its recently updated Water Master Plan, to assess the resulting financial impacts and to perform sensitivity analyses for different CIP scenarios.

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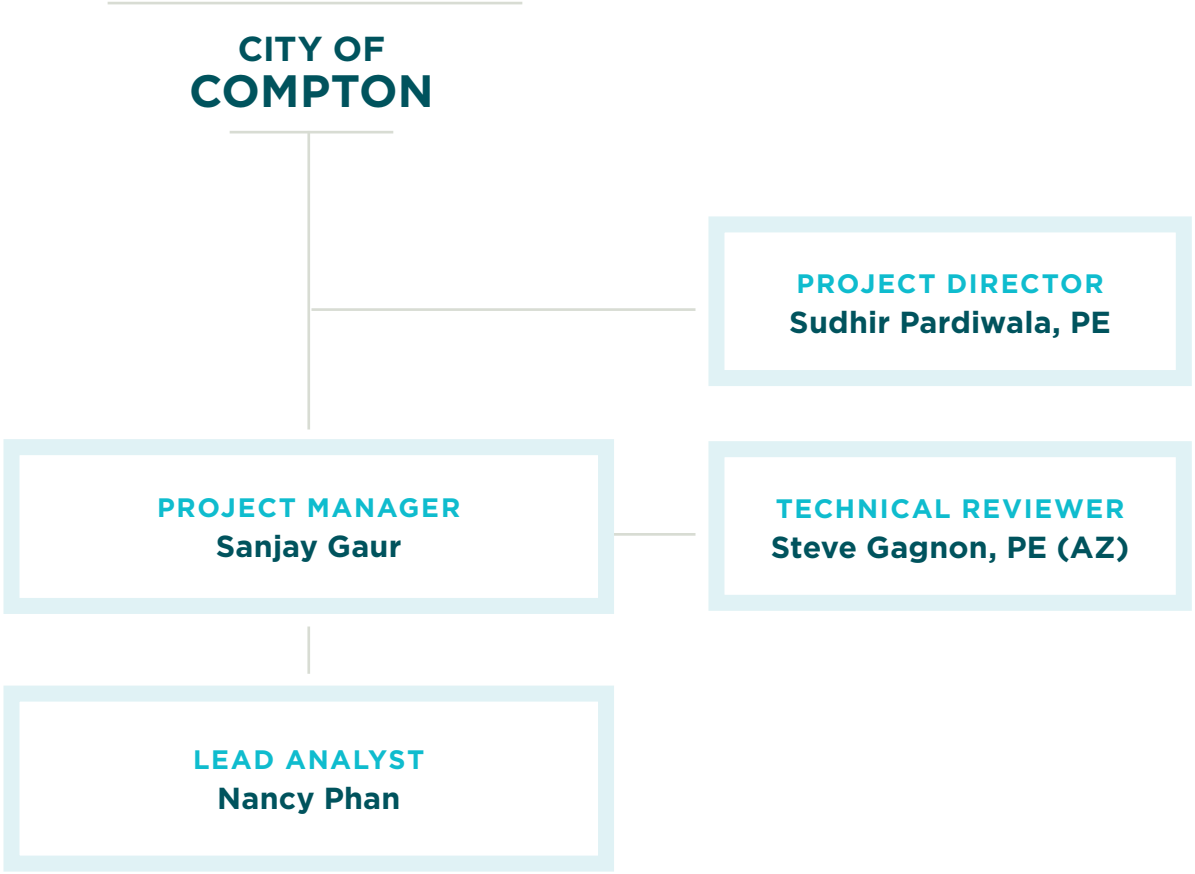
Qualifications of Professional Staff

WE HAVE DEVELOPED A TEAM OF CONSULTANTS WHO SPECIALIZE IN THE SPECIFIC ELEMENTS THAT WILL BE CRITICAL TO THE SUCCESS OF THE CITY'S PROJECT.

Our team includes senior-level professionals to provide experienced project leadership, with support from talented consultant staff. This close-knit group has frequently collaborated on similar successful projects, providing the City with confidence in our capabilities.

Here, we have included an organizational chart showing the structure of our Project Team. On the following pages, we have included brief profiles and project roles for each of our team members, and detailed resumes are provided in Appendix A.



PROJECT DIRECTOR

Sudhir Pardiwala PE

Executive Vice President

PROJECT ROLE

Will be responsible for overall project accountability, and will be available to provide insights into various cost of service and rate-setting matters.

CAREER HIGHLIGHTS

- 40 years of experience
- Co-author of: WEF's *MOP No. 27, Financing and Charges for Wastewater Systems; & Water and Wastewater Finance and Pricing*
- Conducted over 300 water, wastewater, and recycled water studies
- Financial/rate consulting experience with Torrance, La Habra, Brea, South Pasadena, Napa Sanitation District, Escondido, San Diego, Goleta West Sanitary District, & Santa Barbara

PROJECT MANAGER

Sanjay Gaur

Vice President

PROJECT ROLE

Will manage the day-to-day aspects of the project ensuring it is within budget, on schedule, and effectively meets the City's objectives. He will also lead the consulting staff in conducting analyses and preparing deliverables. Mr. Gaur will serve as the City's main point of contact.

BACKGROUND

- 20 years of experience
- Co-author of: AWWA's *M1 Manual*; AWWA's *Water, Rates, Fees, and the Legal Envronment*; & *Water and Wastewater Finance and Pricing*
- Financial/rate consulting experience with Long Beach, Huntington Beach, Trabuco Canyon Water District, & East Bay Municipal Utility District

TECHNICAL REVIEWER

Steve Gagnon PE (AZ)

Manager

PROJECT ROLE

Will provide oversight for the project ensuring it is completed in a timely manner and meets both Raftelis and industry standards.

CAREER HIGHLIGHTS

- 20 years of experience
- Registered with the Securities and Exchange Commission as a Municipal Advisor; Registered Environmental Engineer in Arizona
- Member of CA-NV AWWA Rates and Charges Committee
- Financial/rate consulting experience with Lakewood, Pomona, San Dieguito Water District, Santa Fe Irrigation District, Sweetwater Authority, Olivenhain Municipal Water District, & Encina Wastewater Authority

LEAD ANALYST

Nancy Phan

Consultant

PROJECT ROLE

Will work at the direction of Mr. Gaur in conducting analyses and preparing deliverables for the project.

CAREER HIGHLIGHTS

- 3 years of experience
- Financial/rate consulting experience with City of Torrance, Ventura, City of La Habra, Central Contra Costa Water District, & Selma-Kingsburg-Fowler County Sanitation District

Leading the industry

Raftelis staff shape industry standards for water and wastewater utility finance and management through our active leadership in AWWA, WEF, and EPA. Raftelis' staff includes:

AWWA

- Asset Management Committee - 1 member
- Benchmarking Committee - 1 member
- Finance, Accounting, and Management Controls Committee - 2 members
- Management and Leadership Division - Chair and Vice Chair
- Public Affairs Council - Chair
- Rates and Charges Committee - Chair and 7 members
- Strategic Management Practices Committee - Chair
- Technical and Education Council - 1 Trustee

WEF

- Finance and Administration Subcommittee - Chair
- Technical Practices Committee - 1 member
- Utility Management Committee - 4 members
- WEFTEC Conference Planning Committee - 1 member

EPA

- Environment Financial Advisory Board - 1 member

We wrote the book

Raftelis staff have co-authored many of the industry's leading guidebooks regarding water and wastewater financial and management issues, including:

- Affordability of Wastewater Service (WEF)
- Financing and Charges for Wastewater Systems, Manual of Practice 27 (WEF)
- Manual M1, Principles of Water Rates, Fees and Charges (AWWA)
- Manual M5, Principles of Water Rates, Fees and Charges (AWWA)
- The Effective Water Professional (WEF)
- Water and Wastewater Finance and Pricing: The Changing Landscape
- Water and Wastewater Rate Survey (conducted and published collaboratively with AWWA and Raftelis)
- Water Rates, Fees, and the Legal Environment (AWWA)

Study Approach

The City of Compton's sewer utility provides wastewater services to a population of 95,000 that includes both residential and commercial customers. The sewer system includes over 140 miles of pipes for wastewater collection. Treatment services are provided by the Los Angeles County Sanitation District (LACSD). The City's Public Works Department operates and maintains the system, which was constructed during the 1940s and 1950s.

The current sewer rates include a sewer service charge based on historical water use and a capital charge based on volume of water to fund capital costs for the utility. The City is seeking qualified consultants to conduct a Sewer Rate Study to ensure revenue sufficiency, financial stability, and compliance with Proposition 218 and other industry regulations, with considerations for issues such as a growing population and aging infrastructure.

As part of our approach, Raftelis will complete a long-term financial plan for the utility. The financial plan will review all operating and capital revenue requirements, forecasted across a 10-year period, to determine the level of revenue increases required in the future to sustain operations, fund capital projects, and meet debt coverage requirements and/or reserve targets. Raftelis will utilize the most up-to-date information available and examine how various scenarios can alter the financial plan. This will ensure that the City accounts for future capital needs through steady, measured increases in rates. It is equally important to assess the financial impacts on customers and, therefore, to develop alternative financial plan scenarios to meet the City's short- and long-term objectives.

The cost of service analysis will use the methodologies set forth by the Water Environment Federation (WEF) in the *Manual of Practice No. 27, Financing and Charges for Wastewater Systems*, which will ensure that the proposed rates comply with Proposition 218. (Several Raftelis staff members served as co-authors of this guidebook.) Besides conducting the technical analysis to formulate cost of service rates that meet Proposition 218 requirements, it is equally important that the rationale for the rates is clear, straightforward, and that rates can be easily understood and implemented. Rates do more than simply recover costs. Properly designed rates support and optimize a blend of various utility objectives, such as affordability for essential needs, fairness and equity, revenue stability, and ensuring ease of implementation. The rate development process is a public information tool that communicates the City's rate objectives to customers. Raftelis will design rates according to industry standards that are defensible and meet the City's rate-setting objectives.

Raftelis will develop a customized rate model to assess three rate alternatives and the corresponding customer impacts to facilitate informed decision-making. The results will be summarized in both an easy-to-understand graphical format and a tabular format to ease communications with elected officials.

All financial analyses will be developed through the use of a sophisticated financial and rate model developed for the City, by Raftelis, in Microsoft Excel. Raftelis develops powerful, yet user-friendly rate models to allow for various financial-planning and scenario analysis tasks. Our goal is to provide a model that City staff can use in subsequent years as part of its budgetary process. The model will be provided to the City as a deliverable and it will allow staff to update the financial plan and rates in future years. Our models include a dashboard through which stakeholders can instantaneously visualize the impacts of changes to assumptions to facilitate informed decision making.

Our proposed project approach entails several distinct, yet interrelated work efforts that will require effective coordination between City staff and the Raftelis team. Rate making must be a collaborative effort that takes into consideration varying objectives, to ensure buy-in from stakeholders and successful implementation. We will work with City staff on an ongoing basis via scheduled in-person meetings and web meetings for the orderly transfer of information and to cultivate a strong sense of ownership among City staff over the final work product and results.

Scope of Work

TASK 1

Project Management, Administration, and Initiation

We believe that the execution of a productive kick-off meeting is the most effective way to begin a study of this nature. Raftelis will use this time to perform our due diligence and ensure that the project stakeholders agree to the objectives, approach, work plan, schedule, and priorities. As part of the meeting, Raftelis will:

- Discern the major drivers for the Study
- Work with City staff to identify and prioritize pricing objectives
- Identify potential alternative rate structures and develop a framework
- Discuss financial, debt, and/or reserve policies
- Review the data request list and pinpoint outstanding requirements

The preliminary data request list for this study, as requested in the RFP, is provided below:

- Projected expenses and revenues for fiscal year (FY) 2019 and if available, FY 2020
- Actual expenses and revenues for FY 2018
- Customer account data and billed consumption data for FY 2017 and FY 2018
- 10-year capital improvement plan (CIP)
- Sewer Master Plan, if available
- Asset listing with original cost, date in service, useful life as of June 30, 2018

Our project management approach stresses communication, teamwork, objectivity, and accountability to meet project objectives and includes general administrative duties including client correspondence, billing, project documentation, and administration of the study. We believe in a no-surprises approach and communicate with clients on a regular basis through face-to-face meetings, web meetings, and telephone conferences so that the City is always aware of project status.

At the heart of Raftelis' core philosophy is our commitment to quality. The foundation of our Quality Assurance/Quality Control (QA/QC) program is based on the concept that QA/QC is a continuous process, not simply a mechanism to be incorporated at the end of an engagement. As such, in every project, we implement a systematic program of quality assurance that incorporates an independent system of checks throughout the entire course of the engagement to ensure consistency, accuracy and validity. This is accomplished through periodic review of the issues and model throughout the course of the project. We have found that a well-defined QA/QC process ensures that our work products will be of the highest quality and meet or exceed the standards that our clients have come to expect from Raftelis.

Meeting: Kick-off meeting with City staff (included in Task 7)
Deliverables: Kick-off meeting agenda and meeting minutes, finalized data request list

TASK 2

Financial Plan Development

After the data has been compiled and analyzed, Raftelis will begin the process of developing a long-term financial plan which will involve projecting wastewater flow generation and forecasting revenue requirements. Revenue requirements, or expenses, will be compared to industry benchmarks during this phase. We will develop a detailed forecast model that will serve as a comprehensive yet flexible planning tool that will incorporate growth projections, ten-year CIP, capital financing plan, wastewater flow and/or water consumption projections, revenue requirements, detailed cost and revenue projections, and reserve balances. Raftelis will determine a 10-year cost forecast based on inflation assumptions provided by City staff. In addition, Raftelis will project non-rate revenues such as late fees, interest, miscellaneous fees, etc. that may be used to offset rate increases. To better understand the financial situation of the utility, we will conduct a review of the City's funds and become familiar with the billing system to ensure ease of administration in later stages of the study.

Another important element of the financial plan will be the development of reserves for operating, capital replacement, rate stabilization, and unforeseen events. We will take into consideration the City's risk management and financial policies to recommend appropriate reserve targets and assess the City's level of liquidity. Adopting or revising a financial policy can help the City mitigate against risks such as revenue instability due to environmental conditions, asset failures, and natural disasters. In addition, an appropriate reserve policy reflects sound financial management practices and increases financial sufficiency for the utility in the long-term.

Ultimately, Raftelis will project how much cash is required to be collected through sewer rates to meet projected expenses while minimizing sharp rate fluctuations. The model will determine the capability of the City's existing and scheduled sewer rates to fully cover operational costs, and if necessary, propose revenue adjustments that will allow the City to effectively meet its financial obligations. This will allow the City to plan

Projecting revenue adjustments over a long planning horizon can illustrate future rate impacts and potential challenges to the City's financial situation in both the short-term and long-term.

expenses, reserve balances, and/or capital project scheduling to smooth rate impacts and to maintain financial stability throughout the multi-year planning horizon.

At the heart of any successful financial assessment is the computer model that is used to develop revenue requirements, perform financial planning, and calculate sewer rates. Raftelis will create a customized model based on a standardized approach to meet the City's specific needs. The model will have the capability to instantly review results of multiple scenarios and assess their impacts, making the model a key decision-making tool to best meet the City's needs. On the following page, we have included a sample model screenshot showing key model features, which include:

- Revenue adjustments required for the next five (or more) years in order to meet debt coverage and target reserve balance(s)
- Projected operating costs and revenue streams
- Reserve balances and target levels according to the City's fiscal policies
- Different funding sources of CIP (PAYGO or debt financed)

Meetings: Up to two (2) webinars with City staff
Deliverables: Draft financial plan in Microsoft Excel

TASK 3

Cost of Service and Rate Structure Analysis

Following the development of the financial plan, Raftelis will conduct a cost of service analysis, which will be performed based on industry standards and methodologies approved by the WEF to ensure equitable rates that are compliant with Proposition 218. Operating costs will be allocated to each cost category based on the functionalized operating expenses of the utility. Capital costs will be allocated on the basis of the existing assets. The cost of service will be allocated to the various cost components, including flow, customer costs, and other direct and indirect costs consistent with industry standards. The purpose of this task is to allocate the costs associated with the costs components to the various customer classes on the basis of the relative responsibility of each. The result will be the total cost responsibility required of each customer class in order to maintain the financial stability of the City's sewer enterprise.

Throughout the cost allocation process, Raftelis will comply with the City's policy considerations and procedures, as well as current federal, state, and local rules, regulations, and guidelines applicable to determining charges for sewer service. Additionally, Raftelis will ensure that the cost allocations are in compliance with Proposition 218 and other regulatory requirements. Although not a law firm, Raftelis is very familiar with Proposition 218 requirements and its implications on rates. Our team has extensive experience with Proposition 218 and cost of service rate design.

After conducting the cost of service analysis, Raftelis will calculate five years of sewer rates for different customer classes under the current rate structure and up to three alternative rate structures. The current rate structure will be utilized as a baseline for comparing between alternative rate structures. The City currently has a sewer charge based on historical water usage and a capital charge based on volume of water used. Raftelis will evaluate the ability of the City's proposed sewer rates to ensure revenue stability and financial sufficiency despite increasing costs and a growing community. The benefits of each proposed rate structure alternative will be assessed using the pricing objectives determined in the kick-off meeting, such as ease of administration, minimal customer impact, fairness and equity, etc. Raftelis will collaborate with City staff and other stakeholders to determine the best rate structure alternative and provide documentation regarding the final recommendation.

Meetings: Up to two (2) webinars with City staff
Deliverable(s): Draft cost of service and rate structure analysis in Microsoft Excel

TASK 4

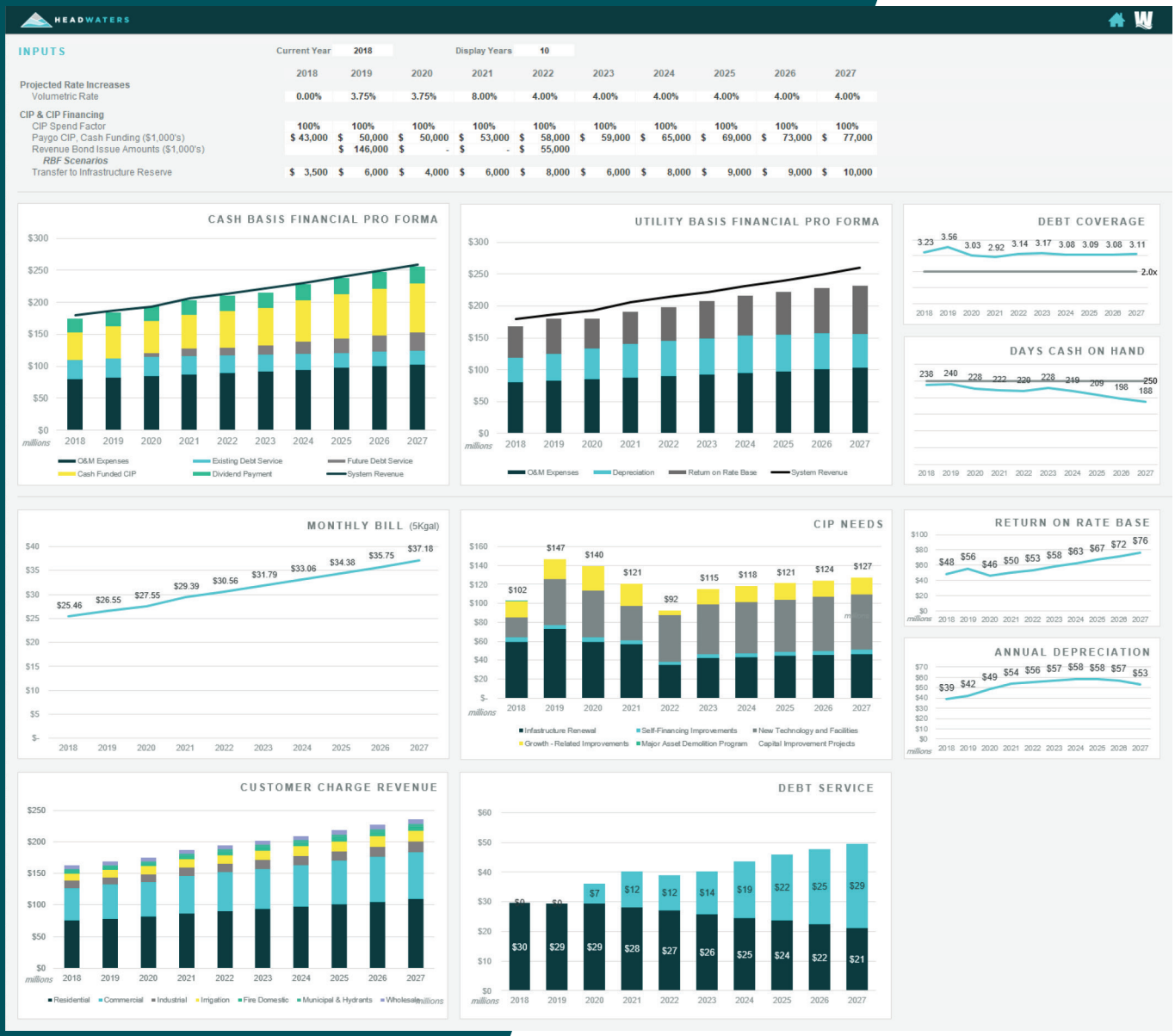
Customer Impact and Sensitivity Analysis

To assess the impacts of rate changes on the City's customers, Raftelis will conduct a customer impact and sensitivity analysis. Rate adjustments stem from a change in the revenue requirement or a change in the rate structure. The total rate adjustment can sometimes cause "rate shock" to certain customers.

Raftelis will determine the potential financial impact on customers that results from the proposed rate structure as well as a revenue requirement increase. The advantages of any

Raftelis will develop customized financial models for the City that incorporates a dashboard to allow you to easily run scenarios and see the impacts in real time.

Shown below is a sample dashboard that we developed for another project.



rate structure modifications will be assessed for its impacts on ratepayers in the analysis. In addition, we will assess the ability of the recommended rate structure to increase revenue stability and fully fund operational costs. Impacts of different scenarios, such as potential changes in water usage and account growth, will be analyzed for potential changes in long-term revenue resulting from the proposed rates.

In our impact analysis graphics, we generate monthly bills at each level of wastewater flow assuming the new proposed rate structure was already in place to determine the "true" impact of the new rate structure. The customer impact analysis will include a series of tables and figures that show projected rate impacts by customer class at various levels of wastewater flow generation. This will allow customers to better understand the proposed rate structure and its financial impacts.

Meetings: One (1) webinar with City staff
Deliverables: Draft customer impact and sensitivity analysis

Well-designed customer impact and sensitivity analyses can often be used as a public information tool to demonstrate the costs of providing sewer service and their corresponding impacts on rates.

TASK 5

Policy Evaluation for Capacity and Customer Service Fees

As requested in the RFP, Raftelis can provide the City with recommendations on establishing capacity fees and other potential customer service fees. Raftelis has performed many capacity and miscellaneous fee studies for utilities in California. Capacity fees can be a source of revenue to fund the City's capital project costs without negatively impacting rates and the customer base. Miscellaneous or customer service fees provide revenues that can offset the need for higher rate increases. Raftelis, although not a law firm, can provide guidance on any potential liability from assessing new customer service fees.

Meetings: One (1) webinar with City staff
Deliverables: None

TASK 6

Draft and Final Report Preparation

Due to the current regulatory requirements, our reports have become more detailed to ensure that the nexus between costs and rates is clearly identified step by step. Raftelis will prepare a Draft Report which will include an executive summary highlighting the major issues and decisions and an overview of the financial plan and the proposed rates resulting from the Study. The discussion on rate structure development and selection will be presented as a comprehensive section on the rate design assumptions and methodologies used to develop the user-rate calculations and financial plan. The Draft Report will show the nexus between City costs and the proposed rates. The City Council will be able to provide input following the completion of the Draft Report during an in-person meeting.

Following the submittal of the Draft Report, Raftelis will prepare the Final Report, including additional comments or changes from the City Council and/or staff. The Report will lead the reader through the methodology to arrive at rates that are equitable, reflect City's policies and values, and are driven by the City's revenue requirements. The Report's ability to explain the rate development process in a clear and understandable manner will promote financial transparency, heighten legal defensibility, and uphold the City's reputation with the public. Raftelis will present the Final Report and proposed recommendations to the City Council during a dedicated City Council meeting after the completion of the Report. Eight (8) bound copies and one electronic copy in Microsoft Word will be provided to the City and will include appropriate supporting data from the Model.

Meetings: Up to two (2) webinars with City staff
Deliverables: Eight (8) bound copies of Final Report, one (1) electronic copy in Microsoft Word, financial planning and rate model in Microsoft Excel

TASK 7

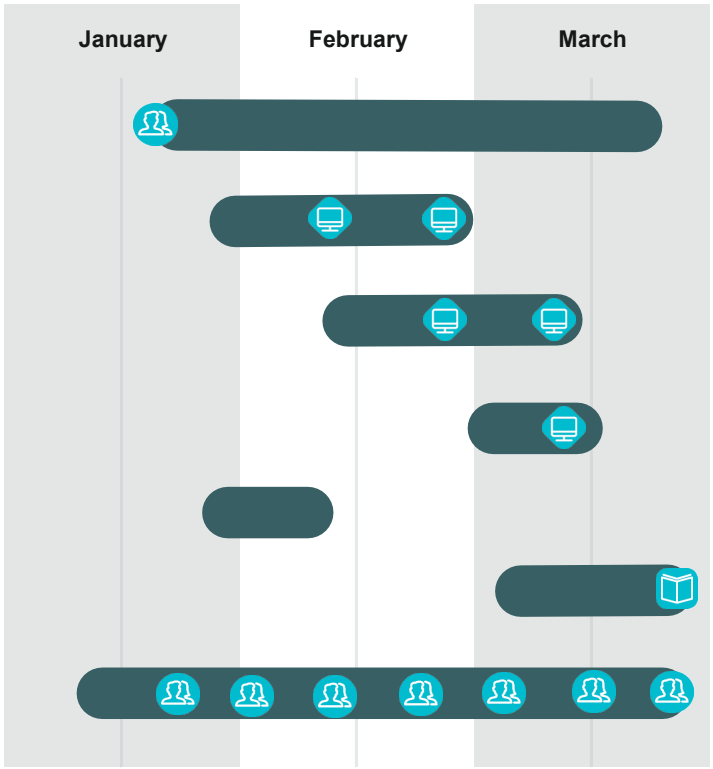
Meetings with City Staff and Council

Raftelis will be available for six in-person meetings with City staff to discuss project progress and receive comments to incorporate into the Final Report. The six meetings with City staff will include a kick-off meeting at the beginning of the engagement. In addition, Raftelis will attend two City Council meetings to present the results of the study and the Final Report.

Meetings: Six (6) meetings with City staff and two (2) meetings with City Council
Deliverables: Presentation materials

Schedule

Raftelis will complete the scope of services within the timeframe shown in the schedule below. The proposed schedule assumes a notice-to-proceed by mid-January and that Raftelis will receive the necessary data in a timely manner and will be able to schedule meetings as necessary. Project completion is estimated for March 2019, not including the 45-day noticing period for Proposition 218. It should be noted that public meetings may delay the final completion of the study depending on the schedule of the meetings and feedback receives.



In-Person Meetings / Workshops

Web Meetings

Deliverables

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/28/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Pamela Morton	
Bear Insurance Service 173 North Second Street Albemarle NC 28001	PHONE (A/C, No, Ext): (704) 982-1156	FAX (A/C, No): (704) 982-7012
	E-MAIL ADDRESS: pmorton@bearinsurance.com	

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : The Cincinnati Insurance Company	10677
INSURER B : Old Republic Ins Co	24147
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Raftelis Financial Consultants, Inc.
227 W Trade St
Suite 1400
Charlotte NC 28202

COVERAGES **CERTIFICATE NUMBER:** 2018 - CA/FL **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR [X] Includes XCU [X] Contractual Liability GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [X] PRO-JECT [ ] LOC [ ] OTHER:	Y		CAP5124411	01/21/2018	01/21/2019	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG $	$ 2,000,000 $ 50,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $
A	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [X] HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY	Y		CAP5124411	01/21/2018	01/21/2019	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) $	$ 1,000,000 $ $ $ $
A	[X] UMBRELLA LIAB [X] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $			CAP5124411	01/21/2018	01/21/2019	EACH OCCURRENCE AGGREGATE Follows Form	$ 5,000,000 $ 5,000,000 $
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N: N If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		EWC0472640	01/21/2018	01/21/2019	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
B	Professional Liability Claims Made Policy / Retro Date 7/1/17			ALT74641	01/21/2018	01/21/2019	$5,000,000 occurrence $5,000,000 aggregate	$25,000 Ded

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Compton, District officers, agents, servants and employees are included as additional insured with regards to general liability and auto liability.
Thirty (30) days notice of cancellation, except ten (10) days for non-pay, will be provided to certificate holder.
See attached GA472-101; AA4171-1105; AA4172-0909; AA4174-1105; CG2404-1093; WC000313; IA4087 NC-0811.

CERTIFICATE HOLDER

City of Compton
City Clerk's Office
205 South Willowbrook Ave
Compton CA 90220

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Pamela J. Morton

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APPENDIX A:

PROJECT TEAM RESUMES

Sudhir Pardiwala PE

Project Director

Executive Vice President

SPECIALTIES

- Cost of service rate studies
- Conservation and drought management studies
- Economic analyses
- Water and wastewater utility cost accounting
- Valuation
- Financial and revenue planning
- Assessment engineering
- Reviewing/obtaining capital improvement funding
- Computer modeling

PROFESSIONAL HISTORY

- Raftelis: Executive Vice President (2013-present); Vice President (2004-2013)
- Black & Veatch: Principal Consultant (1997-2004)
- MWH: Principal Engineer (1985-1997)
- CF Braun: Senior Engineer (1979-1985)
- PFR Engineering Systems: Research Engineer (1977-1979)

EDUCATION

- Master of Business Administration - University of California, Los Angeles (1982)
- Master of Science in Chemical Engineering - Arizona State University (1976)
- Bachelor of Science in Chemical Engineering - Indian Institute of Technology, Bombay (1974)

PROFESIONAL REGISTRATIONS

- Registered Professional Engineer: CA (Chemical (1981) and Civil (1988))

PROFESSIONAL MEMBERSHIPS

- American Water Works Association
- Water Environment Federation
- California Municipal Finance Officers Association

CERTIFICATIONS

- Series 50 Municipal Advisor Representative

Mr. Pardiwala has 40 years of experience in financial studies and engineering. He has extensive expertise in water and wastewater utility financial and revenue planning, valuation, and assessment engineering. He has conducted numerous water, wastewater, stormwater, and reclaimed water rate studies involving conservation, drought management, risk analysis, as well as system development fee studies, and has developed computerized models for these financial evaluations. Mr. Pardiwala has assisted public agencies in reviewing and obtaining alternate sources of funding for capital improvements, including low-interest state and federal loans and grants. He has assisted several utilities with State Revolving Fund and Water Reclamation Bond loans. Mr. Pardiwala authored the chapter on reclaimed water rates in the *Manual of Practice No. 27, Financing and Charges for Wastewater Systems*, published by the Water Environment Federation (WEF). He also authored a chapter entitled, "Recycled Water Rates," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. Mr. Pardiwala was vice-chairman of the CA-NV AWWA Business Management Division and Chairman of the Financial Management Committee.

RELEVANT PROJECT EXPERIENCE

Olivenhain Municipal Water District (CA)

Mr. Pardiwala assisted the Olivenhain Municipal Water District (District) in conducting a water financial plan study and a recycled water rate study to determine the recycled water rates charged to customers. The water financial planning model was developed to assist the District in evaluating different financing alternatives to minimize rate impacts and ensure financial stability. The water model was effectively used in Board meetings and presentations to evaluate the impacts of various scenarios. Additionally, Raftelis calculated drought/conservation rates for different stages of cutbacks. The recycled water rate study was conducted to determine the recycled water rates charged to customers given that the District obtains recycled water from four different sources: the City of San Diego, Vallecitos Water District, Rancho Santa Fe Community Services District, and the 4S Regional Recycled Water System. The existing agreements defined the costs of different sources of recycled water to the District. To address all of those issues and concerns, Raftelis developed a recycled water financial and rate model to determine the costs of providing service and the required revenue to be collected from customers. In addition, the model is built to evaluate when the District is able to take over the 4S Regional Recycled Water System, as stated in the agreement with the developer.

City of San Diego (CA)

Mr. Pardiwala conducted numerous studies for the City of San Diego (City), including a water, wastewater and reclaimed water rate study. The entire wastewater rate study was conducted with extensive stakeholder group involvement because of the changes required in the wastewater rate structure to meet regulatory requirements. In addition, Mr. Pardiwala served as project manager for the City's reclaimed water rate study, impact fee studies for both water and wastewater, and a transportation charges study for agencies contributing to the City's regional wastewater facility. Mr. Pardiwala also managed a water demand study which involved statistical analysis of historical water consumption to model projections based on weather, economic activity, population, inflation, etc. Mr. Pardiwala evaluated the feasibility of a water budget rate structure

for the City. He assisted the City with the Proposition 218 noticing and public outreach.

City of Ontario (CA)

Mr. Pardiwala served as Project Manager on multiple water, wastewater and solid waste rate studies. The study included a comprehensive review of the City of Ontario's revenue requirements and allocation methodology, review of user classifications, a cost of service analysis, and rate design for City users.

Raftelis designed tiered water rates, recycled rates and wastewater rates considering IEUA rates. Solid waste rates were designed to recover costs. Raftelis provided the City with a model that is used for planning purposes by the City. The City has engaged Raftelis multiple times to update these rates, optimize water sources to minimize costs.

City of Redlands (CA)

Mr. Pardiwala has managed several financial projects for the City of Redlands (City) including water, wastewater and reclaimed water projects. The studies were conducted with extensive stakeholder input and multiple meetings with a Utilities Advisory Commission composed of local residents, businesses, and other interested parties. The first rate studies involved significant rate adjustments as well as rate structure adjustments to ensure financial stability, meet debt coverage and regulatory requirements. The analysis included calculation of outside-City charges and impact fees. The City received user-friendly working rate models for future updates. Mr. Pardiwala assisted the City with State Revolving Fund loans for reclaimed water and potable water. He helped them find grants for the reclaimed water project and water treatment plant upgrade. He has been assisting the City biennially with their water, wastewater and recycled water rates.

City of Palo Alto (CA)

Mr. Pardiwala was Project Manager for a study for the City of Palo Alto (City) to determine the cost of service rates consistent with Proposition 218. The study involved review of fire service charges, booster pumping rates, strict adherence to cost of service principles. The study was conducted with the participation of a citizens' advisory committee. Raftelis developed an user friendly rate model, provided City staff training on use of the model. The proposed rates were implemented July 1, 2012. Raftelis assisted The City with an update developing conservation rates with the State mandated reductions in usage.

City of Santa Barbara (CA)

Mr. Pardiwala has been assisting the City of Santa Barbara (City) with their water, wastewater and recycled water financial plans and cost of service rates studies involving rates for different customer classes including agriculture, outside City, tiered residential, commercial etc. Wastewater rates were developed for various funding sources including grants and SRF loans. The City is facing severe water supply shortages and water rates included evaluation of multiple drought stages, the rates and impacts on customers as well as funding desalination to provide adequate supplies for the City's customers. Raftelis also evaluated system capacity fees for new water and wastewater customers.

City of Sacramento (CA)

Mr. Pardiwala managed a wastewater rate study to examine the charges associated with different types of residential and non-residential customers. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of City's user classification, a cost of service analysis, and rate design for City users. Sacramento is one of the few large Cities in the State that does not meter residential and a significant number of non-residential customers. The strength and flow allocation to these customers was revised. The resultant rates were fair and equitable and met the fiscal needs of the City's wastewater utility in the context of the City's overall policy objectives and were designed for simplicity of administration, cost effective implementation and ease of communication to customers.

City of Beverly Hills (CA)

Mr. Pardiwala served as Project Manager for Raftelis' engagement with the City of Beverly Hills (City) water and wastewater rate studies. Raftelis was engaged by the City to develop a rate and financial planning model that would be used to evaluate alternative rate structures and to provide more detailed forecasts to assist in the preparation of updating rates in future years. Raftelis modeled numerous alternative rate structures and reviewed customer and revenue impacts before recommending that the City modify its current three tiered rate structure to include a fourth tier that targets large irrigation usage. In addition, Raftelis recommended that the costs of service based on flow and strength. Raftelis continues to provide biennial updates to the City model so that rates may be projected in future years.

City of Ventura (CA)

Mr. Pardiwala served as Project Manager for a water, wastewater, and recycled water cost of service and rate study for the City of Ventura (City). The City had not updated its rate structure in 20 years. Additionally, the City was under a cease and desist order that required the City to carry out improvements estimated at more than $55 million, and which the City wanted to start funding to mitigate impacts. The goal of the study was to develop conservation-oriented rates consistent with cost of service to recover adequate revenues to pay for necessary capital improvements, meet debt service coverage requirements, as well as maintaining sufficient reserve requirements. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classification, usage patterns, a cost of service analysis, and rate design for City users. Raftelis developed long-range financial plans so that the water and wastewater utilities could be financially stable and save costs in the long run. We also assisted the City with developing different water and wastewater rate alternatives with various scenarios as well as calculating outside-city rates. The study was conducted with several meetings and input from stakeholders comprised of

customers within the City. Raftelis educated the Citizen Advisory Committee on the basics of rates, cost allocations, and rate design to obtain their buy-in through the use of the dashboards in the rate models we developed for them to demonstrate the impacts of various revenue adjustments on the long-term financial stability of the enterprises. Raftelis also developed a schedule for funding a major wastewater program required by environmental groups. Recommended rates were implemented for two years in July 2012. Raftelis updated rates for the City in 2014 and provided water drought rates.

Goleta West Sanitary District (CA)

Mr. Pardiwala has been Goleta West Sanitary District's (District) financial consultant for over more than 15 years. During that time he has assisted the District with financial planning, development and financing their replacement and refurbishment program, developing a rate structure, annexation fees, connection fees, miscellaneous fees, reserves policy development, and other financial issues. The District charges customers on the tax roll. Raftelis developed the data to be included on the tax roll and the District now manages it.

Clark County Water Reclamation District (NV)

Mr. Pardiwala was Project Manager for a cost of service study for the Clark County Water Reclamation District (District) to help evaluate the current system of rates and charges to ensure that users were being charged appropriately. The District has not updated its rate structure system for many years and the current system based on fixture units is believed to need restructuring. Raftelis managed the sampling and wastewater flow monitoring from different types of users to determine the definition of an equivalent dwelling unit and the flows from different types of users. There are multiple outreach meetings with member agencies and interested stakeholders to educate them on the process and to obtain buy-in.

Vallejo Flood and Wastewater District (CA)

Raftelis assisted the Vallejo Flood and Wastewater District (District) with a comprehensive wastewater rate and connection fee study (Study). The District an independent special district that collects, treats, and disposes of wastewater for 38,000 accounts in the City of Vallejo with a service area that covers 36 square miles and includes one wastewater treatment plant and 36 wastewater pump stations. The existing sewer rate structure comprised of flat rates for all residential customers, including single and multi-family residences. For commercial customers, rates were based on both flow and sewage strength. The District was moving over to a service charge to be levied on the property tax roll. Raftelis was called in to assist with this study after another consultant's study was found to be unacceptable to the District. As part of the study, Raftelis thoroughly examined the District's revenue streams, cost structure, analyzed customer data, and developed an equitable rate structure that met both Proposition 218 requirements and the District's goals and objectives. An important part of the study was the evaluation of the commercial customer classifications to ensure that customers were accurately categorized by strength and assessed the appropriate rates. Raftelis also created a user-friendly model so that various scenarios could be evaluated on the fly. Additionally, Raftelis also reviewed and updated the District's connection fees. Upon completion of the rates calculation, Raftelis assisted the District in a comprehensive public outreach campaign to obtain customers buy-in, which was crucial in the successful implementation of the proposed rates for fiscal year 2019.

City and County of San Francisco (CA)

The City conducts water, wastewater and stormwater studies every five years to ensure that charges are consistent with cost of service and conforms with the City's Propositions. Mr. Pardiwala served as Project Manager for two cycles of rate studies for the City. The City has a combined wastewater and stormwater system and costs for stormwater are integrated with wastewater. The City was engaging in a multi-billion dollar capital improvement program that would have significant impact on rates. The City has unique microclimates and Raftelis analyzed the water usage characteristics of single family and multi-family users to develop a rate structure that would provide incentives for conservation. Raftelis evaluated incentives to encourage low impact development, reviewed stormwater practices to provide credits for best management practices to reduce stormwater generation. Raftelis performed an overhead cost allocation study consistent with federal requirements of OMB Circular A-87 to assign costs appropriately to different departments in order to obtain federal reimbursement for projects that are eligible for federal assistance.

Napa Sanitation District (CA)

Mr. Pardiwala was Project Manager for a recycled water rate study for the District. The District was required to restrict summer discharge of its wastewater into the river. The District had made improvements to its treatment plant to produce recycled water and provided incentives to recycled water customers to use the water. Agreement with customers were to end within a couple of years and the District wanted to enlarge the recycled water facilities and enroll new customers into the recycled water program. The District wanted to review the economics of the improvements and determine the impacts resulting from implementing new recycled water rates. Raftelis developed a financial and rate model that considered the new customers and revised rates and the impact of providing discounted rates on wastewater customers. The District held meeting with the recycled water users and obtained input on issues of concern to them. Raftelis provided support to the District and evaluated the results of the surveys conducted to define the rates.

City of Henderson (NV)

Mr. Pardiwala served as Project Manager for the engagement with the City of Henderson (City). In Phase I, Raftelis assisted the City in conducting a water and wastewater financial assessment. Raftelis developed a financial vision which will ultimately shape the utilities for the next ten years. As part of our conceptual design process, Raftelis recommended several alternative rate philosophies to be evaluated as part of Phase II. The Model was also developed to evaluate certain rate philosophies and user charge structure modifications focused on improving the equitable recovery of costs from different user classes, legal defensibility of the rates and system development

charges, revenue predictability, and conservation incentives. Raftelis developed an allocation or budget for different meter sizes to ensure that the tiered rates set up would fairly collect revenues from customers. Raftelis updated the City's financial plan by participating in the City's rate implementation process. This included presentations of final findings and recommendations to City Council and the Citizen's Advisory Committee.

City of North Las Vegas (NV)

Mr. Pardiwala was the Project Manager for the water and sewer financial planning and rate study conducted for the City of North Las Vegas (City). At the time, the City had experienced rapid growth and had a significant amount of capital projects including construction of their own treatment plant. The City faced many financial challenges at a time when there were signs of a slowing economy. Raftelis conducted a multi-year financial plan that examined various customer growth, capital funding, and rate revenue assumptions. Raftelis prepared rate models for both water and wastewater and trained City staff on their use. The models provided dashboards for ease of use and decision making.

City of Portland (OR)

The City of Portland (City) wanted a financial planning and rate model to determine rates for its wholesale and retail customers. Mr. Pardiwala served as Project Manager for this study. The City provided wholesale water to 19 agencies under old agreement that were expiring soon. The City was finalizing long-term agreements with explicit terms on rate setting. The City wanted to develop rates consistent with the new agreement for the wholesale agencies, review rate structure alternatives for its retail customers, review impacts and provide flexibility for planning for the next 20 years.

The City's existing retail rate structure consisted of an increasing 3-tier rate structure for all customers with fixed tiers for single family customers and tiers based on the average usage in the preceding 12-month period for the remaining customers. The current retail rates applied to all classes and did not take into account peaking which factors can vary significantly from class to class. Raftelis developed alternative rate structure options for retail customers and explore the creation of more classes to increase equity and fairness and encourage conservation. Alternative rate structures included uniform volume rates, seasonal rates, increasing and "V" or "U" shaped block rates, and a range of individualized block rates with cutoffs based on average account usage, seasonal usage, or customer characteristics. Raftelis provided the City with the computer model and provided training and a manual in the user of the model.

In 2012, Mr. Pardiwala managed a bond feasibility study for the City's Bureau of Environmental Services. The City needed to issue bonds for several hundred million dollars to meet regulatory requirements related to its wastewater and stormwater systems. Raftelis met with City staff and reviewed the CIP, business processes, rates and rate setting procedures, and provided a certificate of parity showing that the City could meet its coverage requirements under the current rates so that the City could sell bonds with a good rating.

City of Tacoma (WA)

Mr. Pardiwala was Project Manager for a study to develop financial plans and rate models for the City's Environmental Services including wastewater, surface water and solid waste utilities. The study involved development of user friendly financial and rate planning models that would allow the City to update rates on an annual basis, quickly make changes, and review rates. The model also provided capability to compare the status of the CIP, and actual revenues and expenses against budgets on a month by month basis. To make this process easy, the model was integrated with the City's SAP and E Builder system. The financial plan and rates were reviewed with input from the City's Environmental Services Commission. Raftelis turned over the models to the City, provided training and computer manuals in the use of the models.

Mr. Pardiwala also provided financial planning models to the City's water utility, which included user-friendly features and benchmarking tools to maximize improvements in operations and management.

City of Los Angeles (CA)

Mr. Pardiwala was Project Manager on studies to develop rates and rate models for solid waste and wastewater utilities. The City wanted to have a planning tool in-house to evaluate what if scenarios, impacts and determine rates for various customers. The model incorporated many user friendly features to assist the City update rates and prepare financial plans on an annual basis. Solid waste rates included non-residential customers based on size of containers and frequency of collection.

Wastewater rates to the 27 subscribing agencies discharging to the City's wastewater treatment facilities were also determined. This involved complex calculations and allocations to wastewater loadings, conveyance distance, etc. Connection or impact fees were also included in the model. User training, model documentation, regular updates and ongoing service were also included in this project.

Mr. Pardiwala also served as Project Manager on a wheeling charges study for the Los Angeles Department of Water and Power. The City was interested in determining the appropriate charges to be levied on various customers that may wish to use the extra capacity in the City's system—from the Los Angeles Aqueduct to the distribution network—to transfer water.

City of Pasadena (CA)

Mr. Pardiwala was Project Manager for a study for the City of Pasadena (City) to determine roll-out charges for solid waste services provided by the City. Certain customers in the City needed assistance with rolling out their containers and replacing them again. Mr. Pardiwala analyzed the costs associated with this service and set up a charge for it.

OTHER RELEVANT PROJECT EXPERIENCE

- City of Anaheim (CA) – Water Rate Study
- City of Atwater (CA) - Water and Wastewater Rate Study

- City of Banning (CA) - Recycled Water Revenue Program
- Beaumont Cherry Valley Water District (CA) - Water Rate and Connection Fee Study
- Carpinteria Sanitary District – Wastewater Rate Study
- Casitas Municipal Water District – Water Rate Study
- Castroville Water District (CA) – Water and Wastewater Rate Study
- City of Brea (CA) - Water Rate Study, Connection Fees and Related Fees and Charges Study
- City of Brentwood (CA) - Water and Wastewater Rate Study
- City of Buenaventura (CA) – Water and Wastewater Rate Study
- City of Burbank (CA) - Bond Feasibility Study, Reclaimed Water Study, and Water and Wastewater Rate Study
- City of Carlsbad (CA) - Asset Replacement Study and Water, Wastewater and Reclaimed Water Revenue Program
- City of Chino (CA) - Valuation Study and Water Rate Study
- City of Chowchilla (CA) – Water and Wastewater Rates Study
- Clark County Water Reclamation District (NV) - Cost of Service Study
- City of Cloverdale (CA) - Water and Wastewater Connection Fees and Rate Study
- City of Corona (CA) - Water and Wastewater Rate Study
- El Toro Water District (CA) – Water Budget and Wastewater Rate Studies and Connection Fees
- City of Encinitas (CA) - Water and Wastewater Rate Study
- City of Escondido (CA) - Valuation Study, Water and Wastewater Rate Study
- City of Glendora (CA) - Water and Wastewater Financial Planning and Rate Study
- La Canada Irrigation District – Water Rate Study
- La Crescenta Water District – Water and Wastewater Rate Study
- City of Livingston (CA) – Water, Wastewater and Solid Waste Rates Study and Litigation Support
- City of Los Angeles (CA) - Wheeling Charge Review
- City of Madera (CA) - Water and Wastewater Rate Study
- Mammoth Community Water District (CA) – Water and Wastewater Rate Study
- Metropolitan Wastewater Joint Powers Authority (CA) - Wastewater Valuation Study and Capacity Valuation Study
- City of North Las Vegas (NV) – Water and Wastewater Rates Study and Model
- Ojai Valley Sanitary District – Wastewater Rate Study
- Palmdale Water District (CA) – Water Budget Rate Study
- City of Palo Alto (CA) – Water Rate Study
- City of Poway (CA) – Wastewater Rate Structure Analysis
- Ramona Municipal Water District (CA) – Water Rate Study
- Rainbow Municipal Water District (CA) - Water, Wastewater Rate and Capacity Fee Studies
- City of Rialto (CA) – SRF Funding and Water and Wastewater Rate Study
- County of San Bernardino (CA) - Water and Wastewater Rate Study and Connection fees
- City of San Fernando (CA) – Water and Wastewater Rates Study
- San Gorgonio Pass Water Agency (CA) - Financing Plan
- City of San Jose (CA) - Sewer Service Related Fees and Charges
- City of San Luis Obispo (CA) - Stormwater Financial Feasibility Study
- City of Santa Fe springs – Water Rate Study
- Santa Fe Irrigation District (CA) - Wastewater Treatment Plant Cost Evaluation, Water Connection Fees Study, and Water Rate Study and Update
- City of Santa Monica (CA) - Wastewater Rate Study
- City of Scottsdale (AZ) - Impact Fee Study
- City of South Pasadena (CA) – Water and Wastewater Rate Study
- City of Springfield (OR) – Wastewater Rates Model
- Sweetwater Authority (CA) - Water Rate Study
- City of Upland (CA) - Valuation Study
- City of Vallejo (CA) - Water Financial Plan
- Valley County Water District (CA) - Water Rate Study
- Town of Windsor (CA) - Impact Fee Review, State Revolving Fund Loan Application Assistance, Water and Wastewater Connection Fees and Rates Study, and Water and Water Reclamation Rate Studies

Sanjay Gaur

Project Manager

Vice President

TECHNICAL SPECIALTIES

- Proposition 218 rate compliance
- Financial analysis
- Cost of service studies
- Conservation rate structure design
- Capacity fee studies
- Cost benefit analysis
- Econometric analysis

PROFESSIONAL HISTORY

- Raftelis: Vice President (2015-present); Senior Manager (2012-2014); Manager (2009-2012)
- Red Oak Consulting, Division of Malcolm Pirnie (2007-2009)
- MuniFinancial (2005-2006)
- A & N Technical Services (1999–2003)
- United States Peace Corps, Bulgaria (1995-1997)

EDUCATION

- Master of Public Administration, Public Administration/International Development, Kennedy School of Government - Harvard University (2003)
- Master of Science, Applied Economics - University of California, Santa Cruz (1994)
- Bachelor of Arts, Economics and Environmental Studies - University of California, Santa Cruz (1992)

PROFESIONAL RECOGNITION

- Who's Who in America, 63rd Edition (2009)
- Finalist, National Venture Competition (2003); Goldman Sachs Foundation
- Roy Environmental Fellowship (2002), Kennedy School of Government, Harvard University
- Academic Scholarship (2001-2003), Kennedy School of Government, Harvard University
- Certificate of Outstanding Service (1997), United States Peace Corps

PROFESSIONAL MEMBERSHIPS

- American Water Works Association - Rates and Charges Committee
- California Society of Municipal Finance Officers

Mr. Gaur has over 20 years of public-sector consulting experience, primarily focusing on providing financial and rate consulting services to water and wastewater utilities. His experience includes providing rate structure design, cost of service studies, financial analysis, cost benefit analysis, capacity fee studies, conservation studies, and demand forecasting for utilities spanning the west coast. He has provided consulting service to over 100 different agencies. Mr. Gaur is considered one of the leading experts in developing rates that meet Proposition 218 requirements, has exceptional public speaking skills and, due to these qualities, he is often sought out to provide assistance on rate studies that are complex and controversial. He has often provided his insight into utility rate and conservation-related matters for various publications and industry forums including: authoring articles in Journal AWWA; being quoted in various newspaper articles including the Los Angeles Times and the New York Times; participating in a forum regarding the future of water in Southern California sponsored by the Milken Institute; being quoted on National Public Radio; speaking at various industry conferences including American Water Works Association (AWWA), the Utility Management Conference, Association of California Water Agencies, and California Society of Municipal Finance Officers; and, co-authoring several industry guide books including AWWA's *Manual M1 Principles of Water Rates, Fees and Charges, 7th Edition* as well as AWWA's W*ater Rates, Fees, and the Legal Environment, Second Edition*. Mr. Gaur co-authored a chapter entitled, "Understanding Conservation and Efficiency Rate Structures," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. Mr. Gaur is also active in a number of utility-related associations, including serving as a member of AWWA's Rates and Charges Committee.

RELEVANT PROJECT EXPERIENCE

City of Long Beach (CA)
In 2016, the City of Long Beach hired Raftelis in conducting a comprehensive rate study that meets the heightened standard associated with Proposition 218. Given the large percentage of the population at the poverty rate, the City was concerned about affordability, revenue stability due to the recent drought, and developing a strong nexus associated with its water and wastewater rates. Mr. Gaur served as the Project Manager and successfully assisted the City in adopting rates that meet their requirements. Since then, Mr. Gaur has provided financial and rate consulting services to the City, including how to fund stormwater services.

Alameda County Water District (CA)
Mr. Gaur has provided financial and rate consulting experience to Alameda County Water District since 2010. During these years, Mr. Gaur has been the Project Manager on numerous studies, including the evaluation of different types of conservation rates, development of a 25-year financial model that assists the District in evaluating different financial risks, development of drought rates, and public outreach to stakeholders. During these projects, Mr. Gaur has led a series of workshops with the Executive Management and the Board of Directors in evaluating and identifying which financial/rate solutions meet their objectives.

East Bay Municipal Utility District (CA)
Since 2013, Mr. Gaur has provided consulting services to East Bay Municipal Utility

District .He successfully accomplished several objectives for the District and served as the Project Manager for a comprehensive water and wastewater cost of service study. The last comprehensive cost of service study was done in 2000. As part of the study, Raftelis thoroughly examined the District's cost structure, analyzed water and wastewater flow and customers data, and evaluated alternative rate structures to develop an equitable rate structure that meets Proposition 218 requirements and the District's goals and objectives. One of the key deliverables was the administrative record, which is a document that clearly explains how the rates are derived and is a critical document to support the requirements of Proposition 218.

Castaic Lake Water Agency (CA)
Castaic Lake Water Agency is a wholesale water agency that is a member of the State Water Contractor. Since 2012, Mr. Gaur has provided numerous consulting services including the evaluation of different types of wholesale rates, a financial model, annexation fees, capacity fees, and other financial consulting services. Mr. Gaur has made numerous presentations to the Board of Directors and has secured their supports on critical matters.

City of San Juan Capistrano (CA)
In 2012, San Juan Capistrano was in the midst of a legal lawsuit over its water rates. A group of taxpayers sued the City over its water rates, saying they did not comply with Proposition 218. The City sought out an expert rate consultant to assist them in developing new rates that will meet the stringent requirements of the taxpayer group and City Council. The City hired Raftelis and Mr. Gaur served as the Project Manager for this significant project. The project required a series of six City Council Workshops, with each one lasting over 3 hours. In addition, two members of the City Council were active in supporting the lawsuit against the City. Mr. Gaur was successful in mustering support for the new rates and developing the new standard associated with the administrative record. The rates were approved and the President of the Taxpayer association expressed his support of the new rates.

Fallbrook Public Utility District (CA)
Fallbrook Public Utility District provides water, recycled water, and wastewater services. The District has a complex rate structure due to the fact that it provides both domestic service, special agricultural rates from the San Diego County Water Authority, normal agricultural service, and a combination of these services to the same meter. Given the recent lawsuit associated with San Juan Capistrano, the District was interested in developing a comprehensive rate study that can fund a new source of water supply and cost of service rate study that can justify the different types of rates. In 2016, Mr. Gaur served as the Project Manager on this study and was successful in developing a 180-page administrative record that clearly explains the nexus requirement associated with Proposition 218 and the adoption of the five years of rates.

Placer County Water Agency (CA)
Placer County Water Agency provides four major types of water services: treated retail, untreated retail, treated wholesale, and untreated wholesale. Given the complexity of the system, the agency has over 50 different types of rates. The agency has evolved over the last 60 years of existence and has acquired numerous neighboring agencies. Given the San Juan Capistrano ruling, the Agency was interested in consolidating and developing a clear rationale behind the complex services it provides. The Agency sought out Mr. Gaur to be the Project Manager on this significant study in redeveloping all the different water rates. Mr. Gaur conducted a series of workshops with Executive Management in developing a rationale and logic behind the services it provides. The 150-page administrative record was well received by the Board of Directors and they were pleased with this study. The new rates were approved in 2017.

Las Virgenes Municipal Water District (CA)
Since 2008, Mr. Gaur has provided financial and rate consulting services to Las Virgenes Municipal Water District. This include assisting the District in adopting a controversial rate increase, the evaluation and implementation of a water budget rate structure, capacity fees for water and wastewater services, and other financial related matters. The District receives water from only one source, Metropolitan Water District of Southern California. With the desire to implement a water budget tiered rate, Mr. Gaur assisted the District in establishing tiered rates that meet the requirements of Proposition 218.

Santa Cruz (CA)
Since 2012, Mr. Gaur has provided financial and rate consulting services to the City of Santa Cruz. This includes developing a financial model that can evaluate different water demand factors and associated drought rates, reserve policies, a comprehensive rate study, drought rates, capacity fees and other financial/rate matters. The drought rates study was particularly complex. The City experienced a significant drought and had to allocate water. Water use was already at a historical low level and residential water use was one of the lowest in California. With the desire of refunding a debt and low commodity revenues sales, the City needed to adopt drought rates within a short time period. Mr. Gaur was successful in adopting 5 stage drought rates and was able to assist the City in at this critical time. Lastly, Mr. Gaur assisted the City in redeveloping its rate structure so that it would meet the values of the community, while remaining both be financially sustainable and meeting the requirements of Proposition 218.

Rancho California Water District (CA)
Mr. Gaur has provided consulting services to Rancho California Water District since 2007. During this time, he has assisted the District in the development of a water budget rate structure. The project required the consultant to develop a flexible water budget model that could determine multiple blocks widths and allocations. The team was successfully able to accomplish this task and assisted the District in implementing the new water budget rate structure. The rates where successfully adopted in November 2009.

Mr. Gaur also assisted the District in the development of a New Water Demand Offset Fee. The New Water Demand Offset Pro-

gram is a form of funding for conservation measures that will help to create sustainable, zero water footprint development. New developments will pay fees called New Water Demand Offset Fees to create potable water savings in the existing system to support water demand generated by new developments. Water savings can be achieved by converting irrigation accounts to recycled water or installing high efficiency retrofits to replace inefficient fixtures for existing accounts in the District. Lastly, Mr. Gaur has provided consulting services on Capacity Fee studies and updating water rates.

Western Municipal Water District (CA)
Since 2009, Mr. Gaur has provided consulting services to Western Municipal Water District. Mr. Gaur successfully accomplished several objectives for the District including the implementation of water budget rates, which included facilitating and leading a discussion on the policy options associated with the development of water budget rates. Based on these policy options, a water budget model was developed that evaluated different allocation factors for indoor and outdoor water use, determined rate components for the corresponding tiers, and developed the corresponding rates and customer impacts.

In addition, Mr. Gaur served as the Project Manager for the development of a financial model for the District. The model has the capability of examining the 14 different fund centers of the District, develop and save different Capital Improvement Plan scenarios, examine the financial consequences of these scenarios and compare the results. In addition, the model has the ability aggregate the fund centers by water, wastewater, or by the whole District. The model is currently being utilized by the District to examine long term health of the District.

Lastly, Mr. Gaur conducted a Capacity Fee study for the District, which included water, wastewater, and recycled water. The prior Capacity Fee was outdated and significant changes were required. This study included public outreach to the Business Industry Association. Since then, Mr. Gaur has provided assistance to the District in updating its water rates and developing the administrative record required.

OTHER RELEVANT PROJECT EXPERIENCE

- American Water Company (CA) - Water Rate Study
- Borrego Water District (CA) – Financial Planning Study, Groundwater Sustainability Plan, Water Rate Study, and Basin Management Evaluation
- City of Calexico (CA) - Water and Sewer Rate Study
- City of Camarillo (CA) – Water and Wastewater Rate Study, Financial Plan Study, and Cost of Service Study,
- Carpinteria Sanitary District (CA) – Sewer Rate and Fee Study
- Central Basin Municipal Water District (CA) – Financial Plan
- City of Chino (CA) – Water Budge Rate Design, Financial Plan Study and Cost of Service and Rate Design
- City of Chowchilla (CA) – Water and Wastewater Rate Study
- Coastside County Water District (CA) – Water Rate Study
- Contra Costa Water District (CA) – Financial Plan Study, Water Rate Study and Drought Rates Study
- City of Corona (CA) – Water Budget Rate Study, Wastewater Capacity Fees Study
- Cucamonga Valley Water District (CA) – Financial Plan, Water Conservation Rate Study, and Drought Rates
- Eastern Municipal Water District (CA) – Water Budget Study and Financial Plan Study
- East Orange County Water District (CA) - Water Budget Study, Sewer Capacity Fees Study, and Financial Plan Study
- Elsinore Valley Municipal Water District (CA) – Financial Model, Drought Rate Analysis, Water and Recycled Water Rate Study, Capacity Fee Study, and Wastewater Rate Study
- El Toro Water District (CA) – Water Budget Study and Recycled Water Financial Plan Study
- City of Escondido (CA) – Water and Wastewater Rate Study and Capacity Fees Study
- City of Glendora (CA) – Water Budget Feasibility Study
- City of Gridley (CA) – Water Rate Study
- Helix Water District (CA) – Water Rate and Cost of Service Study
- Hi-Desert Water District (CA) – Water Rate Study
- City of Hollister (CA) - Sewer Rate and Impact Fee Study, Water Rates Study, and Capacity Fee Study
- City of Huntington Beach (CA) - Sewer Rate Study, Water Budget Rate Study, and Financial Plan Study
- Imperial County Gateway County Service Area(CA) – Water and Wastewater Rate Study
- Indio Water Authority (CA) - User Fee Study and Water Rate Study
- Inland Empire Utilities Agency (CA) – Conservation Rate Structure Workshop and Financial Plan Study
- Inyo County Water Department (CA) – Water Rate Study
- Irvine Ranch Water District (CA) - Conservation Study
- Jurupa Community Services District (CA) – Water Budget Study
- La Habra Heights County Water District (CA) – Wheeling Rate Study and Financial Plan Study
- La Puente Valley County Water District (CA) – Water Rate and Fee Study
- City of Livermore (CA) – Water Cost of Service Study
- City of Livingston (CA) - Water Rate Study
- City of Lomita (CA) - Water Rate Workshop
- Los Alamos Community Services District (CA) – Water and Wastewater Rate Study
- Los Angeles Department of Water and Power (CA) - Daily Demand Estimates
- City of Lynwood (CA) - Cost Allocation Plan
- City of Malibu (CA) – Wastewater and Recycled Water Rate Study
- Mammoth Community Water District (CA) – Water Rate Study
- City of Merced (CA) - Water and Sewer Rate and Impact Fee Study
- Mesa Consolidated Water District (CA) – Financial Plan Study, Cost Comparison Study, Water and Recycled Water Cost of

Service and Rate Design Study
- Metropolitan Water District of Southern California (CA) – Drought Allocation Model, Long Range Financial Plan, and Cost of Service Evaluation
- Mill Valley – Tamalpais Community Services District (CA) – Financial Plan Study
- Mojave Water Agency (CA) – Financial Plan Study, Financial Impact Analysis for Water Exchange and Leasing Programs and Water Reliability Rate Development
- Modesto Irrigation District (CA) – Stormwater Fee Study
- Monterey Peninsula Water Management District (CA) - Water Budget Study
- Municipal Water District of Orange County (CA) - Conservation Potential Study and Rate Study
- City of Newport Beach (CA) – Water Rate Study
- City of Palo Alto (CA) – Water Cost of Service and Rate Study
- Pasadena Water and Power (CA) - Water Cost-of-Service and Rate Design Study
- City of Pomona (CA) – Rate Study
- City of Port Hueneme (CA) - Water and Solid Waste Rate Study
- City of Orange (CA) – Water and Sanitation Rate Study
- City of Reno (NV) – Wastewater Rate Study
- City of Rio Vista (CA) - Water and Sewer Rate and Impact Fee Study
- Salton Community Services District (CA) – Sewer Rate Study
- City of San Clemente (CA) – Water and Wastewater Rate Study
- San Diego County Water Authority (CA) - Indexing Model and Wholesale Water Rate
- City of San Juan Capistrano (CA) – Water Rate Study
- Santa Clara Valley Water District (CA) - Project Evaluation - Water Conservation Project
- Santa Clarita Water District (CA) – Retail Water Rate Study
- Scotts Valley Water District (CA) – Water and Recycled Water Rate Study
- City of Shasta Lake (CA) – Water Rate Study and Water and Wastewater Capacity Fee Study
- City of Sierra Madre (CA) – Water and Sewer Rate Study
- City of Signal Hill (CA) – Water Rate and Cost of Service Study
- City of Simi Valley (CA) – Sewer Rate Study
- Soquel Creek Water District (CA) – Water Rate Structure Study
- South Coast Water District (CA) – Water Budget Assessment
- South Mesa Water Company (CA) – Rate Structure and Recycled Water Rate Study
- City of South Gate (CA) - Water Impact Fee
- Sunnyslope County Water District (CA) – Water Rates and Capacity Fees
- Temescal Valley Water District (CA) – Water and Sewer Rate Study and Capacity Fee Study
- Trabuco Canyon Water District (CA) – Water Rate Study
- City of Thousand Oaks (CA) – Water and Wastewater Cost of Service and Financial Plan Study
- City of Ventura (CA) – Water and Wastewater Rate Study
- City of Vista (CA) - Sewer Rate and Connection Fee Study
- Walnut Valley Water District (CA) - Water Rate Study
- City of Watsonville (CA) – Utility Enterprise Rate Study
- Yorba Linda Water District (CA) - Sewer and Water Budget Rate Study, Financial Plan Study, and Cost of Service Rate Study
- Zone 7 Water Agency (CA) – Cost of Services Study and Water Rate Study Update

RECENT PUBLICATIONS/RESENTATIONS

- Gaur, S., Magu, D. "California Water Rate Trends: Maintaining Affordable Rates in a Volatile Environment", Journal – American Water Works Association, September 2017, Volume 109, Number 9.
- Contributing Author to "M1 Principles of Water Rates, Fees and Charges" 7th Edition, American Water Works Association, 2017.
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Steve Gagnon PE (AZ)

Technical Reviewer

Manager

TECHNICAL SPECIALTIES

- Utility cost of service and rate structure studies
- Conservation rate studies
- Economic feasibility studies
- Capital Budgeting Studies
- Wastewater rate studies
- Capital recovery/Capacity fee studies
- Survey research of water and wastewater utility characteristics and rates

PROFESSIONAL HISTORY

- Raftelis: Manager (2017-present); Senior Consultant (2014-2016)
- APTwater, Inc. (Now Ultura): Project Manager (2011-2014)
- PBS&J (now ATKINS): Project Manager – Utility Finance (2005-2011)
- Earth Tech (now AECOM): Senior Project Manager (2004-2005)
- Malcolm Pirnie, Inc. (now ARCADIS): Consultant (2002-2003)
- National Parks Conservation Association – Business Plan Initiative: Business Plan Consultant (2000)
- U.S. Army Corps of Engineers – New England Division: Project Manager (1995-1999)
- Geophex, Limited: Graduate Research Assistant (1994)

EDUCATION

- Master of Business Administration - University of Southern California (2001)
- Master of Science in Environmental Engineering - University of Massachusetts (1995)
- Bachelor of Science in Civil Engineering - University of Massachusetts (1994)

PROFESSIONALCERTIFICATIONS

- Registered Professional Environmental Engineer in Arizona
- Series 50 Municipal Advisor Representative

PROFESSIONAL MEMBERSHIPS

- American Water Works Association er Works Association

Mr. Gagnon has 20 years of experience in financial analysis and environmental engineering. He has worked for leading engineering consultants as well as the federal government. His broad range of experience includes water and wastewater pricing studies, capacity fees and utility valuations. His financial experience includes water and wastewater rate studies for the City of Redlands, CA, Santa Fe Springs, Henderson, NV, City of Anaheim, La Habra Heights County Water District, Rowland Water District, Walnut Valley Water District, Sweetwater Authority, Helix Water District and Otay Water District. He has also performed strategic financial analysis of water sourcing alternatives and costing of ground water remediation alternatives, asset inventory and condition assessments, utility performance metrics, earned value analysis. He has also managed the construction and installation of water treatment equipment and oversaw Superfund remediation for the US Army.

RELEVANT PROJECT EXPERIENCE

City of Lakewood (CA)
Mr. Gagnon helped the City develop cost of service based tiered water rates. Of note, Mr. Gagnon recommended revising the current practice of providing free water for the first four units of water in single family first tier. To ease the impacts of this change, the City decided to transition the rates over a 5-year period. The study included a full five-year financial plan and a review and recommendations on reserve levels.

City of Orange (CA)
Mr. Gagnon is helping the City update its water rates and rate structure to ensure that rates are based on cost of service principles. The study includes a financial plan to fully fund operational and capital expenses and reserves. Mr. Gagnon also helped the City establish wastewater rates for its sanitation enterprise. The rates were revised to reflect sewer whereas they were previously based on water use.

Olivenhain Municipal Water District (CA)
Mr. Gagnon created a drought rate model to help the Olivenhain Municipal Water District (District) develop a drought rate ordinance. The model calculated commodity rate adjustments for four drought stages. It allowed for customer voluntary cutbacks in consumption as well as cutbacks due to higher water prices using the price elasticity of water. The model will help ensure the District maintains adequate revenue in times of drought.

Mr. Gagnon helped the District update their wastewater rates and developed a customized model for its unique rate structure. The District's residential rates are a flat charge per Equivalent Dwelling Unit (EDU) and the commercial rate structure includes a service charge per EDU and a variable rate based on measured water consumption.

Mr. Gagnon also prepared valuation calculations for the system capacity required for update of water and wastewater connection and annexation fees for the District. The analysis showed that the District would benefit by changing capacity fee calculation methodologies from a growth method to a combined method, thereby imposing less restrictions on the use of capacity fee revenue.

Mr. Gagnon modeled the long-term cost of several different water sources for the District. Options included purchasing treated water, expanding their water treatment plant and purchasing untreated water from the Metropolitan Water District or partnering with other local agencies to desalinate ocean water. The model contained many variable inputs to allow "what-if" scenario analysis. Although purchasing treated water was the least costly option, the authority favored plant expansion due to other benefits such as reliability of water supply.

City of Encinitas (San Dieguito Water District, CA)
Mr. Gagnon helped the City establish water rates that are based on cost of service principles. Cost of service based rates creates large bill impacts for the agricultural class. Mr. Gagnon worked with City staff and the Board rate setting committee to evaluate rates and explain rate setting basics to the committee and public in a Proposition 218 public hearing.

Sweetwater Authority (CA)
Mr. Gagnon evaluated water rates, including drought rates, for the Sweetwater Authority in light of recent legal concerns over their current rate structure. The evaluation includes a cost of service study to clearly demonstrate the nexus between the rate for each single family tier and the associated costs to serve that tier. The study started by soliciting input from Board members regarding their water pricing objectives so that rates could be designed accordingly. Mr. Gagnon concluded the study with presentations to the District Board of Directors and the Public.

Encina Wastewater Authority
Mr. Gagnon is helping the Authority analyze the Net Present Value of three large capital investments: 1) their co-generation facility, 2) the heat dryer and 3) the fats, oils and greases (FOG) receiving facility that supports Encina's co-digestion facility operation. For the co-gen facility, the analysis involves calculating the Net Present Value of electricity purchase costs with and without the co-gen facility. The heat dryer analysis involves calculating the equivalent annual cost of operating solely the centrifuge (with the associated disposal cost of sludge) versus operating the heat dryer and its reduced sludge disposal costs. Lastly, he is helping the Authority analyze its options for alternative digester fuels for co-digestion to enhance digester gas production – FOG versus beer waste – based on the tipping fees and associated maintenance costs of each.

Hi-Desert Water District
Mr. Gagnon is helping the District establish defensible and affordable water rates for a District with a high number of low income residents. The study includes an update of their miscellaneous fees. The District has one main source of water, which limits the rate differentiation between tiers. The study includes an extensive outreach program to educate customers as to the need for rate adjustments.

City of Port Hueneme
The City of Port Hueneme has some of the highest water rates in the area due to the amount of capital reinvestment needed to maintain the system. Mr. Gagnon is helping City Council and Staff assess the impacts of their decisions, including capital reinvestment, loan refinancing and fixed charge pricing on customer bills. The study included a rate workshop with City Council to show Council the effects of their decisions.

Mesa Water District
Mesa Water District prides itself on the fact that it is no longer dependent on imported water. Mr. Gagnon helped the District revise their water and recycled water rates in a few months during a fast-paced rate study. The study included over 10 financial plan options for the Board to select from.

City of Pomona (CA)
Mr. Gagnon is currently helping the City establish water, recycled water and wastewater rates. He is establishing defensible tiered rates based on the City's multiple sources of water and use characteristics. He is also establishing pumping charges based on the costs associated with serving water to high elevation customers. The engagement includes working with rate committee members, Staff and council members to ascertain their rate setting goals. It also includes a 10-year financial plan and modeling rates under industry standard reserve targets.

Channel Islands Beach Community Services District (CA)
Mr. Gagnon helped the District establish equitable water and wastewater rates. Particularly noteworthy in this study was a class of customers that required the District to reserve capacity in the water treatment plant for possible future growth. Mr. Gagnon explained the cost causation based rate for this customer class at Board meetings and the Public Hearing. Mr. Gagnon also held special web based workshops with this customer class to explain cost of service principles and the basis for the rates.

City of Shasta Lake (CA)
The City of Shasta Lake's water revenue dropped significantly during the recent drought – while their water costs increased due to emergency water purchases from expensive sources. In addition, the City's infrastructure was over 80 years old which necessitated significant capital expenditures. Mr. Gagnon worked with City staff to develop a water financial plan that fully funded their capital program, reserves and operational expenses. The financial plan called for a 30% revenue increase in one year. Mr. Gagnon presented the basis for revenue adjustments and rate development at a well-attended public hearing at City Hall.

Santa Fe Irrigation District (CA)
Santa Fe Irrigation District has one of the largest per capita water use rates in the State due to its large lots, many of which have orchards and other agriculture requiring irrigation. Mr. Gagnon worked with City Staff and Board members to establish water cost of service based rates which included a complete restructuring of their fixed charges so that the District could pass through their fixed wholesaler charges. The consumption rates were based on the peaking characteristics of each class. Mr. Gagnon presented at a contentious Public Hearing, in which that rates were adopted, to answer Board and the Public's questions.

Trabuco Canyon Water District (CA)
Mr. Gagnon helped the District establish water, wastewater and recycled water rates. The Trabuco Canyon Water District's revenue plummeted significantly during the recent drought. Mr. Gagnon helped the District established rates, including drought rates, that fully funded operations, capital expenses and reserves. The District previously had a 7-tier rate structure. Mr. Gagnon helped the district establish a 4-tier rate structure in which the rates were based on the supply costs and peaking costs to serve water in each tier – as required by Proposition 218. The study started with a pricing objectives exercise so that the Board could communicate its most important rate setting goals. Mr. Gagnon presented financial plan options and rate study results and a public hearing.

Moulton Niguel Water District (CA)
Mr. Gagnon prepared water and wastewater capacity fees and miscellaneous fees in June of 2016. The water and wastewater capacity fees were calculated using the buy-in methodology and varied by meter size. The District also decided to implement a water demand offset fee for new water connections based on the premise that the recycled water system offsets potable water use and benefits potable water users. Mr. Gagnon attended Board meetings to help staff explain the rationale and basis for the capacity fees.

Mr. Gagnon also helped calculate miscellaneous fees by interviewing staff to assess the time and effort involved with the fees, benefit burden rates and material charges to properly calculate over three dozen fees for the water and wastewater systems. The deliverable included an excel model with which the District could update the miscellaneous fees in the future.

City of Henderson (NV)
Mr. Gagnon is creating water and wastewater rate and financial planning models for the City as well as updating their water and sewer system development charges. The models will be used over the next 5 to 10 years not only to calculate water and wastewater rates but also to create yearly financial statements.

City of Redlands (CA)
Mr. Gagnon updated the City's water and wastewater rates and development impact fees. The rate study process included workshops with the City's Utility Advisory Committee in which he presented the basics of rate setting and the financial environment of the utilities. The interactive workshops solicited input from committee members and staff regarding revenue adjustments and rates.

Rainbow Municipal Water District (CA)
Mr. Gagnon created water conservation based sewer rates to complement the Rainbow Municipal Water District's (District) conservation based water rate structure. These rates will be based on the actual water usage of each customer within the District. In addition, appropriate sewage strengths will be incorporated into the District's sewer user rates.

County of San Diego (CA)
Mr. Gagnon prepared integrated financial models for a landmark study for the County of San Diego. The study will not only be updating the sewer user, capacity, and annexation fees for the nine dependent sewer districts but will also include the economic analysis of creating one "super sanitation district". Long-range financial plans will be prepared for all of the districts as well as the super district including 10 years of operational and capital costs.

Town of Quartzsite (AZ)
Mr. Gagnon performed a third party rate review of a recently completed water and wastewater rate study for the Town of Quartzsite (Town). The Town is concerned with insuring that their winter RV population is paying their fair share of the water and sewer expenses.

Town of Parker (AZ)
Mr. Gagnon updated the Town of Parker's (Town) water rates. One of the Town's main concerns was the fairness and equity of water system cost distribution given the Town's large population of Native Americans who do not pay sales or utility taxes yet benefit from Town parks and other Town amenities. He also helped the Town establish operating and capital reserves.

Walnut Valley Water District (CA)
Mr. Gagnon performed the Walnut Valley Water District's (District) first professional rate study which included updating the rate structure. Mr. Gagnon created a three-tier residential rate structure to help decrease discretionary consumption and ensure the District avoids or reduces water purchase surcharges from the Metropolitan Water District. He presented his findings to District staff and the District's Board of Directors.

Fallbrook Public Utility District (CA)
With water shortages looming in Southern California, this progressive water and sewer district asked for help creating water conservation-based sewer rates to complement their conservation based water structure. Mr. Gagnon created rates based on the actual water usage of each customer within the Fallbrook Public Utility District (District). In addition, appropriate sewage strengths were incorporated into the District's sewer user rates.

Otay Water District (CA)
The Otay Water District (District) performs an update to their capacity and annexation fees every five years. In this update they changed their capacity fee from an incremental fee based on future costs to a combined fee structure using replacement costs less depreciation. They are also revised their annexation fee to recover taxes and availability charges paid by existing users who are currently inside the District's boundaries. In addition, they added a new water supply fee to recover the expansion costs of their water system. This is a new fee that addresses the issue of new development bringing their own water supply or pay for offsets.

Mr. Gagnon was also the lead economist on a fast track study to assist the District in adding further conservation incentives into their potable and reclaimed water user rates. Specifically, he added rate blocks into their non-residential and landscaping user rate structures based on specific base extra capacity cost allocations per user class. In addition, he assisted the District in the preparation of a drought/shortage rate structure that overlays their new conservation

rate structure. This drought rate structure is based on the guidelines provided by the Metropolitan Water District of Southern California and the San Diego County Water Authority.

Rowland Water District (CA)
Mr. Gagnon updated the Rowland Water District's (District) water rates for the second time. The District had several concerns for the most recent study which included a large debt issue for a recycled water system as well as staff increases and wholesale water rate increases. The model helped the district size its debt issue by performing a rate sensitivity analysis to the size of the debt issue.

City of Poway (CA)
Mr. Gagnon completely rebuilt the City of Poway's water and wastewater rate models to reflect the latest rate setting practices.

Helix Water District (CA)
Mr. Gagnon created an economic model to add life-line and a water waster tier to the Helix Water District's (District) three-tier rate structure. In addition, budget-based water rates were created for all irrigation accounts. The District is transitioning slowly to budget-based rates due to staffing limitations. In 2010 they will implement budget-based rates for all commercial accounts.

Mr. Gagnon also performed all of the economic modeling in the preparation of the District's first Capacity Fee Study. The capacity fee was designed to collect a buy-in portion based on replacement costs of the District's current water system and the incremental cost of adding a new water supply, the El Monte Valley Ground Water Recharge project.

City of Anaheim (CA)
Mr. Gagnon prepared a commercial and residential wastewater rate study for the City of Anaheim (City). The proposed rate structure was based on water consumption to replace the antiquated structure based on the number of toilets. Proper water use and wastewater return to sewer analysis is required to ensure proper revenue generation for the City.

City of Coronado (CA)
Mr. Gagnon is helping restructure the City of Coronado's wastewater rates from a flat parcel-based fee for residential users to one with a consumption-based charge and a fixed charge.

City of Lemon Grove (CA)
Mr. Gagnon helped update the commercial and residential wastewater rates for the City of Lemon Grove. The rate structure included 20 different user classes for residential, commercial, and institutional customers.

Western Municipal Water District (CA)
Mr. Gagnon prepared a long-range financial plan to help ensure the Western Municipal Water District's (District) financial health. Based on the District's five-year CIP, inflationary water rate adjustments, and reserve policies, the plan showed that a debt issue was needed to execute the CIP and maintain adequate reserves.

Julian and Pine Valley Sanitation Districts (CA)
Mr. Gagnon updated the wastewater rates and connection fees for both sanitation districts. The wastewater fees had not been updated for several years in one district and over 15 years in the other necessitating large rate increases. He developed a few different scenarios which included postponing CIP projects or lowering reserve balances, to ease ratepayers into higher rates.

San Antonio Water System (TX)
Mr. Gagnon prepared a sewer impact fee economic model and study for the City of San Antonio. This included a valuation of the system's facilities using several asset based approaches. Ultimately the total net book value without depreciation was selected as the basis for the valuation of the System's assets. In addition, an equity residual model was prepared that included the allocation of the present value of past and future debt service payments. The study also analyzed a number of impact fee structures to determine the most fair and equitable fee.

La Habra Heights County Water District (CA)
Mr. Gagnon assisted with the update in water user rates, capacity charges, and long-range financial plan for the La Habra Heights County Water District (District). The 2001 study set the District's user rates for five years and expired in 2005. The District had recently completed an updated Water Master Plan and wished to incorporate the new cost of replacement capital facilities for the next ten years into their long-range financial plan and user rates.

City of La Habra (CA)
Mr. Gagnon helped prepare the City of La Habra's (City) first professional sewer user rate study. This study followed industry standards and an EPA approved rate structure. The City plans to create a formal enterprise fund for their sewer utility to properly finance their sewer operations and maintenance. He developed the long-range financial plan modeled year-end cash reserves to ensure execution of the City's $21 million capital improvement program and to fund operations and maintenance.

City of Webster (TX)
Mr. Gagnon is constructing a stormwater model for the City of Webster (City). The rates are based on the impervious surface of each parcel. The City plans using water meters to bill customers.

City of Norman (OK)
Mr. Gagnon is constructing a stormwater rate model for the City of Norman. The model is constructed in several different ways to allow the city council to choose from alternative rate structures, including the contentious issue of whether or not Oklahoma University, which owns large parcels of impervious surface area, will support the stormwater utility.

Boxelder County (CO)
Mr. Gagnon assisted Boxelder County (County) in the determination of how they will finance their required stormwater improvements. They plan to create a stormwater utility through diverse funding sources including impact and user fees, a community financing district, and grants and loans. The goal of this study was to identify

and size a system of improvements which will achieve the greatest defined economic benefit (both local and regional) per dollar of cost, based on the 100-year floodplain extents.

City of Fullerton (CA)
Mr. Gagnon conducted a field audit to determine appropriate return to sewer flows as well as fats, oils and greases surcharge rates for the top 50 industrial water customers in the City of Fullerton.

UTILITY AND WATER RIGHT VALUATIONS EXPERIENCE

Blue Plains Wastewater Treatment (DC)
Mr. Gagnon is valuing the largest advanced wastewater treatment plant in the world (370 MGD) using several different valuation methods for Metropolitan Washington Council of Governments. The study values capacity rights in a treatment plant shared by several users. Valuation methodologies include original cost, reproduction cost, and market comparables.

Metro Wastewater Joint Powers Authority (CA)
Mr. Gagnon updated a prior valuation study which values treatment capacity in the San Diego Metropolitan Wastewater System. The valuation study considered several different valuation methodologies including the asset approach, prior sale (market comparables); buyer's avoided cost, seller's potential future cost and alternative investment value.

City of Pico Rivera (CA)
Mr. Gagnon is slated to help the City of Pico Rivera value groundwater pumping rights. Groundwater pumping rights will likely be valued using both a market comparables approach and a buyer's avoided cost approach.

OTHER FINANCIAL AND MANAGEMENT STUDIES

Town of Parker (AZ)
Mr. Gagnon is performing a benchmarking analysis of the Town of Parker's (Town) water, parks and recreation and streets departments due to efficiency concerns. The study will compare the Town's cost efficiency with other small towns.

Marine Corps Base Camp Pendleton (CA)
Mr. Gagnon led an asset inventory and condition assessment of the water and wastewater systems on Marine Corps Base Camp Pendleton. The inventory included field visits and literature reviews to document and describe the extent and condition of all utility assets. Asset data was compiled in a database and linked to GIS mapping.

Olivenhain Municipal Water District (CA)
Mr. Gagnon developed an economic model that evaluates the cost benefit analysis of four different water supply options including desalinization, increased use of recycled water, and expansion of their existing water treatment plant using membrane technology. Proposed funding levels were prepared for the long-range financial plan to match projects against the revenue levels necessary to support them.

Confidential Fortune 500 Aerospace Corporation (CA)
Mr. Gagnon created an excel based financial model to cost and budget one of the largest corporate environmental liabilities – a nine-mile long plume of rocket fuel-related contamination – underlying several cities in southern California. Remediation strategies were constantly changing and, thus, the model simulated costs for numerous remediation alternatives. The model also allowed for monthly and yearly budgeting and total clean-up expenditures.

Earth Tech (CA)
Mr. Gagnon developed an Operation Excellence Plan to ensure client satisfaction on the execution of a multimillion dollar Master Services Agreement with a Fortune 500 Aerospace Corporation. The plan provided guidance in many areas including QA/QC, client feedback, staff allocation, etc. The plan also included performance measures to evaluate client satisfaction, program success, and failures.

Otay Water District (CA)
Mr. Gagnon assisted in facilitating performance metric workshops with the Otay Water District management staff. The workshops discussed performance metric basics, analyzed dozens of performance metrics, how to calculate them, and eventually helped staff narrow down the metrics they believed were best for their utility.

Keweenaw National Historical Park, National Park Service (MI)
Mr. Gagnon coauthored a business plan submitted to the U.S. Congress to seek additional funding to expand a national park in Michigan. The business plan included a historical cost accounting analysis of prior fund use and projected future fund needs.

U.S. Army Sudbury Annex Superfund Site (MA)
Mr. Gagnon was the Project Manager for the remediation and real estate transfer of a 2,000-acre army ammunition depot and research installation in central Massachusetts. Mr. Gagnon oversaw project funds, environmental studies, and construction contracts with consulting firms and partnered with the U.S. EPA to determine clean-up goals and strategies.

Nancy Phan

Lead Analyst

Consultant

SPECIALTIES

- Financial modeling
- Utility rate studies
- Data analysis

PROFESSIONAL HISTORY

- Raftelis: Consultant (2018-present); Associate Consultant (2016-2017)
- Microsoft Corporation – Partner Account Specialist (2015-2016)

EDUCATION

- Bachelor of Arts in Business Economics – University of California, Irvine (2015)

Ms. Phan has a background in business economics with a focus on data analysis, writing, and communication. Her expertise in working with large data sets brings efficiency and refinement to her financial modeling, and her emphasis on writing establishes a clear and concise communication style. She is particularly interested in improving established processes to increase efficiency and provide creative solutions for her clients. Her experience in working with water, wastewater, and stormwater agencies across the nation have informed her approach to working with utility agencies.

RELEVANT PROJECT EXPERIENCE

Contra Costa Water District (CA)
Ms. Phan served as the consultant for Contra Costa Water District's water rate study. The study involved developing a new rate structure for the District's treated and untreated water systems. The project involved a complete restructuring of the District's treated and untreated water rates to sustain operational and capital needs, enhance equity and fairness amongst the different customer classes, and minimize customer impacts to the extent possible. The water rates were calculated according to cost of service principles and are compliant with Proposition 218.

County of Ventura (CA)
Ms. Phan assisted the County of Ventura in developing water rates for four different districts in the County's service area. The rate study included unique issues related to serving agricultural customers. The proposed rate structure modified the current structure to provide for greater simplicity and ease of implementation. Ms. Phan developed the four financial models and wrote their corresponding reports to explain the process. She also wrote a model manual for the County to update and use the model in the future and assisted in developing bill calculators for each of the districts.

La Habra Heights County Water District (CA)
Ms. Phan developed water rates for the La Habra Heights County Water District. She projected the District's ten-year financial plan, analyzed the costs of the system, and allocated those costs to determine the proposed water rates. In addition, she developed a capital financing plan for the District to help plan for its large capital obligations during the study period. A formal reserve policy was recommended for this study. The resulting water rates were based on cost of service principles and minimized customer impacts.

Zone 7 Water Agency (CA)
Ms. Phan served as the consultant for the Zone 7 Water Agency's wholesale water rate study update. The update included projecting a long-range financial plan, developing a cost of service analysis, and determining fair and equitable rates for the Agency's direct and retail customers. The Agency was experiencing revenue shortages due to low water usage, and to enhance revenue stability, she assisted in developing a modified rate structure that is both beneficial and fair to the Agency and its customers.

City of Escondido (CA)
Ms. Phan assisted the City of Escondido with developing water and wastewater rates. The rate study included determining a long-term financial plan, analyzing and distributing the City's costs to each customer class, and determining rates that are fair and equitable for both systems. The study also involved determining pass-through rates for Metropolitan Water District and

San Diego County Water Authority costs. The proposed rates are compliant with Proposition 218 and maintain the City's financial sufficiency in light of changing water supply conditions.

Selma-Kingsburg-Fowler County Sanitation District (CA)

Ms. Phan served as the consultant for the Selma-Kingsburg-Fowler County Sanitation District's wastewater rate study. The District operates the treatment facilities and oversees the collection systems owned by the Cities of Selma, Kingsburg and Fowler. The study involved developing wastewater rates for the District and individual fixed charges to fund each of the three cities' replacement and refurbishment capital projects. The proposed rates are based on cost of service principles, are complaint with Proposition 218, and maintain the financial sufficiency of the District and its three member Cities.

City of La Habra (CA)

Ms. Phan assisted the City of La Habra in developing wastewater rates and connection fees. The rate study involved an update of the current rate structure to enhance fairness and equity for the City's wastewater customers. She developed four rate structure scenarios to best meet the City's objectives. The revenue requirements, which includes operating and capital expenses, were allocated to each customer class using wastewater flow, which is more defensible for a collection only system. The resulting rates are compliant with Proposition 218, are fair and easy to understand for the City's customers, and recover sufficient revenue for the system's operations.

Rainbow Municipal Water District (CA)

Ms. Phan served as the consultant for the Rainbow Municipal Water District's wastewater system. She developed four rate structure options for wastewater rates to be simple for customers to understand and better align with cost of service principles. The study involved projecting the District's long-range financial plan, which included large capital expense obligations. Ms. Phan analyzed funding scenarios for these projects and their effects on the District's wastewater rates. The cost of service based rates allow the District to fund its operating costs and necessary capital projects.

OTHER RELEVANT PROJECT EXPERIENCE

- City of Monterey Park (CA)
- County of Kauai, Department of Water (HI)
- City of Port Hueneme (CA)
- City of South Pasadena (CA)
- City of Torrance (CA)
- Antelope Valley East Kern Water Agency (CA)
- Ontario Municipal Utilities Company (CA)
- City of Chino (CA)
- Temescal Valley Water District (CA)
- City of Benicia (CA)
- City of San Gabriel (CA)
- City of Pomona (CA)
- Vallejo Flood and Wastewater District (CA)

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APPENDIX B: SAMPLE REPORT

LONG BEACH
WATER DEPARTMENT

COST OF SERVICE AND RATE STUDY

Final Report / February 1, 2017

Long Beach Water

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February 1, 2017

Mr. Anatole Falagan
Assistant General Manager
Long Beach Water Department
1800 E. Wardlow Rd.
Long Beach, CA 90807 – 4994

Subject: Long Beach Water Department – Cost of Service and Rate Study Report

Dear Mr. Falagan,

Raftelis Financial Consultants, Inc. (RFC) is pleased to provide this Cost of Service and Rate Study Report (Report) for the Long Beach Water Department (LBWD or Department) to develop water, recycled water and sewer rates that are equitable and compliant with Proposition 218. In particular, this Report contains the following:

- Legal framework surrounding Proposition 218, particularly with respect to potable water and recycled water and sewer rates.
- Revisions to water rate structure.
- Recommended policy revisions.
- Cost of service analysis and development of water, recycled water and sewer rates that meet the Proposition 218 requirements.

The Report summarizes the key findings and results related to the revision of the water rate structure, development of water, recycled water and sewer rates and customer impact analyses for proposed rates.

It has been a pleasure working with you, and we thank you and the Department staff for the support provided during the course of this study.

Sincerely,
RAFTELIS FINANCIAL CONSULTANTS, INC.

Sanjay Gaur
Vice President

Khanh Phan
Senior Consultant

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GLOSSARY

Terms	Descriptions
AF	Acre foot / Acre feet
AWWA	American Water Works Association
CCF	Centum Cubic Feet = 100 cubic feet = 748 gallons
COS	Cost of Service
EFU	Equivalent Fire Unit
EMU	Equivalent Meter Unit
FY	Fiscal Year (October 1 - September 30)
GPCD	Gallons per capita per day
GPM	Gallons per minute
LBWD	Long Beach Water Department
LCC	Lakewood Country Club
LOC	Line of Credit
LW	Water supply from Lakewood
M1 Manual	*Principles of Water Rates, Fees, and Charges: Manual of Water Supply Practices M1, 6th edition* published by AWWA
MD	Max Day Peaking Factor
MFR	Multi-Family Residential
MGD	Million Gallons per Day
MH	Max Hour Peaking Factor
MWD	Metropolitan Water District of Southern California
O&M	Operations and Maintenance
RFC	Raftelis Financial Consultants, Inc.
RW	Recycled Water
SFR	Single Family Residential
WRD	Water Replenishment District of Southern California

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EXECUTIVE SUMMARY

1.1 - BACKGROUND OF THE STUDY

The Long Beach Water Department (LBWD or Department) maintains a system of water, sewer, and recycled water infrastructure that provides services to nearly 470,000 Long Beach residents. LBWD receives its potable water supply from two main sources: groundwater produced from the Central Groundwater Basin, regulated by the Water Replenishment District of Southern California (WRD) and purchases from the Metropolitan Water District of Southern California (MWD).

The current water and sewer rates were developed in a previous Rate Study conducted in March 1996 and updated annually across the board to account for rising operating and capital costs. Government Code 54999.7(c) requires that water and wastewater agencies must conduct a cost of service study a minimum of every 10 years. In early 2016, LBWD engaged Raftelis Financial Consultants (RFC) to conduct a Cost of Service and Rate Design for its Water and Sewer services.

The major objectives of the Study include the following:

1. Conduct cost of service analyses for Water, Recycled Water and Sewer services
2. Design an alternative rate structure to better align water supply costs with rates, and more equitably recover costs from customers
3. Conduct a sensitivity and impact analysis on proposed rates
4. Develop an administrative record that demonstrates nexus between LBWD's costs and rates to meet the requirements of Proposition 218.

This Cost of Service and Rate Design Report (Report) summarizes the key findings and results related to the revision of the water rate structure, development of water, recycled water and sewer rates and customer impact analyses for proposed rates.

1.2 - REVISION TO WATER RATE STRUCTURE AND OTHER POLICY RECOMMENDATIONS

RFC conducted a pricing objectives exercise wherein LBWD executive management ranked a number of pricing objectives. The top 10 pricing objectives are used as guiding principles for this Study.[1] Table 1-1 shows the proposed water rate structure, developed based on the pricing objectives and discussion with LBWD staff and the Board of Water Commission. Residential customers will maintain a 3-tier inclining rate structure, with tier definitions revised to better align with water supply availabilities. Non-residential use for both potable and recycled water

[1] *See Section 4 for details*

Table 1-1: Proposed Water Rate Structures

Customer Class	Current Rate Structure	Proposed to Evaluate	Why?
Residential (RES)	Inclining Tier	Revised Inclining 3-Tier	Current rate structure achieves the pricing objectives of the City
Irrigation (IRR)	Uniform	Uniform	Use water budget information to develop programs for customers
Industrial / Commercial	Uniform	Uniform	Programs are more effective in promoting conservation than pricing
Recycled Water (RW)	Uniform	Uniform	Use water budget information to develop programs for customers

Table 1-2: Proposed Residential Water Tier Definitions

	Current Tiers	Revised Tiers[2]	Basis
Tier 1	Single Family: 0 – 5 CCF Duplex: 0 – 2.5 CCF Multi Family: 0 – 2.5 CCF	**0 – 6 CCF**	Groundwater Availability → 6 CCF per DU
Tier 2	Single Family: 6 – 15 CCF Duplex: 2.6 – 13 CCF Multi-Family: 2.6 – 9 CCF	**7 – 13 CCF**	Lakewood & MWD Tier 1 Availability → 7 CCF per DU
Tier 3	Above Tier 2	**Above 13 CCF**	Next water supply source: MWD Tier 2

services, including commercial and irrigation use, will maintain uniform rates.

To better align residential usage tiers with available water supply, RFC proposes to define tier breakpoints by water supply source. Tier 1 includes the first 6 CCF per dwelling unit, which is based on available groundwater sources that are allocated equally to all LBWD customers. Tier 2 use encompasses the next 7 CCF per dwelling unit, which is based on the amount of available imported water from MWD and the water purchase agreement with City of Lakewood. Tier 3 includes all use above 13 CCF per dwelling unit, which can potentially be met using water supply from MWD at the MWD Tier 2 rate. Tier 3 is designed to send a stronger conservation signal regarding the true value of the source of water supply. Please refer to Section 4.2 for additional details.

LBWD will continue to maintain the Exemption Program for qualified customers to provide affordable water and sewer use for disadvantaged customers, based on direction from the Board of LBWD Water Commission and staff. The current program waives the sewer bills for qualified customers, and water use within Tier 1 is charged at lower Tier 1A rates. Based on available resources in the Water and Sewer Funds to support the Exemption program, RFC and LBWD staff recommend that Tier 1 water use be waived for qualifying customers (Tier 1A = $0/CCF) and each qualified bill have $5 bill credit per month to offset the impact from the changes in the program. LBWD may decide to review the continuation or adjustment of the bill credit in the future. However, they will pay sewer bills and other water charges at the same rate as other residential customers.

1.3 - PROPOSED WATER, RECYCLED WATER AND SEWER RATES

To calculate fair and equitable rates so that users pay in proportion to the cost of providing

[2] *Applied to All Residential Classes per Dwelling Unit*

Table 1-3: Proposed Water and Recycled Water Daily Service Charges

Meter Size	Billing & Customer Service	Services & Capacity	Proposed FY 2017	Proposed Daily FY 2017	Current Daily FY 2017	% Change
	A	B	C = A + B	D = C x 12 /365	E	F = D/E - 1
5/8" & 3/4"	$4.63	$12.09	$16.72	**$0.550**	$0.489	**12%**
1"	$4.63	$20.15	$24.78	**$0.815**	$0.736	**11%**
1 1/2"	$4.63	$40.30	$44.93	**$1.478**	$1.375	**7%**
2"	$4.63	$64.48	$69.11	**$2.273**	$2.037	**12%**
3"	$4.63	$141.05	$145.68	**$4.790**	$4.220	**14%**
4"	$4.63	$241.80	$246.43	**$8.102**	$6.677	**21%**
6"	$4.63	$544.05	$548.68	**$18.039**	$12.306	**47%**
8"	$4.63	$1,128.40	$1,133.03	**$37.251**	$19.315	**93%**
10"	$4.63	$1,692.60	$1,697.23	**$55.800**	$31.635	**76%**
12"	$4.63	$2,135.90	$2,140.53	**$70.374**	$38.662	**82%**
16"	$4.63	$3,143.40	$3,148.03	**$103.497**	$63.986	**62%**

service, RFC performed a cost allocation of the total FY 2017 revenue requirements, consistent with industry standards as outlined in the *M1 Manual*[3] as well as Proposition 218 requirements. A detailed cost of service analysis is included in Sections 6 and 7 of the Report.

1.3.1 - PROPOSED WATER AND RECYCLED WATER RATES

RFC performed a cost allocation of the total revenue requirements in order to calculate fair and equitable rates where users pay proportionately to their cost of providing service. This methodology is consistent with industry standards and in compliance with Proposition 218 requirements. Table 1-3 and Table 1-4 show the proposed water and recycled water daily service charges and private fireline daily service charges for FY 2017. A detailed cost of service analysis is included in Section 6 of the Report.

Proposition 218 requires a nexus between the rates and costs of providing service. To meet this requirement, RFC identified five different components of the quantity rates, including Water Supply, Delivery, Peaking Cost, Conservation and Revenue Offset. Table 1-5 shows the FY 2017 calculated rates for each rate component for all Water and Recycled Water customer classes. Table 1-6 summarizes the proposed Water and Recycled Water rate structure and corresponding water quantity rates for FY 2017.

1.3.2 - PROPOSED SEWER RATES

Based on the results of the cost of service analysis conducted for sewer services, Table 1-7 and Table 1-8 summarize the proposed daily sewer service charges and sewer volumetric rates for FY 2017. A detailed cost of service analysis and rate calculation is discussed in Section 7 of the Report.

Users will continue to pay daily sewer service charges, which vary by meter size, along with volumetric charges per 100 cubic feet (CCF) of water furnished.

[3] *"Principles of Water Rates, Fees, and Charges: Manual of Water Supply Practices M1," 6th edition published by AWWA*

Table 1-4: Proposed Private Fireline Daily Service Charges

Size	Billing & Customer Service	Private Fire Capacity	Proposed FY 2017	Proposed Daily FY 2017	Current Daily FY 2017	% Change
	A	B	C = A + B	D =C x 12 /365	E	F = D/E - 1
2"	$4.63	$5.25	$9.88	**$0.325**	$1.020	**-68%**
3"	$4.63	$15.25	$19.88	**$0.654**	$1.745	**-63%**
4"	$4.63	$32.50	$37.13	**$1.221**	$2.577	**-53%**
6"	$4.63	$94.40	$99.03	**$3.256**	$4.391	**-26%**
8"	$4.63	$201.18	$205.81	**$6.767**	$6.438	**5%**
10"	$4.63	$361.78	$366.41	**$12.047**	$8.709	**38%**
12"	$4.63	$584.38	$589.01	**$19.365**	$10.976	**76%**
16"	$4.63	$1,245.33	$1,249.96	**$41.095**	$16.094	**155%**

Table 1-5: Proposed Water and Recycled Water Quantity Rate Components

	Water Supply	Delivery	Peaking	Conservation	Revenue Offset	Proposed FY 2017
	A	B	C	D	E	F = A + B + C + D + E
Residential						
Tier IA	$1.055	$0.579	$0.361	$0.000	-$1.995	**$0.000**
Tier IB	$1.055	$0.579	$0.361	$0.000	-$0.074	**$1.921**
Tier II	$2.645	$0.579	$0.454	$0.000	$0.000	**$3.678**
Tier III	$2.907	$0.579	$0.651	$1.229	$0.000	**$5.366**
Non-Residential	$1.747	$0.579	$0.405	$0.127	$0.000	**$2.858**
RW						
Peaking	$0.000	$1.221	$0.638	$0.000	$0.000	**$1.859**
Non-Peaking	$0.000	$1.221	$0.357	$0.000	$0.000	**$1.578**
Interruptible	$0.000	$1.221	$0.357	$0.000	$0.000	**$1.578**

Table 1-6: Proposed Water and Recycled Water Quantity Rates ($ / CCF)

	Current Tier Widths[4]	Proposed Tier Widths	Current FY 2017 ($ / CCF)	Proposed FY 2017 ($ / CCF)
Residential				
Tier IA	5 CCF	6 CCF	**$1.427**	**$0.000**
Tier IB	5 CCF	6 CCF	**$2.569**	**$1.921**
Tier II	10 CCF	7 CCF	**$2.854**	**$3.678**
Tier III	Above 15 CCF	Above 13 CCF	**$4.281**	**$5.366**
Non-Residential			**$2.854**	**$2.858**
Recycled Water				
Peaking	Uniform	Uniform	**$1.998**	**$1.859**
Non-Peaking	Uniform	Uniform	**$1.427**	**$1.578**
Interruptible	Uniform	Uniform	**$1.427**	**$1.578**

Table 1-7: Proposed Sewer Daily Service Charges for FY 2017

	Billing & Customer Services	Sewer Services	Proposed FY 2017	Current	% Change
	A	B	C = A + B	D	E = C / D – 1
5/8" & 3/4"	$0.065	$0.181	**$0.246**	$0.281	-12.5%
1"	$0.065	$0.300	**$0.365**	$0.445	-18.0%
1 1/2"	$0.065	$0.892	**$0.957**	$0.811	18.0%
2"	$0.065	$1.584	**$1.649**	$1.177	40.1%
3"	$0.065	$3.777	**$3.842**	$2.435	57.8%
4"	$0.065	$5.493	**$5.558**	$3.856	44.1%
6"	$0.065	$15.417	**$15.482**	$7.104	117.9%
8"	$0.065	$16.347	**$16.412**	$11.159	47.1%
10"	$0.065	$25.340	**$25.405**	$18.255	39.2%
12"	$0.065	$31.977	**$32.042**	$22.315	43.6%
16"	$0.065	$47.060	**$47.125**	$36.514	29.1%

[4] Shown Single Family tiers only, Multi Family and Duplex accounts have different current tier widths (see Table 1-2)

Volumetric charges for residential customers are computed based on the average of actual water use during the winter billing periods. The average volume will be the cap volume of actual water use returning to sewer system on which the volumetric sewer rate is charged for the next twelve-month period beginning with May's billing period. Each year, the average volume will be recalculated for the following twelve-month period. For those residential customers with no previous history of use during the winter billing periods, the average volume of customers with the same meter size will be used.

1.3.3 - CUSTOMER IMPACT ANALYSIS

Before implementing any rate structure recommendations, it is important to understand how the proposed rate structure will impact the LBWD's customers. Customer impact analysis is a powerful tool which can be used to assist elected officials in making informed decisions. Table 1-9 summarizes the combined water and sewer impact analyses by customer class, based on the proposed rates and projected number of accounts and usage. The residential customer class will see very minimal impact (-0.45%) under proposed water and sewer rates, whereas non-residential and recycled water customer classes will see more impact from the proposed rates, which is 5.12% and 2.67% respectively.

Figure 1-1 shows the combined water and sewer bills of typical residential customers with 5/8" x ¾" meters for a 30-day monthly billing period with assumed maximum of 10 CCF billed sewer flows (aka sewer average volume) at various water consumption levels under current and proposed rate structure and rates. Users using 6 CCF per month will see $3.39 reduction (or -8.2%) in their monthly bill, whereas users with 12 CCF per month will see minor increase of $1.55 (or 2.6%). Residential users using 30 CCF or more per month will see greater impacts. The proposed rate structure and rates send a stronger conservation pricing signal while maintaining affordability for essential use, which are part of the top 10 pricing objectives ranked by LBWD.

Similarly, Figure 1-2 provides the sample combined water and sewer bills for residential customers that qualify for the exemption program. Low water users, using 6 CCF or less per month, will see $3.44 reduction (-13.9%) in their monthly bills, whereas customers using 20 CCF or more per month will see more impacts on their monthly water and sewer bills.

In summary, the rates calculated in this study for water, recycled water and sewer follow industry standard principles of equitable cost-of-service allocations, and are thus compliant with Proposition 218. The remainder of this report details the background information utilized by RFC in carrying out this study, along with thorough explanation of the cost-of-service analyses and consequent revisions to LBWD's rate structure.

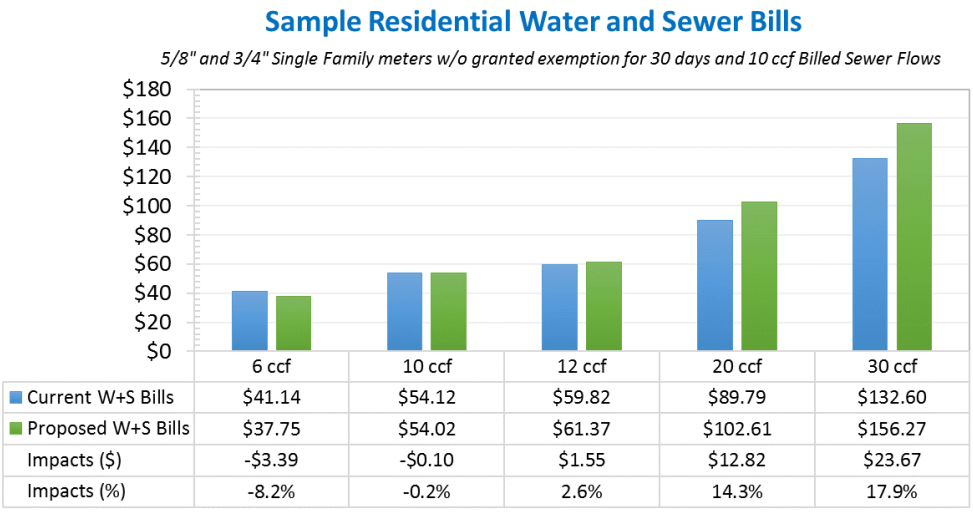
Table 1-8: Proposed Sewer Volumetric Rates for FY 2017

	Proposed FY 2017 Rates ($ / CCF)
Flow Based (1)	$0.284
Sewer Services (2)	$0.106
Sewer Volumetric Rates (1) +(2)	**$0.390**

Table 1-9: Combined Water & Sewer Customer Impact Analysis

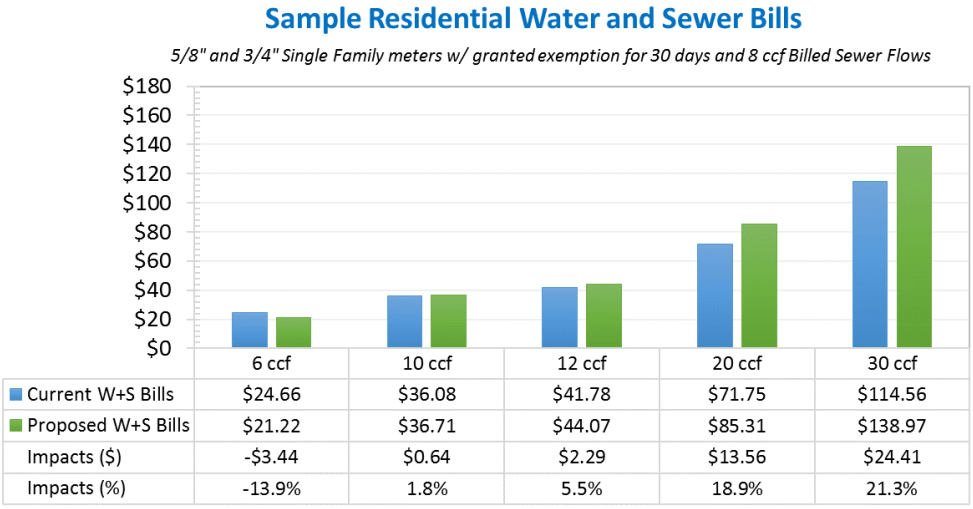
Customer Classes	Projected FY 2017 Revenues under Current Rates (A)	Projected FY 2017 Revenues under Proposed Rates (B)	% Impact (C = B/A-1)
Residential	$75,957,211	$75,613,197	-0.45%
Non-Residential	$27,890,715	$29,317,656	5.12%
Private Fire	$1,862,389	$1,606,747	-13.73%
RW	$3,599,285	$3,695,459	2.67%
Total Water & Sewer Revenues from Rates	**$109,309,601**	**$110,233,059**	**0.84%**

Figure 1-1: Sample Residential Combined Water and Sewer Bills



	6 ccf	10 ccf	12 ccf	20 ccf	30 ccf
Current W+S Bills	$41.14	$54.12	$59.82	$89.79	$132.60
Proposed W+S Bills	$37.75	$54.02	$61.37	$102.61	$156.27
Impacts ($)	-$3.39	-$0.10	$1.55	$12.82	$23.67
Impacts (%)	-8.2%	-0.2%	2.6%	14.3%	17.9%

Figure 1-2: Sample Exempted Residential Combined Water & Sewer Bills



	6 ccf	10 ccf	12 ccf	20 ccf	30 ccf
Current W+S Bills	$24.66	$36.08	$41.78	$71.75	$114.56
Proposed W+S Bills	$21.22	$36.71	$44.07	$85.31	$138.97
Impacts ($)	-$3.44	$0.64	$2.29	$13.56	$24.41
Impacts (%)	-13.9%	1.8%	5.5%	18.9%	21.3%

INTRODUCTION

2.1 - OVERVIEW OF LONG BEACH WATER DEPARTMENT

The Long Beach Water Department (LBWD or Department) maintains a system of water, recycled water and sewer infrastructure that provides services to nearly 470,000 Long Beach residents. LBWD receives its potable water supply from two main sources: groundwater and purchases from the Metropolitan Water District of Southern California (MWD). LBWD's Groundwater Treatment Plant, one of the largest in the nation, can produce up to 60 million gallons per day (MGD) of drinking water that is delivered through over 900 miles of transmission and distribution mains. LBWD meets a portion of its non-potable water demand through recycled water services. Recycled water is produced at the Long Beach Water Reclamation Plant which can treat up to 18 MGD of wastewater effluent. In addition, LBWD operates and maintains nearly 765 miles of sanitary sewer lines, which send over 40 MGD of wastewater flow to treatment plants operated by Los Angeles County. The remaining portion of the City's wastewater is delivered to the Long Beach Water Reclamation Plant.

2.2 - BACKGROUND OF THE STUDY

LBWD's Comprehensive Annual Financial Report (CAFR) for the year ending September 30, 2015, indicates that the Department's Water and Sewer Funds have low levels of long-term debt and very high debt service coverage. LBWD's water conservation efforts have been exceptionally effective at reducing per capita daily water use. Furthermore, through Governor's Brown Executive Order for Mandatory Conservation (Executive Order B-29-15), the State Water Resources Control Board draft water reduction target for the City of Long Beach is 16% below water usage in 2013. This target is significantly less than many other California municipalities; however, still a significant conservation measure to achieve given the current per capita water use of the City's customers.

The current water and sewer rates were developed in the previous Rate Study conducted in March 1996 and updated annually across the board to account for rising operating and capital costs. The current water rate structure contains both fixed service charges and quantity rates. The fixed daily service charge is based on meter size. Residential usage is billed using a three tier structure that varies by type, including residential, single family, duplex and multi-family. All non-residential usage (commercial, industrial, irrigation) is billed on a uniform

quantity rate. The three Recycled Water (RW) customer classes, including peaking, non-peaking and interruptible, are billed the same fixed daily service charges as regular water services and uniform rates which are set at a percentage of Tier II potable water rates. Sewer customers are also billed a daily sewer service charge based on meter size and a single uniform volumetric rate on all billed sewer flows regardless of customer class.

Government Code Section 54999 mandates that a cost of service analysis be done every 10 years to ensure that rates are equitable and fair to customers. In addition, Proposition 218 requires that utility rates cannot be "arbitrary and capricious," meaning that the rate-setting methodology must be sound and that there must be a nexus between the costs and the rates charged. The recent Orange County Superior Court ruling in the litigation between Capistrano Taxpayer Association (CTA) and the City of San Juan Capistrano reinforces the importance of administrative records to substantiate the nexus between the rates and the cost of providing water and sewer services.

In early 2016, LBWD engaged Raftelis Financial Consultants (RFC) to conduct a Cost of Service and Rate Design for its Water, Recycled Water and Sewer services that meet the requirements of Proposition 218.

The major objectives of the Study include the following:

1. Conduct cost of service analyses for Water, Recycled Water and Sewer services
2. Design an alternative rate structure to better align water supply costs with rates, and more equitably recover costs from customers
3. Conduct a sensitivity and impact analysis on proposed rates
4. Develop an administrative record that demonstrates nexus between LBWD's costs and rates to meet the requirements of Proposition 218.

This Cost of Service and Rate Design Report (Report) summarizes the key findings and results related to the revision of the water rate structure, development of water, recycled water and sewer rates and customer impact analyses for proposed rates.

2.3 - KEY INFORMATION USED IN THE STUDY

The Study utilized the following, but not limited to, key information provided by the Department:

1. Fiscal Year 2015 Consumption Data (October 2014 to September 2015) for all water, recycled water and sewer accounts served within the LBWD service area
   - Water data provided on July 9, 2016
   - Recycled water data provided on February 17, 2016
   - Sewer data provided on June 10, 2016
2. FY 2017 Operating Budget for Water and Sewer Funds provided on April 14, 2016
3. Debt Service Schedule for Outstanding Water Debts and Estimated Sewer Debt provided on June 24, 2016
4. 10-year CIP project cost estimates for FY 2017 – FY 2026 provided by LBWD on April 14, 2016 for Water Fund and Sewer Fund summarized by project type
5. Fixed Asset Balances provided by LBWD as of September 30, 2015 provided on February 18, 2016
6. Current water, recycled water and sewer rates effective on October 1, 2016
7. Peaking demand for max day and max hour provided on Feb 22, 2016
8. Fire flow requirements for the Water system provided on Oct 11, 2016
9. Reserve Policy Approved on August 18, 2016 (Board Policy 2016-34)
10. Beginning Water Reserve Balances as of Oct 1, 2015 (FY 2016) and Oct 1, 2016 (FY 2017) provided on April 27, 2016

2.4 - FY 2017 CURRENT REVENUES FROM WATER AND SEWER RATES

The current water and sewer rates were originally developed in the previous Rate Study conducted in March 1996 and updated annually across the board to account for rising operating and capital costs. The following sections detail the current rates and projected number of services and quantity sales for water and sewer services for FY 2017 to be used as part of the analysis.

2.4.1 - CURRENT WATER & RECYCLED WATER REVENUES FROM RATES

The current water rates were last approved in 2016 and made effective on October 1, 2016.

Table 2-1: Current Water Daily Service Charges and Projected FY 2017 Service Connections

Meter Size	Current Daily Service Charges	Projected FY 2017 Number of Service Connections				
		Residential	Non-Residential	Recycled Water	Private Fireline	Total Water Accounts
Water & RW						
5/8" x 3/4"	$0.489	66,668	2,567	1		**69,236**
1"	$0.736	9,647	1,558	2		**11,207**
1 1/2"	$1.375	3,031	1,202	12		**4,245**
2"	$2.037	801	1,831	37		**2,669**
3"	$4.220	120	373	17		**510**
4"	$6.677	34	140	23		**197**
6"	$12.306	31	69	16		**116**
8"	$19.315	10	53	7		**70**
10"	$31.635	0	20	1		**21**
12"	$38.662	1	3	0		**4**
16"	$63.986	0	0	0		**0**
Private Fireline						
2"	$1.020				61	**61**
3"	$1.745				51	**51**
4"	$2.577				351	**351**
6"	$4.391				415	**415**
8"	$6.438				261	**261**
10"	$8.709				55	**55**
12"	$10.976				3	**3**
16"	$16.094				2	**2**
Total Number of Water Service Connections		**80,343**	**7,816**	**116**	**1,199**	**88,275**

Water, recycled water, and private fireline services pay daily service charges based on meter size on monthly billing cycles, shown in Table 2-1. Table 2-1 also shows the projected number of service connections by customer class for FY 2017 provided by LBWD. Non-residential customers include industrial, commercial and irrigation services. Residential customers include single family residential, duplex and multi-family residential services. No account growth is assumed for FY 2017.

Water services also pay quantity rates, shown in Table 2-3, which consist of tiered rates for residential and uniform rates for non-residential, including commercial, irrigation and industrial services. Single family, duplex and multifamily residential services currently have different tier definitions per dwelling unit, shown in Table 2-2. In an effort to provide affordability for low income and/or disabled senior residents, LBWD utilizes a Tier IA discounted rate, which only applies to customers qualifying

Table 2-2: Current Residential Tier Definitions

Residential Monthly Tier Widths / DU	Single Family	Duplex	Multi Family
Tier IA	0 – 5.0 CCF	0 – 2.5 CCF	0 – 2.5 CCF
Tier IB	0 – 5.0 CCF	0 – 2.5 CCF	0 – 2.5 CCF
Tier II	6 – 15 CCF	2.6 – 13 CCF	2.6 – 9 CCF
Tier III	above 15 CCF	above 13 CCF	above 9 CCF

Table 2-3: Current Quantity Rates and Projected Water Sales for FY 2017

	Projected Water Sales Under Current Rate Structure (CCF)	Current Quantity Rates ($ / CCF)	FY 2017 Revenues from Quantity Rates
	A	B	C = A x B
Potable Water Services			
Residential (Tiered)	15,171,032		$43,310,974
Tier IA	72,510	$1.427	$103,472
Tier IB	6,426,453	$2.569	$16,509,558
Tier II	7,307,066	$2.854	$20,854,366
Tier III	1,365,003	$4.281	$5,843,578
Non-Residential (Uniform)	7,046,540	$2.854	$20,110,825
Total Potable Sales	**22,217,572 CCF**		**$63,421,799**
Recycled Water Services			
Peaking	1,071,512	$1.998	$2,140,881
Non-Peaking	414,249	$1.427	$591,133
Interruptible	292,914	$1.427	$417,988
Contract Rate	175,313	$1.141	$200,032
Total Recycled Water Sales	**1,953,988 CCF**		**$3,350,035**

for an exemption from the City's Utility Users Tax in accordance with Chapter 3.68 of the Long Beach Municipal Code. All other residential customers are billed using Tier IB, Tier II and Tier III water rates. Recycled water services are also billed using uniform quantity rates based on customer class (peaking, non-peaking and interruptible).

Table 2-3 shows the projected water sales for FY 2017 under the current rate structure for water and recycled water services along with the calculations for revenues from current quantity rates. On February 20, 1998, the County of Los Angeles and LBWD executed the First Amendment to Agreement WD-1604 regarding recycled water at Lakewood County Club (LCC). This amendment codifies

Table 2-4: FY 2017 Projected Revenues from Current Water Rates

Customer Classes	Service Charges	Quantity Rates	FY 2017 Revenues from Rates
	A	B (Table 2-3)	C = A + B
Residential	$17,099,090	$43,310,974	$60,410,064
Non-Residential	$4,713,896	$20,110,825	$24,824,721
Recycled Water	$249,250	$3,350,035	$3,599,285
Private Fireline	$1,862,389		$1,862,389
Total	**$23,924,625 (26.4%)**	**$66,771,834 (73.6%)**	**$90,696,459**

Daily service charge × number of accounts with 1" meter × 365 days of service
$0.736 × 2 accounts × 365 days = $537.28

the price for recycled water to LCC as the rate that LCC posts for sale of potable water to third parties under LCC's own water right. The current contract rate for LCC is shown in Table 2-3 and subject to the Agreement WD-1604 terms.

Table 2-4 summarizes the projected revenues from current rates for residential, non-residential, recycled water and private fireline services. Annual service charges revenues are calculated using current daily service charges and number of accounts (shown in Table 2-1) for 365 days of service for each meter size. For example, the revenue calculation for 1" recycled water meters is shown above.

This calculation is repeated for all meter sizes, customer classes and private fireline services to arrive at the total revenues from service charges for FY 2017, as shown in Table 2-4 column A. In FY 2017, LBWD projects to collect 26.4% of its revenues from rates from fixed service charges, or $23.92M of $90.70M in total revenue.

2.4.2 - CURRENT SEWER REVENUES FROM RATES

The charges for all sewer service consist of both a daily service charge by meter size and a volumetric rate per 100 cubic feet (CCF) of water furnished. The volumetric sewer rate does not apply to fire services. Volumetric sewer rates for residential customers (single family, duplex and multi-family) are computed based on the average of actual potable water use during the winter billing periods (December to March). The winter billing periods used is determined by the meter reading schedule for the account. The actual winter usage is divided by the number of winter days to obtain an average volume. The average volume is the base volume on which the volumetric sewer rate is charged for the next twelve-month period beginning with May's billing periods. Each year, the average volume is recalculated for the succeeding twelve-month periods. For those residential customers with no previous history of use during the winter billing periods, the average volume of customers with the same meter size will be used. For sewer customers who do not receive water services from the LBWD, volumetric sewer rate is based on the average volume for the customer's water service size.

Table 2-5 shows current sewer daily service charges along with FY 2017 projected sewer service connections by customer class and meter size. Similar to revenues from current rates calculated for water services, the calculation for 1" non-residential sewer meters are shown on the following page.

This calculation is repeated for all meter sizes and customer classes to arrive at the total sewer service

Daily service charge × number of accounts with 1" meter × 365 days of service
$0.445 × 1,089 accounts × 365 days = $176,880.83

charges revenues for FY 2017 as shown in Table 2-7 column A.

Table 2-6 shows the current volumetric sewer rates and projected billed sewer flows (CCF) along with the projected revenues from volumetric rates. Table 2-7 summarizes the projected revenues from current rates for residential and non-residential customers. In FY 2017, LBWD projects to collect 63.4% of its revenues from rates from fixed service charges, or $11.8M of $18.6M in total revenue.

Table 2-5: Current Sewer Daily Service Charges and Projected FY 2017 Service Connections

Meter Size	Current Sewer Daily Service Charges	Projected FY 2017 Number of Sewer Service Connections		
		Residential	Non-Residential[5]	Total Sewer Services
5/8" x 3/4"	$0.281	64,738	2,704	67,442
1"	$0.445	9,646	1,089	10,735
1 1/2"	$0.811	3,106	829	3,935
2"	$1.177	1,468	659	2,127
3"	$2.435	288	107	395
4"	$3.856	104	44	148
6"	$7.104	70	14	84
8"	$11.159	38	10	48
10"	$18.255	6	2	8
12"	$22.315	4	0	4
16"	$36.514	0	0	0
Total		**79,468**	**5,458**	**84,926**

Table 2-6: Current Volumetric Sewer Rate and Projected Billed Sewer Flows for FY 2017

Customer Classes	Billed Sewer Flows (CCF)	Volumetric Sewer Rate ($ / CCF)	FY 2017 Revenues from Volumetric Rates
	A	B	C = A x B
Residential	12,767,381	$0.390	$4,979,279
Non-Residential	4,707,404	$0.390	$1,835,888
Total	**17,474,785 CCF**	**$0.390**	**$6,815,166**

Table 2-7: FY 2017 Projected Revenues from Current Sewer Rates

Customer Classes	Service Charges	Quantity Rates	FY 2017 Revenues from Rates
Residential	$10,567,869	$4,979,279	$15,547,148
Non-Residential	$1,230,107	$1,835,888	$3,065,995
Total	**$11,797,976 (63.4%)**	**$6,815,166 (36.6%)**	**$18,613,142**

[5] *Non-Residential: Commercial, Industrial, Industrial Sewer only, Sewer only services*

LEGAL FRAMEWORK AND RATE SETTING METHODOLOGY

3.1 - CALIFORNIA CONSTITUTION - ARTICLE XIII D, SECTION 6 (PROPOSITION 218)

Proposition 218, reflected in the California Constitution as Article XIII D, was enacted in 1996 to ensure that rates and fees are reasonable and proportional to the cost of providing service. The principal requirements for fairness of the fees, as they relate to public water service, are as follows:

1. A property-related charge (such as water and recycled water rates) imposed by a public agency on a parcel shall not exceed the costs required to provide the property related service.
2. Revenues derived by the charge shall not be used for any purpose other than that for which the charge was imposed.
3. The amount of the charge imposed upon any parcel shall not exceed the proportional cost of service attributable to the parcel.
4. No charge may be imposed for a service unless that service is actually used or immediately available to the owner of property.
5. A written notice of the proposed charge shall be mailed to the record owner of each parcel at least 45 days prior to the public hearing, when the agency considers all written protests against the charge.

As stated in AWWA's *Principles of Water Rates, Fees, and Charges: Manual of Water Supply Practices M1, 6th edition (M1 Manual)*, "water rates and charges should be recovered from classes of customers in proportion to the cost of serving those customers." Proposition 218 requires that water rates cannot be "arbitrary and capricious," meaning that the rate-setting methodology must be sound and that there must be a nexus between the costs and the rates charged. This study follows industry standard rate setting methodologies set forth by the *M1 Manual*, adhering to Proposition 218 requirements by developing rates that do not exceed the proportionate cost of

providing water services.

3.2 - CALIFORNIA CONSTITUTION - ARTICLE X, SECTION 2

Article X, Section 2 of the California Constitution (established in 1976) states the following:

"It is hereby declared that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare."

Article X, Section 2 of the State Constitution institutes the need to preserve the State's water supplies and to discourage the wasteful or unreasonable use of water by encouraging conservation. As such, public agencies are constitutionally mandated to maximize the beneficial use of water, prevent waste, and encourage conservation.

In addition, Section 106 of the Water Code declares that the highest-priority use of water is for domestic purposes, with irrigation secondary. To meet the objectives of Article X, Section 2, Water Code Section 375 et seq., a water purveyor may utilize its water rate design to incentivize the efficient use of water. The agency may establish tiered rates, based on the availability of water from each source, to incentivize

customers to use water efficiently, so long as the rates also account for the proportional costs of water provision in compliance with Proposition 218.

TIERED RATES

"Inclining" tier rate structures (synonymous with "tiered" rates), when properly designed and differentiated by customer class, allow a water utility to send consistent price signals to customers. Tiered rates meet the requirements of Proposition 218 as long as the tiered rates reasonably reflect the proportionate cost of providing service to users in each tier.

3.3 - COST-BASED RATE-SETTING METHODOLOGY

As stated in the *M1 Manual*, "the costs of water rates and charges should be recovered from classes of customers in proportion to the cost of serving those customers." To develop utility rates that comply with Proposition 218 and industry standards while meeting other goals and objectives of the utility, RFC carries out a detailed analysis in four major steps, as discussed below.

CALCULATE REVENUE REQUIREMENT

The rate-making process starts by determining the test year (rate setting year) revenue requirement, which for this study is FY 2017. The revenue requirement should sufficiently fund the utility's O&M, debt service, capital expenses, and target reserve balances based on a long-term financial plan.

COST OF SERVICE ANALYSIS (COS)

The annual cost of providing water service is distributed among customer classes commensurate with their service requirements. A COS analysis involves the following:

1. Functionalize costs. Examples of functions are supply, treatment, transmission, distribution, storage, meter servicing, and customer billing and collection.
2. Allocate functionalized costs to cost causation components. Cost causation components include base, maximum day, maximum hour[6], conservation, public fire protection, meter service, and customer servicing and billing costs.
3. Distribute cost causation components, using unit costs, to customer classes in proportion to their demands on the water system. This is described in the *M1 Manual* published by AWWA.

A COS analysis considers both the average quantity of water consumed (base costs) and the peak rate at which it is consumed (peaking or capacity costs as identified by maximum day and maximum hour demands).[7] Peaking costs are costs that are incurred during peak times of consumption. There are additional costs associated with designing, constructing, operating and maintaining facilities to meet peak demands. These peak demand costs need to be allocated to those imposing such costs on the utility. In other words, not all customer classes share the same responsibility for peaking related costs.

RATE DESIGN AND CALCULATIONS

Rates do more than simply recover costs. Within the legal framework and industry standards, properly designed rates should support and optimize a blend of various utility objectives, such as promoting water conservation, affordability for essential needs, and revenue stability among other objectives. Rates may also act as a public information tool in communicating these objectives to customers.

RATE ADOPTION

Rate adoption is the last step of the rate-making process to comply with Proposition 218. RFC documents the rate study results in this report to serve as the utility's administrative record and a public education tool about the proposed changes, the rationale and justifications behind the changes, and their anticipated financial impacts.

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[6] *Maximum day and maximum hour costs are collectively referred to as peaking costs or capacity costs.*

[7] *System capacity is the system's ability to supply water to all delivery points at the time when demanded. Coincident peaking factors are calculated for each customer class at the time of greatest system demand. The time of greatest demand is known as peak demand. Both the operating costs and capital asset related costs incurred to accommodate the peak flows are generally allocated to each customer class based upon the class's relative demands during the peak month, day, and hour event.*

REVISION TO WATER RATE STRUCTURES

4.1 - PRICING OBJECTIVES EXERCISE AND RESULTS

Each rate structure has its own strengths and weaknesses, and there is no perfect "one-size-fits-all" rate structure that addresses all pricing objectives. The key pricing objectives that are considered most important by a utility will work as a fundamental framework for the design and development of the appropriate rate structure for that utility. Currently, there are four common types of conservation rate structures: uniform, seasonal, inclining tiered and water budget-based tiered rates.

1. **A uniform rate structure** charges customers a uniform rate per unit of water consumed. This rate remains constant regardless of usage, and such a structure was developed to better reflect the costs of providing water services, such as treatment costs or pumping costs to customers while maintaining revenue stability, ease of administration, implementation, and understanding. However, uniform rates poorly address conservation needs and do not necessarily provide affordability for essential use.
2. **A seasonal rate structure** charges customers volumetric rates which vary based on the season. Normally, these rate structures provide a greater conservation incentive during the summer season when the demand for water is the greatest, while maintaining overall simplicity. However, because seasonal rates generally drive much of the utility's revenues during the peak season (which is often more volatile because of weather and economic conditions), revenues under seasonal rates tend to be more unstable. Also, seasonal rates may affect the affordability of water during the peak season for essential use. This type of rate structure is common in communities that are focused on reducing peak demand or summer water use.
3. **Inclining tiered rates** also charge volumetric rates, but the charge per unit of water increases as consumption increases. Inclining tiered rates may address conservation needs, while providing simplicity and ease of administration. Also, depending on the behavior of individual customers, inclining tiered rates may provide affordability for essential usage. However, inclining tiered rates can be disadvantageous to large water users which may have larger families or irrigation areas than the average customer.
4. **Water budget-based tiered rate structures** were developed as a tool for water resource management during the severe drought in the 1990s where each customer was given an allocation of water use based on an efficiency target for indoor and outdoor usage. The allocation target was then translated into an individualized tiered rate structure to promote water efficiency. Water budget rate structures can provide revenue stability, affordability for essential use, and equity in allocating different water supply sources. Challenges with this rate structure include high administrative and implementation costs. Many of these administrative and implementation costs are incurred to conduct a successful public outreach campaign to improve customer understanding and to encourage efficient use of water.

Table 4-1: Ranking Pricing Objectives and Policy Principles

Administration	Equity	Appropriate Funding Mechanisms	Rate Stability & Affordability	Promotes Efficiency / Conservation
• Customer Understanding • Easy to Implement • Easy to Administer	• Equitable in Allocating CIP Cost • Perceived to be Fair to the Public • Align Supply & Demand	• Revenue Stability • Revenue Sufficiency • Potential Funding Mechanism for Alt. Water Supply & Conservation Programs	• Rate Stability • Mitigate Customer Impact • Affordability for Essential Use	• Promotes Conservation • Tool for Drought Management Action Plan • Promotes Efficiency • Rewards Past Conservation Effort • Economic Development • Based on Individual Needs • Scientific Method

Table 4-2: Top 10 Pricing Objectives Ranked by LBWD Staff

Pricing Objectives	Rank
Revenue Sufficiency	1
Promotes Conservation	1
Fair to the Public	3
Easy to Administer	4
Rate Stability	4
Customer Understanding	4
Affordability for Essential Use	4
Enhance Revenue Stability	8
Mitigate Customer Impact	8
Provide Funding Mechanism for Recycling/ Conservation Program	8

To determine which rate structures to evaluate, RFC collaborated with LBWD staff and identified a list of pricing objectives (Table 4-1) that relate to LBWD's unique characteristics and needs. In March 2016, RFC requested direction from LBWD staff on the policy priorities that would drive the rate design process (refer to Appendix 9.1 for detailed descriptions of each policy principle and associated pricing objectives). The top 10 pricing objectives (shown in Table 4-2[8]) are used as rate design and rate-setting principles for the Study.

[8] *See Appendix 9.2 for details*

Table 4-3: Proposed Water Rate Structures

Customer Class	Current Rate Structure	Proposed to Evaluate	Why?
Residential (RES)	Inclining Tier	Revised Inclining 3-Tier	Current rate structure achieves the pricing objectives of the City
Irrigation (IRR)	Uniform	Uniform	Use water budget information to develop programs for customers
Industrial / Commercial	Uniform	Uniform	Programs are more effective in promoting conservation than pricing
Recycled Water (RW)	Uniform	Uniform	Use water budget information to develop programs for customers

4.2 - REVISION TO WATER RATE STRUCTURES

4.2.1 - PROPOSED WATER RATE STRUCTURE REVISIONS

Tiered Rates, when properly designed, allow a water utility to send consistent price incentives for conservation to customers. Due to heightened interest in water conservation, tiered rates have seen widespread use, especially in relatively water-scarce regions, such as the State of California. Promoting conservation, being easy to administer and for customers to understand and providing affordability for essential use are among the top ranked pricing objectives for LBWD. The current 3-tier inclining rate structure for residential customers achieves most of these pricing objectives. RFC recommends that LBWD retains uniform rates for non-residential uses and revises the current 3-tier rate structure to better align with the current water supply cost structure. For heterogeneous non-residential use, including irrigation, industrial, and commercial uses, conservation programs and water budgeting are more effective in promoting conservation than pricing. For irrigation and recycled water customers, LBWD staff suggested to use water budget information to develop programs for customers to achieve better efficiency and ultimately promote effective conservation.

4.2.2 - Allocation of Water Supply Sources and Tier Definitions

4.2.2.1 - Water Supply Sources

LBWD meets needs of its customers through a diverse portfolio of water resources, including local groundwater combined with imported supplies. Ownership of water rights, or Allowed Pumping Allocation (APA) in the Central Groundwater Basin allows LBWD to extract 32,692 AF groundwater through 31 active wells and pump to the Department groundwater treatment plant. The Department pays a pump assessment to the Water Replenishment District of Southern California (WRD), for water produced from the wells, in addition to electricity, maintenance and treatment costs at the treatment plant.

In September 25 2012, City of Long Beach entered a water purchase agreement (Agreement No WD-3039) with City of Lakewood for LBWD to purchase surplus water rights of 900 AF per year for up to four years from City of Lakewood at the inter-tie connection on Palo Verde Avenue, south of Carson street. The quantity of water flowing through the inter-tie connection facility from Lakewood to Long Beach shall be based on the reading taken from the inter-connection meter. The per acre-foot price of water purchase shall be Lakewood O&M costs plus replenishment assessment paid by Lakewood to the WRD plus a $100 premium.

The balance of water supply needed to meet the City's demand for potable (drinking) water is treated water purchased from MWD. MWD's water supplies originate from two sources: the Colorado River, via the 242-mile Colorado River Aqueduct and Northern California's Bay-Delta region, via the 441-mile California Aqueduct. LBWD has been a member of MWD since 1931.

Table 4-4: Potable Water Supply Sources

Water Supply Sources	Available for Purchase (AF)	Available for Sales (After 3.4% loss)	
	A	B = A / (1-3.4%)	C = B x 435.6
Groundwater	32,692 AF	31,617 AF	13,772,374 CCF
Lakewood	900 AF	870 AF	22,202,962 CCF
MWD Tier 1	51,804 AF	50,101 AF	
MWD Tier 2	No Limit	No Limit	No Limit

Table 4-5: Potable Water Supply Availability for Residential Use

	Descriptions	FY 2017	Notes
1	Dwelling Units (DU)	169,896 Units	Water Customer Data
2	Total Groundwater Availability	31,617 AF 13,772,374 CCF	After 3.4% water loss
3	**Groundwater Availability per Dwelling Unit**	**6 CCF / DU**	13,772,374 CCF / 169,896 DU /12 bills (round down to the nearest 1 CCF)
4	Lakewood / MWD Tier 1 Blend Availability for Residential Use	34,805 AF 15,161,056 CCF	After 3.4% water loss Residential Use = 68% of Total Usage
5	**Lakewood / MWD Tier 1 Blend Availability per Dwelling Unit**	**7 CCF / DU**	15,161,056 CCF / 169,896 DU / 12 bills (round down to the nearest 1 CCF)

LBWD can purchase up to 51,804 AF from MWD at MWD Tier 1 Full-service treated rate for potable demand within its service area.

Table 4-4 summarizes the available water for purchase by source and available water for sales to meet potable water needs within LBWD's service area after 3.4% of unaccounted water loss.

4.2.2.2 Residential Tier Revisions and Water Supply Allocation to Customer Classes

According to Article X of the California Constitution, water is a scarce resource and should be reserved to beneficial use to the fullest extent possible. Beneficial use by decreasing order of importance includes essential use for health and safety (most important water use), economic activities (commercial and industrial use) and outdoor activities or aesthetic use. In a limited water resource situation, water should be reserved to meet essential uses first before other beneficial uses.

Table 4-5 summarizes the allocation of water supply sources to residential use. There are 169,896 dwelling residential units within the LBWD service area, using approximately 68% of the LBWD's total annual consumption in FY 2016. If all available groundwater within APA (31,617 AF after 3.4% water loss) is equally distributed to all residential units, every residential dwelling unit is entitled to 6 CCF/ month of groundwater to use to meet their essential need for health and safety. 50,971 AF of Lakewood/MWD Tier 1 blend water (870 AF from Lakewood + 50,101AF from MWD Tier 1 after water loss) are allocated equally to residential (68% or 34,805 AF) and non-residential use based on FY 2016 sales. 34,805 AF of Lakewood / MWD Tier 1 blend water

Table 4-6: Proposed Residential Water Tier Definitions

	Current Tiers	Revised Tiers[9]	Basis
Tier 1	Single Family: 0 – 5 CCF Duplex: 0 – 2.5 CCF Multi Family: 0 – 2.5 CCF	**0 – 6 CCF**	Groundwater Availability → 6 CCF per DU
Tier 2	Single Family: 6 – 15 CCF Duplex: 2.6 – 13 CCF Multi-Family: 2.6 – 9 CCF	**7 – 13 CCF**	Lakewood & MWD Tier 1 Availability → 7 CCF per DU
Tier 3	Above Tier 2	**Above 13 CCF**	Next water supply source: MWD Tier 2

Table 4-7: Allocated Water Supply and Proposed Residential Tier Definitions

	Proposed Tier Widths	Residential Dwelling Units	Projected Potential Demand
	A	B	C = A x B x 12 bills /yr
Groundwater	6 CCF	169,896 Units	9,841,470 CCF[10]
Lakewood / MWD Tier 1 Blend	7 CCF	169,896 Units	14,271,264 CCF

allocating to all residential dwelling units yields approximately 7 CCF / dwelling unit for every monthly billing period.

To better align residential usage tiers with available water supply, RFC proposes to define tier breakpoints by water supply source. Tier 1 includes the first 6 CCF per dwelling unit, which is based on available groundwater sources that are allocated equally to all LBWD customers. Tier 2 use encompasses the next 7 CCF per dwelling unit, which is based on the amount of available imported water from MWD and the water purchase agreement with City of Lakewood. Tier 3 includes all use above 13 CCF per dwelling unit, which can potentially be met using water supply from MWD at the MWD Tier 2 rate. Tier 3 is designed to send a stronger conservation signal regarding the true value of the source of water supply. Table 4-6 summarizes the current and proposed tier definitions for residential customer classes.

Based on tier definitions and residential dwelling units, Table 4-7 estimates the projected potential demand for residential use for each water supply source. Based on FY 2015 residential usage data, projected usage consumed in the first 6 CCF per month, which is considered non-volatile and drought-proof, is approximately 80.45% of total potential demand. 9,841,470 CCF of groundwater are projected to meet residential Tier 1 use.

Table 4-8 shows the water supply allocation to customer classes. Residual unused groundwater (3.93 million CCF) is used to meet non-residential demand. 7.9 million CCF of Lakewood / MWD Tier 1 blend residual water from residential use is projected for non-residential demand.

[9] *Applied to All Residential Classes per Dwelling Unit*

[10] *Based on FY 2015 Residential usage data, projected usage consumed in the first 6 CCF per month is approximately 80.45% of total potential demand (80.45% x 6 CCF x 12 bills x 169,896 DUs = 80.45% x 12,232,512 CCF = 9,841,470 CCF)*

[11] *2016 Long Beach Water Rate Model Final.xlsm concluded in October 24, 2016*

Table 4-8: Water Supply Allocation to Customer Classes

	Available for Sales	Residential (1st priority)	Non-Residential (Residual)
	A = Table 4-4 Column C	B = Table 4-7 Column C	C = A – B
Groundwater	13,772,374 CCF	9,841,470 CCF	3,930,904 CCF
Lakewood / MWD Tier 1 Blend	22,202,962 CCF	14,271,264 CCF	7,931,698 CCF

4.3 - USAGE ANALYSIS AND CUSTOMER CLASSES PEAKING FACTORS

As part of this study, RFC developed "2016 Long Beach Rate Model" (Model), a Microsoft Excel-based Model[11], to examine multiple rate structures and customer impacts resulting from various water costs, water supply and allocation of other water service related costs. As with any computer model, the value of the output is highly dependent on the inputs. The major inputs in the water usage analysis module of the Model include:

- Monthly water consumption records for FY 2015 (October 2014 to September 2015), serving as the baseline consumption behavior for rate structure evaluation.
- All water accounts: 80,343 residential accounts, 1,062 irrigation accounts and 6,714 commercial/industrial accounts along with 116 recycled water accounts. 1,199 private fireline services are not included.

The effects of expanding Tier I and reducing Tier II under the proposed residential tier revision to reflect available water supply sources for different water demand are observed in Figures 4-1 and 4-2. Figure 4-1 compares the residential bill distribution in current and proposed tiers. Under the proposed tier revision, 39.7% of residential bills only use Tier I, increased from 23.5% under current tiers. 37.9% of residential bills use up to Tier II (13 CCF / DU per month), decreased from 62.1% under current tiers. Figure 4-2 compares residential usage distribution in current and proposed tiers. Under proposed tier revision, 64.9% of residential usage consumed in Tier I, increased from 41.8% under current tiers. 24.8% of residential use in Tier II, decreased from 47.5% under current tiers. Tier III usage is projected to be approximately 10.3% of annual residential usage.

Figure 4-3 shows the monthly usage for all usage types throughout FY 2015. Tier I residential usage is relatively stable throughout the year, ranging from 717K CCF to 875K CCF. Tier II residential usage fluctuates more, from a low of 246K to a high of 421K CCF. Tier III residential usage fluctuates the most, with a range of 19K CCF to 250K CCF. Non-residential usage peaks more than Tier I usage but less than Tier II usage, ranging from 501K CCF to 672K CCF. October 2014 had the highest usage of the year, with 2.2 million CCF.

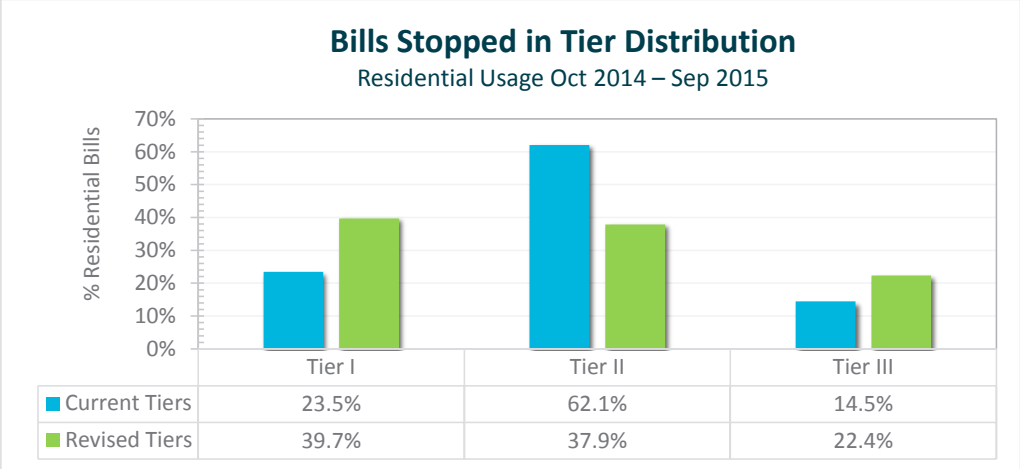
Peaking factors, which are ratios of max month usage over average month usage, are calculated for each usage type in Table 4-9. The overall potable water system has a peaking facto of 1.21, whereas max month (Oct 2014) usage is 21% higher than average month usage. Corresponding to the results observed in Figure 4-3, Tier I residential usage has the lowest peaking factor at 1.07, Tier III usage has the highest peaking factor of 1.92. Tier II usage peaking factor is at 1.34, higher than non-residential (1.20) and Tier I usage and lower than Tier III usage.

Recycled water usage of peaking customer class is mostly for outdoor irrigation, thus is the most volatile throughout the year varying with weather and seasonality of plant growth, as shown in Figure 4-4.

Similar to potable water peaking characteristic, Table 4-10 calculates the peaking factors for RW services. Peaking customers

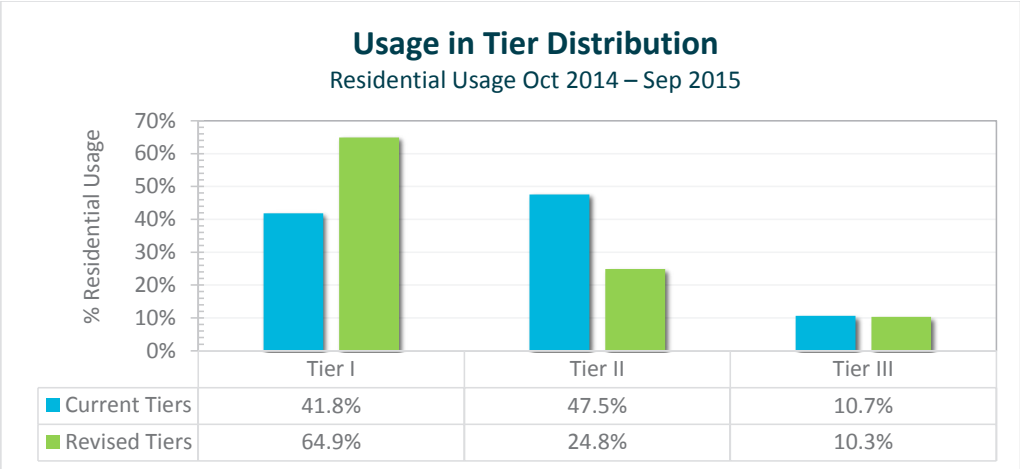
[11] *2016 Long Beach Water Rate Model Final.xlsm concluded in October 24, 2016*

Figure 4-1: FY 2015 Residential Bills Stopped in Tier Distribution



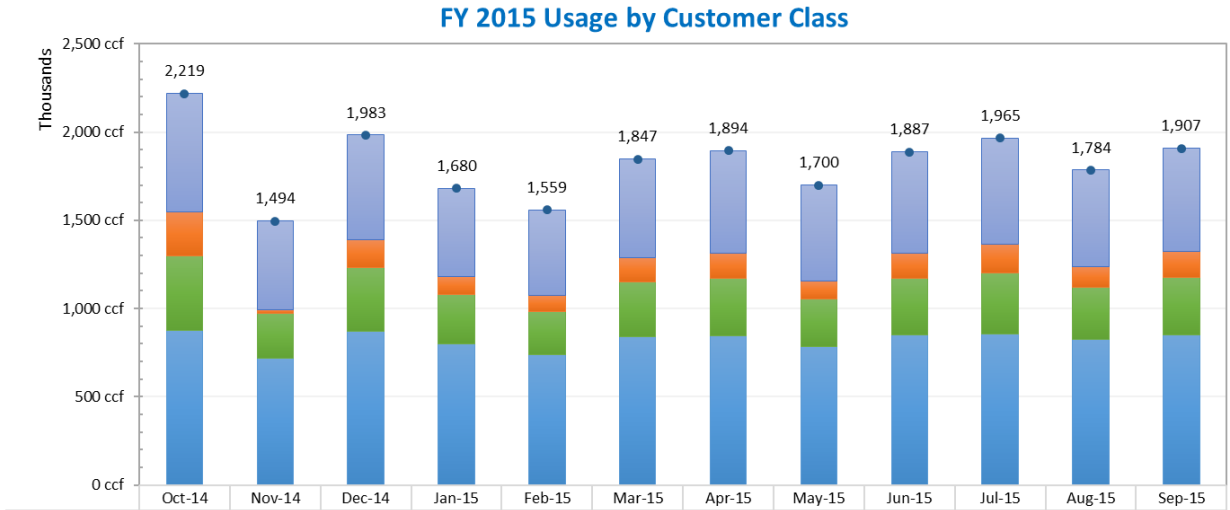
	Tier I	Tier II	Tier III
Current Tiers	23.5%	62.1%	14.5%
Revised Tiers	39.7%	37.9%	22.4%

Figure 4-2: FY 2015 Residential Usage in Tier Distribution



	Tier I	Tier II	Tier III
Current Tiers	41.8%	47.5%	10.7%
Revised Tiers	64.9%	24.8%	10.3%

Figure 4-3: FY 2015 Usage and Peaking Characteristics



	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
Non-Residential	672,364	501,300	591,085	499,725	486,392	561,161	583,274	543,391	570,761	603,399	547,733	586,093
Tier III	249,937	18,809	162,206	100,845	87,817	136,368	142,487	102,248	142,963	159,053	114,023	143,268
Tier II	421,159	257,162	361,233	281,080	245,915	310,897	323,049	271,173	323,659	348,282	296,023	329,906
Tier I	875,044	717,211	868,156	798,352	738,508	838,093	845,282	782,812	849,248	854,387	826,252	848,125
Total	2,218,504	1,494,482	1,982,680	1,680,002	1,558,632	1,846,519	1,894,092	1,699,624	1,886,631	1,965,121	1,784,031	1,907,392

Table 4-9: FY 2015 Potable Water Sales and Peaking Characteristics

Potable Sales	Max Month (Oct 2014)	Average Month for FY 2015	Peaking Factor
	A	B	C = A / B
Residential	**1,546,140**	**1,264,253**	**1.22**
Tier I	875,044	820,123	1.07
Tier II	421,159	314,128	1.34
Tier III	249,937	130,002	1.92
Non Residential	**672,364**	**562,223**	**1.20**
Total	**2,218,504**	**1,826,476**	**1.21**

Figure 4-4: FY 2015 RW Peaking Characteristics for Peaking Users

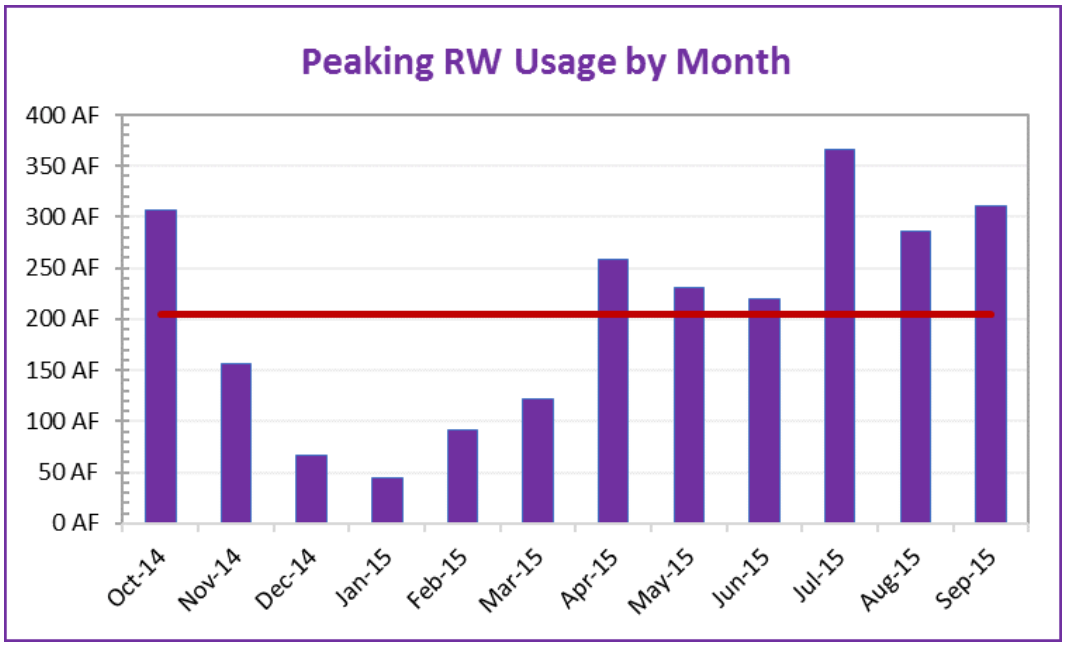


Table 4-10: FY 2015 Recycled Water Sales and Peaking Characteristics

Recycled Water Sales	Max Month (July 2015)	Average Month for FY 2015	Peaking Factor
Customer Class	A	B	C = A / B
Peaking	336 AF	205 AF	**1.79**
Non-Peaking			**1.00**
Interruptible			**1.00**

Table 4-11: Projected FY 2017 Potable Water Sales under Proposed Tier Definitions

	Potable Sales	Usage Distribution	FY 2017 Projected Sales Under Proposed Tiers (CCF)	Notes
		A	B	
1	**Residential**		**15,171,032**	*Table 2-3*
2	Tier IA	0.5%	82,306	*B1 x A2*
3	Tier IB	64.3%	9,759,164	*B1 x A3*
4	Tier II	24.8%	3,769,538	*B1 x A4*
5	Tier III	10.3%	1,560,024	*B1 x A5*
6	**Non Residential**		**7,046,540**	*Table 2-3*
7	**Total**		**22,217,572**	**[1] + [6]**

peak 1.79x in July 2015 compare to average month in FY 2015. Non-peaking and interruptible peaking factors are set at 1.00 by default. Non-peaking customers by definition have relatively flat consumption patterns throughout the year and LBWD shall have the right to reclassify the customers to peaking class from water consumption audits if peaking behavior is observed. Interruptible customers are the first customer group subject to interruption of service during shortage and/or peak usage exceeding the RW production.

Table 4-11 shows the projected FY 2017 water sales under proposed tier definitions using the usage distribution in tiers obtained from the water usage analysis for residential customers. The following information is used for the rate development in Section 6.2 of the Report.

EXEMPTION PROGRAM **REVISIONS**

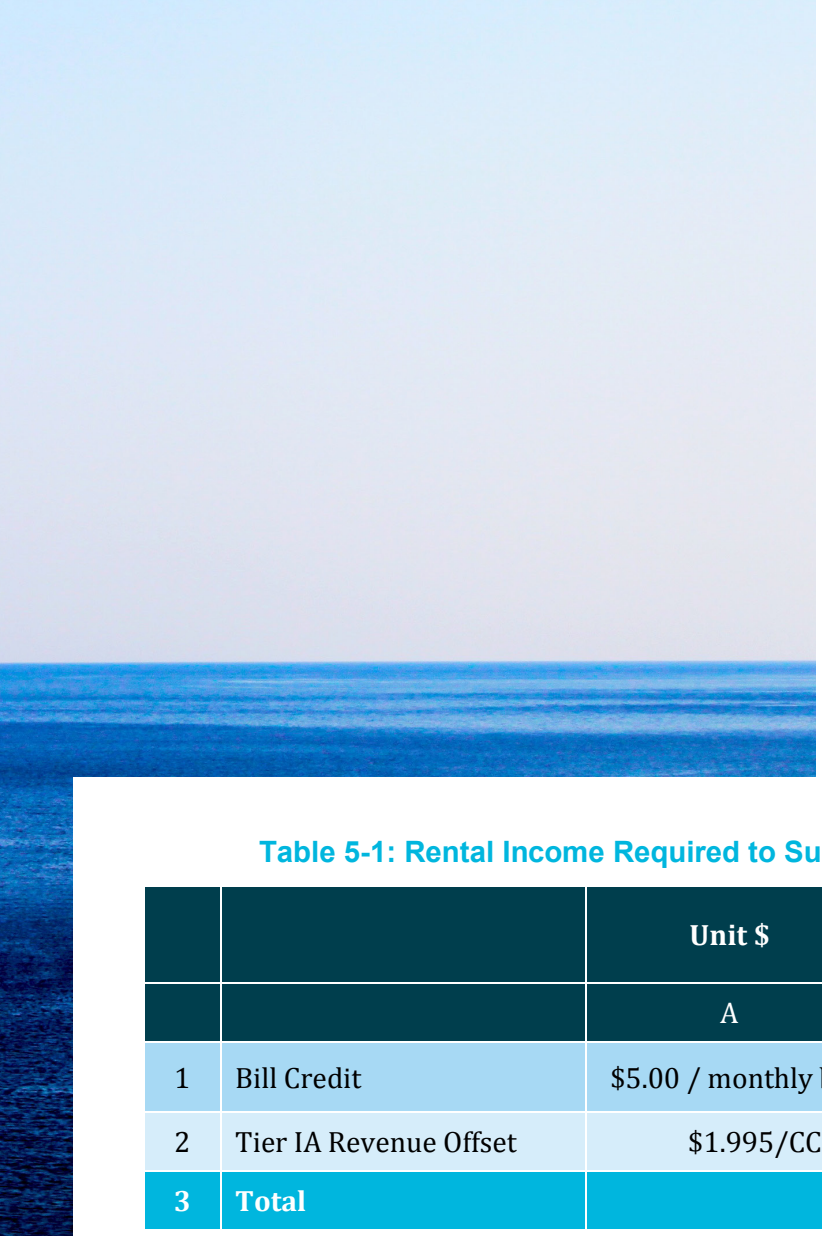
5.1 - CURRENT EXEMPTION PROGRAM FOR ELIGIBLE CUSTOMERS

In the current water rate resolution (Resolution No. WD-1357), residential customers who have been granted an exemption from the City's Utility Users Tax in accordance with Chapter 3.68 of the Long Beach Municipal Code, eligible customers or customers granted exemption, pay a discounted Tier IA rate (50% of Tier II rate) for their Tier I usage instead of Tier IB rate (90% of Tier II rate) and have their total sewer bill waived, including both daily sewer service charges and volumetric rates. Eligible customers from the Exemption Program include:

- Low income senior: customers must be at least 62 years of age and meet certain income requirements
- Low-Income Disabled: Customers who have a qualifying disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423) and Section 102(b)(5) of the Developmentally Disabled Assistance and Bill of Rights Act [42 U.S.C. 6001(7)], and meet income requirements.

5.2 - RECOMMENDATIONS

The LBWD Board of Water Commission commits to continue the Exemption Program to provide affordability for essential water use for eligible customers in needs in conjunction with the City of Long Beach Utility Users Tax Exemption Program. Based on cost of service principles, cross subsidy between enterprises and customers are restricted and revenues from rates should not be used for any other purpose except



THE LBWD BOARD OF WATER COMMISSION COMMITS TO CONTINUE THE EXEMPTION PROGRAM TO **PROVIDE AFFORDABILITY FOR ESSENTIAL WATER USE** FOR ELIGIBLE CUSTOMERS IN NEEDS IN CONJUNCTION WITH THE CITY OF LONG BEACH UTILITY USERS TAX EXEMPTION PROGRAM.

Table 5-1: Rental Income Required to Support the Exemption Program for Water

		Unit $	Qualified Units	Total Rental Income Required for the Program
		A	B	C = A x B
1	Bill Credit	$5.00 / monthly bill	1,448 accounts or 17,376 bills	$86,880
2	Tier IA Revenue Offset	$1.995/CCF[12]	82,306 CCF[13]	$209,714
3	**Total**			**$296,594**

recovering the costs of providing the rendered services. Based on review of unrestricted and qualified funding sources available for the Exemption Program for Water and Sewer Funds, the Water Fund has rental income qualified to be used to support the Program whereas the Sewer Fund does not have any non-rate unrestricted revenues. RFC and LBWD staff recommend the following changes:

- Eligible customers will pay full sewer bills similar to all residential customers including daily sewer service charges and volumetric charges;
- Eligible customers will have their usage charge in Tier I waived (Tier IA = $0)
  - Eligible Users will pay daily water service charges and Tier II and Tier III usage rates like all residential customers
- Eligible customers will receive $5 credit on their water bills in FY 2017 to help transition from the old program. LBWD reserves the right to review the continuation or revision of this bill credit annually based on the projected rental income.

Table 5-1 illustrates the estimated rental income required to support the Exemption Program, based on 2017 projected sales in Tier IA and FY 2015 consumption profiles and number of water accounts qualified for the Exemption Program.

[12] Include water supply and delivery rate components. See Section 6.2 for water supply and delivery rates calculations.

[13] Estimated by FY 2015 Residential usage, 0.543% of Residential sales are eligible for Tier IA rate

WATER COST OF SERVICE AND RATES

6.1 - WATER COST OF SERVICE ANALYSIS

This Rate Study conforms to the principles set forth in the enabling statutes and the rates abide by the cost-of-service provisions of Proposition 218.

6.1.1 - PROPORTIONALITY

Demonstrating proportionality when calculating rates is a critical component of ensuring compliance with Proposition 218. For costs that are recovered through the agency's proposed fixed meter charge, the Study spread the costs either over all accounts or by meter size, depending on the type of expense. As such, customer classes and usage are not considered nor necessary for calculating each customer's fixed charge. Conversely, costs that are determined as variable are allocated among customer classes based on their demand on the system. As stated in the *M1 Manual*, the AWWA Rates and Charges Subcommittee agree with the Proposition 218 that "the costs of water rates and charges should be recovered from classes of customers in proportion to the cost of serving those customers." The agency's revenue requirements are, by definition, the cost of providing service. This cost is then used as the basis to develop unit costs for the water components and to allocate costs to the various customer classes in proportion to the water services rendered.

Individual customer demands vary depending on the nature of the use at the location where service is provided. For example, water service demand for a family residing in a typical single-family home is different than the water service demand for an irrigation customer, primarily due to peak use behavior which drives the need for and costs of sizing infrastructure to meet this demand. The concept of proportionality requires that cost allocations consider both the average quantity of water consumed (base) and the peak rate at which it is consumed (peaking). A water system is designed to meet peak demands. The additional costs associated with designing, constructing and maintaining facilities to meet these peak demands must be allocated to those customers whose usage requires facilities to upsize in response to peak demand.

In allocating the costs of service, the industry standard as promulgated by AWWA's *M1 Manual* is to group customers with similar system needs and demands into customer classes. Rates are then developed for each customer class, with each individual customer paying the customer class' average allocated cost of service.

Generally speaking, customers place the following demands on the water system and water supplies:

- The system capacity[14] (for treatment, storage, and distribution) that must be maintained to provide reliable service to all customers at all times
- The level of water efficiency as a collective group
- The number of customers requiring customer services such as bill processing, customer service support, and other administrative services

A customer class consists of a group of customers, with common characteristics, who share responsibility for certain costs incurred by the utility. Joint costs are proportionately shared among all customers in the system based

[14] *System capacity is the system's ability to supply water to all delivery points at the time when demanded. The time of greatest demand is known as peak demand.*

Figure 6-1: Cost of Service Process

on their service requirements; some specific costs, such as pumping charges, are borne by a subgroup of customers based on the characteristics of that group alone (i.e. elevation zone).

6.1.2 - WATER COST OF SERVICE ANALYSIS

A cost of service analysis distributes a utility's revenue requirements (costs) to each customer class. Figure 6-1 provides a general overview of a cost-of-service analysis. Each step shown below will be described in greater detail in the subsections below.

6.1.2.1 - Step 1 – Determine Revenue Requirement

In this Study, water rates are calculated for FY 2017 (known as the Test Year), by calculating water purchase costs and by using LBWD's FY 2017 budget. Test Year revenue requirements are used in the cost allocation process. According to Government Code 54999.7(c), LBWD should review the cost of service analysis at least once every five to ten years to ensure that the rates are consistent with the costs of providing service.

The revenue requirement determination is based upon the premise that the utility must generate annual revenues to meet O&M expenses, any debt service needs, reserve funding to achieve target levels, and capital investment needs. Revenues from sources other than water rates and charges (e.g. revenues from miscellaneous services) are deducted from the rate revenue requirement. FY 2017 revenues from rates to be recovered from the LBWD's water customers are calculated in Table 6-1. The Water Fund currently has 2 debts: Series 2010 Bonds and Series 2012 Bonds with total principal and interest payments in FY 2017 of $2.99M and $902K, respectively. Capital replacement projects estimated / budgeted by LBWD is $12.588M, of which $3.73M is estimated to be funded from capital reserves for FY 2017. Revenue requirements including O&M expenses, debt service and capital project expenditures, total to $98.2M. Other operating revenues include unmetered water sales from construction sales and water reimbursement of imported water purchase for Vander Lans facility.[15] Non-operating revenues include interest income, rental income, service connection, grants, other reimbursements, and other miscellaneous non-operating revenues. Other reimbursements include reimbursements received from MWD for the LBWD's Lawn-to-Garden Conservation Incentive Program and the reimbursement of the O&M costs of Vander Lans facility.[16] Grants are non-recur-

[15] Since Oct 1, 2005, LBWD through a contract with WRD has operated the Leo J. Vander Lans Advanced Water Treatment Facility, which enables WRD to use recycled water from the Long Beach Water Reclamation Plant to replace imported MWD water previously supplied to the Alamitos Barrier. In 2015, the Vander Lans facility expansion was completed, providing the operation flexibility to meet the needs of the barrier almost completely with recycled water and minimize imported water needs. The Alamitos Barrier is an engineered freshwater pressure ridge and seawater trough constructed to prevent seawater instruction into the Central Groundwater Basin of Los Angeles County and neighboring Orange County Groundwater Basin. (according the LBWD CAFR 2015)

[16] Includes 100% of labor costs, 75% of Power, chemical and other treatment reclaimed distribution costs incurred in the LBWD's Treatment Reclaimed Distribution cost center along with reimbursement from WRD of RW raw water used at the Vander Lans facility at $100/AF.

Table 6-1: Revenue Requirement from Water and Recycled Water Rates for FY 2017

	CURRENT REVENUE REQUIREMENTS	FY 2017	Sources / Notes
1	**REVENUE REQUIREMENTS**		
2	O&M Expenses	$85,471,436	*From Fund 310 Operating Budget*
3	Debt Service	$3,894,775	*Water debt service schedules for Series 2010 and 2012 Bonds*
4	Capital Replacement Projects	$12,588,000	*From Water Fund Project Cost Estimated provided by LBWD staff for FY 2017*
5	Reserve Funding	-$3,728,992	*Amount of reserve used to fund capital replacement projects for FY 2017*[17]
6	**SUBTOTAL REVENUE REQUIREMENTS**	**$98,225,219**	*Sum rows 2 to row 5*
7			
8	***Less Other Revenues***		
9	Other Operating Revenues	$1,094,927	*From Fund 310 Operating Budget*
10	**Non-Operating Revenues**		
11	Interest	$75,705	*From Fund 310 Operating Budget*
12	Rental Income	$1,024,900	*From Fund 310 Operating Budget*
13	Service Connection	$305,000	*From Fund 310 Operating Budget*
14	Grants	$750,000	*From Fund 310 Operating Budget*
15	Other Reimbursement	$4,224,488	*From Fund 310 Operating Budget*
16	Other Non-Operating Revenues	$53,740	*From Fund 310 Operating Budget*
17			
18	**SUBTOTAL NON-OPERATING REVENUES**	**$7,528,760**	*Sum rows 9 to row 14*
19			
20	**NET REVENUE REQUIREMENTS FROM RATES**	**$90,696,459**	***Row [6] – Row [18]***

ring cash receipts from qualifying federal programs. All non-rate revenues total $7.5M. Total revenue requirements from rates in FY 2017 are net at $90.7M as shown in Table 6-1, which is the same as revenues from current rates shown in Table 2-4.

6.1.2.2 - Step 2 – Functionalize Costs and Allocate Functionalized Costs to Cost Causation Categories

To derive the cost to serve each customer class, costs first need to be functionalized. This step involves the arrangement of overall costs into various functions. The water utility costs are categorized into the following functions:

- **Potable water supply** – direct water supply costs to produce potable water before distributing to customers, including power costs for treatment and pumping from groundwater wells, chemical costs, water pump tax from WRD, and costs of purchasing water from City

[17] *This is amount reserve needed to be used in FY 2017 to fully fund capital expenditures under the revenues from current rates.*

of Lakewood and MWD

- **Production Plant and Source of Supply** – operating and capital costs associated with production facilities to produce water
- **Treatment** – costs associated with treating water to potable water standards, excluding power and chemical costs
- **Transmission** – costs associated with transporting water from the point of treatment through a major trunk to locations within the distribution systems
- **Distribution** – costs associated with the smaller local service distribution mains transporting water to specific locations within the service area
- **Storage** – costs associated with water storage within the distribution or transmission systems
- **Pumping** – cost associated with pumping water from the treatment facilities to the transmission and distribution systems
- **Fire protection** – costs associated with installing and maintaining fire hydrants
- **Meter service** – costs associated with providing customer water meters and associated with testing and replacements
- **General & Administrative** – represents all other costs that do not serve a specific function
- **Billing and customer service** – billing costs including meter reading, billing and collection costs associated with preparing a water customer bill and processing funds received from water users. Customer service costs include costs associated with administering customer accounts such as processing complaints, responding to customer inquiries, performing

Table 6-2: FY 2016 Functionalized O&M Costs

Functions	FY 2017 O&M Costs
Potable Water Supply	$36,596,215
Production Plant	$4,798,328
Treatment	$7,824,925
Transmission (T)	$8,692,558
Distribution (D)	$1,779,447
Meter Services	$2,095,742
Gen & Admin	$14,370,962
Billing	$1,390,162
Customer Service	$2,453,301
Conservation	$2,807,270
Capitalized Costs	-$800,000
RW Average Demand	$3,462,526
Total	**$85,471,436**

Table 6-3: FY 2016 Functionalized Fixed Asset Values

Functions	FY 2017 Replacement Costs for Fixed Asset As of 9/30/2015
Source of Supply	$37,740,655
Treatment	$125,392,118
Transmission (T)	$26,711,702
Distribution (D)	$278,090,268
Storage	$70,008,952
Pumping	$3,402,747
Fire Protection	$20,053,958
Meter Services	$102,178,335
Gen & Admin	$133,371,142
Billing	
Customer Service	$1,630,089
Conservation	
RW Storage	$371,216
RW Distribution	$77,970,327
Total	**$876,921,507**

rereads, etc.

- **Conservation** – costs associated with conservation programs and services offered to LBWD customers
- **Capitalized costs** – capitalized interest expenses of debt service financing capital replacement projects
- **RW average demand** – costs associated with meeting average day RW demands

Working closely with LBWD staff, RFC reviewed and functionalized LBWD's O&M expenses and asset list for the water and recycled water systems. Table 6-2 summarizes the functionalized O&M costs for LBWD for Water Fund (Fund 310) for test year FY 2017. Table 6-3 shows the fixed asset values of the Water Fund using replacement costs. To reduce rate variability from year to year, allocation of fixed assets to cost causations is used for the approximation of long-term cost of capital to be used for allocating capital related costs of the revenue requirements. Replacement costs, escalated from original costs to current dollars using Engineering News Record – Construction Cost Index (ENR CCI) of Los Angeles, consider changes in the value of money over time, and thus provide more consistent allocation of costs.

RFC used the Base-Extra Capacity method, as described in the AWWA *M1 Manual*, which consists of a number of cost causation components. Functionalization of costs allows for better allocation of costs to the cost causation components, which include:

- **Water Supply Costs** are direct costs incurred to produce or purchase water
- **Base Costs** are the operating and capital costs of the water system associated with serving customers at a constant, or average, rate of use.
- **Extra Capacity Costs** or peaking costs represent the costs incurred to meet customer peak demands for water in

excess of average day usage. Total extra capacity costs are subdivided into costs associated with maximum day and maximum hour demands. The maximum day demand is the maximum amount of water used in a single day in a year. The maximum hour **(Max Hour)** demand is the maximum usage in an hour on the maximum usage day **(Max Day)**. Various facilities are designed to meet customer peaking needs. For example, transmission lines or reservoirs (storage) are designed to meet Max Day requirements. Both have to be designed larger than they would be if the same amount of water were being used at a constant rate throughout the year. The cost associated with constructing a larger line or reservoir is based on system wide peaking factors. For example, if the Max Day factor is 2.0, then certain system facilities have to be designed at least twice as large as required to meet average daily demand. In this case, half of the cost would be allocated to Base (or average day demand) and the other half allocated to Max Day. The calculation of the Max Hour and Max Day demands is explained below.

- **Customer Service Related Costs** include such costs as meter reading, billing, collecting, and customer accounting.
- **Meter Costs** or meter service costs include maintenance and capital costs associated with servicing meters. These costs are assigned based on meter size or equivalent meter capacity.
- **Fire Protection** includes proportional costs to provide fire protection capacity
- **Conservation** includes costs associated with conservation programs and service offered for LBWD customers
- **Revenue Offset** includes non-rate revenues that can be used to provide affordability for essential use and other affordability programs

Peaking costs are further divided into maximum day and maximum hour demand. The maximum day demand is the maximum amount of water used in a single day in a year. The maximum hour demand is the maximum usage in an hour on the maximum usage day. Different facilities, such as distribution and storage facilities, and the O&M costs associated with those facilities are designed to meet the peaking demands of customers. Therefore, extra capacity[18] costs include the O&M and capital costs associated with meeting peak customer demand. This method is consistent with the AWWA *M1 Manual* and is widely used in the water industry to perform COS analyses.

After functionalizing expenses, the next step is to allocate the functionalized expenses to cost causation components. To do so, we must identify system-wide peaking factors. The system-wide peaking factors are used to derive the cost component allocation bases (i.e., percentages). Functionalized expenses are then allocated to the cost causation components using these allocation bases. To understand the interpretation of the percentages, we must first establish the base use as the average daily demand during the year.

The base demand is assigned a value of 1.0, which signifies no peaking demands. The Max Day and Max Hour values shown in Table 6-4 and Table 6-5 are calculated by dividing the max day or max hour demand in million gallons per day (MGD) by the average demand in million gallons per day. The max day peaking factor of 1.40 means that the system delivers 1.40 times the amount of water it does during an average day.

To determine the relative proportion of costs to assign to Supply, Base Delivery, Maximum Day, and Maximum Hour, allocations are calculated based on these factors. Cost components that are solely related to providing average day demand (ADD), are allocated entirely to Base Fixed. Cost components that are designed to meet Max Day peaks, such as reservoirs and transmission facilities, are allocated to both Base and Max Day factors.

The Max Day factor of the LBWD's system is 1.40, which means that Max Day demand is expected to be 140 percent of the average day capacity. Calculating the Max Day allocation of functional costs to the cost causation components results in the equation at the top of the following page.

[18] *The terms extra capacity, peaking, and capacity costs are used interchangeably.*

Table 6-4: Potable Water System Peaking Demand

	Potable Water	Calendar Year 2014	Peaking Factors	Notes
1	Average Day Demand	51.27 MGD	1.00	[1] / [1]
2	Max Day Demand	71.96 MGD	1.40	[2] / [1]
3	Peak Hour Demand	127.49 MGD	2.49	[3] / [1]

Table 6-5: Recycled Water System Peaking Demand

	Recycled Water	Calendar Year 2014	Peaking Factors	Notes
1	Average Day Demand	5.28 MGD	1.00	[1] / [1]
2	Max Day Demand	13.30 MGD	2.52	[2] / [1]
3	Peak Hour Demand	25.87 MGD	4.90	[3] / [1]

$$\text{Base Fixed Allocation} = \frac{\text{Base Fixed}}{\text{Max Day}} = \frac{1}{1.40} \approx 71.2\%$$

$$\text{Max Day Allocation} = 1 - \text{Base/Max Day} \approx 28.8\%$$

Facilities designed for Max Hour peaks, such as distribution system facilities, are allocated similarly. The Max Hour factor is 3.38, so Max Hour facilities are designed to provide 338 percent of the average day capacity. The allocation of Max Hour facilities is shown below.

The results of the allocation are presented below. These percentages are then applied to the operating and capital improvement expenses to allocate costs amongst Base, Max Day, and Max Hour cost components. The factors shown below are taken from Table 6-4 and Table 6-5 above.

Water system infrastructure is designed to meet peak demand plus fire protection. To appropriately allocate cost to cost causation categories for functional costs which have fire protection function, such as storage, distribution, pumping, fire protection requirement is needed. Based on fire demand estimates provided by LBWD staff shown in Table 6-7, 20.7% of the water system capacity is reserved for

$$\text{Base Fixed Allocation} = \frac{\text{Base}}{\text{Max Hour}} = \frac{1}{2.49} \approx 40.2\%$$

$$\text{Max Day Allocation} = \frac{\text{Max Day - Base}}{\text{Max Hour}} = \frac{1.40 - 1.00}{2.49} \approx 16.2\%$$

$$\text{Max Hour Allocation} = 1 - 40.2\% - 16.2\% \approx 43.6\%$$

Table 6-6: Allocation of Extra Capacity Functional Costs to Cost Categories

Functional Cost	2014 Production	Peaking Factors	Base Fixed Allocation	Max Day Allocation	Max Hour Allocation	RW Base Fixed	RW Max Day	RW Max Hour
Water								
Average Day	51.27 MGD	1.00	100.0%					
Max Day	71.96 MGD	1.40	71.2%	28.8%				
Peak Hour	127.49 MGD	2.49	40.2%	16.2%	43.6%			
Recycled Water								
Average Day	5.28 MGD	1.00				100.0%		
Max Day	13.30 MGD	2.52				39.7%	60.3%	
Peak Hour	25.87 MGD	4.90				20.4%	31.0%	48.6%

Table 6-7: Fire Protection Requirements

	Potable Water		Notes
1	Fire Demand	18.81 MGD	*Estimated for population of 500,000[19] - see Appendix 9.4 for details*
2	Max Day Demand	71.96 MGD	*Table 6-4*
3	Fire Protection %	20.7%	*[1] / [2]*

fire protection demand. Therefore, storage, transmission, and distribution costs will have 20.7% allocated to fire protection cost categories.

Table 6-8 summarizes the allocation of functional water costs to cost causation categories. All treated groundwater (61.7%) and purchased water (38.3%) are blended in storage tanks to be used for all water needs including fire protection. Groundwater requires pumping, whereas purchased water does not incur any pumping costs. Thus 61.7% of water in storage tanks has pumping and treatment costs, that is also used for fire protection (20.7% of the system costs), thus 12.8% of pumping and treatment costs are allocated to fire protection. 79.3% of storage and transmission costs are used to meet max day potable demand, or 56.5% for base fixed (71.2% of 79.3%) and 22.8% for max day (28.8% of 79.3%). Similarly, 79.3% of distribution costs are used to meet max hour demand, or 31.9% for base fixed, 12.9% for max day and 34.5% for max hour.

Similarly, Table 6-9 summarizes the allocation of RW functional costs to RW supply, RW base fixed, RW max day and RW max hour cost causation categories.

Using the allocation factors from Table 6-8 and functional costs from Table 6-2, Table 6-10 summarizes the allocation of FY 2017 O&M expenses to cost categories and allocation percentage for operating related costs. Similarly, Table 6-11 summarizes the allocation of Water Fund fixed asset values (by replacement costs as of September 30, 2015) to cost categories and allocation percentage for capital related costs.

[19] *Using formulas by American Insurance Association, as provided by LBWD Staff*

Table 6-8: Allocation of Water Functional Costs to Cost Categories

Functions	Water Supply	Base Fixed	Max Day	Max Hour	Billing & CS	Meters & Services	Conser-vation	G&A	Fire Protection
Potable Supply	100.0%								
Production Plant		100.0%							
Storage		56.5%	22.8%	0.0%					20.7%
Pumping		62.1%	25.1%	0.0%					12.8%
Treatment		62.1%	25.1%	0.0%					12.8%
Transmission (T)		56.5%	22.8%	0.0%					20.7%
Distribution (D)		31.9%	12.9%	34.5%					20.7%
Source of Supply		100.0%	0.0%	0.0%					
Fire Protection									100%
Meter Services						100.0%			
Gen & Admin								100%	
Billing					100.0%				
Customer Service					100.0%				
Conservation							100%		

Table 6-9: Allocation of Recycled Water Functional Costs to Cost Categories

RW Functions	RW Supply	RW Base Fixed	RW Max Day	RW Max Hour
RW Average Demand		100.0%		
RW Supply	100.0%			
RW Storage		39.7%	60.3%	0.0%
RW Pumping		20.4%	31.0%	48.6%
RW Treatment		39.7%	60.3%	0.0%
RW Distribution		20.4%	31.0%	48.6%

Table 6-10: Results of O&M Cost Allocations

Cost Categories	FY 2017 O&M	Allocation Factors
Water Supply	$36,596,215	42.8%
Base Fixed	$14,898,581	17.4%
Max Day	$4,089,850	4.8%
Max Hour	$526,822	0.6%
Billing & Customer Service	$3,841,976	4.5%
Meters & Services	$2,002,527	2.3%
Conservation	$2,807,270	3.3%
Rev Offsets	$0	0.0%
General	$14,249,290	16.7%
Fire Protection	$3,067,850	3.6%
RW Supply	$0	0.0%
RW Base Fixed	$3,447,874	4.0%
RW Max Day	-$22,256	0.0%
RW Max Hour	-$34,562	0.0%
Total	**$85,471,436**	**100.0%**

Table 6-11: Results of Asset Value Cost Allocations

Cost Categories	RC Asset Value	Allocation Factors
Water Supply	$0	0.0%
Base Fixed	$261,041,906	29.8%
Max Day	$90,113,183	10.3%
Max Hour	$96,020,998	10.9%
Billing & Customer Service	$1,630,089	0.2%
Meters & Services	$102,178,335	11.7%
Conservation	$0	0.0%
Rev Offsets	$0	0.0%
General	$133,371,142	15.2%
Fire Protection	$114,224,311	13.0%
RW Supply	$0	0.0%
RW Base Fixed	$16,060,912	1.8%
RW Max Day	$24,395,551	2.8%
RW Max Hour	$37,885,079	4.3%
Total	**$876,921,507**	

6.1.2.3 - Step 3 – Allocation of Revenue Requirements to Cost Causation Categories

Table 6-12 shows the total revenue requirement for each cost category defined in Table 6-1. Note that debt service, capital replacement, reserve funding, and certain non-operating revenues are considered capital revenue requirements.

Table 6-13 details the result of allocating the various revenue requirements to the aforementioned cost categories. For more detailed calculations, see Appendix 9.8.

General costs are reallocated to all cost categories, excluding water supply, conservation and revenue offsets, are shown in Table 6-14.

Table 6-15 lists and illustrates the calculation of fire capacity for public and private fire protection. According to the *M1 Manual*, fire capacity is equal the port size to the power of 2.63. 6" fire hydrants include two 2-inch and one 4-inch ports with 50.70 equivalent fire capacity, whereas 8" fire hydrants include two 2-inch and one 6-inch ports with equivalent fire capacity of 123.69. The fire protection

Table 6-12: Revenue Requirements and Allocation Factors

	CURRENT REVENUE REQUIREMENTS	FY 2017	Allocation Factors
1	**REVENUE REQUIREMENTS**		
2	O&M Expenses	$85,471,436	*Table 6-10*
3	Debt Service	$3,894,775	*Table* 6-11
4	Capital Replacement Projects	$12,588,000	*Table* 6-11
5	Reserve Funding	-$3,728,992	*Table* 6-11
6	**SUBTOTAL REVENUE REQUIREMENTS**	**$98,225,219**	
7			
8	***Less Other Revenues***		
9	Other Operating Revenues	$1,094,927	*100% to General*
10	**Non-Operating Revenues**		
11	Interest	$75,705	*100% to General*
12	Rental Income	$1,024,900	*100% to Revenue Offset*
13	Service Connection	$305,000	*Table* 6-11
14	Grants	$750,000	*Table* 6-11
15	Other Reimbursement	$4,224,488	*100% to General*
16	Other Non-Operating Revenues	$53,740	*100% to General*
17			
18	**SUBTOTAL NON-OPERATING REVENUES**	**$7,528,760**	
19			
20	**NET REVENUE REQUIREMENTS FROM RATES**	**$90,696,459**	

Table 6-13: Net Revenues from Rates Allocated to Cost Causation Categories

	Cost Categories	FY 2017 Net Revenues from Rates
1	Water Supply	$36,596,215
2	Base Fixed	$18,381,073
3	Max Day	$5,292,026
4	Max Hour	$1,807,813
5	Billing & Customer Service	$3,863,722
6	Meters & Services	$3,365,662
7	Conservation	$2,807,270
8	Rev Offsets	-$1,024,900
9	General	$10,579,700
10	Fire Protection	$4,591,686
11	RW Supply	$0
12	RW Base Fixed	$3,662,139
13	RW Max Day	$303,199
14	RW Max Hour	$470,853
15	**Total**	**$90,696,459**

Table 6-14: General Cost Reallocation

	Cost Categories	FY 2017 Net Revenues from Rates	General Cost Reallocation		
			Net Rev	%	Allocated
		A	B	C = B / B15	D = A9 x C
1	Water Supply	$36,596,215	N/A		
2	Base Fixed	$18,381,073	$18,381,073	49.5%	$5,235,118
3	Max Day	$5,292,026	$5,292,026	14.2%	$1,507,223
4	Max Hour	$1,807,813	$1,807,813	4.9%	$514,884
5	Billing & Customer Service	$3,863,722	$3,863,722	10.4%	$1,100,428
6	Meters & Services	$3,365,662	$3,365,662	9.1%	$958,575
7	Conservation	$2,807,270	N/A		
8	Rev Offsets	-$1,024,900	N/A		
9	General	$10,579,700	N/A		
10	Fire Protection	$4,591,686	N/A		
11	RW Supply	$0	N/A		
12	RW Base Fixed	$3,662,139	$3,662,139	9.9%	$1,043,015
13	RW Max Day	$303,199	$303,199	0.8%	$86,354
14	RW Max Hour	$470,853	$470,853	1.3%	$134,104
15	**Total**	**$90,696,459**	**$37,146,488**	**100%**	**$10,579,700**

Table 6-15: FY 2017 Fire Protection Capacity

	Port Size (inch)	Fire Capacity by Port Size[20]	6" Fire Hydrant (2 x 2-in + 1x4-in)	8" Fire Hydrant (2 x 2-in + 1 x 6-in)	# of Private Fireline	Private Fireline Fire Capacity
	A	B	C	D	E	F = B x E
1	2	6.19	12.38	12.38	61	378
2	3	17.98			51	917
3	4	38.32	38.32		351	13,450
4	6	111.31		111.31	415	46,194
5	8	237.21			261	61,911
6	10	426.58			55	23,462
7	12	689.04			3	2,067
8	16	1,468.37			2	2,937
9		**Fire Capacity**	**50.70**	**123.69**	**1,199**	**151,315**
10		Public Fire Hydrants	6,888	3		
11		Public Fire Demand	349,220	372		
12		Private Fire Hydrants	490			
13		Private Fire Capacity[21]	24,843			**151,315**
14		**Total Fire Capacity [11] + [13]**	**374,063**	**371**		**151,315**

system includes 6,888 6" public fire hydrants and three 8" public fire hydrants, 490 6" private fire hydrants and 1,199 private fire-line services with varied port size. Total public fire protection capacity is equal to 349,592 equivalent units and private fire protection capacity is equal to 176,518 equivalent units as shown in Table 6-16. About 66.5% of fire protection for LBWD's water system is reserved for public fire protection, which is reallocated to all benefiting customers within the service area (shown in Table 6-17) and the remaining 33.5% of fire protection costs represents the private fire protection costs, to be paid for by customers who have a private fire service meter. Public fire protection (i.e. hydrants) costs are related to the capacity of water system that is allocated to providing fire protection, not the actual costs of putting out fires.

Table 6-18 summarizes the results from Table 6-13, Table 6-14 and Table 6-17 to show the revenues from rates after general and public fire protection cost reallocation. Table 6-19 shows the summary of revenue requirements by cost categories to be recovered from water and RW rates.

6.1.2.4 - Step 4 – Cost Allocations to Rate Components

According to the *M1 Manual*, the cost-of-service approach to setting water rates results in the proportionate distribution of costs to each customer or

[20] *AWWA M1 Manual, Fire Demand = Port Size^2.63*

[21] *Private Fire Hydrant Demand = 490 6-in hydrants x 50.70 = 24,843*

Table 6-16: Public and Private Fire Protection Capacity

	Fire Capacity (Table 6-15)	% of Total Fire Capacity	Notes
Public Fire	349,592	66.5%	6,888 6-in x 50.70 + 3 8-in x 123.69
Private Fire	176,518	33.5%	Sum Row 13 in Table 6-15
Total Fire Capacity	**525,750**		

Table 6-17: Public Protection Cost Reallocation

	Cost Categories	FY 2017 Net Revenues from Rates	Public Protection Cost Reallocation		
			Net Rev	%	Allocated
		A	*B*	*C = B / B15*	*D = 66.5% xA10 x C*
1	Water Supply	$36,596,215	N/A		
2	Base Fixed	$18,381,073	$18,381,073	84.5%	$2,580,660
3	Max Day	$5,292,026	N/A		
4	Max Hour	$1,807,813	N/A		
5	Billing & Customer Service	$3,863,722	N/A		
6	Meters & Services	$3,365,662	$3,365,662	15.5%	$472,531
7	Conservation	$2,807,270	N/A		
8	Rev Offsets	-$1,024,900	N/A		
9	General	$10,579,700	N/A		
10	Fire Protection	$4,591,686	N/A		
11	RW Supply	$0	N/A		
12	RW Base Fixed	$3,662,139	N/A		
13	RW Max Day	$303,199	N/A		
14	RW Max Hour	$470,853	N/A		
15	**Total**	**$90,696,459**	**$21,746,735**	**100%**	**$3,053,191**[22]

[22] *66.49% of $4.59M*

Table 6-18: Reallocated Revenue Requirements

	Cost Categories	FY 2017 Net Revenues from Rates	General Cost Reallocation	Public Fire Protection Reallocation	Reallocated Net Revenues from Rates
		A	*B (Table 6-14)*	*C (Table 6-17)*	*D = A +B + C*
1	Water Supply	$36,596,215			$36,596,215
2	Base Fixed	$18,381,073	$5,235,118	$2,580,660	$26,196,851
3	Max Day	$5,292,026	$1,507,223		$6,799,249
4	Max Hour	$1,807,813	$514,884		$2,322,697
5	Billing & Customer Service	$3,863,722	$1,100,428		$4,964,150
6	Meters & Services	$3,365,662	$958,575	$472,531	$4,796,767
7	Conservation	$2,807,270			$2,807,270
8	Rev Offsets	-$1,024,900			-$1,024,900
9	General	$10,579,700	-$10,579,700		$0
10	Fire Protection	$4,591,686		-$3,055,191	$1,538,496
11	RW Supply	$0			$0
12	RW Base Fixed	$3,662,139	$1,043,015		$4,705,153
13	RW Max Day	$303,199	$86,354		$389,553
14	RW Max Hour	$470,853	$134,104		$604,957
15	**Total**	**$90,696,459**			**$90,696,459**

Table 6-19: FY 2017 Revenue Requirements by Cost Category

	Cost Categories	FY 2017
	A	*B (Table 6-18)*
1	Water Supply	$36,596,215
2	Potable Base Fixed	$26,196,851
3	RW Base Fixed	$4,705,153
4	Potable Peaking (Max Day + Max Hour)	$9,121,946
5	RW Peaking (RW Max Day + RW Max Hour)	$994,510
6	Billing & Customer Service	$4,964,150
7	Meters & Services	$4,796,767
8	Conservation	$2,807,270
9	Rev Offsets	-$1,024,900
10	Private Fire Services	$1,538,496
11	**Total**	**$90,696,459**

Table 6-20: Cost Allocations to Rate Components

	Cost Categories	FY 2017	Daily Service Charges	Water Quantity Rates	RW Quantity Rates
	A	B (Table 6-19)	C	D	E
1	Water Supply	$36,596,215		$36,596,215	
2	Potable Base Fixed	$26,196,851	$13,334,197	$12,862,654	
3	RW Base Fixed	$4,705,153	$2,394,923		$2,310,230
4	Potable Peaking	$9,121,946		$9,121,946	
5	RW Peaking	$994,510			$994,510
6	Billing & Customer Service	$4,964,150	$4,964,150		
7	Meters & Services	$4,796,767	$4,796,767		
8	Conservation	$2,807,270		$2,807,270	
9	Rev Offsets	-$1,024,900		-$1,024,900	
10	Private Fire Services	$1,538,496	$1,538,496		
11	**Total**	**$90,696,459**	**$27,028,533**	**$60,363,185**	**$3,304,741**

customer class based on the proportional costs that each class incurs. A dual set of fees—fixed and variable—is an extension of this cost causation theory. The components of water system costs (Table 6-19) are recovered through either daily service charges, water quantity rates, RW quantity rates or a combination of the three. As shown in Table 6-20, the entirety of water supply costs is recovered from water quantity rates along with potable peaking costs, conservation program costs and revenue offsets. RW peaking costs are calculated under the RW peaking rate component of RW quantity rates. Billing and customer service along with meters and services costs are fixed service costs thus should be collected from daily service charges. Private fire services costs will be paid for by customers who have a private fire service meter under private fireline daily service charges. To provide revenue stability for LBWD, a portion of the potable and RW base fixed costs is allocated to daily service charges in order to collect approximately 30% of revenues from the fixed charges, increased from 26.4% at current rates. The remaining potable base fixed and RW base fixed costs are collected in the water and RW quantity rates, respectively. Table 6-21, Table 6-22 and Table 6-23 are derived from Table 6-20 based on rate components for fixed charges, water quantity rates and RW quantity rates.

The fixed service charges consist of three components: billing and customer service, services & capacity and private fire demand totaling $27M in FY 2017 (Table 6-21), increased from $23.9M from current rates.

Water quantity rates are comprised of water supply costs, delivery, peaking, conservation and revenue offset rate components (Table 6-22). The water supply rate recovers direct water supply costs. The delivery rate collects the remaining water system fixed cost to deliver water to end users. The peaking rate collects the peaking costs of potable water system. The conservation rate reflects the conservation program costs from upper tiers to promote conservation from large users. The revenue offset rate is used to provide affordability for essential use. A portion of rental income is used to provide

Table 6-21: FY 2017 Fixed Service Charges Revenue Requirements

	Rate Components	Cost Categories	FY 2017	
	A	*B*	*C (Table 6-20)*	*D*
1	**Billing & Customer Service**	Billing & CS	$4,964,150	$4,964,150
2	**Services & Capacity**	Potable Base Fixed	$13,334,197	$20,525,887
3		RW Base Fixed	$2,394,923	
4		Meters & Services	$4,796,767	
5	**Private Fire Capacity**	Private Fire Services	$1,538,496	$1,538,496
6	**Total**	**29.8% Fixed**	**$27,028,533**	**$27,028,533**
7	**Current**	**26.4% Fixed**	**$23,924,625**	

Table 6-22: FY 2017 Water Quantity Rate Revenue Requirements

	Rate Components	Cost Categories	FY 2017
	A	*B*	*C (Table 6-20)*
1	**Water Supply**	Water Supply	$36,596,215
2	**Delivery**	Potable Base Fixed	$12,862,654
3	**Peaking**	Potable Peaking	$9,121,946
4	**Conservation**	Conservation	$2,807,270
5	**Revenue Offset**	Revenue Offset	-$1,024,900
6	**Total**	**66.6%**	**$60,363,185**
7	**Current**	**69.9%**	**$63,421,799**

Table 6-23: FY 2017 Recycled Water Quantity Rate Revenue Requirements

	Rate Components	Cost Categories	FY 2017
	A	*B*	*C (Table 6-20)*
1	**Delivery**	RW Base Fixed	$2,310,230
2	**Peaking**	RW Peaking	$994,510
3	**Total**	**3.6% of Total Rev Req**	**$3,304,741**
4	**Current**	**3.7% of Total Rev Req**	**$3,350,035**

funding for the Exemption program as discussion in Section 5. The remaining rental income is reserved to provide affordability for Tier I, which represents basic and essential usage. As more water system costs are recovered through fixed charges (increased from $23.9M to $27M), less revenue is collected through water quantity rates (decrease from $63.4M to $60.4M).

RW quantity rates include two rate components, RW peaking and delivery rates, which recover $3.30M, a slight decrease from the current revenue of $3.35M, as shown in Table 6-23.

6.2 - DEVELOPMENT OF PROPOSED WATER RATES

6.2.1 - PROPOSED FIXED SERVICE CHARGES

There are three components that comprise the daily service charges: billing & customer service, services & capacity, and private fire services. This charge recognizes the fact that even when a customer does not use any water, LBWD incurs fixed costs in connection with the maintenance of the meters, the ability or readiness to serve each connection, and/or the billing services provided to each connection.

The services and capacity component collects capacity related costs. Capacity related costs can be allocated to the daily service charge by meter size. This reflects the fact that larger meters have the potential to demand more capacity compared to smaller meters. The potential capacity demanded is proportional to the potential flow through each meter size as established by the AWWA

hydraulic capacity ratios which are shown in the "AWWA Meter Ratio" column D of Table 6-24. The ratios depict the potential flow through each meter size compared to the flow through a ¾" meter, which is the base meter size for this Study. For example, the flow through a 2" meter is approximately 5.33 times that of a ¾" meter. Similarly, according to AWWA *M1 Manual*, 3-inch fireline has 2.90 times more fire capacity than 2-inch fireline, as derived and noted in Table 6-25.

Table 6-24: AWWA Meter Capacity Ratios

Meter Size	Meter Types	AWWA Max Capacity[23]	AWWA Meter Ratios
A	*B*	*C*	*D = C / 30 gpm*
5/8" x 3/4"	Displacement	30 gpm	1.00
1"	Displacement	50 gpm	1.67
1 1/2"	Displacement	100 gpm	3.33
2"	Displacement	160 gpm	5.33
3"	Compound Type Class II	350 gpm	11.67
4"	Compound Type Class II	600 gpm	20.00
6"	Compound Type Class II	1,350 gpm	45.00
8"	Turbine Class II	2,800 gpm	93.33
10"	Turbine Class II	4,200 gpm	140.00
12"	Turbine Class II	5,300 gpm	176.67
16"	Turbine Class II	7,800 gpm	260.00

Table 6-25: Fire Protection Capacity Ratios

Port Size (inch)	Fire Protection Capacity by Port Size[24]	Fire Protection Capacity Ratio
A	B	C = B /6.19
2	6.19	1.00
3	17.98	2.90
4	38.32	6.19
6	111.31	17.98
8	237.21	38.32
10	426.58	68.91
12	689.04	111.31
16	1,468.37	237.21

[23] *Safe maximum operating capacity (AWWA M1 Manual Exhibit B, Table B-1)*

[24] *AWWA M1 Manual, Fire Capacity = Port Size^2.63*

Table 6-26 summarizes the projected number of water and RW accounts and private fireline services in FY 2017 and illustrates the calculations for equivalent units of service for each fixed service charge component. LBWD bills customer on monthly basis, thus 89,475 (88,275 +1,199) accounts are equivalent to 1,073,688 monthly bills. The billing and customer service component recovers costs associated with meter reading, customer billing and collection, and customer service costs. These costs are the same for all meter sizes as it costs the same to provide billing and customer services to a small meter as it does for a larger meter.

Table 6-27 illustrates the development of unit service charges (line 4) for each charge component by dividing the revenue requirements (from Table 6-20) to the number of equivalent bills/meters per year (from Table 6-26).

The monthly fixed service charges for water and RW services for FY 2017 are shown in Table 6-28 along with daily service charges and comparison with current daily service charges (columns F & G). The services and capacity component for all larger meters with a meter ratio larger than 1 is scaled up using the AWWA capacity ratios shown in the "Services and Capacity Meter Ratios" column A of Table 6-28. For example, the 2" meter has a meter ratio of 5.33 and therefore has a meter capacity component

Table 6-26: Units of Services for Fixed Charges Components

Meter Size	# of Water & RW Accts	# of Private Fireline	Meter Ratios			Units of Service (EMU / yr)		
			Billing & CS	Services & Capacity	Private Fire Capacity	Billing & CS	Services & Capacity	Private Fire Capacity
	A	*B*	*C*	*D*	*E*	*F = (A+B)xCx12*	*G = A x D x 12*	*H=BxEx12*
5/8" x 3/4"	69,236		1.00	1.00		830,832	830,832	0
1"	11,207		1.00	1.67		134,484	224,140	0
1 1/2"	4,245		1.00	3.33		50,940	169,800	0
2"	2,669	61	1.00	5.33	1.00	32,760	170,816	732
3"	510	51	1.00	11.67	2.90	6,732	71,400	1,778
4"	197	351	1.00	20.00	6.19	6,576	47,280	26,073
6"	116	415	1.00	45.00	17.98	6,372	62,640	89,548
8"	70	261	1.00	93.33	38.32	3,972	78,400	120,016
10"	21	55	1.00	140.00	68.91	912	35,280	45,482
12"	4	3	1.00	176.67	111.31	84	8,480	4,007
16"	0	2	1.00	260.00	237.21	24	0	5,693
Total	**88,275**	**1,199**				**1,073,688**	**1,699,068**	**293,329**

Table 6-27: Development of Unit Fixed Service Charges

		Billing & CS	Services & Capacity	Private Fire Capacity	Notes
1	Revenue Requirements	$4,964,150	$20,525,887	$1,538,496	*Table 6-20*
2	Units of Service	1,073,688	1,699,068	293,329	*Table 6-26*
3		monthly bills / yr	EMU / yr	EMU / yr	
4	**Unit Cost of Service**	**$4.63**	**$12.09**	**$5.25**	***[1] / [2] rounded up to $0.01***

of $64.48 ($12.09 x 5.33, rounded to the nearest $0.01). Daily service charges (column E) are calculated using monthly service charges (column D) multiplied by 12 monthly billing periods divided by 365 days per year. The proposed daily service charge for 5/8"x3/4" meters is $0.550, 12% increase from current charge at $0.489.

Similarly, Table 6-29 shows the development of the daily service charges for private fireline services. The charges include billing and customer service (column B), which is uniform for all connection sizes, and private fire capacity (column C) components varied by connection size (column A). Fireline services with connection sizes of 6" or less will see decrease in the service charges whereas larger connections will see increasing impact.

Table 6-28: Proposed Daily Service Charges for Water and Recycled Water Services

Meter Size	Services & Capacity Meter Ratios	Monthly Fixed Charges			Proposed Daily FY 2017	Current Daily FY 2017	% Change
		Billing & CS	Services & Capacity[25]	Proposed FY 2017			
	A (Table 6-24)	*B*	*C =A x 12.09*	*D =B+ C*	*E =D x 12 /365*	*F*	*G =E/F - 1*
5/8" x 3/4"	1.00	$4.63	$12.09	$16.72	**$0.550**	$0.489	**12%**
1"	1.67	$4.63	$20.15	$24.78	**$0.815**	$0.736	**11%**
1 1/2"	3.33	$4.63	$40.30	$44.93	**$1.478**	$1.375	**7%**
2"	5.33	$4.63	$64.48	$69.11	**$2.273**	$2.037	**12%**
3"	11.67	$4.63	$141.05	$145.68	**$4.790**	$4.220	**14%**
4"	20.00	$4.63	$241.80	$246.43	**$8.102**	$6.677	**21%**
6"	45.00	$4.63	$544.05	$548.68	**$18.039**	$12.306	**47%**
8"	93.33	$4.63	$1,128.40	$1,133.03	**$37.251**	$19.315	**93%**
10"	140.00	$4.63	$1,692.60	$1,697.23	**$55.800**	$31.635	**76%**
12"	176.67	$4.63	$2,135.90	$2,140.53	**$70.374**	$38.662	**82%**
16"	260.00	$4.63	$3,143.40	$3,148.03	**$103.497**	$63.986	**62%**

Table 6-29: Proposed Daily Service Charges for Private Fireline Services

Size	Fire Capacity Meter Ratio	Monthly Fixed Charge			Proposed Daily FY 2017	Current Daily FY 2017	% Change
		Billing & Customer Service	Private Fire Capacity	Proposed FY 2017			
	A (Table 6-25)	B	C = A x $5.25	D = B + C	E = D x 12 /365	F	G = E/F - 1
2"	1.00	$4.63	$5.25	$9.88	**$0.325**	$1.020	**-68%**
3"	2.90	$4.63	$15.25	$19.88	**$0.654**	$1.745	**-63%**
4"	6.19	$4.63	$32.50	$37.13	**$1.221**	$2.577	**-53%**
6"	17.98	$4.63	$94.40	$99.03	**$3.256**	$4.391	**-26%**
8"	38.32	$4.63	$201.18	$205.81	**$6.767**	$6.438	**5%**
10"	68.91	$4.63	$361.78	$366.41	**$12.047**	$8.709	**38%**
12"	111.31	$4.63	$584.38	$589.01	**$19.365**	$10.976	**76%**
16"	237.21	$4.63	$1,245.33	$1,249.96	**$41.095**	$16.094	**155%**

[29] *Rounded to $0.01*

6.2.2 - PROPOSED WATER AND RECYCLED WATER QUANTITY RATES

6.2.2.1 - Proposed Water Quantity Rates

Water quantity rates are comprised of water supply costs, delivery, peaking, conservation and revenue offset rate components (Table 6-30).

Proposition 218 does not specify the type of rate structure as long as the rates justify the cost of serving customers. Table 6-31 summarizes the rationale used to justify water quantity rates. Water supply rates are determined by allocating water supply sources (discussed in Section 4.2.2). The delivery rate is a uniform cost recovery for all usage types. The peaking rate is allocated to customer classes and tier usage using proportional peaking factors (discussed in Section 4.3). The conservation rate is allocated uniformly to all customer classes, however, residential classes have conservation costs collected in Tier III to promote conservation from large usage. A portion of rental income is used to provide funding for the Exemption program as discussion in Section 5. The remaining rental income is reserved to provide affordability for Tier I, which represents basic and essential usage.

Table 6-30: Water Quantity Rate Component Descriptions

Water Quantity Rate Components	Descriptions
Water Supply	Recovering Water Supply Related Costs (Fixed & Variable)
Delivery	Recovering remaining fixed costs of delivering water to customers
Peaking	Recovering peaking costs
Conservation	Recovering conservation program related costs
Revenue Offset	Using Rental income (unrestricted revenues) to provide affordability for essential use

Table 6-31: Water Quantity Rate Components Framework

	Water Supply	Delivery	Peaking	Conservation	Revenue Offset
Note	Water supply source allocation	Uniform for all usage	Proportional to Peaking factors	Usage allocation	Rental income for affordable essential use
Residential					
Tier IA	Groundwater	x	x		xxx
Tier IB	Groundwater	x	x		x
Tier II	Blended LW + MWD Tier 1	x	xx		
Tier III	MWD Tier 2	x	xxx	xx	
Non-Residential	Blended GW + LW + MWD	x	xxx	x	

6.2.2.1.1 - Water Supply Rates

Table 6-32 shows the availability of LBWD water supply sources and their associated variable rates. $294/AF or $0.70 / CCF represents the water pump tax assessed by WRD for every unit of groundwater pumped from groundwater wells within LBWD service area within 32,692AF groundwater rights (discussed in Section 4.2.2). The blended rate of Lakewood and MWD Tier 1 water is $2.29 / CCF (shown in the Lakewood/MWD Tier 1 Blended Unit Rate Calculation equation).

Non-residential blended water supply rate is the weighted average rates of available water supply sources allocated for non-residential customer classes (shown in the Non-Residential Blended Water Supply Rate Calculation equation and Table 6-33).

Table 6-32: Water Supply Sources – Quantity and Unit Cost Information

Water Supply Sources	Available for Purchase (AF)	Available for Sales (After 3.4% loss)	Unit Cost[26]	Unit Rate[27] (with 3.4% loss)	
	A	B = A / (1+3.4%)	C	D = C / 435.6 / (1+3.4%)	
Groundwater	32,692 AF	31,617 AF	$ 294 / AF	$0.700 / CCF	$0.700 / CCF
Lakewood	900 AF	870 AF	$ 573 / AF	$1.362 / CCF	$2.290 / CCF
MWD Tier 1	51,804 AF	50,101 AF	$970 / AF	$2.306 / CCF	
MWD Tier 2			$1,074 / AF	$2.552 / CCF	$2.552 / CCF

Lakewood/MWD Tier 1 Blended Unit Rate Calculation

$$\text{Lakewood / MWD Tier 1 Blend Unit Rate} = \frac{900 * \$1.362 + 51{,}804 \times \$2.306}{(900 + 51{,}804)} = \$2.290/CCF$$

Table 6-33: Non-Residential Blended Water Supply Rates

Non-Residential	Unit Rate	FY 2017	
Non-Residential Projected Sales		**7,046,540 CCF**	**16,177 AF**
Groundwater ($0.699 /CCF)	$0.700/ CCF	3,930,904 CCF	9,024 AF
Lakewood ($1.361 /CCF)	$1.362 / CCF	135,446 CCF	311 AF
MWD Tier 1 ($2.304 /CCF)	$2.306/ CCF	2,980,190 CCF	6,842 AF
Blended Rate (Weighted Average)	**$1.392/ CCF**		

Non-Residential Blended Water Supply Rate Calculation

$$\text{Non-Residential Blended Rate} = \frac{3{,}930{,}904 * \$0.70 + 135{,}446 * \$1.362 + 2{,}980{,}190 \times \$2.306}{7{,}046{,}540} = \$1.392$$

[26] *Weighted average cost for Fiscal Year (See Appendix for Details)*

[27] *May have rounding errors*

All other direct water supply costs include power costs for pumping and treatment, chemical costs and MWD fixed costs such as Readiness-to-Serve (RTS) and capacity charges, documented in the Fund 310 Operating Budget provided to RFC by LBWD staff. Table 6-34 calculates the uniform unit rate to be applied to water supply rates for all usage.

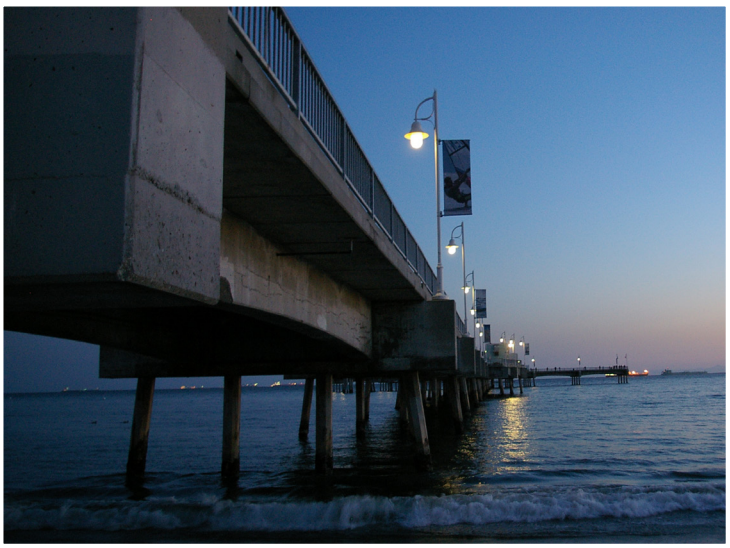
Table 6-35 summarizes the all-in water supply rates for all usage types. Residential Tier I demand is met by groundwater; thus the Tier I water supply rate ($1.055/CCF) reflects the groundwater unit variable rate ($0.70/CCF) plus the other water supply rate ($0.355/CCF). If all residential usage exceeds Tier II, LBWD will have to buy the next marginal water supply source,

Table 6-34: Other Water Supply Unit Rate

	Other Water Supply Costs	FY 2017	Notes
1	Power - Treatment	$1,918,074	*From Fund 310 Operating Budget*
2	Power - Pumping	$1,809,114	*From Fund 310 Operating Budget*
3	Chemical	$1,511,640	*From Fund 310 Operating Budget*
4	MWD Fixed Costs (RTS & Capacity Charges)	$2,646,020	*From Fund 310 Operating Budget*
5	**Total Other Water Supply Costs**	**$7,884,847**	*Sum of [1] to [4]*
6	Projected Sales for FY 2017	22,217,572 CCF	*Table 4-11*
7	**Unit Rate**	**$0.355/CCF**	**[5] / [6]**

Table 6-35: FY 2017 Water Supply Rates

	Water Supply Sources	Variable Water Supply Rates	Other Water Supply Rates	All-in Water Supply Rates	Projected Sales
	A *(Table 4-6)*	B	C	D = B + C	E *(Table 4-11)*
Residential					
Tier I	Groundwater	$0.700	$0.355	**$1.055 / CCF**	9,841,470 CCF
Tier II	Lakewood MWD Tier 1	$2.290	$0.355	**$2.645 / CCF**	3,769,538 CCF
Tier III	MWD Tier 2	$2.552	$0.355	**$2.907 / CCF**	1,560,024 CCF
Non-Residential	Blended	$1.392	$0.355	**$1.747 / CCF**	7,046,540 CCF



MWD Tier 2, at higher variable rate, $2.552/CCF, plus other water supply rates. Non-residential water supply rate is $1.747/CCF, which is derived from the $1.392/CCF blended variable unit rate (shown in Table 6-33) and the other water supply unit rate ($0.355/CCF).

6.2.2.1.2 - Delivery Rates

The delivery rate is a uniform rate that is applied to all usage (22,217,572 CCF) to recover remaining potable base fixed costs (from Table 6-22), as shown in Table 6-36.

6.2.2.1.3 - Peaking Rates

Peaking costs are recovered from users based on their respective peaking characteristics determined in Table 4-9. Table 6-37 shows the equivalent peaking usage units for each usage type with respect to the corresponding peaking factors.

Table 6-36: Development of Water Delivery Rate

		Delivery Rate	Notes
1	Revenue Requirements	$12,862,654	*Table 6-22*
2	Units of Service	22,217,572 CCF	*Table 4-11*
3	**Unit Cost of Service**	**$0.579**	***[1] / [2] rounded up to $0.001***

Table 6-38 illustrates the development of water peaking rates for each usage type. Peaking costs for the potable water system ($9.12M from Table 6-22) are divided by equivalent peaking usage to derive to $0.338/CCF for the peaking unit cost of service. The peaking unit cost is then multiplied to the peaking factors of each usage type to derive the respective peaking rates. The calculated rates are rounded up to the nearest $0.001/CCF.

6.2.2.1.4 - Conservation Rates

Similarly, conservation rates are calculated for residential and non-residential classes in Table 6-39. Residential Tier III users will be the focus of the conservation program, thus residential conservation program costs ($1.916M) are recovered from Tier III users only. Table 6-40 shows the conservation rates for all usage types.

6.2.2.1.5 - Revenue Offsets

As discussed in Section 5, rental

Table 6-37: Equivalent Peaking Usage Units

	Potable Sales	Peaking Factors	FY 2017 Projected Sales (CCF)	Equivalent Peaking Usage (CCF)
		A (Table 4-9)	*B (Table 4-11)*	*C = A x B*
1	**Residential**	**1.22**	**15,171,032**	**18,553,680**
2	Tier IA	1.07	82,306	87,818
3	Tier IB	1.07	9,759,164	10,412,710
4	Tier II	1.34	3,769,538	5,053,908
5	Tier III	1.92	1,560,024	2,999,244
6	**Non Residential**	**1.20**	**7,046,540**	**8,426,974**
7	**Total ([1] + [6])**	**1.21**	**22,217,572**	**26,980,654**

Table 6-38: Development of Water Peaking Rate

		Peaking Factors	Peaking Rate	Notes
		A	B	
1	Revenue Requirements		$9,121,946	*Table 6-22*
2	Units of Service		26,980,654 CCF	*Table 6-37*
3	**Unit Cost of Service**		**$0.338**	***[1] / [2]***
4	**Residential**			
5	Tier IA	1.07	$0.361	*[B3] x[A5] rounded up to $0.001*
6	Tier IB	1.07	$0.361	*[B3] x[A6] rounded up to $0.001*
7	Tier II	1.34	$0.454	*[B3] x[A7] rounded up to $0.001*
8	Tier III	1.92	$0.651	*[B3] x[A8] rounded up to $0.001*
9	**Non-Residential**	1.20	$0.405	*[B3] x[A9] rounded up to $0.001*

income will be used first to fund the exemption program to provide a waiver for Tier I usage (Tier IA = $0/CCF) for qualified customers. The true cost of providing water service for Tier I usage before any revenue offset is $1.995 comprised of water supply, delivery and peaking rates, as shown in Table 6-41. Table 6-42 shows step-by-step calculations of the revenue offsets applicable to Tier IB usage using remaining of rental income after funding the exemption program to provide some rate incentive and affordability for basic and essential usage.

Table 6-43 shows the revenue offset rates for each usage type.

6.2.2.1.6 - Proposed Water Quantity Rates

The various water quantity rate components from Table 6-35, Table 6-38, Table 6-40 and Table 6-43 for each usage type are combined for each customer class in Table 6-44. Table 6-45 summarizes the FY 2017 proposed water quantity rates for all water usage

Table 6-39: Development of Conservation Rates

		Projected Sales (CCF)	Conservation Rate	Notes
		A	B	
1	Revenue Requirements		$2,807,270	*Table 6-22*
2	Units of Service		22,217,572 CCF	*Table 4-11*
3	**Unit Cost of Service**		**$0.127**	***[1] / [2] rounded up to $0.001***
4	Residential	15,171,032 (68.3%)	$1,916,914	*68.3% x [B1]*
5	Non-Residential	7,046,540 (31.7%)	$890,356	*31.7% x [B1]*
6	**Unit Conservation Rate**			
7	Residential	Tier III = 1,560,024	$1.229 / CCF	*[B4]/[A7] rounded up to $0.001*
8	Non-Residential	All = 7,046,540	$0.127 / CCF	*[B5]/[A8] rounded up to $0.001*

Table 6-40: FY 2017 Proposed Conservation Rates

		Conservation Rate ($/CCF)
1	**Residential**	
2	Tier IA	$0.000
3	Tier IB	$0.000
4	Tier II	$0.000
5	Tier III	$1.229
6	**Non Residential**	**$0.127**

Table 6-41: Tier IA Costs

Components	Tier IA Costs	Notes
Water Supply	$1.055	*Table 6-35*
Delivery	$0.579	*Table 6-36*
Peaking	$0.361	*Table 6-38*
Conservation	$0.000	*Table 6-39*
Total	**$1.995**	

Table 6-42: Development of Revenue Offset Rates

		Revenue Offset Rate	Notes
1	Rental Income	-$1,024,900	*Table 6-22*
2	**Uses for Exemption Program**		
3	$5/month Bill Credit	-$86,880	*1,448 qualified accounts x $5 x 12 bills/yr*
4	Offsetting All Tier IA Costs	-$209,714	*-$1.995(Table 6-41) x 82,306 CCF (Tier IA)*
5	**Remaining Rental Income**	**-$728,306**	***[1] – [3] – [4]***
6	Units of Service	9,759,164 CCF	*Table 4-11 Tier IB only*
7	**Unit Cost of Service**	**-$0.074**	***[5]/[6] rounded down to $0.001***

Table 6-43: FY 2017 Proposed Revenue Offset Rates

		Revenue Offset Rates ($/CCF)	Notes
1	**Residential**		
2	Tier IA	-$1.995	*Table 6-41*
3	Tier IB	-$0.074	*Table 6-42*
4	Tier II	$0.000	
5	Tier III	$0.000	
6	**Non Residential**	$0.000	

Table 6-44: Proposed Water Quantity Rate Components

	Water Supply	Delivery	Peaking	Conservation	Revenue Offset	Proposed FY 2017
	A (Table 6-35)	*B (Table 6-36)*	*C (Table 6-38)*	*D (Table 6-39)*	*E (Table 6-43)*	*F = A + B + C + D + E*
Residential						
Tier IA	$1.055	$0.579	$0.361	$0.000	-$1.995	**$0.000**
Tier IB	$1.055	$0.579	$0.361	$0.000	-$0.074	**$1.921**
Tier II	$2.645	$0.579	$0.454	$0.000	$0.000	**$3.678**
Tier III	$2.907	$0.579	$0.651	$1.229	$0.000	**$5.366**
Non-Residential	$1.747	$0.579	$0.405	$0.127	$0.000	**$2.858**

Table 6-45: FY 2017 Proposed Water Quantity Rates

	Current Tier Widths[28]	Proposed Tier Widths	Current FY 2017 ($ / CCF)	Proposed FY 2017 ($ / CCF)
Residential				
Tier IA	0 – 5 CCF	0 – 6 CCF	**$1.427**	**$0.000**
Tier IB	0 – 5 CCF	0 – 6 CCF	**$2.569**	**$1.921**
Tier II	6 – 15 CCF	7 – 13 CCF	**$2.854**	**$3.678**
Tier III	Above 15 CCF	Above 13 CCF	**$4.281**	**$5.366**
Non-Residential			**$2.854**	**$2.858**

Table 6-46: FY 2017 Projected Recycled Water Sales and Peaking Characteristics

Recycled Water Services	Projected Water Sales (CCF)	Peaking Factors	Equivalent Peaking Usage
	A (Table 2-3)	*B (Table 4-10)*	*C = A x B*
Peaking	1,071,512	1.79	1,912,920
Non-Peaking	414,249	1.00	414,249
Interruptible	292,914	1.00	292,914
Contract Rates[29]	175,313	N/A	N/A
Total Non-Contract Recycled Water Sales	**1,778,675 CCF**		**2,620,083**

types. Current and proposed tier definitions are also shown for relative comparison.

6.2.2.2 - Recycled Water Rates

Similar to potable water quantity rates, RW peaking rates are calculated using the respective peaking factors for different RW services: peaking, non-peaking, interruptible and contract rates. Equivalent peaking usage for RW services is calculated in Table 6-46.

On February 20, 1998, the County of Los Angeles and LBWD executed the First Amendment to Agreement WD-1604 regarding recycled water at Lakewood County Club (LCC). The amendment details the method of determining the price for recycled water to LCC, that being the rate the LCC posts for sale of potable water to third parties under LCC's own water right. The current contract rate for LCC is shown in Table 2-3 and subject to the Agreement WD-1604 terms, thus is not subject the cost of service analysis of this Rate Study.

Table 6-47 illustrates the development of delivery and peaking rates for RW services after adjusted for contract RW revenues. Delivery (69.9%) and peaking (30.1%) revenue requirements for non-contract RW services are $2.170M and $0.934M, respec-

[28] *Shown tier widths per dwelling unit for single family customers only, duplex and multi-family customers have different tier definitions*

[29] *Agreement WD-1604 between LBWD and LCC*

tively, adjusted for the projected revenues from contract sales. The revenue requirements are divided by units of service from Table 6-46 to determine the average unit RW rates. The resulting unit RW peaking rates are then multiplied by the corresponding peaking factors (Table 6-46) to derive the RW peaking rates.

Table 6-48 summarizes the proposed RW quantity rates by rate components for FY 2017 by customer class. The resulting RW rates are approximately 55-65% of proposed non-residential potable water rates.

Table 6-47: FY 2017 Recycled Water Quantity Rate Revenue Requirements

	Rate Components	Delivery	Peaking	Notes
	A	*B (Table 6-23)*	*C (Table 6-23)*	*D*
1	**Revenue Requirements**	$2,310,230	$994,510	
2		69.9%	30.1%	
3	**Contract RW Revenues**	$139,836	$60,197	*$1.141 x 175,313 CCF*
4	**Non-Contract RW Revenue Requirements**	**$2,170,395**	**$934,314**	***[1]-[3]***
5	Units of Service	1,778,675 CCF	2,620,083 CCF	*Table 6-46*
7	**Unit RW Rates**	**$1.221 / CCF**	**$0.357 / CCF**	*[4]/[5] rounded up to $0.001*
8	Peaking	$1.221	$0.638	*Peaking = $0.360 x 1.79*
9	Non-Peaking / Interruptible	$1.221	$0.357	

Table 6-48: Proposed Recycled Water Quantity Rates

	Delivery	Peaking	Proposed FY 2017	Current Rate	% of Non-Residential Water Rate
	A (Table 6-47)	***B (Table 6-47)***	***C = A + B***	***D***	***E = C / $2.858***
Peaking	$1.221	$0.638	**$1.859**	$1.998	65%
Non-Peaking	$1.221	$0.357	**$1.578**	$1.427	55%
Interruptible	$1.221	$0.357	**$1.578**	$1.427	55%

SEWER
COST OF SERVICE AND RATES

On February 1988, the Department assumed the responsibility of the various functions of the City's sanitary sewer system, including operations and maintenance. The Department operates and maintains nearly 765 miles of sanitary sewer lines, safely and expeditiously delivering over 40 million gallons per day to Los Angeles County Sanitation Districts facilities located on the north and south sides of the City of Long Beach.

This section of the Report discusses the allocation of O&M expenses and capital costs to the appropriate parameters consistent with industry standards, the determination of unit costs, and calculation of costs by customer class.

To allocate the cost of service among the different customer classes, the costs first need to be allocated to the appropriate sewer parameters. The following sections describe the allocation of the operating and capital costs of service to the appropriate parameters of the sewer system.

The total cost of sewer service is analyzed by system function in order to equitably distribute costs of service to the various classes of customers. For this analysis, the sewer utility costs of service are consistent with the guidelines for allocating costs detailed in the Water Environment Federation (WEF) Manual of Practice No. 27, Financing and Charges for Wastewater Systems, 2004.

Steps for COS analysis for sewer collection services:

- **Step 1:** Determine revenue requirements
- **Step 2:** Functionalize operating and capital costs and allocate functionalized costs to cost causation categories
- **Step 3:** Allocate costs to customer classes and rate components

7.1 - SEWER COST OF SERVICE ANALYSIS

7.1.1 - STEP 1 – DETERMINE REVENUE REQUIREMENTS

In this Study, sewer rates are calculated for FY 2017 (known as the Test Year) by using the LBWD's FY 2017 budget. Test Year revenue requirements are used in the cost allocation process. According to Government Code 54999.7(c), LBWD should review the cost of service analysis at least once every five to ten years to ensure that the rates are consistent with the costs of providing service.

The revenue requirement determination is based upon the premise that the utility must generate annual revenues to meet O&M expenses, any debt service needs, reserve funding to achieve target levels, and capital investment needs. Revenues from sources other than sewer rates and charges (e.g. revenues from miscellaneous services) are deducted from the rate revenue requirement. FY 2017 revenues from rates to be recovered from the LBWD's sewer customers are calculated in Table 7-1. The Sewer Fund currently has no debt but the Department is in the process of refinancing $11M line of credit (LOC) into long-term debt. LBWD staff provided RFC with the estimated debt payment schedule for the refinance to be used for the Study. The estimated debt payment for the refinanced debt in FY 2017 is equal to $637.5K. Capital replacement projects estimated / budgeted by LBWD total $3.794M, of which $1.229M is estimated to be funded from capital reserves for FY 2017. Total revenue requirements including O&M expenses, debt service and capital project expenditures are $19.1M. Other revenues include interest income, service connection, other operating revenues and other miscellaneous non-operating revenues. These non-rate revenues are equal to $486.5K. Total revenue requirements from rates in FY 2017 are $18.6M as shown in Table 7-1, the same as revenues from current rates shown in Table 2-5.

7.1.2 - STEP 2 – FUNCTIONALIZE COSTS AND ALLOCATE FUNCTIONALIZED COSTS TO COST CAUSATION CATEGORIES

To derive the cost to serve each customer class, the costs first need to be functionalized. This step involves the arrangement of overall costs into various functions. The sewer collection utility costs are categorized into the following functions:

- Pumping costs associated with pumping sewer to the treatment facilities
- Collection costs representing the costs to operate and maintain the sewer collection systems, including all the sewer lines
- General & administrative costs representing all other costs that do not serve a specific function
- Billing and customer service costs including meter reading, billing and collection costs associated with preparing a water customer bill and processing funds received from water users. Customer service costs include costs associated with administering customer accounts such as processing complaints, responding to customer inquiries, performing rereads, etc.
- Sewer services costs associated with providing reliable sewer service

Table 7-1: Revenue Requirement from Sewer Rates for FY 2017

		FY 2017	Notes
1	**REVENUE REQUIREMENTS**		
2	O&M Expenses	$15,897,097	*From Fund 311 Operating Budget provided by LBWD staff*
3	Debt Service	$637,500	*Sewer debt service estimates for the refinance of $11M Line of Credit*
4	Capital replacement projects	$3,794,000	*From Sewer Fund Project Cost Estimated provided by LBWD staff for FY 2017*
5	Reserve Funding	-$1,228,983	*Amount of reserve used to fund capital replacement projects for FY 2017*
6	**SUBTOTAL REVENUE REQUIREMENTS**	**$19,099,614**	*Sum rows 2 to row 5*
7			
8	***Less Other Revenues***		
9	Other Operating Revenues	$4,350	*From Fund 311 Operating Budget provided by LBWD staff*
10	Non-Operating Revenues		
11	Interest	$40,722	*From Fund 311 Operating Budget provided by LBWD staff*
12	Service Connection	$350,000	*From Fund 311 Operating Budget provided by LBWD staff*
13	Other Reimbursement	$5,000	*From Fund 311 Operating Budget provided by LBWD staff*
14	Other Non-Operating Revenues	$86,400	*From Fund 311 Operating Budget provided by LBWD staff*
15	**SUBTOTAL NON-OPERATING REVENUES**	**$486,472**	*Sum rows 9 to row 14*
16			
17	**NET REVENUE REQUIREMENTS FROM RATES**	**$18,613,142**	***Row [6] – Row [15]***

The functionalization of costs allows for better allocation of the functionalized costs to the cost causation components, which include:

- Flow
- Billing & customer service
- Meters & services
- General and administrative

Collection system costs and pumping costs are allocated entirely to flow since the collection system is designed to handle sewer flow. Table 7-2 shows the different allocations to the cost causation categories of each function.

Working closely with LBWD staff, RFC reviewed and functionalized LBWD's O&M expenses and asset list for its sewer system. Using the allocation factors from Table 7-2 for the operating budget for the Sewer Fund (Fund 311, provided by LBWD staff), Table 7-3 summarizes the allocation of FY 2017 O&M expenses to cost categories and allocation percentage for operating related costs.

Table 7-4 shows the fixed asset values of the Sewer Fund using replacement costs by sewer asset type as of September 30, 2015. To reduce rate variability from year to year, allocation of fixed assets to cost causations is used for the approximation of long-term cost

Table 7-2: Allocations of Functionalized Sewer Costs to Cost Causation Categories

Functions	Flow	Billing & Customer Service	Meters & Services	G&A
Pumping	100.0%			
Collection	100.0%			
General & Administrative (G&A)				100.0%
Billing		100.0%		
Customer Service		100.0%		
Sewer Services			100.0%	

Table 7-3: Results of Sewer Operating Expenses Allocation (Excluding Debt Service)

O&M Expenses	Functions	FY 2017	Flow	Billing & CS	Meters & Services	General
Finance G&A (Sewer)						
Billing & Collection Div Charge	Billing	$377,595	$0	$377,595	$0	$0
Call Center Srv Charge	Customer Service	$1,612,525	$0	$1,612,525	$0	$0
Other Finance G&A (Sewer)	G&A	$7,065,296	$0	$0	$0	$7,065,296
Sewer Collection	Collection	$1,389,173	$1,389,173	$0	$0	$0
Sewer Line/Main Breaks	Sewer Services	$1,572,200	$0	$0	$1,572,200	$0
Sewer Ops Admin	Sewer Services	$3,447,663	$0	$0	$3,447,663	$0
Sewer Pump Stations						
Power	Pumping	$102,146	$102,146	$0	$0	$0
Other Sewer Pump Stations	Pumping	$380,500	$380,500	$0	$0	$0
Less Capitalized Interest	Sewer Capital	-$50,000	-$49,059	-$20	$0	-$921
Total Sewer O&M Expenses		**$15,897,097**	**$1,822,760**	**$1,990,100**	**$5,019,863**	**$7,064,375**
			11.5%	**12.5%**	**31.6%**	**44.4%**

Table 7-4: Results of Sewer Capital Cost Allocation

Descriptions	Functions	Replacement Costs[30]	Flow	Billing & Customer Service	Meters & Services	G&A
Major Class D5 -- WATER DEPT DISTRIBUTION SYSTEMS	Collection	**$12,312**	$12,312			
Major Class B5 -- WATER DEPT BUILDING & FACILITIES	Collection	**$317,663,887**	$317,663,887			
Major Class E5 -- OFFICE EQUIPMENT, FURNITURE & FIXTURES	Customer Service	**$131,201**		$131,201		
Major Class M5 -- WATER DEPT MACHINERY, EQUIPMENT	Pumping	**$536,725**	$536,725			
Major Class V5 -- WATER DEPT GENERAL PLANT EQUIPMENT	G&A	**$5,974,313**				$5,974,313
Total		**$324,318,438**	**$318,212,924**	**$131,201**	**$0**	**$5,974,313**
Sewer Capital Cost Allocation %			**98.12%**	**0.04%**	**0.00%**	**1.84%**

of capital to be used for allocating capital related costs of the revenue requirements. Replacements costs, obtained by inflating original costs to current dollars using the Engineering News Record – Construction Cost Index (ENR CCI) of Los Angeles, consider changes in the value of money over time, and thus provide more consistent allocation of costs.

Net revenues from rates are allocated to cost causation categories and summarized in Table 7-5. Debt service, capital replacement projects, reserve funding are considered capital costs, and thus corresponding costs are allocated using the allocation factors shown in Table 7-4. The O&M expenses allocation is from Table 7-3. All other revenues are allocated to general and administrative categories.

7.1.3 - STEP 3 – COST ALLOCATIONS TO RATE COMPONENTS

Table 7-6 summarizes the $18.6M sewer revenue requirements for FY 2017 by cost causation categories and its allocation to different rate components of the sewer rates. Sewer rates consist of fixed and variable rate components to help achieve revenue stability. Sewer daily service charges should recover 100% of billing and customer service costs and meters and services costs along with a portion of the general & administrative costs. The remaining costs should be recovered in sewer volumetric rates.

[30] *Escalated from Original Costs as of September 30, 2015 to 2015 dollars using Engineering News Resources Construction Cost Indices (ENR CCI) of Los Angeles*

Table 7-5: Allocations of Revenue Requirements to Cost Causation Categories

	FY 2017 (Table 7-1)	Flow	Billing & Customer Service	Meters & Services	G&A
REVENUE REQUIREMENTS					
O&M Expenses (from Table 7-3)	$15,897,097	$1,822,760	$1,990,100	$5,019,863	$7,064,375
Debt Service[31]	$637,500	$625,499	$258	$0	$11,743
Capital Replacement Projects[32]	$3,794,000	$3,722,575	$1,535	$0	$69,890
Reserve Funding[33]	-$1,228,983	-$1,205,847	-$497	$0	-$22,639
SUBTOTAL REVENUE REQUIREMENTS	**$19,099,614**	**$4,964,987**	**$1,991,395**	**$5,019,863**	**$7,123,369**
Less Other Revenues					
Other Operating Revenues	$4,350	$0	$0	$0	$4,350
Non-Operating Revenues					
Interest	$40,722	$0	$0	$0	$40,722
Service Connection	$350,000	$0	$0	$0	$350,000
Other Reimbursement	$5,000	$0	$0	$0	$5,000
Other Non-Operating Revenues	$86,400	$0	$0	$0	$86,400
SUBTOTAL NON-OPERATING REVENUES	**$486,472**	**$0**	**$0**	**$0**	**$486,472**
NET REVENUE REQUIREMENTS FROM SEWER RATES	**$18,613,142**	**$4,964,987**	**$1,991,395**	**$5,019,863**	**$6,636,897**

Table 7-6: Cost Allocation to Sewer Rate Components

Cost Categories	FY 2017	Sewer Service Charges		Sewer Volumetric Rates	
		Billing & Customer Service	Sewer Services	Flow Based	G&A Services
Flow	$4,964,987			$4,964,987	
Billing & Customer Service	$1,991,395	$1,991,395			
Meters & Services	$5,019,863		$5,019,863		
General & Administrative (G&A) Costs	$6,636,897		$4,786,718		$1,850,179
Total Cost of Service	**$18,613,142**	**$1,991,395**	**$9,806,581**	**$4,964,987**	**$1,850,179**

[31] *Using Sewer Capital Allocation Factors in Table 7-4*

[32] *Using Sewer Capital Allocation Factors in Table 7-4*

[33] *Using Sewer Capital Allocation Factors in Table 7-4*

Table 7-7: Sewer Equivalent Meter Units (EMUs)

	FY 2017 # of Accounts	Daily Winter Average (CCF/day)	Winter Usage Ratios	Equiv Meter Units (EMUs)	# of Bills per Year
	A (Table 2-5)	*B*	*C = B / 0.3*	*D = A x C x 12*	*E = A x 12 bills*
5/8" x 3/4"	67,442	0.303	1.00	809,304	809,304
1"	10,735	0.502	1.66	213,377	128,820
1 1/2"	3,935	1.492	4.92	232,532	47,220
2"	2,127	2.651	8.75	223,328	25,524
3"	395	6.321	20.86	98,899	4,740
4"	148	9.194	30.35	53,898	1,776
6"	84	25.803	85.17	85,853	1,008
8"	48	27.360	90.31	52,019	576
10"	8	42.413	140.00	13,440	96
12"	4	53.521	176.67	8,480	48
16"	0	78.767	260.00	0	0
Total	**84,926**			**1,791,131**	**1,019,112**

7.2 - DEVELOPMENT OF PROPOSED SEWER RATES

7.2.1 - PROPOSED SEWER SERVICE CHARGES

There are two components that comprise the daily service charges: billing & customer service and meters & services. This charge recognizes the fact that even when a customer does not discharge any sewage, LBWD incurs fixed costs due to the maintenance of the sewer systems, the ability or readiness to serve each connection, and/or the billing services provided to each connection.

Table 7-7 summarizes the projected number of sewer accounts in FY 2017 and illustrates the calculations for equivalent units of service for each fixed service charge component. LBWD bills its customers on a monthly basis, thus 84,926 accounts are equivalent to 1,019,112 monthly bills. The billing and customer service component recovers costs associated with meter reading, customer billing and collection, and customer service costs. These costs are the same for all meter sizes as it costs the same to provide billing and customer services to a small meter as it does for a larger meter.

The services component collects sewer service capacity related costs. Capacity related costs can be allocated to and collected through the daily service charge by meter size. This reflects the fact that larger meters have the potential to demand more capacity compared to smaller meters. The potential capacity demanded is proportional to the potential flow through each meter size as established by the daily winter average as proxy to estimate indoor usage and return to sewage. The daily winter average is the average usage in winter (Dec 2014 to March 2015) for each meter size. The ratios depict the potential flow through each meter size compared to the flow through a ¾" meter, which is the base meter size for this Study (Table 7-7 column C). For example, the flow through a 2" meter is approximately 8.75 times that of a ¾" meter. Currently, there are very few accounts with meter size greater than 8". Thus, the daily winter average is extrapolated using AWWA ratios and ¾" daily winter average usage.

Table 7-8: Proposed Sewer Daily Unit Service Charge

		Billing & Customer Service	Sewer Services	Notes
		A	B	
1	Revenue Requirements	$1,991,395	$9,806,581	*Table* 7-6
2	Units of Service	1,019,112	1,791,131	*Table* 7-7
3		monthly bills / year	monthly EMUs / year	
4	Unit Cost of Service	$1.955	$5.476	*[1] / [2] rounded up to $0.001*
5	**Daily Unit Cost of Service**	**$0.0650**	**$0.1810**	***[4] x 12 bills / 365 days, rounded up to $0.001***

Table 7-8 illustrates the development of unit service charges (line 4 for monthly and line 5 for daily) for each charge component by dividing the revenue requirements (from Table 7-6) to the number of equivalent bills/meters per year (from Table 7-7).

The monthly fixed service charges for sewer services for FY 2017 are shown in Table 7-9 along with daily service charges and comparison with current daily service charges (columns E & F). The sewer services component for all larger meters with a meter ratio larger than 1 is scaled up using the Winter Usage Ratio shown in the "Winter Usage Ratio" column A of Table 7-9. For example, the 2" meter has a meter ratio of 8.75 and therefore has a sewer services component of $1.584 per month ($0.181 x 8.75, rounded up to the nearest $0.001). The proposed daily sewer service charge for 5/8"x3/4" meters is $0.246, a 12.5% decrease from current charge at $0.281.

7.2.2 - PROPOSED VOLUMETRIC SEWER RATES

Volumetric sewer rates include flow based and G&A services components. Table 7-10 illustrates the development of unit volumetric rate (line 4) for each rate component by dividing the revenue requirements (from Table 7-6) to the projected billed sewer flows (from Table 2-6).

The sewer volumetric rates for FY 2017 is $0.390/CCF of billed sewer flows (Table 7-11). It is the same as the current unit sewer volumetric rate. The average sewer volume for residential customers (single family, duplex and multi-family) are computed based on the average of actual potable water use during the winter billing periods (December to March). The winter billing periods used is determined by the meter reading schedule for the account. The actual winter usage is divided by the number of winter days to obtain an average volume. The average volume will be the cap volume of actual water use returning to sewer system on which the volumetric sewer rate is charged for the next twelve-month period beginning with May's billing periods. Each year, the average volume is recalculated for the following twelve-month period. For residential customers with no previous history of use during the winter billing periods, the average volume for the customer's meter size will be used. For sewer customers who do not receive water services from the LBWD, the volumetric sewer rate is based on the average volume for the customer's water service size.

VOLUMETRIC SEWER RATES INCLUDE FLOW BASED AND G&A SERVICES COMPONENTS.

Table 7-9: Proposed Sewer Daily Service Charges

	Winter Usage Ratios	Billing & Customer Services	Sewer Services	Proposed	Current	% Change
	A (Table 7-7, C)	B (Table 7-8, A5)	C A x (Table 7-8, B5)	D = B + C	E	F = D / E – 1
5/8" x 3/4"	1.00	$0.065	$0.181	**$0.246**	$0.281	-12.5%
1"	1.66	$0.065	$0.300	**$0.365**	$0.445	-18.0%
1 1/2"	4.92	$0.065	$0.892	**$0.957**	$0.811	18.0%
2"	8.75	$0.065	$1.584	**$1.649**	$1.177	40.1%
3"	20.86	$0.065	$3.777	**$3.842**	$2.435	57.8%
4"	30.35	$0.065	$5.493	**$5.558**	$3.856	44.1%
6"	85.17	$0.065	$15.417	**$15.482**	$7.104	117.9%
8"	90.31	$0.065	$16.347	**$16.412**	$11.159	47.1%
10"	140.00	$0.065	$25.340	**$25.405**	$18.255	39.2%
12"	176.67	$0.065	$31.977	**$32.042**	$22.315	43.6%
16"	260.00	$0.065	$47.060	**$47.125**	$36.514	29.1%

Table 7-10: Proposed Sewer Unit Volumetric Rate

		Flow Based	G&A Services	Notes
		A	B	
1	Revenue Requirements	$4,964,987	$1,850,179	*Table* 7-6
2	Units of Service	17,474,785	17,474,785	*Table 2-6*
3		CCF / Yr	CCF / Yr	
4	**Unit Cost of Service**	**$0.284 / CCF**	**$0.106 / CCF**	***[1] / [2] rounded to $0.001***

Table 7-11: Proposed Sewer Volumetric Rates

	Proposed FY 2017 Rates ($ / CCF)
Flow Based (1)	$0.284
G&A Services (2)	$0.106
Sewer Volumetric Rates (1) +(2)	**$0.390 / CCF**

CUSTOMER IMPACT ANALYSIS

Before implementing any rate structure recommendations, it is important to understand how the proposed rate structure would impact the LBWD's customers. Customer impact analysis is a powerful tool which can be used to assist elected officials in making informed decisions. RFC conducted a series of customer impact analyses for all of LBWD's water, RW and sewer customers. The results of the analyses are included and discussed in the subsequent subsections.

8.1 - WATER CUSTOMER IMPACT ANALYSIS

Table 8-1 illustrates the water customer impacts by customer class if the proposed FY 2017 water rates are adopted. The analysis utilizes the projected usage by tiers by customer class, the projected number of accounts by meter size by customer class and the current and proposed rates for FY 2017. As a whole customer class, residential customers will pay slightly less under the proposed rates, resulting in a reduction of 0.33%. Private fire-lines will see the most reduction under proposed rates. RW customers will pay slightly more than current rates, with an increase of 1.81%, whereas non-residential will see the most increase from the current rates, resulting in a 4.78% increase.

Figure 8-1 summarizes the customer impact for residential water customers, including single family, duplex and multi-family customers. RFC utilized the FY 2015 consumption database provided for the Study for residential customers to calculate the monthly water bills under the current rates and under the proposed rates to calculate the monthly bill impacts for each and every residential customer. The results are summarized by residential customer class. Under the proposed tier definitions, duplex and multi-family customers will have a larger Tier I allotment than the current tier structure. As a result, most duplex and multi-family

Table 8-1: Water Customer Impact Analysis

Customer Classes	Projected FY 2017 Revenues under Current Rates	Projected FY 2017 Revenues under Proposed Rates[34]	% Impact
Residential	$60.41M	$60.21M	-0.33%
Non-Residential	$24.82M	$26.01M	4.78%
Private Fireline	$1.86M	$1.61M	-13.73%
Recycled Water	$3.60M	$3.66M	1.81%
Total Water Revenues from Rates	**$90.70M**	**$91.49M**	

[34] *Proposed rates are rounded, thus projected revenues under proposed rates slightly deviate from actual revenue requirements. In addition, the water supply rates are based on potential water demand to hedge LBWD from selling expensive water at loss.*

Figure 8-1: Residential Water Customer Bill Impact Summary

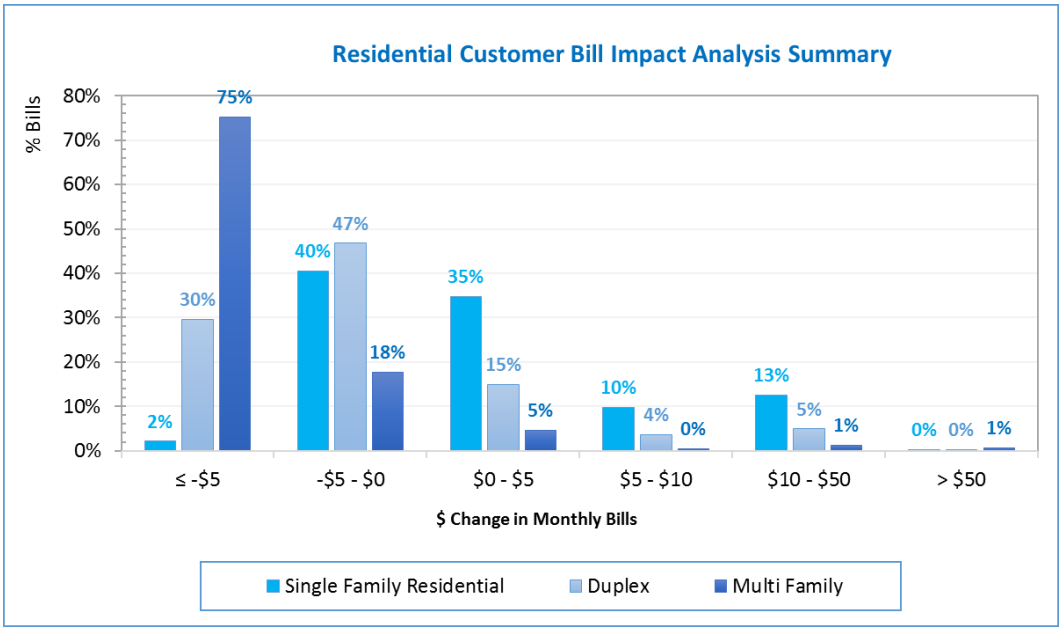
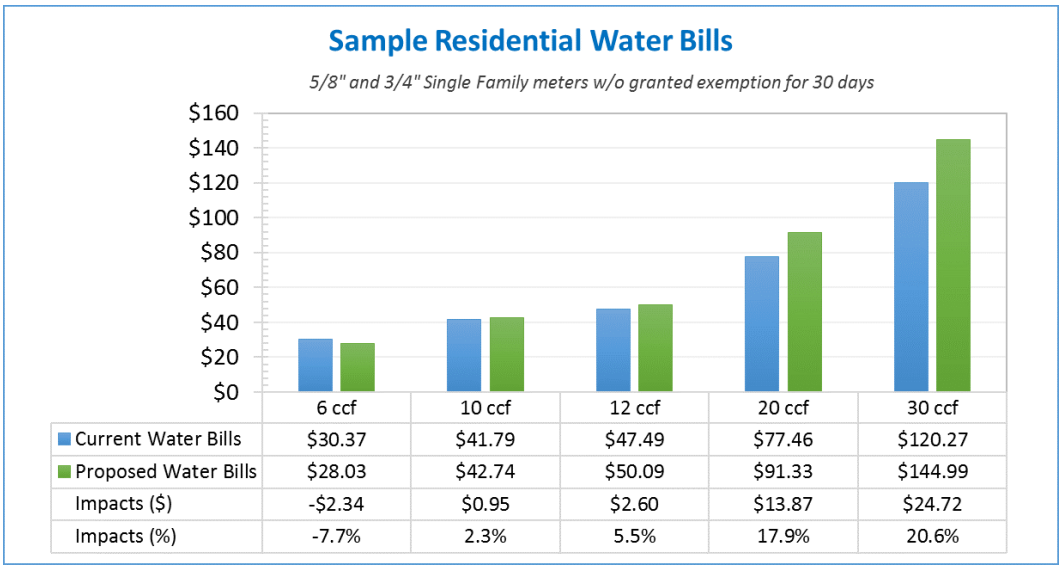


Figure 8-2: Sample Single Family Residential Water Bills



	6 ccf	10 ccf	12 ccf	20 ccf	30 ccf
Current Water Bills	$30.37	$41.79	$47.49	$77.46	$120.27
Proposed Water Bills	$28.03	$42.74	$50.09	$91.33	$144.99
Impacts ($)	-$2.34	$0.95	$2.60	$13.87	$24.72
Impacts (%)	-7.7%	2.3%	5.5%	17.9%	20.6%

customers will see a reduction in their bills. 30% of duplex customers and 75% of multi-family customers will see more than a $5 decrease in their monthly bills, and 47% of duplex customers and 18% of multi-family customers will see a small decrease (less than $5) in their monthly bills. 42% (2+40) of single family residential bills will see a reduction under the proposed rates, 35% will see minor increases of $5 or less and 13% will see moderate impacts of $10-50 increase in monthly bills. Very small numbers (less than 1%) of single family, duplex and multifamily bills will see a monthly bill increase larger than $50.

Figure 8-2 illustrates the customer impact for a typical single family residential water customer, with a 5/8”x3/4” meter, using different levels of water in a 30-day billing period. Customers using 6 CCF or less per month will see a reduction ($2.34 or 7.7%) from their current bill. Average customers using between 10-12 CCF will see a minor increase in their bills ($0.95 - $2.60), whereas large water users, using 20 CCF or more, will notice more significant increases in their monthly bills.

Figure 8-3: Non-Residential Water Customer Bill Impact Summary

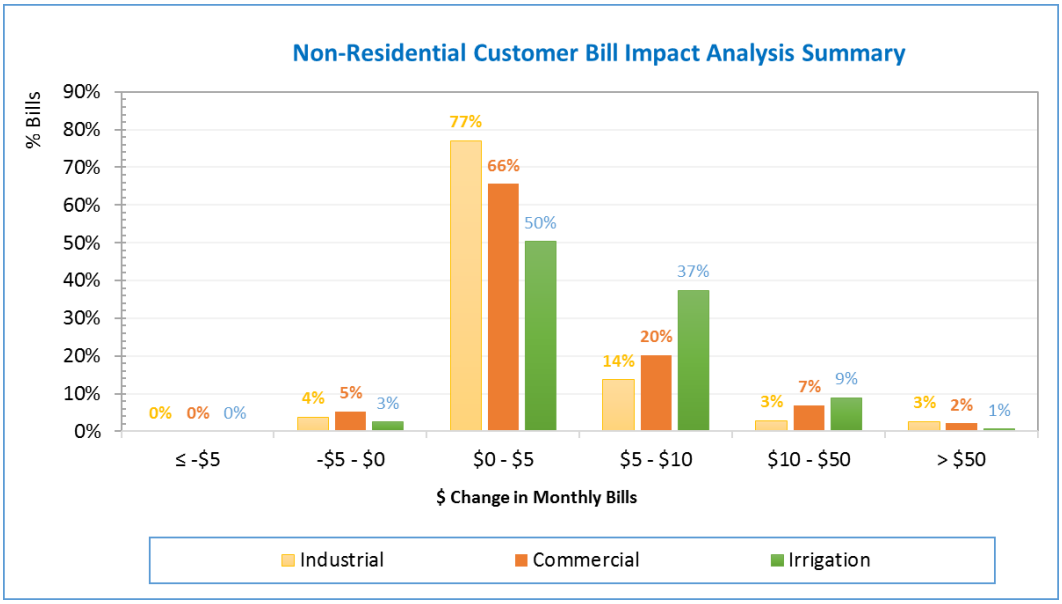
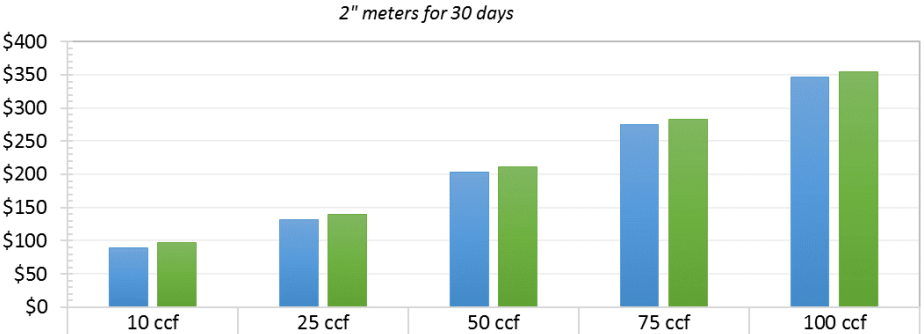


Figure 8-4: Sample Non-Residential Water Bills



	10 ccf	25 ccf	50 ccf	75 ccf	100 ccf
Current Bills	$89.65	$132.46	$203.81	$275.16	$346.51
Proposed Bills	$96.77	$139.64	$211.09	$282.54	$353.99
Impacts ($)	$7.12	$7.18	$7.28	$7.38	$7.48
Impacts (%)	8%	5%	4%	3%	2%

The proposed rates send stronger conservation signals to a targeted group of customers while maintaining affordability for essential use, which is reflected in usage of 10 CCF or less per month.

Similarly, Figure 8-3 and Figure 8-4 show the results of the customer impact analyses for non-residential customers, industrial, commercial and irrigation services. The majority of non-residential customers will see an increase of less than $10 per month and very small number of industrial (3%), commercial (2%) and irrigation (1%) customers will see increases of more than $50.

Sample bills for non-residential water customers with 2" meters at various level of water usage are calculated in Figure 8-4. The main driver for the non-residential bill impacts is the increase of daily water service charges.

Figure 8-5 shows the RW customer bill impact summary. Similar to the potable water customer impact analyses shown above, RFC utilized the provided RW monthly consumption database to calculate the monthly bill impact for

Figure 8-5: Recycled Water Customer Bill Impact Summary

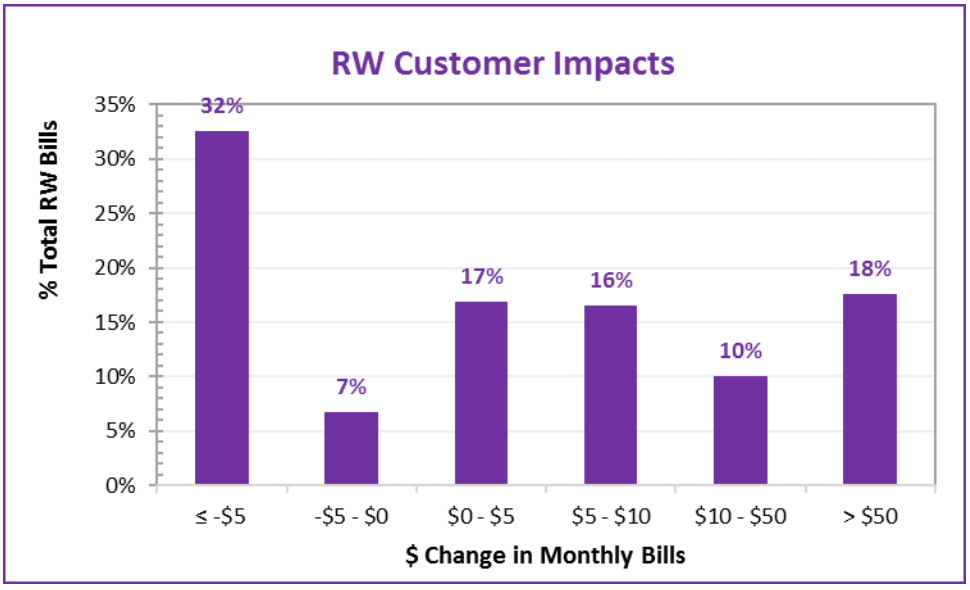


Table 8-2: Sewer Customer Impact Analysis

Customer Classes	Projected FY 2017 Revenues under Current Rates	Projected FY 2017 Revenues under Proposed Rates[35]	% Impact
Residential	$15.55M	$15.38M	-1.04%
Non-Residential	$3.07M	$3.31M	7.86%
Total Sewer Revenues from Rates	**$18.62M**	**$18.69M**	**0.43%**

every RW bill in FY 2015. Under the proposed rates, 39% (32+7) of RW bills will see a reduction. Another 33% (17+16) of RW bills will see moderate increases (less than $10) and approximately 18% of RW bills will see increases of more than 50%.

8.2 - SEWER CUSTOMER IMPACT ANALYSIS

Similar to water customer impact analyses, Table 8-2 and Figure 8-6 summarize the customer impact analyses for sewer services under the proposed rates. Residential customers will pay slightly less under the proposed rates (reduction of 1.04%), whereas non-residential customers will see larger increases. The majority (13.9%+81.1%) of residential bills will see a reduction in the bills, and approximately 5% (3.6%+1.1%+0.2%+0.1%) of residential bills will see some increases, as shown in Figure 8-6. More non-residential bills will see monthly bill increases (12.2% + 17.7% + 5.9% + 1.5%).

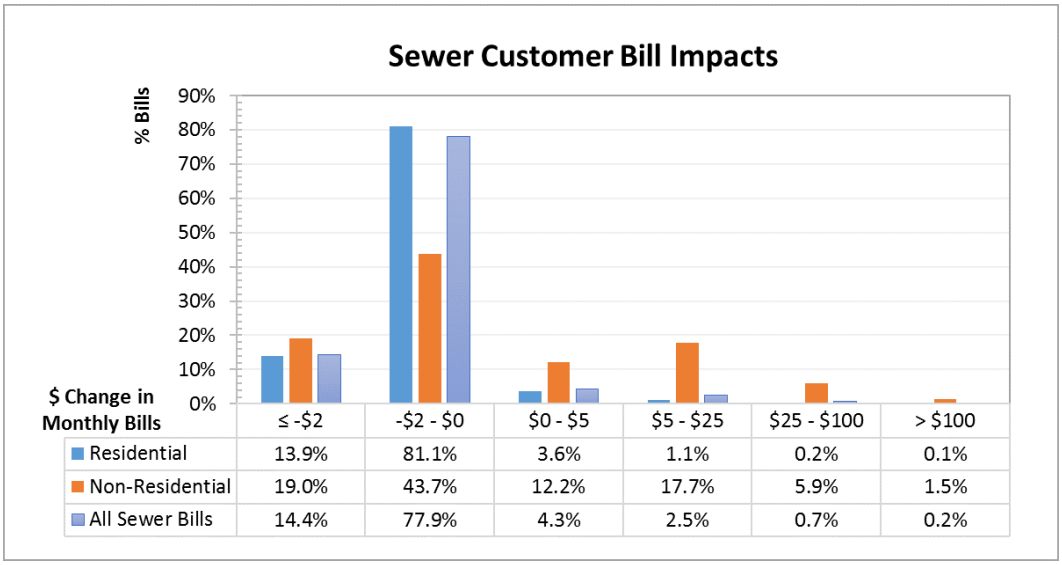
Figure 8-7 shows the bill impacts of a single family residential sewer customer with 5/8"x3/4" meters with different average volume (or billed sewer flows based on winter average volume as discussed in Section 7.2.2). The reduction of $1.05 is entirely due to the reduction of daily sewer service charges.

8.3 - COMBINED WATER & SEWER CUSTOMER IMPACT ANALYSIS

Table 8-3 summarizes the projected customer impacts for combined water and sewer services under the proposed rates for FY 2017. Projected revenues under proposed rates ($75.60M) from residential bills will be slightly less than under current rates ($75.96M).

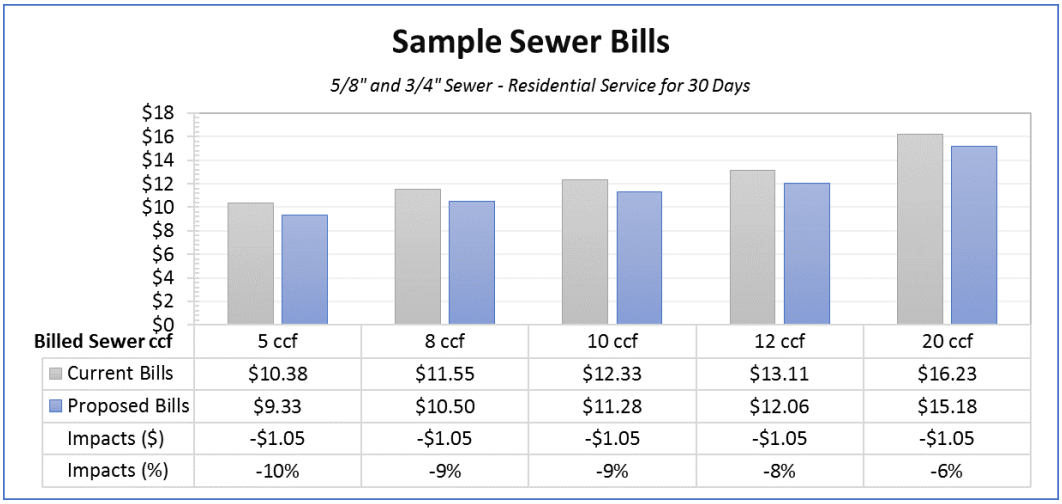
[35] *Calculated rates are rounded, thus projected revenues are not 100% matched with revenue requirements, or revenues from current rates although there is no proposed revenue adjustment.*

Figure 8-6: Sewer Customer Bill Impact Summary



$ Change in Monthly Bills	≤ -$2	-$2 - $0	$0 - $5	$5 - $25	$25 - $100	> $100
Residential	13.9%	81.1%	3.6%	1.1%	0.2%	0.1%
Non-Residential	19.0%	43.7%	12.2%	17.7%	5.9%	1.5%
All Sewer Bills	14.4%	77.9%	4.3%	2.5%	0.7%	0.2%

Figure 8-7: Sample Single Family Residential Sewer Bills

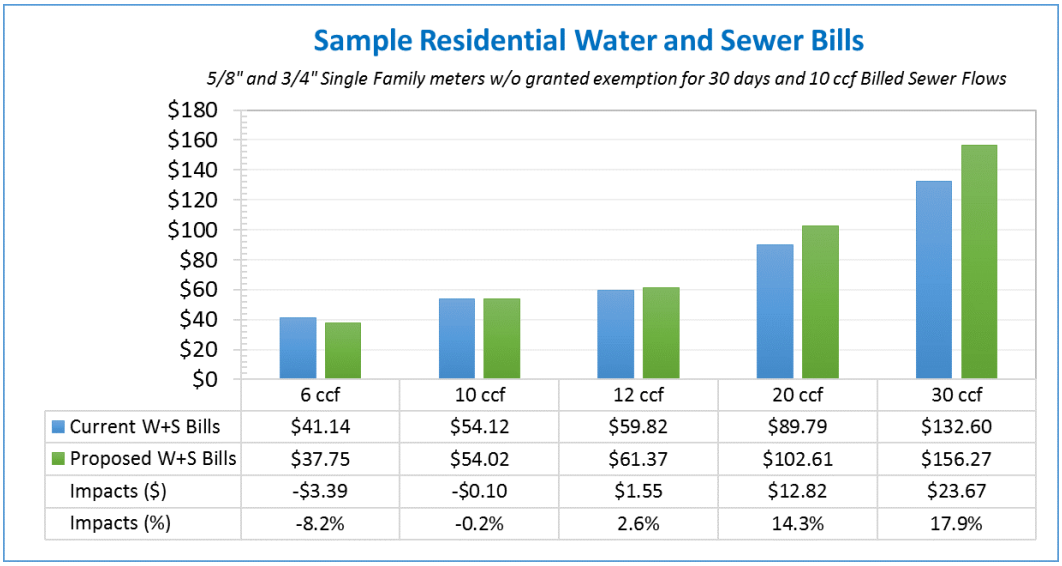


Billed Sewer ccf	5 ccf	8 ccf	10 ccf	12 ccf	20 ccf
Current Bills	$10.38	$11.55	$12.33	$13.11	$16.23
Proposed Bills	$9.33	$10.50	$11.28	$12.06	$15.18
Impacts ($)	-$1.05	-$1.05	-$1.05	-$1.05	-$1.05
Impacts (%)	-10%	-9%	-9%	-8%	-6%

Table 8-3: Combined Water & Sewer Customer Impact Analysis

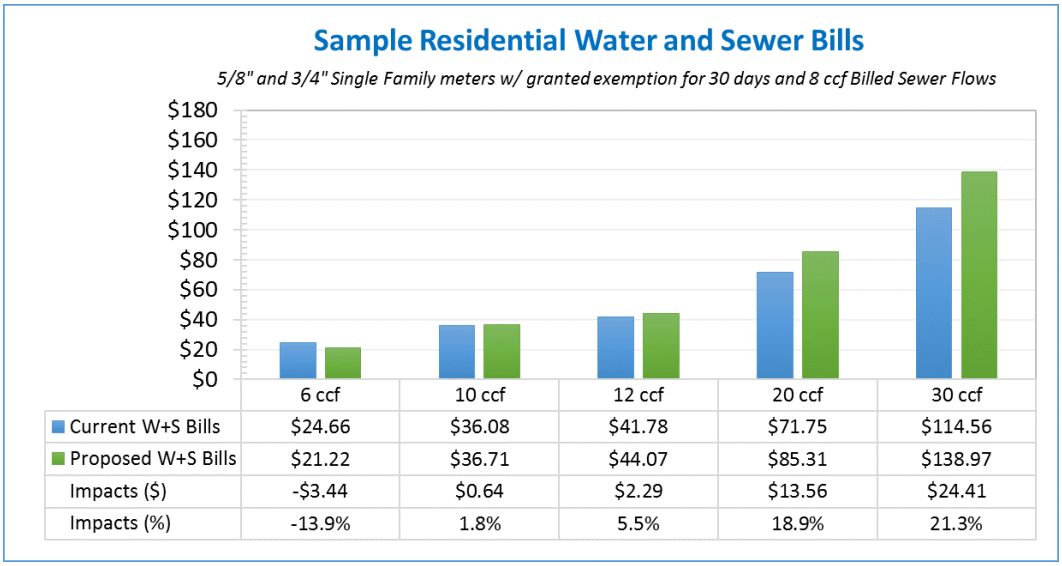
Customer Classes	Projected FY 2017 Revenues under Current Rates	Projected FY 2017 Revenues under Proposed Rates	% Impact
Residential	$75.96M	$75.60M	-0.47%
Non-Residential	$27.89M	$29.32M	5.12%
Private Fire	$1.86M	$1.61M	-13.73%
RW	$3.60M	$3.66M	1.81%
Total Water & Sewer Revenues from Rates	**$109.31M**	**$110.19M**	**0.80%**

Figure 8-8: Sample Residential Combined Water and Sewer Bills



	6 ccf	10 ccf	12 ccf	20 ccf	30 ccf
Current W+S Bills	$41.14	$54.12	$59.82	$89.79	$132.60
Proposed W+S Bills	$37.75	$54.02	$61.37	$102.61	$156.27
Impacts ($)	-$3.39	-$0.10	$1.55	$12.82	$23.67
Impacts (%)	-8.2%	-0.2%	2.6%	14.3%	17.9%

Figure 8-9: Sample Exempted Residential Combined Water & Sewer Bills



	6 ccf	10 ccf	12 ccf	20 ccf	30 ccf
Current W+S Bills	$24.66	$36.08	$41.78	$71.75	$114.56
Proposed W+S Bills	$21.22	$36.71	$44.07	$85.31	$138.97
Impacts ($)	-$3.44	$0.64	$2.29	$13.56	$24.41
Impacts (%)	-13.9%	1.8%	5.5%	18.9%	21.3%

Figure 8-8 illustrates the combined customer impact for a typical single family residential customer, with 5/8"x3/4" meter, using different levels of water in a 30-day billing period and maximum of 10 CCF of billed sewer volume. Customers using 6 CCF or less per month will see a reduction ($3.39 or 8.2%) from their current bill. Average customers using 10 CCF will see almost no change in their monthly bill (-$0.10), whereas large water users, using 20 CCF or more, will notice more significant increases in their monthly bills. The proposed rates send a stronger conservation signal to a targeted group of customers while maintaining affordability for essential usage of 10 CCF or less per month.

Figure 8-9 analyzes the impact of the recommended changes to the exemption program (discussed in Section 5). 5/8"x3/4" single family meters with granted exemptions for 30 days with maximum 8 CCF of billed sewer volume using 6 CCF (Tier I) to 10 CCF (average FY 2015 monthly usage) of water will see reductions or very minimal changes in their monthly bills. The same customers using more than 20 CCF will see more impacts. The results confirm that the proposed rates address the following pricing objectives: promoting conservation and providing affordability for essential use.

APPENDICES

9.1 - APPENDIX 1 – PRICING OBJECTIVES DESCRIPTIONS

Policy Objective 1 – Administration

Policy Statement: The LBWD recognizes the advantages of providing a rate structure that is easily understood by the LBWD's customers and can easily be implemented and administered by staff with the current billing software, in order to maintain costs at current levels.

Discussion: This principle highlights the importance of keeping rate structures and the process of administering them as simple as practicable. Customer education and clarity of customer bills should be considered as part of this principle.

Advantages of the Policy Objective: Creating rates that are easy for customers to understand will minimize rate-related customer service issues. If customers understand the basis of their bills, they will have a greater ability to comprehend their billing, how usage will affect their bill, and conclude that it is fair.

Disadvantage of the Policy Objective: Simplifying the rate structure does not always provide a maximum degree of fairness and equity. However, from the customer perspective, rates that are simple to understand may be more important than creating a complicated rate structure that achieves a higher degree of equity.

Supporting Pricing Objectives:

Customer Understanding - The ability for the rate structure to be explained in a manner that can be understood by customers and other stakeholders can have important impacts on the ability to build acceptance of rate adjustments.

Easy to Implement - Implementing a new rate structure merits careful consideration, as rate structure implementation may require upfront (one-time) costs for data gathering or billing system changes.

Easy to Administer - An easy-to-administer rate structure decreases the ongoing costs of administering the structure, made up predominantly of additional staffing costs.

Policy Objective 2 – Equity

Policy Statement: In compliance with the State Constitution (Article XIII D, commonly referred to as Proposition 218) and governing State Law, rates should be cost-based, fairly apportioned among customers, and account for the substantive provisions of law through a sound, technically defensible methodology.

Discussion: This principle highlights the importance to the LBWD of customers' perceptions of fairness and equity, while also recognizing that equity is determined on the basis of water customer classes, rather than each individual customer. Rates should generally be perceived by the LBWD's customers as fair, reasonable, and equitable for all customers.

Advantages of the Policy Objective: An advantage of this principle is that it reinforces the LBWD's priority of treating all customers fairly. It also underscores the importance of "LBWD-wide" fairness and equity as opposed to appeasing one customer class or stakeholder group. Also, it acknowledges the practical reality that rates cannot be custom tailored to each individual customer.

Disadvantages of the Policy Objective: This principle ultimately does not clearly define the terms "fair and equitable" and will still require the LBWD to apply its discretion and judgment.

Supporting Pricing Objectives:

Equitable in Allocating CIP Costs – This objective states that a rate structure achieves equity by allocating the cost of capital (infrastructure) to each customer class based on each class' consumption patterns and peaking characteristics.

Fair to the Public – This objective recognizes the relevance of the public's perception of how equitable a rate structure is and that managing that perception sometimes calls for informing/educating the public and other stakeholders.

Align Supply and Demand (Equity in Allocating Water Resource Costs) – This objective states that a rate structure achieves equity by reflecting the makeup of the demands on the LBWD's water supply in terms of allocating costs of service to each customer class and the price each customer pays for it.

Policy Objective 3 – Appropriate Funding Mechanisms

Policy Statement: The LBWD recognizes the advantages of increased revenue sufficiency and stability as enabled by incorporating additional funding mechanisms or cost components into the rate structure.

Discussion: This principle highlights the importance of the utility ensuring adequate revenue generation for achieving a self-sustaining utility. Revenues must be adequate to satisfy salaries, operations and maintenance, as well as, new and existing capital needs. Revenue generation should also be predictable to maintain favorable credit ratings (borrowing terms for future capital funding).

Advantages of the Policy Objective: The good financial practice of ensuring revenue sufficiency and stability begets additional gains in financial health and better credit ratings which result in lower interest expense associated with borrowing to cover capital infrastructure costs.

Disadvantages of the Policy Objective: While pursuing a rate structure that promotes revenue stability and allows special-project funding is advantageous, setting rates too high may impose too great of a financial burden on users and may encourage the utility to be less fiscally responsible with operating and capital programs. In addition, the public may perceive the need as unnecessary.

Supporting Pricing Objectives:

Enhance Revenue Stability – The ability of the rate structure to generate stable and predictable revenues from year to year can be an important consideration, particularly with regard to maintaining a good credit rating for borrowing money to address infrastructure needs when needed or desired. It should be recognized that certain types of rate structures are more effective at maintaining revenue stability than others.

Provide Funding Mechanism for Recycling / Conservation Programs – The rate structure should provide a funding mechanism to the recycling / conservation programs of the LBWD, and in so doing, also determine the allocation of the programs' costs among customers and their associated rates.

Ensure Revenue Sufficiency – The ability of the rate structure to generate sufficient revenues from year to year can be an important consideration, particularly with regard to maintaining a good credit rating for borrowing money to address infrastructure needs when needed or desired. It should be recognized that certain types of rate structures are more effective at achieving and maintaining revenue sufficiency than others under different situation.

Policy Objective 4 – Rate Stability & Affordability

Policy Statement: The LBWD recognizes the importance of establishing rates that generate adequate revenues from year-to-year, regardless of weather or consumption characteristics. Large and unexpected year-to-year rate increases impose financial hardships on customers and may call into question the LBWD's revenue management, fiscal responsibility, and rate equity.

Discussion: Rates are best when predictable over time, which requires a balance between generating sufficient revenue for utility operations, funding capital improvements, and maintaining customer support for required rate adjustments.

Advantages of the Policy Objective: The principle attempts to stabilize the cash flow of the LBWD and improve customer support to rate adjustments through proper revenue management of the LBWD.

Disadvantages of the Policy Objective: It is difficult to define "stable", as this term has different meanings for different people. Certain customers may construe stable to mean no increases from year-to-year.

Supporting Pricing Objectives:

Rate Stability - This objective aims to minimize rate increases. Careful capital and financial planning may help ensure rate stability and avoid erratic changes in rates and charges from one year to the next. Also, a steady or consistent program of smaller annual rate adjustments is generally recognized as preferable when compared to significantly larger increases every three or four years. Note: This objective is not to be confused with Revenue Stability, detailed under Policy Objective 3.

Mitigate Customer Impact - Any new rate structure may result in different impacts to different customers. This objective recognizes these impacts and aim to minimize them.

Affordability for Essential Use - This objective addresses the importance of maintaining the price of water for essential use - i.e., that which is used for health and safety - at the lowest cost possible while considering the needs of the utility, industry practice, and regulatory conditions.

Policy Objective 5: Promotes Efficiency / Conservation

Policy Statement: The value of water as a limited resource should be reflected in the rates, and the LBWD's rate structure should discourage wasteful use and encourage efficient use of water resources.

Discussion: This principle is intended to recognize the limited resources of the LBWD and the State, as well as the environmental impact of generating new water resources. The LBWD's rates should encourage the efficient use of water. This principle is intended to encourage efficient use of limited resources by pricing water, as a commodity, roughly equal to its true cost.

Advantages of the Policy Objective: This principle recognizes the multiple uses of our natural resources and makes a positive statement to all customers and outside parties that the LBWD encourages the efficient use of its limited resources.

Disadvantages of the Policy Objective: Some customers may believe this principle necessarily implies adoption of aggressive conservation-based rates such as multi-tiered rates.

Supporting Pricing Objectives:

Promotes Conservation - The objective of water conservation is to reduce water usage and achieve savings over the year.

Tool for Drought Management Action Plan - This objective encourages the LBWD to remain committed to a drought management plan that allows a mechanism to allocate both water and drought penalty rates during drought conditions.

Promotes Efficiency - The objective of water efficiency includes development of benchmark standards associated with the appropriate amount of water usage for indoor and outdoor needs based on local characteristics of the LBWD. Standards are set on an individual customer basis and on indoor and outdoor use parameters.

Rewards Past Conservation Effort - This objective recognizes and rewards customers for past conservation effort, such as converting to xeriscape and artificial turf.

Based on Individual Needs - This objective would strive to have tier allocations based on individual household characteristics

9.2 - APPENDIX 2 – PRICING OBJECTIVES RANKING SUMMARY

Pricing Objectives	Rank #1	Rank #2	Rank #3	Total Score
Policy Objective: Administration				
Customer Understanding	Most Important (4)	Very Important (3)	Very Important (3)	**10**
Easy to Implement	Important (2)	Important (2)	Important (2)	**6**
Easy to Administer	Very Important (3)	Most Important (4)	Most Important (4)	**11**
Policy Objective: Equity				
Equitable in Allocating CIP Cost	Important (2)	Important (2)	Important (2)	**6**
Fair to the Public	Most Important (4)	Most Important (4)	Most Important (4)	**12**
Align Supply & Demand	Least Important (1)	Very Important (3)	Important (2)	**6**
Policy Objective: Appropriate Funding Mechanisms				
Enhance Revenue Stability	Important (2)	Very Important (3)	Very Important (3)	**8**
Provide Funding Mechanism for Recycling/ Conservation Program	Very Important (3)	Important (2)	Important (2)	**7**
Revenue Sufficiency	Most Important (4)	Most Important (4)	Most Important (4)	**12**
Policy Objective: Rate Stability & Affordability				
Rate Stability	Very Important (3)	Most Important (4)	Most Important (4)	**11**
Mitigate Customer Impact	Very Important (3)	Important (2)	Very Important (3)	**8**
Affordability for Essential Use	Most Important (4)	Very Important (3)	Very Important (3)	**10**
Policy Objective: Promotes Efficiency / Conservation				
Promotes Conservation	Most Important (4)	Most Important (4)	Most Important (4)	**12**
Tool for Drought Management Action Plan	Least Important (1)	Very Important (3)	Important (2)	**6**
Promotes Efficiency	Very Important (3)	Important (2)	Important (2)	**7**
Rewards Past Conservation Effort	Important (2)	Important (2)	Important (2)	**6**
Economic Development	Least Important (1)	Important (2)	Least Important (1)	**4**
Based on Individual Needs	Least Important (1)	Least Important (1)	Least Important (1)	**3**

Pricing Objectives	Total Score	Rank
Fair to the Public	12	1
Revenue Sufficiency	12	1
Promotes Conservation	12	1
Easy to Administer	11	4
Rate Stability	11	4
Customer Understanding	10	6
Affordability for Essential Use	10	6
Enhance Revenue Stability	8	8
Mitigate Customer Impact	8	8
Provide Funding Mechanism for Recycling/ Conservation Program	7	10
Promotes Efficiency	7	10
Easy to Implement	6	12
Equitable in Allocating CIP Cost	6	12
Align Supply & Demand	6	12
Tool for Drought Management Action Plan	6	12
Rewards Past Conservation Effort	6	12
Economic Development	4	17
Based on Individual Needs	3	18

9.3 - APPENDIX 3 – WATER SUPPLY COST INFORMATION

	FY 2017	Weighted Average FY 2017 Unit Cost
Projected Potable Water Sales	51,005 AF	
Water Loss	3.40%	
Available Annual Domestic Supply (in AF)		
Groundwater (WRD)	32,692 AF	$294 /AF
Lakewood Interconnect	900 AF	$573 /AF
MWD Tier 1	51,804 AF	$970 /AF

Groundwater Assessment	FY 2017	Notes
Groundwater (WRD) Pumped Quantity (%)	32,692 AF	
Oct - Jun	70%	*Estimated by LBWD Staff*
Jul - Sep	30%	*Estimated by LBWD Staff*
Groundwater Assessment ($/AF)		
Oct - Jun	$293 /AF	*Provided by LBWD Staff*
Jul - Sep	$297 /AF	*Provided by LBWD Staff*
Groundwater Assessment FY 2017 ($/AF)	**$294 /AF**	***70% x $293 + 30% x $297***

MWD Variable Rates	FY 2017	Notes
MWD Purchased Before Jan 1 (%)	24%	*Estimated by LBWD Staff*
MWD Purchased After Jan 1	76%	
MWD Tier 1		
Oct - Dec	$942 /AF	*Published by MWD – Treated Full Service Tier 1 effective Jan 2016*
Jan - Sep	$979 /AF	*Published by MWD – Treated Full Service Tier 1 effective Jan 2017*
MWD Tier 2		
Oct - Dec	$1,076 /AF	*Published by MWD – Treated Full Service Tier 2 effective Jan 2016*
Jan - Sep	$1,073 /AF	*Published by MWD – Treated Full Service Tier 2 effective Jan 2017*
MWD Tier 1 FY 2017 Unit Cost	**$970 /AF**	*24% x $942 + 76% x $979*
MWD Tier 2 FY 2017 Unit Cost	**$1,074 /AF**	*24% x $1,076 + 76% x $1,073*

9.4 - APPENDIX 4 – FIRE FLOW REQUIREMENTS

American Insurance Association (AIA)
Fire Protection Capacity Calculation Based on Populations

Q=1020*SQRT(P)*(1-0.01*SQRT(P))
T=Q/1000

Q=fire protection rate (gpm)
P=populatoin (1,000's)
T=duration (hours), rounded to nearest hour

For a population of 500,000

Q=	17,708	gpm
T=	18	hours
NFF=	18,814,169	gallons

9.5 - APPENDIX 5 – WATER FINANCIAL PLAN PROFORMA

Water Financial Plan Proforma shown below is prepared in the "2016 Long Beach Rate Model Final.xlsm" concluded in Oct 24, 2016 using the information provided by LBWD Staff including:

1. Budget for Fiscal Year 2017 for Revenues and Expenses for Water Fund
2. Water Capital Replacement Projects Expenditures for FY 2016 and FY 2017 as part of the 10-year CIP project cost estimates
3. Current Debt Service Schedule payable by Water Fund including Series 1997 Bonds, Series 2010 Bonds and Series 2012 Bonds
4. Reserve Policy Approved on August 18, 2016 (Board Policy 2016-34)
5. Beginning Water Reserve Balances as of Oct 1, 2015 (FY 2016) and Oct 1, 2016 (FY 2017)

		FY 2016	FY 2017
	New Rates Effective Date	Oct	Oct
	Projected Potable Water Production (w/ loss)	52,739 AF	52,739 AF
	Projected RW Sales	4,486 AF	4,486 AF
REVENUES			
	OPERATING REVENUES		
	Revenues from Current Rates	$87,199,472	$90,696,459
	Potable	***$83,738,823***	***$87,097,174***
	Daily Service Charge	$22,761,353	$23,675,375
	Quantitative Charge	$60,977,470	$63,421,799
	RW	***$3,460,649***	***$3,599,285***
	Daily Service Charge	$239,670	$249,250
	Quantitative Charge	$3,220,980	$3,350,035
	Revenue Adjustments	$0	$0
	Revenues from Rates	***$87,199,472***	***$90,696,459***
	Other Revenues		
	Other Operating Revenues	$245,905	$1,094,927
	Non-Operating Revenues		
	Interest	$122,000	$75,705
	Rental	$1,085,993	$1,024,900
	Service Connection	$225,000	$305,000
	Grants	$0	$750,000
	Other Reimbursement	$5,839,150	$4,224,488
	Other Non-Operating Revenues	$53,740	$53,740
	Subtotal Other Revenues	***$7,571,788***	***$7,528,760***
TOTAL REVENUES		**$94,771,260**	**$98,225,219**
O&M EXPENSES			
	Potable - Operating	**$83,418,682**	**$81,896,318**
	Salary Savings	-$1,000,000	-$1,800,000
	Power - Treatment	$1,866,849	$1,918,074
	Power - Pumping	$1,840,066	$1,809,114
	Water Purchases - Customer Demand	$21,475,338	$21,739,401
	Water Purchases - Seawater Barrier	$2,003,497	$821,829
	Water Pump Tax	$9,349,912	$9,617,986
	Chemical	$1,879,407	$1,511,640
	Other O&M Expenses	$46,003,613	$46,278,274
	Reclaimed - Operating	**$3,174,711**	**$3,575,118**
	Power	$2,086,121	$2,014,511
	Chemical	$512,636	$435,117
	Other Treatment Reclaimed Dist	$427,509	$1,012,898
	Other Reclaimed O&M Expenses	$916,446	$912,592
	Less Capitalized Interest	-$768,000	-$800,000
TOTAL O&M EXPENSES		**$86,593,393**	**$85,471,436**
NET REVENUES		**$8,177,867**	**$12,753,783**
DEBT SERVICE		**$3,894,325**	**$3,894,775**
	Current Debt Service	$3,894,325	$3,894,775
	Series 1997 Bonds	*$0*	*$0*
	Series 2010 Bonds	*$2,990,125*	*$2,992,525*
	Series 2012 Bonds	*$904,200*	*$902,250*
CAPITAL REPLACEMENT PROJECTS		**$13,447,000**	**$12,588,000**
NET CASH CHANGES		**-$9,163,458**	**-$3,728,992**
BEGINNING WATER FUND BALANCES		**$24,573,060**	**$17,043,347**
ENDING WATER FUND BALANCES		**$15,409,602**	**$13,314,355**
TARGET WATER FUND BALANCES		**$34,858,271**	**$34,839,994**
	Operations 25.0% of O&M	$21,648,348	$21,367,859
	Rate Stabiliza 5.0% of Vol. Rev	$3,209,922	$3,472,135
	Emergency 0.0% % Asset Values by OCLD	$0	$0
	Capital 100.0% 3-yr Index CIP	$10,000,000	$10,000,000

9.6 - APPENDIX 6 – SEWER FINANCIAL PLAN PROFORMA

Sewer Financial Plan Proforma shown below is prepared in the "2016 Long Beach Rate Model Final.xlsm" concluded in Oct 24, 2016 using the information provided by LBWD Staff including:

1. Budget for Fiscal Year 2017 for Revenues and Expenses for Sewer Funds
2. Capital Replacement Projects Expenditures for FY 2016 and FY 2017
3. Estimated Debt Schedule to be issued in FY 2017 to refinance $11M Line of Credit (LOC) used for capital expenditures incurred
4. Reserve Policy Approved on August 18, 2016 (Board Policy 2016-34)
5. Beginning Sewer Reserve Balances as of Oct 1, 2015 (FY 2016) and Oct 1, 2016 (FY 2017)

		FY 2016	FY 2017
	New Rates Effective Date	Oct	Oct
	Projected Sewer Volumetric Sales	40,117 AF	40,117 AF
REVENUES			
	OPERATING REVENUES		
	Revenues from Current Rates	$17,893,433	$18,613,142
	Daily Sewer Rate	$11,340,389	$11,797,976
	Volumetric Sewer Rate	$6,553,044	$6,815,166
	Revenue Adjustments	$0	$0
	Revenues from Rates	***$17,893,433***	***$18,613,142***
	Other Revenues		
	Other Operating Revenues	$4,350	$4,350
	Non-Operating Revenues		
	Interest	$15,000	$40,722
	Service Connection	$350,000	$350,000
	Other Reimbursement	$5,000	$5,000
	Other Non-Operating Revenues	$86,400	$86,400
	Subtotal Other Revenues	***$460,750***	***$486,472***
TOTAL REVENUES		**$18,354,183**	**$19,099,614**
O&M EXPENSES			
	Finance G&A (Sewer) w/o Debt Service	$9,057,038	$9,055,416
	Sewer Collection	$1,024,268	$1,389,173
	Sewer Line/Main Breaks	$1,679,400	$1,572,200
	Sewer Ops Admin	$3,302,716	$3,447,663
	Sewer Pump Stations		
	Power	$102,146	$102,146
	Other Sewer Pump Stations	$260,500	$380,500
	Less Capitalized Interest	-$49,000	-$50,000
TOTAL O&M EXPENSES		**$15,377,068**	**$15,897,097**
NET REVENUES		**$2,977,115**	**$3,202,517**
DEBT SERVICE		**$127,847**	**$637,500**
	Sewer LOC Interest Expenses	$127,847	$0
	Current Debt Service	$0	$637,500
	Proposed Debt Service	$0	$0
NEW DEBT / SRF LOAN			
	Debt Issues	$0	$11,765,353
	Issuance Costs	$0	$0
	Debt Service Reserve	$0	$765,353
	Debt Proceeds to Pay Off LOC Principal	$0	$11,000,000
	Debt Proceeds to Sewer Fund	$0	$0
	Line of Credit Borrow	$0	$0
	LOC Principal Balance	$11,000,000	$0
	LOC Principal Payment	$0	$11,000,000
CAPITAL REPLACEMENT PROJECTS		$3,774,000	$3,794,000
NET CASH CHANGES		**-$924,732**	**-$463,630**
BEGINNING SEWER FUND BALANCES		**$10,059,572**	**$8,779,222**
ENDING SEWER FUND BALANCES		**$9,134,840**	**$8,315,592**
TARGET SEWER FUND BALANCES		**$9,171,919**	**$9,328,663**
Operations	25% of O&M	$3,844,267	$3,974,274
Rate Stabilization	5% of Vol. Rev	$327,652	$354,389
Emergency	0% % Asset Values by OCLD	$0	$0
Capital	100% 3-yr Index CIP	$5,000,000	$5,000,000

9.7 - APPENDIX 7 – ALLOCATIONS OF WATER O&M EXPENSES (DETAILS)

FY 2017 O&M expenses for Potable – Operating and RW – Operating are assigned into functions. Below are excerpts from the "2016 Long Beach Rate Model Final.xlsm" concluded in Oct 24, 2016.

O&M Expenses, excluding Debt Service	Functions	FY 2017
POTABLE - OPERATING		
Bottling Plant	Gen & Admin	$118,868
Business Accounting		
Debt Service		
Business Accounting w/o Debt Service	Billing	$995,298
Business Admin	Gen & Admin	$983,177
Commission	Gen & Admin	$95,609
Communication	Customer Service	$517,268
Conservation	Conservation	$2,807,270
Development	Gen & Admin	$282,201
Emergency Breaks	Distribution (D)	$794,443
Emergency Prep	Gen & Admin	$1,019,828
Eng - Admin	Production Plant	$622,302
Facilities Mgmt	Production Plant	$1,528,438
Finance G&A (Water)		
Salary Savings	Gen & Admin	-$1,800,000
Debt Service		
Billing & Collection Div Charge - Interfund	Billing	$394,864
Call Center Srv Charge - Interfund	Customer Service	$1,936,033
Other Finance G&A (Water)	Gen & Admin	$6,031,583
Fleet Services	Production Plant	$1,613,627
GIS	Distribution (D)	$756,304
Main Construction	Transmission (T)	$8,692,558
Meter/Backflow	Meter Services	$2,095,742
MIS	Gen & Admin	$1,381,398
Public Affairs	Gen & Admin	$2,590,709
Safety	Gen & Admin	$297,883
Sewer Collections	Gen & Admin	$0
Support Admin	Gen & Admin	$27,386
Telemetry	Treatment	$708,172
Treatment Ops		
Power - Treatment	Potable Supply	$1,918,074
Power - Pumping	Potable Supply	$1,809,114
Water Purchases - Customer Demand	Potable Supply	$21,739,401
Water Purchases - Seawater Barrier	Gen & Admin	$821,829
Water Pump Tax	Potable Supply	$9,617,986
Chemical	Potable Supply	$1,511,640
Other Treatment Ops	Treatment	$5,649,598
Valve Ops	Distribution (D)	$228,700
Warehouse	Production Plant	$531,699
Water Ops Admin	Production Plant	$502,262
Water Quality	Treatment	$1,467,155
Water Resources	Gen & Admin	$1,607,898
Subtotal Water O&M, excl. Debt Service		**$81,896,318**

O&M Expenses, excluding Debt Service	Functions	FY 2017
RECLAIMED - OPERATING		
Reclaimed - Development	RW Avg Demand	$0
Reclaimed - Facilities Mgmt	RW Avg Demand	$0
Reclaimed - Finance G&A (Water)	Gen & Admin	$850,000
Reclaimed - Main Construction	RW Distribution	$0
Reclaimed - Meter/Backflow	Gen & Admin	$0
Treatment Reclaimed Dist		
Labor	RW Reimburs. Costs	$0
Power	RW Reimburs. Costs	$2,014,511
Chemical	RW Reimburs. Costs	$435,117
Other Treatment Reclaimed Dist	RW Reimburs. Costs	$1,012,898
Reclaimed - Valve Ops	RW Distribution	$0
Reclaimed - Water Resources	Gen & Admin	$62,592
Subtotal RW O&M		**$4,375,118**
		TRUE
Less Capitalized Interest	Capital Costs	-$800,000
Total Water / RW O&M Expenses, excl. Debt Service		**$85,471,436**
	TRUE	TRUE

9.8 - APPENDIX 8 – WATER REVENUE REQUIREMENT ALLOCATION TO COST CATEGORIES

Allocations of water revenue requirement to cost categories are documented in the "2016 Long Beach Rate Model Final.xlsm" concluded in Oct 24, 2016. Below is excerpt from the Model.

CURRENT REVENUE REQUIREMENTS	FY 2017	Water Supply	Base Fixed	Max Day	Max Hour	Billing & CS	Meters & Services	RW Supply	RW Base Fixed	RW Max Day	RW Max Hour	Conservation	Rev Offsets	General	Fire Protection	Total
REVENUE REQUIREMENTS																
O&M Expenses	$85,471,436	$36,596,215	$14,898,581	$4,089,850	$526,822	$3,841,976	$2,002,527	$0	$3,447,874	-$22,256	-$34,562	$2,807,270	$0	$14,249,290	$3,067,850	**$85,471,436**
Debt Service	$3,894,775	$0	$1,159,396	$400,230	$426,469	$7,240	$453,817	$0	$71,333	$108,351	$168,263	$0	$0	$592,357	$507,318	**$3,894,775**
Rate Funded CIP	$12,588,000	$0	$3,747,195	$1,293,553	$1,378,359	$23,400	$1,466,746	$0	$230,551	$350,192	$543,831	$0	$0	$1,914,511	$1,639,663	**$12,588,000**
Reserve Funding w/o Revenue Adjustment	-$3,728,992	$0	-$1,110,046	-$383,194	-$408,317	-$6,932	-$434,500	$0	-$68,297	-$103,739	-$161,101	$0	$0	-$567,143	-$485,724	**-$3,728,992**
SUBTOTAL REVENUE REQUIREMENTS	**$98,225,219**	**$36,596,215**	**$18,695,126**	**$5,400,439**	**$1,923,333**	**$3,865,683**	**$3,488,589**	**$0**	**$3,681,461**	**$332,549**	**$516,432**	**$2,807,270**	**$0**	**$16,189,015**	**$4,729,107**	**$98,225,219**
Less Other Revenues																
Passthrough Water Supply & Power Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Other Operating Revenues	$1,094,927	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,094,927	$0	**$1,094,927**
Non-Operating Revenues																
Interest	$75,705	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$75,705	$0	**$75,705**
Rental	$1,024,900	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,024,900	$0	$0	**$1,024,900**
Service Connection	$305,000	$0	$90,792	$31,342	$33,397	$567	$35,538	$0	$5,586	$8,485	$13,177	$0	$0	$46,388	$39,728	**$305,000**
Grants	$750,000	$0	$223,260	$77,071	$82,123	$1,394	$87,390	$0	$13,736	$20,865	$32,402	$0	$0	$114,068	$97,692	**$750,000**
Other Reimbursement	$4,224,488	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$4,224,488	$0	**$4,224,488**
In-lieu Water Replenishment Reimbursement	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Other Non-Operating Revenues	$53,740	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$53,740	$0	**$53,740**
SUBTOTAL NON-OPERATING REVENUES	**$7,528,760**	**$0**	**$314,052**	**$108,413**	**$115,520**	**$1,961**	**$122,928**	**$0**	**$19,322**	**$29,350**	**$45,578**	**$0**	**$1,024,900**	**$5,609,315**	**$137,420**	**$7,528,760**
NET REVENUE REQUIREMENTS FROM CURRENT RATES	**$90,696,459**	**$36,596,215**	**$18,381,073**	**$5,292,026**	**$1,807,813**	**$3,863,722**	**$3,365,662**	**$0**	**$3,662,139**	**$303,199**	**$470,853**	**$2,807,270**	**-$1,024,900**	**$10,579,700**	**$4,591,686**	**$90,696,459**
General Cost Allocation Factors			49.5%	14.2%	4.9%	10.4%	9.1%		9.9%	0.8%	1.3%					
Reallocation of General Costs			$5,235,118	$1,507,223	$514,884	$1,100,428	$958,575		$1,043,015	$86,354	$134,104			-$10,579,700		**$0**
Public Fire Protection Cost Allocation Factors			85%				15%									
Reallocation of Public Fire Protection Costs			$2,580,659.81				$472,531								-$3,053,191	
NET ADJUSTED REV REQMT FROM CURRENT RATES	**$90,696,459**	**$36,596,215**	**$26,196,851**	**$6,799,249**	**$2,322,697**	**$4,964,150**	**$4,796,767**	**$0**	**$4,705,153**	**$389,553**	**$604,957**	**$2,807,270**	**-$1,024,900**	**$0**	**$1,538,496**	**$90,696,459**

May 28, 2019

TO: **HONORABLE MAYOR AND COUNCIL MEMBER**

FROM: **CECIL W. RHAMBO JR., CITY MANAGER**

SUBJECT: **REQUEST TO AUTHORIZE TRAVEL FOR ELECTED OFFICIALS**

Recommendation: Authorize travel to attend the National Association of Latino Elected & Appointed Official 36th Annual Conference.

Authorization For: Mayor, Councilmembers, City Attorney, City Clerk and City Treasurer

Location: Miami, FL

Meeting Date: June 19-23, 2019

Approximate Cost: Registration: **$700** (Per person)
Hotel: **$227** per day (Plus taxes and fees)
Transportation: **$964** (Flight)
Per Diem: Receipts required (Not to exceed $75 per day)

Source of Funds: General Fund

Purpose: The purpose of attending the National Association of Latino Elected & Appointed Officials 36th Annual Conference is to learn and discuss issues that are impacting our city.

Elected Official	Attending
Mayor Aja Brown	
1st District Councilmember Janna Zurita	
2nd District Councilmember Isaac Galvan	
3rd District Councilmember Tana McCoy	
4th District Councilmember Emma Sharif	
City Attorney Craig J. Cornwell	
City Clerk Alita Godwin	
City Treasurer Doug Sanders	

CECIL W. RHAMBO JR
CITY MANAGER

May 28, 2019

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: BRIAN DICKINSON, GENERAL MANAGER
COMPTON MUNICIPAL WATER DEPARTMENT

SUBJECT: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER XXIII OF THE COMPTON MUNICIPAL CODE TO AMEND SECTION 23-1 (WATER CODE) TO ADOPT THE STATE'S MODEL WATER EFFICIENT LANDSCAPE ORDINANCE (MWELO)

SUMMARY

This Ordinance will amend Chapter XXIII of the Compton Municipal Code to amend Section 23-1 (Water Code) to adopt the State's Model Water Efficient Landscape Ordinance (MWELO).

BACKGROUND

The Compton Municipal Water Department ("Department"), as a permitted water supplier, is required to comply with all water conversation regulations and various other types of legislation which may be enacted by the State of California. On April 1, 2015, then Governor Jerry Brown issued Executive Order B-29-15 directing the State Department of Water Resources (DWR) to update the State's Model Water Efficient Landscape Ordinance (MWELO).

On July 15, 2015, the revised MWELO was approved by the California Water Commission. The revisions focused on major changes which must be addressed when local agencies are revising their own local or regional ordinance.

STATEMENT OF THE ISSUE

The MWELO requires all California cities and counties to adopt the attached Ordinance or to adopt a single agency local ordinance which must be at least as effective as MWELO in the regulation of water efficient landscapes. To comply with state law, the City of Compton must amend Chapter XXIII (Water Code) of the Compton Municipal Code in order to adopt the State's Model Water Efficient Landscape Ordinance (MWELO).

FISCAL IMPACT

None.

ALTERNATIVE

The City may adopt a local ordinance which must be at least as effective as MWELO in the regulation of water efficient landscapes.

RECOMMENDATION

It is staff's recommendation that the City Council adopt the attached Ordinance.

**BRIAN DICKINSON, GENERAL MANAGER
COMPTON MUNICIPAL WATER DEPARTMENT**

APPROVED FOR FORWARDING:

**CECIL W. RHAMBO, JR.
CITY MANAGER**

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER XXIII OF THE COMPTON MUNICIPAL CODE TO AMEND SECTION 23-1 (WATER CODE) TO ADOPT THE STATE'S MODEL WATER EFFICIENT LANDSCAPE ORDINANCE (MWELO)

WHEREAS, the Compton Municipal Water Department ("Department"), as a permitted water supplier, is required to comply with all water conversation regulations and various other types of legislation which may be enacted by the State of California; and

WHEREAS, by Executive Order B-29-15, issued on April 1, 2015 by former Governor Jerry Brown, the State Department of Water Resources (DWR) was directed to update the State's Model Water Efficient Landscape Ordinance (MWELO); and

WHEREAS, on July 15, 2015, the revised MWELO was approved by the California Water Commission; and

WHEREAS, the MWELO requires all California cities and counties to adopt this Ordinance or to adopt a single agency local ordinance which must be at least as effective as MWELO in the regulation of water efficient landscapes; and

WHEREAS, in order to comply with state law, the City of Compton desires to amend Chapter XXIII (Water Code) of the Compton Municipal Code to adopt the State's Model Water Efficient Landscape Ordinance (MWELO) for the regulation of water efficient landscapes in the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. That Section 23-1 (Water Code) of Chapter XXIII of the Compton Municipal Code is hereby amended as follows:

a. That Subsection 23-1.33 be added as follows:

23-1.33 Adoption of Sections 490-495, Chapter 2.7 (Model Water Efficient Landscape Ordinance), Division 2, Title 23 (Waters) in the California Code of Regulations.

That certain document, three (3) copies of which are on file in the Office of the City Clerk, being marked and designated as "Title 23. Waters, Division 2. Department of Water Resources, Chapter 2.7. Model Water Efficient Landscape Ordinance" (hereinafter the "Model Water Efficient Landscape Ordinance), published in the California Code of Regulations, is hereby adopted as the Model Water Efficient Landscape Ordinance (MWELO) for regulating water conservation for the erection, construction, enlargement, alteration, repair, moving, removal, demolition, conversion, occupancy, equipment, use, height, area and maintenance of all landscapes in the City of Compton, and providing for the issuance of permits and collection of fees and penalties for the violation thereof; and each and all of the regulations, provisions, conditions and terms of such Model Water Efficient Landscape Ordinance (MWELO) and supplements thereto hereinafter published are hereby referred to, adopted and made a part hereof as if fully set out in this Chapter, except as the same may hereafter be modified or amended.

Section 2. That the City Council declares that, should any provision, section, subsection, sentence, paragraph, clause, phrase or word of this Ordinance hereby adopted be rendered or declared invalid by any final court action in a court of competent jurisdiction, or by an reason of any preemptive legislation, the remaining provisions, sections, subsections, sentences, paragraphs, clauses, phrases or words of this Ordinance hereby adopted shall remain in full force and effect.

Section 3. That a copy of this Ordinance shall be filed in the offices of the City Clerk, City Manager, City Attorney, City Controller and the Compton Municipal Water Department.

Section 4. That this Ordinance and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall take effect and be in full force and effect thirty (30) days after the date of its final passage and adoption by the City Council.

Section 5. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Ordinance and shall cause the same to be published as required by law.

ADOPTED this _____ day of _____, 2019.

_____
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, do hereby certify that the foregoing Ordinance was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2019.

That said Ordinance was adopted by the following vote, to wit:

AYES: COUNCILMEMBERS-
NOES: COUNCILMEMBERS-
ABSENT: COUNCILMEMBERS-
ABSTAIN: COUNCILMEMBERS-

_____
CITY CLERK OF THE CITY OF COMPTON

California Code of Regulations
Title 23. Waters
Division 2. Department of Water Resources
Chapter 2.7. Model Water Efficient Landscape Ordinance

§ 490. Purpose.

(a) The State Legislature has found:

(1) that the waters of the state are of limited supply and are subject to ever increasing demands;

(2) that the continuation of California's economic prosperity is dependent on the availability of adequate supplies of water for future uses;

(3) that it is the policy of the State to promote the conservation and efficient use of water and to prevent the waste of this valuable resource;

(4) that landscapes are essential to the quality of life in California by providing areas for active and passive recreation and as an enhancement to the environment by cleaning air and water, preventing erosion, offering fire protection, and replacing ecosystems lost to development;

(5) that landscape design, installation, maintenance and management can and should be water efficient; and

(6) that Section 2 of Article X of the California Constitution specifies that the right to use water is limited to the amount reasonably required for the beneficial use to be served and the right does not and shall not extend to waste or unreasonable method of use.

(b) Consistent with the legislative findings, the purpose of this model ordinance is to:

(1) promote the values and benefits of landscaping practices that integrate and go beyond the conservation and efficient use of water;

(2) establish a structure for planning, designing, installing, maintaining and managing water efficient landscapes in new construction and rehabilitated projects by encouraging the use of a watershed approach that requires cross-sector collaboration of industry, government and property owners to achieve the many benefits possible;

(3) establish provisions for water management practices and water waste prevention for existing landscapes;

(4) use water efficiently without waste by setting a Maximum Applied Water Allowance as an upper limit for water use and reduce water use to the lowest practical amount;

(5) promote the benefits of consistent landscape ordinances with neighboring local and regional agencies;

(6) encourage local agencies and water purveyors to use economic incentives that promote the efficient use of water, such as implementing a tiered-rate structure; and

(7) encourage local agencies to designate the necessary authority that implements and enforces the provisions of the Model Water Efficient Landscape Ordinance or its local landscape ordinance.

(c) Landscapes that are planned, designed, installed, managed and maintained with the watershed based approach can improve California's environmental conditions and provide benefits and realize sustainability goals. Such landscapes will make the urban environment resilient in the face of climatic extremes. Consistent with the legislative findings and purpose of the Ordinance, conditions in the urban setting will be improved by:

(1) Creating the conditions to support life in the soil by reducing compaction, incorporating organic matter that increases water retention, and promoting productive plant growth that leads to more carbon storage, oxygen production, shade, habitat and esthetic benefits.

(2) Minimizing energy use by reducing irrigation water requirements, reducing reliance on petroleum based fertilizers and pesticides, and planting climate appropriate shade trees in urban areas.

(3) Conserving water by capturing and reusing rainwater and graywater wherever possible and selecting climate appropriate plants that need minimal supplemental water after establishment.
(4) Protecting air and water quality by reducing power equipment use and landfill disposal trips, selecting recycled and locally sourced materials, and using compost, mulch and efficient irrigation equipment to prevent erosion.
(5) Protecting existing habitat and creating new habitat by choosing local native plants, climate adapted non-natives and avoiding invasive plants. Utilizing integrated pest management with least toxic methods as the first course of action.

Note: Authority cited: Section 65593, Government Code. Reference: Sections 65591, 65593 and 65596, Government Code.

§ 490.1. Applicability.

(a) After December 1, 2015, and consistent with Executive Order No. B-29-15, this ordinance shall apply to all of the following landscape projects:
(1) new construction projects with an aggregate landscape area equal to or greater than 500 square feet requiring a building or landscape permit, plan check or design review;
(2) rehabilitated landscape projects with an aggregate landscape area equal to or greater than 2,500 square feet requiring a building or landscape permit, plan check, or design review;
(3) existing landscapes limited to Sections 493, 493.1 and 493.2; and
(4) cemeteries. Recognizing the special landscape management needs of cemeteries, new and rehabilitated cemeteries are limited to Sections 492.4, 492.11, and 492.12; and existing cemeteries are limited to Sections 493, 493.1, and 493.2.
(b) For local land use agencies working together to develop a regional water efficient landscape ordinance, the reporting requirements of this ordinance shall become effective December 1, 2015 and the remainder of this ordinance shall be effective no later than February 1, 2016.
(c) Any project with an aggregate landscape area of 2,500 square feet or less may comply with the performance requirements of this ordinance or conform to the prescriptive measures contained in Appendix D.
(d) For projects using treated or untreated graywater or rainwater captured on site, any lot or parcel within the project that has less than 2500 sq. ft. of landscape and meets the lot or parcel's landscape water requirement (Estimated Total Water Use) entirely with treated or untreated graywater or through stored rainwater captured on site is subject only to Appendix D section (5).
(e) This ordinance does not apply to:
(1) registered local, state or federal historical sites;
(2) ecological restoration projects that do not require a permanent irrigation system;
(3) mined-land reclamation projects that do not require a permanent irrigation system; or
(4) existing plant collections, as part of botanical gardens and arboretums open to the public.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 491. Definitions.

The terms used in this ordinance have the meaning set forth below:
(a) "applied water" means the portion of water supplied by the irrigation system to the landscape.
(b) "automatic irrigation controller" means a timing device used to remotely control valves that operate an irrigation system. Automatic irrigation controllers are able to self-adjust and schedule irrigation events using either evapotranspiration (weather-based) or soil moisture data.
(c) "backflow prevention device" means a safety device used to prevent pollution or contamination of the water supply due to the reverse flow of water from the irrigation system.
(d) "Certificate of Completion" means the document required under Section 492.9.

(e) “certified irrigation designer” means a person certified to design irrigation systems by an accredited academic institution, a professional trade organization or other program such as the US Environmental Protection Agency’s WaterSense irrigation designer certification program and Irrigation Association’s Certified Irrigation Designer program.
(f) “certified landscape irrigation auditor” means a person certified to perform landscape irrigation audits by an accredited academic institution, a professional trade organization or other program such as the US Environmental Protection Agency’s WaterSense irrigation auditor certification program and Irrigation Association’s Certified Landscape Irrigation Auditor program.
(g) “check valve” or “anti-drain valve” means a valve located under a sprinkler head, or other location in the irrigation system, to hold water in the system to prevent drainage from sprinkler heads when the sprinkler is off.
(h) “common interest developments” means community apartment projects, condominium projects, planned developments, and stock cooperatives per Civil Code Section 1351.
(i) “compost” means the safe and stable product of controlled biologic decomposition of organic materials that is beneficial to plant growth.
(j) “conversion factor (0.62)” means the number that converts acre-inches per acre per year to gallons per square foot per year.
(k) “distribution uniformity” means the measure of the uniformity of irrigation water over a defined area.
(l) “drip irrigation” means any non-spray low volume irrigation system utilizing emission devices with a flow rate measured in gallons per hour. Low volume irrigation systems are specifically designed to apply small volumes of water slowly at or near the root zone of plants.
(m) “ecological restoration project” means a project where the site is intentionally altered to establish a defined, indigenous, historic ecosystem.
(n) “effective precipitation” or “usable rainfall” (Eppt) means the portion of total precipitation which becomes available for plant growth.
(o) “emitter” means a drip irrigation emission device that delivers water slowly from the system to the soil.
(p) “established landscape” means the point at which plants in the landscape have developed significant root growth into the soil. Typically, most plants are established after one or two years of growth.
(q) “establishment period of the plants” means the first year after installing the plant in the landscape or the first two years if irrigation will be terminated after establishment. Typically, most plants are established after one or two years of growth. Native habitat mitigation areas and trees may need three to five years for establishment.
(r) “Estimated Total Water Use” (ETWU) means the total water used for the landscape as described in Section 492.4.
(s) “ET adjustment factor” (ETAF) means a factor of 0.55 for residential areas and 0.45 for non-residential areas, that, when applied to reference evapotranspiration, adjusts for plant factors and irrigation efficiency, two major influences upon the amount of water that needs to be applied to the landscape. The ETAF for new and existing (non-rehabilitated) Special Landscape Areas shall not exceed 1.0. The ETAF for existing non-rehabilitated landscapes is 0.8.
(t) “evapotranspiration rate” means the quantity of water evaporated from adjacent soil and other surfaces and transpired by plants during a specified time.
(u) “flow rate” means the rate at which water flows through pipes, valves and emission devices, measured in gallons per minute, gallons per hour, or cubic feet per second.
(v) “flow sensor” means an inline device installed at the supply point of the irrigation system that produces a repeatable signal proportional to flow rate. Flow sensors must be connected to an automatic irrigation controller, or flow monitor capable of receiving flow signals and operating master valves. This combination flow sensor/controller may also function as a landscape water meter or submeter.

(w) “friable” means a soil condition that is easily crumbled or loosely compacted down to a minimum depth per planting material requirements, whereby the root structure of newly planted material will be allowed to spread unimpeded.
(x) “Fuel Modification Plan Guideline” means guidelines from a local fire authority to assist residents and businesses that are developing land or building structures in a fire hazard severity zone.
(y) ″graywater" means untreated wastewater that has not been contaminated by any toilet discharge, has not been affected by infectious, contaminated, or unhealthy bodily wastes, and does not present a threat from contamination by unhealthful processing, manufacturing, or operating wastes. "Graywater" includes, but is not limited to, wastewater from bathtubs, showers, bathroom washbasins, clothes washing machines, and laundry tubs, but does not include wastewater from kitchen sinks or dishwashers. Health and Safety Code Section 17922.12.
(z) “hardscapes” means any durable material (pervious and non-pervious).
(aa) “hydrozone” means a portion of the landscaped area having plants with similar water needs and rooting depth. A hydrozone may be irrigated or non-irrigated.
(bb) “infiltration rate” means the rate of water entry into the soil expressed as a depth of water per unit of time (e.g., inches per hour).
(cc) “invasive plant species” means species of plants not historically found in California that spread outside cultivated areas and can damage environmental or economic resources. Invasive species may be regulated by county agricultural agencies as noxious species. Lists of invasive plants are maintained at the California Invasive Plant Inventory and USDA invasive and noxious weeds database.
(dd) “irrigation audit” means an in-depth evaluation of the performance of an irrigation system conducted by a Certified Landscape Irrigation Auditor. An irrigation audit includes, but is not limited to: inspection, system tune-up, system test with distribution uniformity or emission uniformity, reporting overspray or runoff that causes overland flow, and preparation of an irrigation schedule. The audit must be conducted in a manner consistent with the Irrigation Association’s Landscape Irrigation Auditor Certification program or other U.S. Environmental Protection Agency “Watersense” labeled auditing program.
(ee) “irrigation efficiency” (IE) means the measurement of the amount of water beneficially used divided by the amount of water applied. Irrigation efficiency is derived from measurements and estimates of irrigation system characteristics and management practices. The irrigation efficiency for purposes of this ordinance are 0.75 for overhead spray devices and 0.81 for drip systems.
(ff) “irrigation survey” means an evaluation of an irrigation system that is less detailed than an irrigation audit. An irrigation survey includes, but is not limited to: inspection, system test, and written recommendations to improve performance of the irrigation system.
(gg) “irrigation water use analysis” means an analysis of water use data based on meter readings and billing data.
(hh) “landscape architect” means a person who holds a license to practice landscape architecture in the state of California Business and Professions Code, Section 5615.
(ii) “landscape area” means all the planting areas, turf areas, and water features in a landscape design plan subject to the Maximum Applied Water Allowance calculation. The landscape area does not include footprints of buildings or structures, sidewalks, driveways, parking lots, decks, patios, gravel or stone walks, other pervious or non-pervious hardscapes, and other non-irrigated areas designated for non-development (e.g., open spaces and existing native vegetation).
(jj) “landscape contractor” means a person licensed by the state of California to construct, maintain, repair, install, or subcontract the development of landscape systems.
(kk) “Landscape Documentation Package” means the documents required under Section 492.3.
(ll) “landscape project” means total area of landscape in a project as defined in “landscape area” for the purposes of this ordinance, meeting requirements under Section 490.1.
(mm) “landscape water meter” means an inline device installed at the irrigation supply point that measures the flow of water into the irrigation system and is connected to a totalizer to record water use.

(nn) “lateral line” means the water delivery pipeline that supplies water to the emitters or sprinklers from the valve.
(oo) “local agency” means a city or county, including a charter city or charter county, that is responsible for adopting and implementing the ordinance. The local agency is also responsible for the enforcement of this ordinance, including but not limited to, approval of a permit and plan check or design review of a project.
(pp) “local water purveyor” means any entity, including a public agency, city, county, or private water company that provides retail water service.
(qq) “low volume irrigation” means the application of irrigation water at low pressure through a system of tubing or lateral lines and low-volume emitters such as drip, drip lines, and bubblers. Low volume irrigation systems are specifically designed to apply small volumes of water slowly at or near the root zone of plants.
(rr) “main line” means the pressurized pipeline that delivers water from the water source to the valve or outlet.
(ss) “master shut-off valve” is an automatic valve installed at the irrigation supply point which controls water flow into the irrigation system. When this valve is closed water will not be supplied to the irrigation system. A master valve will greatly reduce any water loss due to a leaky station valve.
(tt) “Maximum Applied Water Allowance” (MAWA) means the upper limit of annual applied water for the established landscaped area as specified in Section 492.4. It is based upon the area’s reference evapotranspiration, the ET Adjustment Factor, and the size of the landscape area. The Estimated Total Water Use shall not exceed the Maximum Applied Water Allowance. Special Landscape Areas, including recreation areas, areas permanently and solely dedicated to edible plants such as orchards and vegetable gardens, and areas irrigated with recycled water are subject to the MAWA with an ETAF not to exceed 1.0. MAWA = (ETo) (0.62) [(ETAF x LA) + ((1-ETAF) x SLA)]
(uu) “median” is an area between opposing lanes of traffic that may be unplanted or planted with trees, shrubs, perennials, and ornamental grasses.
(vv)“microclimate” means the climate of a small, specific area that may contrast with the climate of the overall landscape area due to factors such as wind, sun exposure, plant density, or proximity to reflective surfaces.
(ww) “mined-land reclamation projects” means any surface mining operation with a reclamation plan approved in accordance with the Surface Mining and Reclamation Act of 1975.
(xx) “mulch” means any organic material such as leaves, bark, straw, compost, or inorganic mineral materials such as rocks, gravel, or decomposed granite left loose and applied to the soil surface for the beneficial purposes of reducing evaporation, suppressing weeds, moderating soil temperature, and preventing soil erosion.
(yy) “new construction” means, for the purposes of this ordinance, a new building with a landscape or other new landscape, such as a park, playground, or greenbelt without an associated building.
(zz) “non-residential landscape” means landscapes in commercial, institutional, industrial and public settings that may have areas designated for recreation or public assembly. It also includes portions of common areas of common interest developments with designated recreational areas.
(aaa) “operating pressure” means the pressure at which the parts of an irrigation system are designed by the manufacturer to operate.
(bbb) “overhead sprinkler irrigation systems” or “overhead spray irrigation systems” means systems that deliver water through the air (e.g., spray heads and rotors).
(ccc) “overspray” means the irrigation water which is delivered beyond the target area.
(ddd)“parkway” means the area between a sidewalk and the curb or traffic lane. It may be planted or unplanted, and with or without pedestrian egress.
(eee) “permit” means an authorizing document issued by local agencies for new construction or rehabilitated landscapes.

(fff) “pervious” means any surface or material that allows the passage of water through the material and into the underlying soil.
(ggg) “plant factor” or “plant water use factor” is a factor, when multiplied by ETo, estimates the amount of water needed by plants. For purposes of this ordinance, the plant factor range for very low water use plants is 0 to 0.1, the plant factor range for low water use plants is 0.1 to 0.3, the plant factor range for moderate water use plants is 0.4 to 0.6, and the plant factor range for high water use plants is 0.7 to 1.0. Plant factors cited in this ordinance are derived from the publication “Water Use Classification of Landscape Species”. Plant factors may also be obtained from horticultural researchers from academic institutions or professional associations as approved by the California Department of Water Resources (DWR).
(hhh) “project applicant” means the individual or entity submitting a Landscape Documentation Package required under Section 492.3, to request a permit, plan check, or design review from the local agency. A project applicant may be the property owner or his or her designee.
(iii) “rain sensor” or “rain sensing shutoff device” means a component which automatically suspends an irrigation event when it rains.
(jjj) “record drawing” or “as-builts” means a set of reproducible drawings which show significant changes in the work made during construction and which are usually based on drawings marked up in the field and other data furnished by the contractor.
(kkk) “recreational area” means areas, excluding private single family residential areas, designated for active play, recreation or public assembly in parks, sports fields, picnic grounds, amphitheaters or golf course tees, fairways, roughs, surrounds and greens.
(lll) “recycled water,” “reclaimed water,” or “treated sewage effluent water” means treated or recycled waste water of a quality suitable for nonpotable uses such as landscape irrigation and water features. This water is not intended for human consumption.
(mmm) “reference evapotranspiration” or “ETo” means a standard measurement of environmental parameters which affect the water use of plants. ETo is expressed in inches per day, month, or year as represented in Appendix A, and is an estimate of the evapotranspiration of a large field of four- to seven-inch tall, cool-season grass that is well watered. Reference evapotranspiration is used as the basis of determining the Maximum Applied Water Allowances so that regional differences in climate can be accommodated.
(nnn) “Regional Water Efficient Landscape Ordinance” means a local Ordinance adopted by two or more local agencies, water suppliers and other stakeholders for implementing a consistent set of landscape provisions throughout a geographical region. Regional ordinances are strongly encouraged to provide a consistent framework for the landscape industry and applicants to adhere to.
(ooo) “rehabilitated landscape” means any relandscaping project that requires a permit, plan check, or design review, meets the requirements of Section 490.1, and the modified landscape area is equal to or greater than 2,500 square feet.
(ppp) “residential landscape” means landscapes surrounding single or multifamily homes.
(qqq) “run off” means water which is not absorbed by the soil or landscape to which it is applied and flows from the landscape area. For example, run off may result from water that is applied at too great a rate (application rate exceeds infiltration rate) or when there is a slope.
(rrr) “soil moisture sensing device” or “soil moisture sensor” means a device that measures the amount of water in the soil. The device may also suspend or initiate an irrigation event.
(sss) “soil texture” means the classification of soil based on its percentage of sand, silt, and clay.
(ttt) “Special Landscape Area” (SLA) means an area of the landscape dedicated solely to edible plants, recreational areas, areas irrigated with recycled water, or water features using recycled water.
(uuu) “sprinkler head” or “spray head” means a device which delivers water through a nozzle.
(vvv) “static water pressure” means the pipeline or municipal water supply pressure when water is not flowing.
(www) “station” means an area served by one valve or by a set of valves that operate simultaneously.

(xxx) “swing joint” means an irrigation component that provides a flexible, leak-free connection between the emission device and lateral pipeline to allow movement in any direction and to prevent equipment damage.
(yyy) “submeter” means a metering device to measure water applied to the landscape that is installed after the primary utility water meter.
(zzz) “turf” means a ground cover surface of mowed grass. Annual bluegrass, Kentucky bluegrass, Perennial ryegrass, Red fescue, and Tall fescue are cool-season grasses. Bermudagrass, Kikuyugrass, Seashore Paspalum, St. Augustinegrass, Zoysiagrass, and Buffalo grass are warm-season grasses.
(aaaa) “valve” means a device used to control the flow of water in the irrigation system.
(bbbb) “water conserving plant species” means a plant species identified as having a very low or low plant factor.
(cccc) “water feature” means a design element where open water performs an aesthetic or recreational function. Water features include ponds, lakes, waterfalls, fountains, artificial streams, spas, and swimming pools (where water is artificially supplied). The surface area of water features is included in the high water use hydrozone of the landscape area. Constructed wetlands used for on-site wastewater treatment or stormwater best management practices that are not irrigated and used solely for water treatment or stormwater retention are not water features and, therefore, are not subject to the water budget calculation.
(dddd) “watering window” means the time of day irrigation is allowed.
(eeee) “WUCOLS” means the Water Use Classification of Landscape Species published by the University of California Cooperative Extension and the Department of Water Resources.

Note: Authority cited: Section 65595, Government Code. Reference: Sections 65592 and 65596, Government Code.

§ 492. Provisions for New Construction or Rehabilitated Landscapes.
(a) A local agency may designate by mutual agreement, another agency, such as a water purveyor, to implement some or all of the requirements contained in this ordinance. Local agencies may collaborate with water purveyors to define each entity’s specific responsibilities relating to this ordinance.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.4. Water Efficient Landscape Worksheet.
(a) A project applicant shall complete the Water Efficient Landscape Worksheet in Appendix B which contains information on the plant factor, irrigation method, irrigation efficiency, and area associated with each hydrozone. Calculations are then made to show that the evapotranspiration adjustment factor (ETAF) for the landscape project does not exceed a factor of 0.55 for residential areas and 0.45 for non-residential areas, exclusive of Special Landscape Areas. The ETAF for a landscape project is based on the plant factors and irrigation methods selected. The Maximum Applied Water Allowance is calculated based on the maximum ETAF allowed (0.55 for residential areas and 0.45 for non-residential areas) and expressed as annual gallons required. The Estimated Total Water Use (ETWU) is calculated based on the plants used and irrigation method selected for the landscape design. ETWU must be below the MAWA.

(1) In calculating the Maximum Applied Water Allowance and Estimated Total Water Use, a project applicant shall use the ETo values from the Reference Evapotranspiration Table in Appendix A. For geographic areas not covered in Appendix A, use data from other cities located nearby in the same reference evapotranspiration zone, as found in the CIMIS Reference Evapotranspiration Zones Map, Department of Water Resources, 1999.

(b) Water budget calculations shall adhere to the following requirements:

(1) The plant factor used shall be from WUCOLS or from horticultural researchers with academic institutions or professional associations as approved by the California Department of Water Resources (DWR). The plant factor ranges from 0 to 0.1 for very low water using plants, 0.1 to 0.3 for low water use plants, from 0.4 to 0.6 for moderate water use plants, and from 0.7 to 1.0 for high water use plants.
(2) All water features shall be included in the high water use hydrozone and temporarily irrigated areas shall be included in the low water use hydrozone.
(3) All Special Landscape Areas shall be identified and their water use calculated as shown in Appendix B.
(4) ETAF for new and existing (non-rehabilitated) Special Landscape Areas shall not exceed 1.0.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.5. Soil Management Report.

(a) In order to reduce runoff and encourage healthy plant growth, a soil management report shall be completed by the project applicant, or his/her designee, as follows:

(1) Submit soil samples to a laboratory for analysis and recommendations.

(A) Soil sampling shall be conducted in accordance with laboratory protocol, including protocols regarding adequate sampling depth for the intended plants.

(B) The soil analysis shall include:

1. soil texture;
2. infiltration rate determined by laboratory test or soil texture infiltration rate table;
3. pH;
4. total soluble salts;
5. sodium;
6. percent organic matter; and
7. recommendations.

(C) In projects with multiple landscape installations (i.e. production home developments) a soil sampling rate of 1 in 7 lots or approximately 15% will satisfy this requirement. Large landscape projects shall sample at a rate equivalent to 1 in 7 lots.

(2) The project applicant, or his/her designee, shall comply with one of the following:

(A) If significant mass grading is not planned, the soil analysis report shall be submitted to the local agency as part of the Landscape Documentation Package; or

(B) If significant mass grading is planned, the soil analysis report shall be submitted to the local agency as part of the Certificate of Completion.

(3) The soil analysis report shall be made available, in a timely manner, to the professionals preparing the landscape design plans and irrigation design plans to make any necessary adjustments to the design plans.

(4) The project applicant, or his/her designee, shall submit documentation verifying implementation of soil analysis report recommendations to the local agency with Certificate of Completion.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.6. Landscape Design Plan.

(a) For the efficient use of water, a landscape shall be carefully designed and planned for the intended function of the project. A landscape design plan meeting the following design criteria shall be submitted as part of the Landscape Documentation Package.

(1) Plant Material

(A) Any plant may be selected for the landscape, providing the Estimated Total Water Use in the landscape area does not exceed the Maximum Applied Water Allowance. Methods to achieve water efficiency shall include one or more of the following:

1. protection and preservation of native species and natural vegetation;
2. selection of water-conserving plant, tree and turf species, especially local native plants;
3. selection of plants based on local climate suitability, disease and pest resistance;
4. selection of trees based on applicable local tree ordinances or tree shading guidelines, and size at maturity as appropriate for the planting area; and
5. selection of plants from local and regional landscape program plant lists.
6. selection of plants from local Fuel Modification Plan Guidelines.

(B) Each hydrozone shall have plant materials with similar water use, with the exception of hydrozones with plants of mixed water use, as specified in Section 492.7(a)(2)(D).

(C) Plants shall be selected and planted appropriately based upon their adaptability to the climatic, geologic, and topographical conditions of the project site. Methods to achieve water efficiency shall include one or more of the following:

1. use the Sunset Western Climate Zone System which takes into account temperature, humidity, elevation, terrain, latitude, and varying degrees of continental and marine influence on local climate;
2. recognize the horticultural attributes of plants (i.e., mature plant size, invasive surface roots) to minimize damage to property or infrastructure [e.g., buildings, sidewalks, power lines]; allow for adequate soil volume for healthy root growth; and
3. consider the solar orientation for plant placement to maximize summer shade and winter solar gain.

(D) Turf is not allowed on slopes greater than 25% where the toe of the slope is adjacent to an impermeable hardscape and where 25% means 1 foot of vertical elevation change for every 4 feet of horizontal length (rise divided by run x 100 = slope percent).

(E) High water use plants, characterized by a plant factor of 0.7 to 1.0, are prohibited in street medians.

(F) A landscape design plan for projects in fire-prone areas shall address fire safety and prevention. A defensible space or zone around a building or structure is required per Public Resources Code Section 4291(a) and (b). Avoid fire-prone plant materials and highly flammable mulches. Refer to the local Fuel Modification Plan guidelines.

(G) The use of invasive plant species, such as those listed by the California Invasive Plant Council, is strongly discouraged.

(H) The architectural guidelines of a common interest development, which include community apartment projects, condominiums, planned developments, and stock cooperatives, shall not prohibit or include conditions that have the effect of prohibiting the use of low-water use plants as a group.

(2) Water Features

(A) Recirculating water systems shall be used for water features.

(B) Where available, recycled water shall be used as a source for decorative water features.

(C) Surface area of a water feature shall be included in the high water use hydrozone area of the water budget calculation.

(D) Pool and spa covers are highly recommended.

(3) Soil Preparation, Mulch and Amendments

(A) Prior to the planting of any materials, compacted soils shall be transformed to a friable condition. On engineered slopes, only amended planting holes need meet this requirement.

(B) Soil amendments shall be incorporated according to recommendations of the soil report and what is appropriate for the plants selected (see Section 492.5).

(C) For landscape installations, compost at a rate of a minimum of four cubic yards per 1,000 square feet of permeable area shall be incorporated to a depth of six inches into the soil. Soils with greater than 6% organic matter in the top 6 inches of soil are exempt from adding compost and tilling.

(D) A minimum three inch (3″) layer of mulch shall be applied on all exposed soil surfaces of planting areas except in turf areas, creeping or rooting groundcovers, or direct seeding applications where mulch is contraindicated. To provide habitat for beneficial insects and other wildlife, up to 5 % of the landscape area may be left without mulch. Designated insect habitat must be included in the landscape design plan as such.

(E) Stabilizing mulching products shall be used on slopes that meet current engineering standards.

(F) The mulching portion of the seed/mulch slurry in hydro-seeded applications shall meet the mulching requirement.

(G) Organic mulch materials made from recycled or post-consumer shall take precedence over inorganic materials or virgin forest products unless the recycled post-consumer organic products are not locally available. Organic mulches are not required where prohibited by local Fuel Modification Plan Guidelines or other applicable local ordinances.

(b) The landscape design plan, at a minimum, shall:

(1) delineate and label each hydrozone by number, letter, or other method;

(2) identify each hydrozone as low, moderate, high water, or mixed water use. Temporarily irrigated areas of the landscape shall be included in the low water use hydrozone for the water budget calculation;

(3) identify recreational areas;

(4) identify areas permanently and solely dedicated to edible plants;

(5) identify areas irrigated with recycled water;

(6) identify type of mulch and application depth;

(7) identify soil amendments, type, and quantity;

(8) identify type and surface area of water features;

(9) identify hardscapes (pervious and non-pervious);

(10) identify location, installation details, and 24-hour retention or infiltration capacity of any applicable stormwater best management practices that encourage on-site retention and infiltration of stormwater. Project applicants shall refer to the local agency or regional Water Quality Control Board for information on any applicable stormwater technical requirements. Stormwater best management practices are encouraged in the landscape design plan and examples are provided in Section 492.16.

(11) identify any applicable rain harvesting or catchment technologies discussed in Section 492.16 and their 24-hour retention or infiltration capacity;

(12) identify any applicable graywater discharge piping, system components and area(s) of distribution;

(13) contain the following statement: “I have complied with the criteria of the ordinance and applied them for the efficient use of water in the landscape design plan”; and

(14) bear the signature of a licensed landscape architect, licensed landscape contractor, or any other person authorized to design a landscape. (See Sections 5500.1, 5615, 5641, 5641.1, 5641.2, 5641.3, 5641.4, 5641.5, 5641.6, 6701, 7027.5 of the Business and Professions Code, Section 832.27 of Title 16 of the California Code of Regulations, and Section 6721 of the Food and Agriculture Code.)

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code; and Section 1351, Civil Code.

§ 492.7. Irrigation Design Plan.

(a) This section applies to landscaped areas requiring permanent irrigation, not areas that require temporary irrigation solely for the plant establishment period. For the efficient use of water, an irrigation system shall meet all the requirements listed in this section and the manufacturers’ recommendations. The irrigation system and its related components shall be planned and designed to allow for proper installation, management, and maintenance. An irrigation design plan meeting the following design criteria shall be submitted as part of the Landscape Documentation Package.

(1) System

(A) Landscape water meters, defined as either a dedicated water service meter or private submeter, shall be installed for all non-residential irrigated landscapes of 1,000 sq. ft. but not more than 5,000 sq.ft. (the level at which Water Code 535 applies) and residential irrigated landscapes of 5,000 sq. ft. or greater. A landscape water meter may be either:

1. a customer service meter dedicated to landscape use provided by the local water purveyor; or
2. a privately owned meter or submeter.

(B) Automatic irrigation controllers utilizing either evapotranspiration or soil moisture sensor data utilizing non-volatile memory shall be required for irrigation scheduling in all irrigation systems.
(C) If the water pressure is below or exceeds the recommended pressure of the specified irrigation devices, the installation of a pressure regulating device is required to ensure that the dynamic pressure at each emission device is within the manufacturer's recommended pressure range for optimal performance.

1. If the static pressure is above or below the required dynamic pressure of the irrigation system, pressure-regulating devices such as inline pressure regulators, booster pumps, or other devices shall be installed to meet the required dynamic pressure of the irrigation system.
2. Static water pressure, dynamic or operating pressure, and flow reading of the water supply shall be measured at the point of connection. These pressure and flow measurements shall be conducted at the design stage. If the measurements are not available at the design stage, the measurements shall be conducted at installation.

(D) Sensors (rain, freeze, wind, etc.), either integral or auxiliary, that suspend or alter irrigation operation during unfavorable weather conditions shall be required on all irrigation systems, as appropriate for local climatic conditions. Irrigation should be avoided during windy or freezing weather or during rain.
(E) Manual shut-off valves (such as a gate valve, ball valve, or butterfly valve) shall be required, as close as possible to the point of connection of the water supply, to minimize water loss in case of an emergency (such as a main line break) or routine repair.
(F) Backflow prevention devices shall be required to protect the water supply from contamination by the irrigation system. A project applicant shall refer to the applicable local agency code (i.e., public health) for additional backflow prevention requirements.
(G) Flow sensors that detect high flow conditions created by system damage or malfunction are required for all on non-residential landscapes and residential landscapes of 5000 sq. ft. or larger.
(H) Master shut-off valves are required on all projects except landscapes that make use of technologies that allow for the individual control of sprinklers that are individually pressurized in a system equipped with low pressure shut down features.
(I) The irrigation system shall be designed to prevent runoff, low head drainage, overspray, or other similar conditions where irrigation water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
(J) Relevant information from the soil management plan, such as soil type and infiltration rate, shall be utilized when designing irrigation systems.
(K) The design of the irrigation system shall conform to the hydrozones of the landscape design plan.
(L) The irrigation system must be designed and installed to meet, at a minimum, the irrigation efficiency criteria as described in Section 492.4 regarding the Maximum Applied Water Allowance.
(M) All irrigation emission devices must meet the requirements set in the American National Standards Institute (ANSI) standard, American Society of Agricultural and Biological Engineers'/International Code Council's (ASABE/ICC) 802-2014 "Landscape Irrigation Sprinkler and Emitter Standard, All sprinkler heads installed in the landscape must document a distribution uniformity low quarter of 0.65 or higher using the protocol defined in ASABE/ICC 802-2014.
(N) It is highly recommended that the project applicant or local agency inquire with the local water purveyor about peak water operating demands (on the water supply system) or water restrictions that may impact the effectiveness of the irrigation system.
(O) In mulched planting areas, the use of low volume irrigation is required to maximize water infiltration into the root zone.
(P) Sprinkler heads and other emission devices shall have matched precipitation rates, unless otherwise directed by the manufacturer's recommendations.
(Q) Head to head coverage is recommended. However, sprinkler spacing shall be designed to achieve the highest possible distribution uniformity using the manufacturer's recommendations.

(R) Swing joints or other riser-protection components are required on all risers subject to damage that are adjacent to hardscapes or in high traffic areas of turfgrass.
(S) Check valves or anti-drain valves are required on all sprinkler heads where low point drainage could occur.
(T) Areas less than ten (10) feet in width in any direction shall be irrigated with subsurface irrigation or other means that produces no runoff or overspray.
(U) Overhead irrigation shall not be permitted within 24 inches of any non-permeable surface. Allowable irrigation within the setback from non-permeable surfaces may include drip, drip line, or other low flow non-spray technology. The setback area may be planted or unplanted. The surfacing of the setback may be mulch, gravel, or other porous material. These restrictions may be modified if:

1. the landscape area is adjacent to permeable surfacing and no runoff occurs; or
2. the adjacent non-permeable surfaces are designed and constructed to drain entirely to landscaping; or
3. the irrigation designer specifies an alternative design or technology, as part of the Landscape Documentation Package and clearly demonstrates strict adherence to irrigation system design criteria in Section 492.7 (a)(1)(I). Prevention of overspray and runoff must be confirmed during the irrigation audit.

(V) Slopes greater than 25% shall not be irrigated with an irrigation system with an application rate exceeding 0.75 inches per hour. This restriction may be modified if the landscape designer specifies an alternative design or technology, as part of the Landscape Documentation Package, and clearly demonstrates no runoff or erosion will occur. Prevention of runoff and erosion must be confirmed during the irrigation audit.

(2) Hydrozone

(A) Each valve shall irrigate a hydrozone with similar site, slope, sun exposure, soil conditions, and plant materials with similar water use.
(B) Sprinkler heads and other emission devices shall be selected based on what is appropriate for the plant type within that hydrozone.
(C) Where feasible, trees shall be placed on separate valves from shrubs, groundcovers, and turf to facilitate the appropriate irrigation of trees. The mature size and extent of the root zone shall be considered when designing irrigation for the tree.
(D) Individual hydrozones that mix plants of moderate and low water use, or moderate and high water use, may be allowed if:

1. plant factor calculation is based on the proportions of the respective plant water uses and their plant factor; or
2. the plant factor of the higher water using plant is used for calculations.

(E) Individual hydrozones that mix high and low water use plants shall not be permitted.
(F) On the landscape design plan and irrigation design plan, hydrozone areas shall be designated by number, letter, or other designation. On the irrigation design plan, designate the areas irrigated by each valve, and assign a number to each valve. Use this valve number in the Hydrozone Information Table (see Appendix B Section A). This table can also assist with the irrigation audit and programming the controller.

(b) The irrigation design plan, at a minimum, shall contain:

(1) location and size of separate water meters for landscape;
(2) location, type and size of all components of the irrigation system, including controllers, main and lateral lines, valves, sprinkler heads, moisture sensing devices, rain switches, quick couplers, pressure regulators, and backflow prevention devices;
(3) static water pressure at the point of connection to the public water supply;
(4) flow rate (gallons per minute), application rate (inches per hour), and design operating pressure (pressure per square inch) for each station;
(5) recycled water irrigation systems as specified in Section 492.14;
(6) the following statement: “I have complied with the criteria of the ordinance and applied them accordingly for the efficient use of water in the irrigation design plan”; and

(7) the signature of a licensed landscape architect, certified irrigation designer, licensed landscape contractor, or any other person authorized to design an irrigation system. (See Sections 5500.1, 5615, 5641, 5641.1, 5641.2, 5641.3, 5641.4, 5641.5, 5641.6, 6701, 7027.5 of the Business and Professions Code, Section 832.27 of Title 16 of the California Code of Regulations, and Section 6721 of the Food and Agricultural Code.)

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.9. Certificate of Completion.

(a) The Certificate of Completion (see Appendix C for a sample certificate) shall include the following six (6) elements:

(1) project information sheet that contains:

(A) date;

(B) project name;

(C) project applicant name, telephone, and mailing address;

(D) project address and location; and

(E) property owner name, telephone, and mailing address;

(2) certification by either the signer of the landscape design plan, the signer of the irrigation design plan, or the licensed landscape contractor that the landscape project has been installed per the approved Landscape Documentation Package;

(A) where there have been significant changes made in the field during construction, these "as-built" or record drawings shall be included with the certification;

(B) A diagram of the irrigation plan showing hydrozones shall be kept with the irrigation controller for subsequent management purposes.

(3) irrigation scheduling parameters used to set the controller (see Section 492.10);

(4) landscape and irrigation maintenance schedule (see Section 492.11);

(5) irrigation audit report (see Section 492.12); and

(6) soil analysis report, if not submitted with Landscape Documentation Package, and documentation verifying implementation of soil report recommendations (see Section 492.5).

(b) The project applicant shall:

(1) submit the signed Certificate of Completion to the local agency for review;

(2) ensure that copies of the approved Certificate of Completion are submitted to the local water purveyor and property owner or his or her designee.

(c) The local agency shall:

(1) receive the signed Certificate of Completion from the project applicant;

(2) approve or deny the Certificate of Completion. If the Certificate of Completion is denied, the local agency shall provide information to the project applicant regarding reapplication, appeal, or other assistance.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.11. Landscape and Irrigation Maintenance Schedule.

(a) Landscapes shall be maintained to ensure water use efficiency. A regular maintenance schedule shall be submitted with the Certificate of Completion.

(b) A regular maintenance schedule shall include, but not be limited to, routine inspection; auditing, adjustment and repair of the irrigation system and its components; aerating and dethatching turf areas; topdressing with compost, replenishing mulch; fertilizing; pruning; weeding in all landscape areas, and removing obstructions to emission devices. Operation of the irrigation system outside the normal watering window is allowed for auditing and system maintenance.

(c) Repair of all irrigation equipment shall be done with the originally installed components or their equivalents or with components with greater efficiency.
(d) A project applicant is encouraged to implement established landscape industry sustainable Best Practices for all landscape maintenance activities.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.12. Irrigation Audit, Irrigation Survey, and Irrigation Water Use Analysis.
(a) All landscape irrigation audits shall be conducted by a local agency landscape irrigation auditor or a third party certified landscape irrigation auditor. Landscape audits shall not be conducted by the person who designed the landscape or installed the landscape.
(b) In large projects or projects with multiple landscape installations (i.e. production home developments) an auditing rate of 1 in 7 lots or approximately 15% will satisfy this requirement.
(c) For new construction and rehabilitated landscape projects installed after December 1, 2015, as described in Section 490.1:

(1) the project applicant shall submit an irrigation audit report with the Certificate of Completion to the local agency that may include, but is not limited to: inspection, system tune-up, system test with distribution uniformity, reporting overspray or run off that causes overland flow, and preparation of an irrigation schedule, including configuring irrigation controllers with application rate, soil types, plant factors, slope, exposure and any other factors necessary for accurate programming;
(2) the local agency shall administer programs that may include, but not be limited to, irrigation water use analysis, irrigation audits, and irrigation surveys for compliance with the Maximum Applied Water Allowance.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.13. Irrigation Efficiency.
(a) For the purpose of determining Estimated Total Water Use, average irrigation efficiency is assumed to be 0.75 for overhead spray devices and 0.81 for drip system devices.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.14. Recycled Water.
(a) The installation of recycled water irrigation systems shall allow for the current and future use of recycled water.
(b) All recycled water irrigation systems shall be designed and operated in accordance with all applicable local and State laws.
(c) Landscapes using recycled water are considered Special Landscape Areas. The ET Adjustment Factor for new and existing (non-rehabilitated) Special Landscape Areas shall not exceed 1.0.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.15. Graywater Systems.
(a) Graywater systems promote the efficient use of water and are encouraged to assist in on-site landscape irrigation. All graywater systems shall conform to the California Plumbing Code (Title 24, Part 5, Chapter 16) and any applicable local ordinance standards. Refer to § 490.1 (d) for the applicability of this ordinance to landscape areas less than 2,500 square feet with the Estimated Total Water Use met entirely by graywater.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.16. Stormwater Management and Rainwater Retention.

(a) Stormwater management practices minimize runoff and increase infiltration which recharges groundwater and improves water quality. Implementing stormwater best management practices into the landscape and grading design plans to minimize runoff and to increase on-site rainwater retention and infiltration are encouraged.

(b) Project applicants shall refer to the local agency or Regional Water Quality Control Board for information on any applicable stormwater technical requirements

(c) All planted landscape areas are required to have friable soil to maximize water retention and infiltration. Refer to § 492.6(a)(3).

(d) It is strongly recommended that landscape areas be designed for capture and infiltration capacity that is sufficient to prevent runoff from impervious surfaces (i.e. roof and paved areas) from either: the one inch, 24-hour rain event or (2) the 85th percentile, 24-hour rain event, and/or additional capacity as required by any applicable local, regional, state or federal regulation.

(e) It is recommended that storm water projects incorporate any of the following elements to improve on-site storm water and dry weather runoff capture and use:

(1) Grade impervious surfaces, such as driveways, during construction to drain to vegetated areas.

(2) Minimize the area of impervious surfaces such as paved areas, roof and concrete driveways. Incorporate pervious or porous surfaces (e.g., gravel, permeable pavers or blocks, pervious or porous concrete) that minimize runoff.

(3) Direct runoff from paved surfaces and roof areas into planting beds or landscaped areas to maximize site water capture and reuse.

(4) Incorporate rain gardens, cisterns, and other rain harvesting or catchment systems. Incorporate infiltration beds, swales, basins and drywells to capture storm water and dry weather runoff and increase percolation into the soil.

(5) Consider constructed wetlands and ponds that retain water, equalize excess flow, and filter pollutants.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.17. Public Education.

(a) Publications. Education is a critical component to promote the efficient use of water in landscapes. The use of appropriate principles of design, installation, management and maintenance that save water is encouraged in the community.

(1) A local agency or water supplier/purveyor shall provide information to owners of permitted renovations and new, single-family residential homes regarding the design, installation, management, and maintenance of water efficient landscapes based on a water budget.

(b) Model Homes. All model homes that are landscaped shall use signs and written information to demonstrate the principles of water efficient landscapes described in this ordinance.

(1) Signs shall be used to identify the model as an example of a water efficient landscape featuring elements such as hydrozones, irrigation equipment, and others that contribute to the overall water efficient theme. Signage shall include information about the site water use as designed per the local ordinance; specify who designed and installed the water efficient landscape; and demonstrate low water use approaches to landscaping such as using native plants, graywater systems, and rainwater catchment systems.

(2) Information shall be provided about designing, installing, managing, and maintaining water efficient landscapes.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 492.18. Environmental Review.
(a) The local agency must comply with the California Environmental Quality Act (CEQA), as appropriate.

Note: Authority cited: Section 21082, Public Resources Code. Reference: Sections 21080 and 21082, Public Resources Code.

§ 493. Provisions for Existing Landscapes.
(a) A local agency may by mutual agreement, designate another agency, such as a water purveyor, to implement some or all of the requirements contained in this ordinance. Local agencies may collaborate with water purveyors to define each entity's specific responsibilities relating to this ordinance.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 493.1. Irrigation Audit, Irrigation Survey, and Irrigation Water Use Analysis.
(a) This section, 493.1, shall apply to all existing landscapes that were installed before December 1, 2015 and are over one acre in size.

(1) For all landscapes in 493.1(a) that have a water meter, the local agency shall administer programs that may include, but not be limited to, irrigation water use analyses, irrigation surveys, and irrigation audits to evaluate water use and provide recommendations as necessary to reduce landscape water use to a level that does not exceed the Maximum Applied Water Allowance for existing landscapes. The Maximum Applied Water Allowance for existing landscapes shall be calculated as: MAWA = (0.8) (ETo)(LA)(0.62).

(2) For all landscapes in 493.1(a), that do not have a meter, the local agency shall administer programs that may include, but not be limited to, irrigation surveys and irrigation audits to evaluate water use and provide recommendations as necessary in order to prevent water waste.

(b) All landscape irrigation audits shall be conducted by a certified landscape irrigation auditor.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 494. Effective Precipitation.
(a) A local agency may consider Effective Precipitation (25% of annual precipitation) in tracking water use and may use the following equation to calculate Maximum Applied Water Allowance:
MAWA= (ETo - Eppt) (0.62) [(0.55 x LA) + (0.45 x SLA)] for residential areas.
MAWA= (ETo-EPPT) (0.62) [(0.45 x LA) + (0.55 x SLA)] for non-residential areas.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

§ 495. Reporting.
(a) Local agencies shall report on implementation and enforcement by December 31, 2015. Local agencies responsible for administering individual ordinances shall report on their updated ordinance, while those agencies developing a regional ordinance shall report on their existing ordinance. Those agencies crafting a regional ordinances shall also report on their new ordinance by March 1, 2016. Subsequently, reporting for all agencies will be due by January 31st of each year. Reports shall be submitted to the Department of Water Resources.
(b) Local agencies are to address the following:

(1) State whether you are adopting a single agency ordinance or a regional agency alliance ordinance, and the date of adoption or anticipated date of adoption.

(2) Define the reporting period. The reporting period shall commence on December 1, 2015 and the end on December 28, 2015. For local agencies crafting regional ordinances with other agencies, there shall be an additional reporting period commencing on February 1, 2016 and ending on February 28, 2016. In subsequent years, all local agency reporting will be for the calendar year.
(3) State if using a locally modified Water Efficient Landscape Ordinance (WELO) or the MWELO. If using a locally modified WELO, how is it different than MWELO, is it at least as efficient as MWELO, and are there any exemptions specified?
(4) State the entity responsible for implementing the ordinance.
(5) State number and types of projects subject to the ordinance during the specified reporting period.
(6) State the total area (in square feet or acres) subject to the ordinance over the reporting period, if available.
(7) Provide the number of new housing starts, new commercial projects, and landscape retrofits during the reporting period.
(8) Describe the procedure for review of projects subject to the ordinance.
(9) Describe actions taken to verify compliance. Is a plan check performed; if so, by what entity? Is a site inspection performed; if so, by what entity? Is a post-installation audit required; if so, by whom?
(10) Describe enforcement measures.
(11) Explain challenges to implementing and enforcing the ordinance.
(12) Describe educational and other needs to properly apply the ordinance.

Note: Authority cited: Section 65595, Government Code. Reference: Section 65596, Government Code.

Appendix A - Reference Evapotranspiration (ETo) Table*													
County and City	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Annual ETo**
ALAMEDA													
Fremont	1.5	1.9	3.4	4.7	5.4	6.3	6.7	6.0	4.5	3.4	1.8	1.5	47.0
Livermore	1.2	1.5	2.9	4.4	5.9	6.6	7.4	6.4	5.3	3.2	1.5	0.9	47.2
Oakland	1.5	1.5	2.8	3.9	5.1	5.3	6.0	5.5	4.8	3.1	1.4	0.9	41.8
Oakland Foothills	1.1	1.4	2.7	3.7	5.1	6.4	5.8	4.9	3.6	2.6	1.4	1.0	39.6
Pleasanton	0.8	1.5	2.9	4.4	5.6	6.7	7.4	6.4	4.7	3.3	1.5	1.0	46.2
Union City	1.4	1.8	3.1	4.2	5.4	5.9	6.4	5.7	4.4	3.1	1.5	1.2	44.2
ALPINE													
Markleeville	0.7	0.9	2.0	3.5	5.0	6.1	7.3	6.4	4.4	2.6	1.2	0.5	40.6
AMADOR													
Jackson	1.2	1.5	2.8	4.4	6.0	7.2	7.9	7.2	5.3	3.2	1.4	0.9	48.9
Shanandoah Valley	1.0	1.7	2.9	4.4	5.6	6.8	7.9	7.1	5.2	3.6	1.7	1.0	48.8
BUTTE													
Chico	1.2	1.8	2.9	4.7	6.1	7.4	8.5	7.3	5.4	3.7	1.7	1.0	51.7
Durham	1.1	1.8	3.2	5.0	6.5	7.4	7.8	6.9	5.3	3.6	1.7	1.0	51.1
Gridley	1.2	1.8	3.0	4.7	6.1	7.7	8.5	7.1	5.4	3.7	1.7	1.0	51.9
Oroville	1.2	1.7	2.8	4.7	6.1	7.6	8.5	7.3	5.3	3.7	1.7	1.0	51.5
CALAVERAS													
San Andreas	1.2	1.5	2.8	4.4	6.0	7.3	7.9	7.0	5.3	3.2	1.4	0.7	48.8
COLUSA													
Colusa	1.0	1.7	3.4	5.0	6.4	7.6	8.3	7.2	5.4	3.8	1.8	1.1	52.8
Williams	1.2	1.7	2.9	4.5	6.1	7.2	8.5	7.3	5.3	3.4	1.6	1.0	50.8
CONTRA COSTA													
Brentwood	1.0	1.5	2.9	4.5	6.1	7.1	7.9	6.7	5.2	3.2	1.4	0.7	48.3
Concord	1.1	1.4	2.4	4.0	5.5	5.9	7.0	6.0	4.8	3.2	1.3	0.7	43.4
Courtland	0.9	1.5	2.9	4.4	6.1	6.9	7.9	6.7	5.3	3.2	1.4	0.7	48.0
Martinez	1.2	1.4	2.4	3.9	5.3	5.6	6.7	5.6	4.7	3.1	1.2	0.7	41.8
Moraga	1.2	1.5	3.4	4.2	5.5	6.1	6.7	5.9	4.6	3.2	1.6	1.0	44.9
Pittsburg	1.0	1.5	2.8	4.1	5.6	6.4	7.4	6.4	5.0	3.2	1.3	0.7	45.4
Walnut Creek	0.8	1.5	2.9	4.4	5.6	6.7	7.4	6.4	4.7	3.3	1.5	1.0	46.2
DEL NORTE													
Crescent City	0.5	0.9	2.0	3.0	3.7	3.5	4.3	3.7	3.0	2.0	0.9	0.5	27.7
EL DORADO													
Camino	0.9	1.7	2.5	3.9	5.9	7.2	7.8	6.8	5.1	3.1	1.5	0.9	47.3
FRESNO													
Clovis	1.0	1.5	3.2	4.8	6.4	7.7	8.5	7.3	5.3	3.4	1.4	0.7	51.4
Coalinga	1.2	1.7	3.1	4.6	6.2	7.2	8.5	7.3	5.3	3.4	1.6	0.7	50.9
Firebaugh	1.0	1.8	3.7	5.7	7.3	8.1	8.2	7.2	5.5	3.9	2.0	1.1	55.4
FivePoints	1.3	2.0	4.0	6.1	7.7	8.5	8.7	8.0	6.2	4.5	2.4	1.2	60.4
Fresno	0.9	1.7	3.3	4.8	6.7	7.8	8.4	7.1	5.2	3.2	1.4	0.6	51.1
Fresno State	0.9	1.6	3.2	5.2	7.0	8.0	8.7	7.6	5.4	3.6	1.7	0.9	53.7
Friant	1.2	1.5	3.1	4.7	6.4	7.7	8.5	7.3	5.3	3.4	1.4	0.7	51.3
Kerman	0.9	1.5	3.2	4.8	6.6	7.7	8.4	7.2	5.3	3.4	1.4	0.7	51.2
Kingsburg	1.0	1.5	3.4	4.8	6.6	7.7	8.4	7.2	5.3	3.4	1.4	0.7	51.6
Mendota	1.5	2.5	4.6	6.2	7.9	8.6	8.8	7.5	5.9	4.5	2.4	1.5	61.7
Orange Cove	1.2	1.9	3.5	4.7	7.4	8.5	8.9	7.9	5.9	3.7	1.8	1.2	56.7
Panoche	1.1	2.0	4.0	5.6	7.8	8.5	8.3	7.3	5.6	3.9	1.8	1.2	57.2

Parlier	1.0	1.9	3.6	5.2	6.8	7.6	8.1	7.0	5.1	3.4	1.7	0.9	52.0
Appendix A - Reference Evapotranspiration (ETo) Table*													
County and City	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Annual ETo**
FRESNO													
Reedley	1.1	1.5	3.2	4.7	6.4	7.7	8.5	7.3	5.3	3.4	1.4	0.7	51.3
Westlands	0.9	1.7	3.8	6.3	8.0	8.6	8.6	7.8	5.9	4.3	2.1	1.1	58.8
GLENN													
Orland	1.1	1.8	3.4	5.0	6.4	7.5	7.9	6.7	5.3	3.9	1.8	1.4	52.1
Willows	1.2	1.7	2.9	4.7	6.1	7.2	8.5	7.3	5.3	3.6	1.7	1.0	51.3
HUMBOLDT													
Eureka	0.5	1.1	2.0	3.0	3.7	3.7	3.7	3.7	3.0	2.0	0.9	0.5	27.5
Ferndale	0.5	1.1	2.0	3.0	3.7	3.7	3.7	3.7	3.0	2.0	0.9	0.5	27.5
Garberville	0.6	1.2	2.2	3.1	4.5	5.0	5.5	4.9	3.8	2.4	1.0	0.7	34.9
Hoopa	0.5	1.1	2.1	3.0	4.4	5.4	6.1	5.1	3.8	2.4	0.9	0.7	35.6
IMPERIAL													
Brawley	2.8	3.8	5.9	8.0	10.4	11.5	11.7	10.0	8.4	6.2	3.5	2.1	84.2
Calipatria/Mulberry	2.4	3.2	5.1	6.8	8.6	9.2	9.2	8.6	7.0	5.2	3.1	2.3	70.7
El Centro	2.7	3.5	5.6	7.9	10.1	11.1	11.6	9.5	8.3	6.1	3.3	2.0	81.7
Holtville	2.8	3.8	5.9	7.9	10.4	11.6	12.0	10.0	8.6	6.2	3.5	2.1	84.7
Meloland	2.5	3.2	5.5	7.5	8.9	9.2	9.0	8.5	6.8	5.3	3.1	2.2	71.6
Palo Verde II	2.5	3.3	5.7	6.9	8.5	8.9	8.6	7.9	6.2	4.5	2.9	2.3	68.2
Seeley	2.7	3.5	5.9	7.7	9.7	10.1	9.3	8.3	6.9	5.5	3.4	2.2	75.4
Westmoreland	2.4	3.3	5.3	6.9	8.7	9.6	9.6	8.7	6.9	5.0	3.0	2.2	71.4
Yuma	2.5	3.4	5.3	6.9	8.7	9.6	9.6	8.7	6.9	5.0	3.0	2.2	71.6
INYO													
Bishop	1.7	2.7	4.8	6.7	8.2	10.9	7.4	9.6	7.4	4.8	2.5	1.6	68.3
Death Valley Jct	2.2	3.3	5.4	7.7	9.8	11.1	11.4	10.1	8.3	5.4	2.9	1.7	79.1
Independence	1.7	2.7	3.4	6.6	8.5	9.5	9.8	8.5	7.1	3.9	2.0	1.5	65.2
Lower Haiwee Res.	1.8	2.7	4.4	7.1	8.5	9.5	9.8	8.5	7.1	4.2	2.6	1.5	67.6
Oasis	2.7	2.8	5.9	8.0	10.4	11.7	11.6	10.0	8.4	6.2	3.4	2.1	83.1
KERN													
Arvin	1.2	1.8	3.5	4.7	6.6	7.4	8.1	7.3	5.3	3.4	1.7	1.0	51.9
Bakersfield	1.0	1.8	3.5	4.7	6.6	7.7	8.5	7.3	5.3	3.5	1.6	0.9	52.4
Bakersfield/Bonanza	1.2	2.2	3.7	5.7	7.4	8.2	8.7	7.8	5.7	4.0	2.1	1.2	57.9
Bakersfield/Greenlee	1.2	2.2	3.7	5.7	7.4	8.2	8.7	7.8	5.7	4.0	2.1	1.2	57.9
Belridge	1.4	2.2	4.1	5.5	7.7	8.5	8.6	7.8	6.0	3.8	2.0	1.5	59.2
Blackwells Corner	1.4	2.1	3.8	5.4	7.0	7.8	8.5	7.7	5.8	3.9	1.9	1.2	56.6
Buttonwillow	1.0	1.8	3.2	4.7	6.6	7.7	8.5	7.3	5.4	3.4	1.5	0.9	52.0
China Lake	2.1	3.2	5.3	7.7	9.2	10.0	11.0	9.8	7.3	4.9	2.7	1.7	74.8
Delano	0.9	1.8	3.4	4.7	6.6	7.7	8.5	7.3	5.4	3.4	1.4	0.7	52.0
Famoso	1.3	1.9	3.5	4.8	6.7	7.6	8.0	7.3	5.5	3.5	1.7	1.3	53.1
Grapevine	1.3	1.8	3.1	4.4	5.6	6.8	7.6	6.8	5.9	3.4	1.9	1.0	49.5
Inyokern	2.0	3.1	4.9	7.3	8.5	9.7	11.0	9.4	7.1	5.1	2.6	1.7	72.4
Isabella Dam	1.2	1.4	2.8	4.4	5.8	7.3	7.9	7.0	5.0	3.2	1.7	0.9	48.4
Lamont	1.3	2.4	4.4	4.6	6.5	7.0	8.8	7.6	5.7	3.7	1.6	0.8	54.4
Lost Hills	1.6	2.2	3.7	5.1	6.8	7.8	8.7	7.8	5.7	4.0	2.1	1.6	57.1
McFarland/Kern	1.2	2.1	3.7	5.6	7.3	8.0	8.3	7.4	5.6	4.1	2.0	1.2	56.5
Shafter	1.0	1.7	3.4	5.0	6.6	7.7	8.3	7.3	5.4	3.4	1.5	0.9	52.1
Taft	1.3	1.8	3.1	4.3	6.2	7.3	8.5	7.3	5.4	3.4	1.7	1.0	51.2
Tehachapi	1.4	1.8	3.2	5.0	6.1	7.7	7.9	7.3	5.9	3.4	2.1	1.2	52.9
KINGS													

Caruthers	1.6	2.5	4.0	5.7	7.8	8.7	9.3	8.4	6.3	4.4	2.4	1.6	62.7
Appendix A - Reference Evapotranspiration (ETo) Table*													
County and City	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Annual ETo**
KINGS													
Corcoran	1.6	2.2	3.7	5.1	6.8	7.8	8.7	7.8	5.7	4.0	2.1	1.6	57.1
Hanford	0.9	1.5	3.4	5.0	6.6	7.7	8.3	7.2	5.4	3.4	1.4	0.7	51.5
Kettleman	1.1	2.0	4.0	6.0	7.5	8.5	9.1	8.2	6.1	4.5	2.2	1.1	60.2
Lemoore	0.9	1.5	3.4	5.0	6.6	7.7	8.3	7.3	5.4	3.4	1.4	0.7	51.7
Stratford	0.9	1.9	3.9	6.1	7.8	8.6	8.8	7.7	5.9	4.1	2.1	1.0	58.7
LAKE													
Lakeport	1.1	1.3	2.6	3.5	5.1	6.0	7.3	6.1	4.7	2.9	1.2	0.9	42.8
Lower Lake	1.2	1.4	2.7	4.5	5.3	6.3	7.4	6.4	5.0	3.1	1.3	0.9	45.4
LASSEN													
Buntingville	1.0	1.7	3.5	4.9	6.2	7.3	8.4	7.5	5.4	3.4	1.5	0.9	51.8
Ravendale	0.6	1.1	2.3	4.1	5.6	6.7	7.9	7.3	4.7	2.8	1.2	0.5	44.9
Susanville	0.7	1.0	2.2	4.1	5.6	6.5	7.8	7.0	4.6	2.8	1.2	0.5	44.0
LOS ANGELES													
Burbank	2.1	2.8	3.7	4.7	5.1	6.0	6.6	6.7	5.4	4.0	2.6	2.0	51.7
Claremont	2.0	2.3	3.4	4.6	5.0	6.0	7.0	7.0	5.3	4.0	2.7	2.1	51.3
El Dorado	1.7	2.2	3.6	4.8	5.1	5.7	5.9	5.9	4.4	3.2	2.2	1.7	46.3
Glendale	2.0	2.2	3.3	3.8	4.7	4.8	5.7	5.6	4.3	3.3	2.2	1.8	43.7
Glendora	2.0	2.5	3.6	4.9	5.4	6.1	7.3	6.8	5.7	4.2	2.6	2.0	53.1
Gorman	1.6	2.2	3.4	4.6	5.5	7.4	7.7	7.1	5.9	3.6	2.4	1.1	52.4
Hollywood Hills	2.1	2.2	3.8	5.4	6.0	6.5	6.7	6.4	5.2	3.7	2.8	2.1	52.8
Lancaster	2.1	3.0	4.6	5.9	8.5	9.7	11.0	9.8	7.3	4.6	2.8	1.7	71.1
Long Beach	1.8	2.1	3.3	3.9	4.5	4.3	5.3	4.7	3.7	2.8	1.8	1.5	39.7
Los Angeles	2.2	2.7	3.7	4.7	5.5	5.8	6.2	5.9	5.0	3.9	2.6	1.9	50.1
Monrovia	2.2	2.3	3.8	4.3	5.5	5.9	6.9	6.4	5.1	3.2	2.5	2.0	50.2
Palmdale	2.0	2.6	4.6	6.2	7.3	8.9	9.8	9.0	6.5	4.7	2.7	2.1	66.2
Pasadena	2.1	2.7	3.7	4.7	5.1	6.0	7.1	6.7	5.6	4.2	2.6	2.0	52.3
Pearblossom	1.7	2.4	3.7	4.7	7.3	7.7	9.9	7.9	6.4	4.0	2.6	1.6	59.9
Pomona	1.7	2.0	3.4	4.5	5.0	5.8	6.5	6.4	4.7	3.5	2.3	1.7	47.5
Redondo Beach	2.2	2.4	3.3	3.8	4.5	4.7	5.4	4.8	4.4	2.8	2.4	2.0	42.6
San Fernando	2.0	2.7	3.5	4.6	5.5	5.9	7.3	6.7	5.3	3.9	2.6	2.0	52.0
Santa Clarita	2.8	2.8	4.1	5.6	6.0	6.8	7.6	7.8	5.8	5.2	3.7	3.2	61.5
Santa Monica	1.8	2.1	3.3	4.5	4.7	5.0	5.4	5.4	3.9	3.4	2.4	2.2	44.2
MADERA													
Chowchilla	1.0	1.4	3.2	4.7	6.6	7.8	8.5	7.3	5.3	3.4	1.4	0.7	51.4
Madera	0.9	1.4	3.2	4.8	6.6	7.8	8.5	7.3	5.3	3.4	1.4	0.7	51.5
Raymond	1.2	1.5	3.0	4.6	6.1	7.6	8.4	7.3	5.2	3.4	1.4	0.7	50.5
MARIN													
Black Point	1.1	1.7	3.0	4.2	5.2	6.2	6.6	5.8	4.3	2.8	1.3	0.9	43.0
Novato	1.3	1.5	2.4	3.5	4.4	6.0	5.9	5.4	4.4	2.8	1.4	0.7	39.8
Point San Pedro	1.1	1.7	3.0	4.2	5.2	6.2	6.6	5.8	4.3	2.8	1.3	0.9	43.0
San Rafael	1.2	1.3	2.4	3.3	4.0	4.8	4.8	4.9	4.3	2.7	1.3	0.7	35.8
MARIPOSA													
Coulterville	1.1	1.5	2.8	4.4	5.9	7.3	8.1	7.0	5.3	3.4	1.4	0.7	48.8
Mariposa	1.1	1.5	2.8	4.4	5.9	7.4	8.2	7.1	5.0	3.4	1.4	0.7	49.0
Yosemite Village	0.7	1.0	2.3	3.7	5.1	6.5	7.1	6.1	4.4	2.9	1.1	0.6	41.4
MENDOCINO													
Fort Bragg	0.9	1.3	2.2	3.0	3.7	3.5	3.7	3.7	3.0	2.3	1.2	0.7	29.0

Hopland	1.1	1.3	2.6	3.4	5.0	5.9	6.5	5.7	4.5	2.8	1.3	0.7	40.9
Appendix A - Reference Evapotranspiration (ETo) Table*													
County and City	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Annual ETo**
MENDOCINO													
Point Arena	1.0	1.3	2.3	3.0	3.7	3.9	3.7	3.7	3.0	2.3	1.2	0.7	29.6
Sanel Valley	1.0	1.6	3.0	4.6	6.0	7.0	8.0	7.0	5.2	3.4	1.4	0.9	49.1
Ukiah	1.0	1.3	2.6	3.3	5.0	5.8	6.7	5.9	4.5	2.8	1.3	0.7	40.9
MERCED													
Kesterson	0.9	1.7	3.4	5.5	7.3	8.2	8.6	7.4	5.5	3.8	1.8	0.9	55.1
Los Banos	1.0	1.5	3.2	4.7	6.1	7.4	8.2	7.0	5.3	3.4	1.4	0.7	50.0
Merced	1.0	1.5	3.2	4.7	6.6	7.9	8.5	7.2	5.3	3.4	1.4	0.7	51.5
MODOC													
Modoc/Alturas	0.9	1.4	2.8	3.7	5.1	6.2	7.5	6.6	4.6	2.8	1.2	0.7	43.2
MONO													
Bridgeport	0.7	0.9	2.2	3.8	5.5	6.6	7.4	6.7	4.7	2.7	1.2	0.5	43.0
MONTEREY													
Arroyo Seco	1.5	2.0	3.7	5.4	6.3	7.3	7.2	6.7	5.0	3.9	2.0	1.6	52.6
Castroville	1.4	1.7	3.0	4.2	4.6	4.8	4.0	3.8	3.0	2.6	1.6	1.4	36.2
Gonzales	1.3	1.7	3.4	4.7	5.4	6.3	6.3	5.9	4.4	3.4	1.9	1.3	45.7
Greenfield	1.8	2.2	3.4	4.8	5.6	6.3	6.5	6.2	4.8	3.7	2.4	1.8	49.5
King City	1.7	2.0	3.4	4.4	4.4	5.6	6.1	6.7	6.5	5.2	2.2	1.3	49.6
King City-Oasis Rd.	1.4	1.9	3.6	5.3	6.5	7.3	7.4	6.8	5.1	4.0	2.0	1.5	52.7
Long Valley	1.5	1.9	3.2	4.1	5.8	6.5	7.3	6.7	5.3	3.6	2.0	1.2	49.1
Monterey	1.7	1.8	2.7	3.5	4.0	4.1	4.3	4.2	3.5	2.8	1.9	1.5	36.0
Pajaro	1.8	2.2	3.7	4.8	5.3	5.7	5.6	5.3	4.3	3.4	2.4	1.8	46.1
Salinas	1.6	1.9	2.7	3.8	4.8	4.7	5.0	4.5	4.0	2.9	1.9	1.3	39.1
Salinas North	1.2	1.5	2.9	4.1	4.6	5.2	4.5	4.3	3.2	2.8	1.5	1.2	36.9
San Ardo	1.0	1.7	3.1	4.5	5.9	7.2	8.1	7.1	5.1	3.1	1.5	1.0	49.0
San Juan	1.8	2.1	3.4	4.6	5.3	5.7	5.5	4.9	3.8	3.2	2.2	1.9	44.2
Soledad	1.7	2.0	3.4	4.4	5.5	5.4	6.5	6.2	5.2	3.7	2.2	1.5	47.7
NAPA													
Angwin	1.8	1.9	3.2	4.7	5.8	7.3	8.1	7.1	5.5	4.5	2.9	2.1	54.9
Carneros	0.8	1.5	3.1	4.6	5.5	6.6	6.9	6.2	4.7	3.5	1.4	1.0	45.8
Oakville	1.0	1.5	2.9	4.7	5.8	6.9	7.2	6.4	4.9	3.5	1.6	1.2	47.7
St Helena	1.2	1.5	2.8	3.9	5.1	6.1	7.0	6.2	4.8	3.1	1.4	0.9	44.1
Yountville	1.3	1.7	2.8	3.9	5.1	6.0	7.1	6.1	4.8	3.1	1.5	0.9	44.3
NEVADA													
Grass Valley	1.1	1.5	2.6	4.0	5.7	7.1	7.9	7.1	5.3	3.2	1.5	0.9	48.0
Nevada City	1.1	1.5	2.6	3.9	5.8	6.9	7.9	7.0	5.3	3.2	1.4	0.9	47.4
ORANGE													
Irvine	2.2	2.5	3.7	4.7	5.2	5.9	6.3	6.2	4.6	3.7	2.6	2.3	49.6
Laguna Beach	2.2	2.7	3.4	3.8	4.6	4.6	4.9	4.9	4.4	3.4	2.4	2.0	43.2
Santa Ana	2.2	2.7	3.7	4.5	4.6	5.4	6.2	6.1	4.7	3.7	2.5	2.0	48.2
PLACER													
Auburn	1.2	1.7	2.8	4.4	6.1	7.4	8.3	7.3	5.4	3.4	1.6	1.0	50.6
Blue Canyon	0.7	1.1	2.1	3.4	4.8	6.0	7.2	6.1	4.6	2.9	0.9	0.6	40.5
Colfax	1.1	1.5	2.6	4.0	5.8	7.1	7.9	7.0	5.3	3.2	1.4	0.9	47.9
Roseville	1.1	1.7	3.1	4.7	6.2	7.7	8.5	7.3	5.6	3.7	1.7	1.0	52.2
Soda Springs	0.7	0.7	1.8	3.0	4.3	5.3	6.2	5.5	4.1	2.5	0.7	0.7	35.4
Tahoe City	0.7	0.7	1.7	3.0	4.3	5.4	6.1	5.6	4.1	2.4	0.8	0.6	35.5
Truckee	0.7	0.7	1.7	3.2	4.4	5.4	6.4	5.7	4.1	2.4	0.8	0.6	36.2

Appendix A - Reference Evapotranspiration (ETo) Table*													
County and City	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Annual ETo**
PLUMAS													
Portola	0.7	0.9	1.9	3.5	4.9	5.9	7.3	5.9	4.3	2.7	0.9	0.5	39.4
Quincy	0.7	0.9	2.2	3.5	4.9	5.9	7.3	5.9	4.4	2.8	1.2	0.5	40.2
RIVERSIDE													
Beaumont	2.0	2.3	3.4	4.4	6.1	7.1	7.6	7.9	6.0	3.9	2.6	1.7	55.0
Blythe	2.4	3.3	5.3	6.9	8.7	9.6	9.6	8.7	6.9	5.0	3.0	2.2	71.4
Cathedral City	1.6	2.2	3.7	5.1	6.8	7.8	8.7	7.8	5.7	4.0	2.1	1.6	57.1
Coachella	2.9	4.4	6.2	8.4	10.5	11.9	12.3	10.1	8.9	6.2	3.8	2.4	88.1
Desert Center	2.9	4.1	6.4	8.5	11.0	12.1	12.2	11.1	9.0	6.4	3.9	2.6	90.0
Elsinore	2.1	2.8	3.9	4.4	5.9	7.1	7.6	7.0	5.8	3.9	2.6	1.9	55.0
Indio	**3.1**	3.6	6.5	8.3	10.5	11.0	10.8	9.7	8.3	5.9	3.7	2.7	83.9
La Quinta	2.4	2.8	5.2	6.5	8.3	8.7	8.5	7.9	6.5	4.5	2.7	2.2	66.2
Mecca	2.6	3.3	5.7	7.2	8.6	9.0	8.8	8.2	6.8	5.0	3.2	2.4	70.8
Oasis	2.9	3.3	5.3	6.1	8.5	8.9	8.7	7.9	6.9	4.8	2.9	2.3	68.4
Palm Desert	2.5	3.4	5.3	6.9	8.7	9.6	9.6	8.7	6.9	5.0	3.0	2.2	71.6
Palm Springs	2.0	2.9	4.9	7.2	8.3	8.5	11.6	8.3	7.2	5.9	2.7	1.7	71.1
Rancho California	1.8	2.2	3.4	4.8	5.6	6.3	6.5	6.2	4.8	3.7	2.4	1.8	49.5
Rancho Mirage	2.4	3.3	5.3	6.9	8.7	9.6	9.6	8.7	6.9	5.0	3.0	2.2	71.4
Ripley	2.7	3.3	5.6	7.2	8.7	8.7	8.4	7.6	6.2	4.6	2.8	2.2	67.8
Salton Sea North	2.5	3.3	5.5	7.2	8.8	9.3	9.2	8.5	6.8	5.2	3.1	2.3	71.7
Temecula East II	2.3	2.4	4.1	4.9	6.4	7.0	7.8	7.4	5.7	4.1	2.6	2.2	56.7
Thermal	2.4	3.3	5.5	7.6	9.1	9.6	9.3	8.6	7.1	5.2	3.1	2.1	72.8
Riverside UC	2.5	2.9	4.2	5.3	5.9	6.6	7.2	6.9	5.4	4.1	2.9	2.6	56.4
Winchester	2.3	2.4	4.1	4.9	6.4	6.9	7.7	7.5	6.0	3.9	2.6	2.1	56.8
SACRAMENTO													
Fair Oaks	1.0	1.6	3.4	4.1	6.5	7.5	8.1	7.1	5.2	3.4	1.5	1.0	50.5
Sacramento	1.0	1.8	3.2	4.7	6.4	7.7	8.4	7.2	5.4	3.7	1.7	0.9	51.9
Twitchell Island	1.2	1.8	3.9	5.3	7.4	8.8	9.1	7.8	5.9	3.8	1.7	1.2	57.9
SAN BENITO													
Hollister	1.5	1.8	3.1	4.3	5.5	5.7	6.4	5.9	5.0	3.5	1.7	1.1	45.1
San Benito	1.2	1.6	3.1	4.6	5.6	6.4	6.9	6.5	4.8	3.7	1.7	1.2	47.2
San Juan Valley	1.4	1.8	3.4	4.5	6.0	6.7	7.1	6.4	5.0	3.5	1.8	1.4	49.1
SAN BERNARDINO													
Baker	2.7	3.9	6.1	8.3	10.4	11.8	12.2	11.0	8.9	6.1	3.3	2.1	86.6
Barstow NE	2.2	2.9	5.3	6.9	9.0	10.1	9.9	8.9	6.8	4.8	2.7	2.1	71.7
Big Bear Lake	1.8	2.6	4.6	6.0	7.0	7.6	8.1	7.4	5.4	4.1	2.4	1.8	58.6
Chino	2.1	2.9	3.9	4.5	5.7	6.5	7.3	7.1	5.9	4.2	2.6	2.0	54.6
Crestline	1.5	1.9	3.3	4.4	5.5	6.6	7.8	7.1	5.4	3.5	2.2	1.6	50.8
Lake Arrowhead	1.8	2.6	4.6	6.0	7.0	7.6	8.1	7.4	5.4	4.1	2.4	1.8	58.6
Lucerne Valley	2.2	2.9	5.1	6.5	9.1	11.0	11.4	9.9	7.4	5.0	3.0	1.8	75.3
Needles	3.2	4.2	6.6	8.9	11.0	12.4	12.8	11.0	8.9	6.6	4.0	2.7	92.1
Newberry Springs	2.1	2.9	5.3	8.4	9.8	10.9	11.1	9.9	7.6	5.2	3.1	2.0	78.2
San Bernardino	2.0	2.7	3.8	4.6	5.7	6.9	7.9	7.4	5.9	4.2	2.6	2.0	55.6
Twentynine Palms	2.6	3.6	5.9	7.9	10.1	11.2	11.2	10.3	8.6	5.9	3.4	2.2	82.9
Victorville	2.0	2.6	4.6	6.2	7.3	8.9	9.8	9.0	6.5	4.7	2.7	2.1	66.2
SAN DIEGO													
Chula Vista	2.2	2.7	3.4	3.8	4.9	4.7	5.5	4.9	4.5	3.4	2.4	2.0	44.2
Escondido SPV	2.4	2.6	3.9	4.7	5.9	6.5	7.1	6.7	5.3	3.9	2.8	2.3	54.2

Miramar	2.3	2.5	3.7	4.1	5.1	5.4	6.1	5.8	4.5	3.3	2.4	2.1	47.1
Appendix A - Reference Evapotranspiration (ETo) Table*													
County and City	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Annual ETo**
SAN DIEGO													
Oceanside	2.2	2.7	3.4	3.7	4.9	4.6	4.6	5.1	4.1	3.3	2.4	2.0	42.9
Otay Lake	2.3	2.7	3.9	4.6	5.6	5.9	6.2	6.1	4.8	3.7	2.6	2.2	50.4
Pine Valley	1.5	2.4	3.8	5.1	6.0	7.0	7.8	7.3	6.0	4.0	2.2	1.7	54.8
Ramona	2.1	2.1	3.4	4.6	5.2	6.3	6.7	6.8	5.3	4.1	2.8	2.1	51.6
San Diego	2.1	2.4	3.4	4.6	5.1	5.3	5.7	5.6	4.3	3.6	2.4	2.0	46.5
Santee	2.1	2.7	3.7	4.5	5.5	6.1	6.6	6.2	5.4	3.8	2.6	2.0	51.1
Torrey Pines	2.2	2.3	3.4	3.9	4.0	4.1	4.6	4.7	3.8	2.8	2.0	2.0	39.8
Warner Springs	1.6	2.7	3.7	4.7	5.7	7.6	8.3	7.7	6.3	4.0	2.5	1.3	56.0
SAN FRANCISCO													
San Francisco	1.5	1.3	2.4	3.0	3.7	4.6	4.9	4.8	4.1	2.8	1.3	0.7	35.1
SAN JOAQUIN													
Farmington	1.5	1.5	2.9	4.7	6.2	7.6	8.1	6.8	5.3	3.3	1.4	0.7	50.0
Lodi West	1.0	1.6	3.3	4.3	6.3	6.9	7.3	6.4	4.5	3.0	1.4	0.8	46.7
Manteca	0.9	1.7	3.4	5.0	6.5	7.5	8.0	7.1	5.2	3.3	1.6	0.9	51.2
Stockton	0.8	1.5	2.9	4.7	6.2	7.4	8.1	6.8	5.3	3.2	1.4	0.6	49.1
Tracy	1.0	1.5	2.9	4.5	6.1	7.3	7.9	6.7	5.3	3.2	1.3	0.7	48.5
SAN LUIS OBISPO													
Arroyo Grande	2.0	2.2	3.2	3.8	4.3	4.7	4.3	4.6	3.8	3.2	2.4	1.7	40.0
Atascadero	1.2	1.5	2.8	3.9	4.5	6.0	6.7	6.2	5.0	3.2	1.7	1.0	43.7
Morro Bay	2.0	2.2	3.1	3.5	4.3	4.5	4.6	4.6	3.8	3.5	2.1	1.7	39.9
Nipomo	2.2	2.5	3.8	5.1	5.7	6.2	6.4	6.1	4.9	4.1	2.9	2.3	52.1
Paso Robles	1.6	2.0	3.2	4.3	5.5	6.3	7.3	6.7	5.1	3.7	2.1	1.4	49.0
San Luis Obispo	2.0	2.2	3.2	4.1	4.9	5.3	4.6	5.5	4.4	3.5	2.4	1.7	43.8
San Miguel	1.6	2.0	3.2	4.3	5.0	6.4	7.4	6.8	5.1	3.7	2.1	1.4	49.0
San Simeon	2.0	2.0	2.9	3.5	4.2	4.4	4.6	4.3	3.5	3.1	2.0	1.7	38.1
SAN MATEO													
Hal Moon Bay	1.5	1.7	2.4	3.0	3.9	4.3	4.3	4.2	3.5	2.8	1.3	1.0	33.7
Redwood City	1.5	1.8	2.9	3.8	5.2	5.3	6.2	5.6	4.8	3.1	1.7	1.0	42.8
Woodside	1.8	2.2	3.4	4.8	5.6	6.3	6.5	6.2	4.8	3.7	2.4	1.8	49.5
SANTA BARBARA													
Betteravia	2.1	2.6	4.0	5.2	6.0	5.9	5.8	5.4	4.1	3.3	2.7	2.1	49.1
Carpenteria	2.0	2.4	3.2	3.9	4.8	5.2	5.5	5.7	4.5	3.4	2.4	2.0	44.9
Cuyama	2.1	2.4	3.8	5.4	6.9	7.9	8.5	7.7	5.9	4.5	2.6	2.0	59.7
Goleta	2.1	2.5	3.9	5.1	5.7	5.7	5.4	5.4	4.2	3.2	2.8	2.2	48.1
Goleta Foothills	2.3	2.6	3.7	5.4	5.3	5.6	5.5	5.7	4.5	3.9	2.8	2.3	49.6
Guadalupe	2.0	2.2	3.2	3.7	4.9	4.6	4.5	4.6	4.1	3.3	2.4	1.7	41.1
Lompoc	2.0	2.2	3.2	3.7	4.8	4.6	4.9	4.8	3.9	3.2	2.4	1.7	41.1
Los Alamos	1.8	2.0	3.2	4.1	4.9	5.3	5.7	5.5	4.4	3.7	2.4	1.6	44.6
Santa Barbara	2.0	2.5	3.2	3.8	4.6	5.1	5.5	4.5	3.4	2.4	1.8	1.8	40.6
Santa Maria	1.8	2.3	3.7	5.1	5.7	5.8	5.6	5.3	4.2	3.5	2.4	1.9	47.4
Santa Ynez	1.7	2.2	3.5	5.0	5.8	6.2	6.4	6.0	4.5	3.6	2.2	1.7	48.7
Sisquoc	2.1	2.5	3.8	4.1	6.1	6.3	6.4	5.8	4.7	3.4	2.3	1.8	49.2
Solvang	2.0	2.0	3.3	4.3	5.0	5.6	6.1	5.6	4.4	3.7	2.2	1.6	45.6
SANTA CLARA													
Gilroy	1.3	1.8	3.1	4.1	5.3	5.6	6.1	5.5	4.7	3.4	1.7	1.1	43.6
Los Gatos	1.5	1.8	2.8	3.9	5.0	5.6	6.2	5.5	4.7	3.2	1.7	1.1	42.9
Morgan Hill	1.5	1.8	3.4	4.2	6.3	7.0	7.1	6.0	5.1	3.7	1.9	1.4	49.5

Palo Alto	1.5	1.8	2.8	3.8	5.2	5.3	6.2	5.6	5.0	3.2	1.7	1.0	43.0
Appendix A - Reference Evapotranspiration (ETo) Table*													
County and City	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Annual ETo**
SANTA CLARA													
San Jose	1.5	1.8	3.1	4.1	5.5	5.8	6.5	5.9	5.2	3.3	1.8	1.0	45.3
SANTA CRUZ													
De Laveaga	1.4	1.9	3.3	4.7	4.9	5.3	5.0	4.8	3.6	3.0	1.6	1.3	40.8
Green Valley Rd	1.2	1.8	3.2	4.5	4.6	5.4	5.2	5.0	3.7	3.1	1.6	1.3	40.6
Santa Cruz	1.5	1.8	2.6	3.5	4.3	4.4	4.8	4.4	3.8	2.8	1.7	1.2	36.6
Watsonville	1.5	1.8	2.7	3.7	4.6	4.5	4.9	4.2	4.0	2.9	1.8	1.2	37.7
Webb	1.8	2.2	3.7	4.8	5.3	5.7	5.6	5.3	4.3	3.4	2.4	1.8	46.2
SHASTA													
Burney	0.7	1.0	2.1	3.5	4.9	5.9	7.4	6.4	4.4	2.9	0.9	0.6	40.9
Fall River Mills	0.6	1.0	2.1	3.7	5.0	6.1	7.8	6.7	4.6	2.8	0.9	0.5	41.8
Glenburn	0.6	1.0	2.1	3.7	5.0	6.3	7.8	6.7	4.7	2.8	0.9	0.6	42.1
McArthur	0.7	1.4	2.9	4.2	5.6	6.9	8.2	7.2	5.0	3.0	1.1	0.6	46.8
Redding	1.2	1.4	2.6	4.1	5.6	7.1	8.5	7.3	5.3	3.2	1.4	0.9	48.8
SIERRA													
Downieville	0.7	1.0	2.3	3.5	5.0	6.0	7.4	6.2	4.7	2.8	0.9	0.6	41.3
Sierraville	0.7	1.1	2.2	3.2	4.5	5.9	7.3	6.4	4.3	2.6	0.9	0.5	39.6
SISKIYOU													
Happy Camp	0.5	0.9	2.0	3.0	4.3	5.2	6.1	5.3	4.1	2.4	0.9	0.5	35.1
MacDoel	1.0	1.7	3.1	4.5	5.9	7.2	8.1	7.1	5.1	3.1	1.5	1.0	49.0
Mt Shasta	0.5	0.9	2.0	3.0	4.5	5.3	6.7	5.7	4.0	2.2	0.7	0.5	36.0
Tule lake FS	0.7	1.3	2.7	4.0	5.4	6.3	7.1	6.4	4.7	2.8	1.0	0.6	42.9
Weed	0.5	0.9	2.0	2.5	4.5	5.3	6.7	5.5	3.7	2.0	0.9	0.5	34.9
Yreka	0.6	0.9	2.1	3.0	4.9	5.8	7.3	6.5	4.3	2.5	0.9	0.5	39.2
SOLANO													
Benicia	1.3	1.4	2.7	3.8	4.9	5.0	6.4	5.5	4.4	2.9	1.2	0.7	40.3
Dixon	0.7	1.4	3.2	5.2	6.3	7.6	8.2	7.2	5.5	4.3	1.6	1.1	52.1
Fairfield	1.1	1.7	2.8	4.0	5.5	6.1	7.8	6.0	4.8	3.1	1.4	0.9	45.2
Hastings Tract	1.6	2.2	3.7	5.1	6.8	7.8	8.7	7.8	5.7	4.0	2.1	1.6	57.1
Putah Creek	1.0	1.6	3.2	4.9	6.1	7.3	7.9	7.0	5.3	3.8	1.8	1.2	51.0
Rio Vista	0.9	1.7	2.8	4.4	5.9	6.7	7.9	6.5	5.1	3.2	1.3	0.7	47.0
Suisun Valley	0.6	1.3	3.0	4.7	5.8	7.0	7.7	6.8	5.3	3.8	1.4	0.9	48.3
Winters	0.9	1.7	3.3	5.0	6.4	7.5	7.9	7.0	5.2	3.5	1.6	1.0	51.0
SONOMA													
Bennett Valley	1.1	1.7	3.2	4.1	5.5	6.5	6.6	5.7	4.5	3.1	1.5	0.9	44.4
Cloverdale	1.1	1.4	2.6	3.4	5.0	5.9	6.2	5.6	4.5	2.8	1.4	0.7	40.7
Fort Ross	1.2	1.4	2.2	3.0	3.7	4.5	4.2	4.3	3.4	2.4	1.2	0.5	31.9
Healdsburg	1.2	1.5	2.4	3.5	5.0	5.9	6.1	5.6	4.5	2.8	1.4	0.7	40.8
Lincoln	1.2	1.7	2.8	4.7	6.1	7.4	8.4	7.3	5.4	3.7	1.9	1.2	51.9
Petaluma	1.2	1.5	2.8	3.7	4.6	5.6	4.6	5.7	4.5	2.9	1.4	0.9	39.6
Santa Rosa	1.2	1.7	2.8	3.7	5.0	6.0	6.1	5.9	4.5	2.9	1.5	0.7	42.0
Valley of the Moon	1.0	1.6	3.0	4.5	5.6	6.6	7.1	6.3	4.7	3.3	1.5	1.0	46.1
Windsor	0.9	1.6	3.0	4.5	5.5	6.5	6.5	5.9	4.4	3.2	1.4	1.0	44.2
STANISLAUS													
Denair	1.0	1.9	3.6	4.7	7.0	7.9	8.0	6.1	5.3	3.4	1.5	1.0	51.4
La Grange	1.2	1.5	3.1	4.7	6.2	7.7	8.5	7.3	5.3	3.4	1.4	0.7	51.2
Modesto	0.9	1.4	3.2	4.7	6.4	7.7	8.1	6.8	5.0	3.4	1.4	0.7	49.7
Newman	1.0	1.5	3.2	4.6	6.2	7.4	8.1	6.7	5.0	3.4	1.4	0.7	49.3

Oakdale	1.2	1.5	3.2	4.7	6.2	7.7	8.1	7.1	5.1	3.4	1.4	0.7	50.3
Appendix A - Reference Evapotranspiration (ETo) Table*													
County and City	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Annual ETo**
STANISLAUS													
Patterson	1.3	2.1	4.2	5.4	7.9	8.6	8.2	6.6	5.8	4.0	1.9	1.3	57.3
Turlock	0.9	1.5	3.2	4.7	6.5	7.7	8.2	7.0	5.1	3.4	1.4	0.7	50.2
SUTTER													
Nicolaus	0.9	1.6	3.2	4.9	6.3	7.5	8.0	6.9	5.2	3.4	1.5	0.9	50.2
Yuba City	1.3	2.1	2.8	4.4	5.7	7.2	7.1	6.1	4.7	3.2	1.2	0.9	46.7
TEHAMA													
Corning	1.2	1.8	2.9	4.5	6.1	7.3	8.1	7.2	5.3	3.7	1.7	1.1	50.7
Gerber	1.0	1.8	3.5	5.0	6.6	7.9	8.7	7.4	5.8	4.1	1.8	1.1	54.7
Gerber Dryland	0.9	1.6	3.2	4.7	6.7	8.4	9.0	7.9	6.0	4.2	2.0	1.0	55.5
Red Bluff	1.2	1.8	2.9	4.4	5.9	7.4	8.5	7.3	5.4	3.5	1.7	1.0	51.1
TRINITY													
Hay Fork	0.5	1.1	2.3	3.5	4.9	5.9	7.0	6.0	4.5	2.8	0.9	0.7	40.1
Weaverville	0.6	1.1	2.2	3.3	4.9	5.9	7.3	6.0	4.4	2.7	0.9	0.7	40.0
TULARE													
Alpaugh	0.9	1.7	3.4	4.8	6.6	7.7	8.2	7.3	5.4	3.4	1.4	0.7	51.6
Badger	1.0	1.3	2.7	4.1	6.0	7.3	7.7	7.0	4.8	3.3	1.4	0.7	47.3
Delano	1.1	1.9	4.0	4.9	7.2	7.9	8.1	7.3	5.4	3.2	1.5	1.2	53.6
Dinuba	1.1	1.5	3.2	4.7	6.2	7.7	8.5	7.3	5.3	3.4	1.4	0.7	51.2
Lindcove	0.9	1.6	3.0	4.8	6.5	7.6	8.1	7.2	5.2	3.4	1.6	0.9	50.6
Porterville	1.2	1.8	3.4	4.7	6.6	7.7	8.5	7.3	5.3	3.4	1.4	0.7	52.1
Visalia	0.9	1.7	3.3	5.1	6.8	7.7	7.9	6.9	4.9	3.2	1.5	0.8	50.7
TUOLUMNE													
Groveland	1.1	1.5	2.8	4.1	5.7	7.2	7.9	6.6	5.1	3.3	1.4	0.7	47.5
Sonora	1.1	1.5	2.8	4.1	5.8	7.2	7.9	6.7	5.1	3.2	1.4	0.7	47.6
VENTURA													
Camarillo	2.2	2.5	3.7	4.3	5.0	5.2	5.9	5.4	4.2	3.0	2.5	2.1	46.1
Oxnard	2.2	2.5	3.2	3.7	4.4	4.6	5.4	4.8	4.0	3.3	2.4	2.0	42.3
Piru	2.8	2.8	4.1	5.6	6.0	6.8	7.6	7.8	5.8	5.2	3.7	3.2	61.5
Port Hueneme	2.0	2.3	3.3	4.6	4.9	4.9	4.9	5.0	3.7	3.2	2.5	2.2	43.5
Thousand Oaks	2.2	2.6	3.4	4.5	5.4	5.9	6.7	6.4	5.4	3.9	2.6	2.0	51.0
Ventura	2.2	2.6	3.2	3.8	4.6	4.7	5.5	4.9	4.1	3.4	2.5	2.0	43.5
YOLO													
Bryte	0.9	1.7	3.3	5.0	6.4	7.5	7.9	7.0	5.2	3.5	1.6	1.0	51.0
Davis	1.0	1.9	3.3	5.0	6.4	7.6	8.2	7.1	5.4	4.0	1.8	1.0	52.5
Esparto	1.0	1.7	3.4	5.5	6.9	8.1	8.5	7.5	5.8	4.2	2.0	1.2	55.8
Winters	1.7	1.7	2.9	4.4	5.8	7.1	7.9	6.7	5.3	3.3	1.6	1.0	49.4
Woodland	1.0	1.8	3.2	4.7	6.1	7.7	8.2	7.2	5.4	3.7	1.7	1.0	51.6
Zamora	1.1	1.9	3.5	5.2	6.4	7.4	7.8	7.0	5.5	4.0	1.9	1.2	52.8
YUBA													
Browns Valley	1.0	1.7	3.1	4.7	6.1	7.5	8.5	7.6	5.7	4.1	2.0	1.1	52.9
Brownsville	1.1	1.4	2.6	4.0	5.7	6.8	7.9	6.8	5.3	3.4	1.5	0.9	47.4

* The values in this table were derived from:

1) California Irrigation Management Information System (CIMIS);
2) Reference EvapoTranspiration Zones Map, UC Dept. of Land, Air & Water Resources and California Dept. of Water Resources 1999; and
3) Reference Evapotranspiration for California, University of California, Department of Agriculture and Natural Resources (1987) Bulletin 1922;

4) Determining Daily Reference Evapotranspiration, Cooperative Extension UC Division of Agriculture and Natural Resources (1987), Publication Leaflet 21426

Appendix B – Sample Water Efficient Landscape Worksheet.

WATER EFFICIENT LANDSCAPE WORKSHEET

This worksheet is filled out by the project applicant and it is a required element of the Landscape Documentation Package.

Reference Evapotranspiration (ETo) _____

Hydrozone # /Planting Description[a]	Plant Factor (PF)	Irrigation Method[b]	Irrigation Efficiency (IE)[c]	ETAF (PF/IE)	Landscape Area (sq, ft,)	ETAF x Area	Estimated Total Water Use (ETWU)[e]
Regular Landscape Areas							
				Totals	(A)	(B)	
Special Landscape Areas							
				1			
				1			
				1			
				Totals	(C)	(D)	
						ETWU Total	
						Maximum Allowed Water Allowance (MAWA)[e]	

[a] ***Hydrozone #/Planting Description***
E.g
1.) front lawn
2.) low water use plantings
3.) medium water use planting

[b] ***Irrigation Method***
overhead spray
or drip

[c] ***Irrigation Efficiency***
0.75 for spray head
0.81 for drip

[d] ***ETWU*** **(Annual Gallons Required) =**
Eto x 0.62 x ETAF x Area
where 0.62 is a conversion factor that converts acre-inches per acre per year to gallons per square foot per year.

[e] ***MAWA (Annual Gallons Allowed) =*** *(Eto) (0.62) [(ETAF x LA) + ((1-ETAF) x SLA)]*
where 0.62 is a conversion factor that converts acre-inches per acre per year to gallons per square foot per year, LA is the total landscape area in square feet, SLA is the total special landscape area in square feet, and ETAF is .55 for residential areas and 0.45 for non-residential areas.

ETAF Calculations

Regular Landscape Areas

Total ETAF x Area	(B)
Total Area	(A)
Average ETAF	**B ÷ A**

Average ETAF for Regular Landscape Areas must be 0.55 or below for residential areas, and 0.45 or below for non-residential areas.

All Landscape Areas

Total ETAF x Area	(B+D)
Total Area	(A+C)

Sitewide ETAF	**(B+D) ÷ (A+C)**

Appendix C – Sample Certificate of Completion.

CERTIFICATE OF COMPLETION

This certificate is filled out by the project applicant upon completion of the landscape project.

PART 1. PROJECT INFORMATION SHEET

Date		
Project Name		
Name of Project Applicant	Telephone No.	
	Fax No.	
Title	Email Address	
Company	Street Address	
City	State	Zip Code

Project Address and Location:

Street Address		Parcel, tract or lot number, if available.
City		Latitude/Longitude (optional)
State	Zip Code	

Property Owner or his/her designee:

Name	Telephone No.	
	Fax No.	
Title	Email Address	
Company	Street Address	
City	State	Zip Code

Property Owner

"I/we certify that I/we have received copies of all the documents within the Landscape Documentation Package and the Certificate of Completion and that it is our responsibility to see that the project is maintained in accordance with the Landscape and Irrigation Maintenance Schedule."

_____

Property Owner Signature Date

Please answer the questions below:

1. Date the Landscape Documentation Package was submitted to the local agency_____
2. Date the Landscape Documentation Package was approved by the local agency_____
3. Date that a copy of the Water Efficient Landscape Worksheet (including the Water Budget Calculation) was submitted to the local water purveyor_____

PART 2. CERTIFICATION OF INSTALLATION ACCORDING TO THE LANDSCAPE DOCUMENTATION PACKAGE

"I/we certify that based upon periodic site observations, the work has been completed in accordance with the ordinance and that the landscape planting and irrigation installation conform with the criteria and specifications of the approved Landscape Documentation Package."

<table>
<tr><td>Signature*</td><td colspan="2">Date</td></tr>
<tr><td rowspan="2">Name (print)</td><td colspan="2">Telephone No.</td></tr>
<tr><td colspan="2">Fax No.</td></tr>
<tr><td>Title</td><td colspan="2">Email Address</td></tr>
<tr><td colspan="3">License No. or Certification No.</td></tr>
<tr><td>Company</td><td colspan="2">Street Address</td></tr>
<tr><td>City</td><td>State</td><td>Zip Code</td></tr>
</table>

*Signer of the landscape design plan, signer of the irrigation plan, or a licensed landscape contractor.

PART 3. IRRIGATION SCHEDULING

Attach parameters for setting the irrigation schedule on controller per ordinance Section 492.10.

PART 4. SCHEDULE OF LANDSCAPE AND IRRIGATION MAINTENANCE

Attach schedule of Landscape and Irrigation Maintenance per ordinance Section 492.11.

PART 5. LANDSCAPE IRRIGATION AUDIT REPORT

Attach Landscape Irrigation Audit Report per ordinance Section 492.12.

PART 6. SOIL MANAGEMENT REPORT

Attach soil analysis report, if not previously submitted with the Landscape Documentation Package per ordinance Section 492.6.

Attach documentation verifying implementation of recommendations from soil analysis report per ordinance Section 492.6.

Appendix D – Prescriptive Compliance Option

(a) This appendix contains prescriptive requirements which may be used as a compliance option to the Model Water Efficient Landscape Ordinance.
(b) Compliance with the following items is mandatory and must be documented on a landscape plan in order to use the prescriptive compliance option:

(1) Submit a Landscape Documentation Package which includes the following elements:
- (A) date
- (B) project applicant
- (C) project address (if available, parcel and/or lot number(s))
- (D) total landscape area (square feet), including a breakdown of turf and plant material
- (E) project type (e.g., new, rehabilitated, public, private, cemetery, homeowner-installed)
- (F) water supply type (e.g., potable, recycled, well) and identify the local retail water purveyor if the applicant is not served by a private well
- (G) contact information for the project applicant and property owner
- (H) applicant signature and date with statement, "I agree to comply with the requirements of the prescriptive compliance option to the MWELO".

(2) Incorporate compost at a rate of at least four cubic yards per 1,000 square feet to a depth of six inches into landscape area (unless contra-indicated by a soil test);

(3) Plant material shall comply with all of the following;
- (A) For residential areas, install climate adapted plants that require occasional, little or no summer water (average WUCOLS plant factor 0.3) for 75% of the plant area excluding edibles and areas using recycled water; For non-residential areas, install climate adapted plants that require occasional, little or no summer water (average WUCOLS plant factor 0.3) for 100% of the plant area excluding edibles and areas using recycled water;
- (B) A minimum three inch (3″) layer of mulch shall be applied on all exposed soil surfaces of planting areas except in turf areas, creeping or rooting groundcovers, or direct seeding applications where mulch is contraindicated.

(4) Turf shall comply with all of the following:
- (A) Turf shall not exceed 25% of the landscape area in residential areas, and there shall be no turf in non-residential areas;
- (B) Turf shall not be planted on sloped areas which exceed a slope of 1 foot vertical elevation change for every 4 feet of horizontal length;
- (C) Turf is prohibited in parkways less than 10 feet wide, unless the parkway is adjacent to a parking strip and used to enter and exit vehicles. Any turf in parkways must be irrigated by sub-surface irrigation or by other technology that creates no overspray or runoff.

(5) Irrigation systems shall comply with the following:
- (A) Automatic irrigation controllers are required and must use evapotranspiration or soil moisture sensor data and utilize a rain sensor.
- (B) Irrigation controllers shall be of a type which does not lose programming data in the event the primary power source is interrupted.
- (C) Pressure regulators shall be installed on the irrigation system to ensure the dynamic pressure of the system is within the manufacturers recommended pressure range.
- (D) Manual shut-off valves (such as a gate valve, ball valve, or butterfly valve) shall be installed as close as possible to the point of connection of the water supply.
- (E) All irrigation emission devices must meet the requirements set in the ANSI standard, ASABE/ICC 802-2014. "Landscape Irrigation Sprinkler and Emitter Standard," All sprinkler heads installed in the landscape must document a distribution uniformity low quarter of 0.65 or higher using the protocol defined in ASABE/ICC 802-2014.
- (F) Areas less than ten (10) feet in width in any direction shall be irrigated with subsurface irrigation or other means that produces no runoff or overspray.

(6) For non-residential projects with landscape areas of 1,000 sq. ft. or more, a private submeter(s) to measure landscape water use shall be installed.

(c) At the time of final inspection, the permit applicant must provide the owner of the property with a certificate of completion, certificate of installation, irrigation schedule and a schedule of landscape and irrigation maintenance.

May 28, 2019

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY ATTORNEY

RE: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER IX OF THE COMPTON MUNICIPAL CODE BY ADDING SECTION 9-27 GOVERNING THE ISSUANCE OF PERMITS TO ENGAGE IN FILMING ACTIVITIES (MOTION PICTURES, TELEVISION AND PHOTOGRAPHIC PRODUCTION) WITHIN THE CITY

SUMMARY

The City Council will consider adopting an Ordinance that will amend Chapter 9 of the Compton Municipal Code by adding Section 9-27, to be known as the "Motion Pictures, Television and Photographic Production Ordinance", which will establish guidelines, administrative rules and regulations governing the review and issuance of permits to engage in filming activities; which includes, but is not limited to feature motion pictures, digital media, television productions, commercials and still photography; within the City of Compton.

BACKGROUND

One of California's signature industries, motion picture and television production is an essential source of economic activity tax revenue, jobs and tourism in California. Encouraging film production in the City of Compton is an economic development tool that can provide temporary jobs for local residents, generate local revenue and bolster local businesses.

Currently, the City does not a have in place an ordinance or formal, uniform rules and regulations that provide guidance and procedures to be followed for review and issuance of filming permits for motion picture, television and photographic production in the City.

STATEMENT OF ISSUE

It is always important to balance the needs of a production company with the concerns of local government and the local community; thus, adopting a local ordinance and establishing formal, uniform permit policies and regulations can provide the appropriate tools for accomplishing the balancing of both concerns; i.e. establishing the City as a "film friendly" jurisdiction while assuring that appropriate time and place safeguards are in place to address community

concerns and minimize inconvenience to businesses and residents, assure that the City is protected from liability for filming activities and guaranteeing that the City's treasury is properly reimbursed for the use of City services and personnel.

The provisions of the proposed ordinance will establish the underlying law of requiring that a filming permit be obtained for proposed production activities occurring within the City, along with general conditions attendant to the issuance of the permit.

Highlights of the proposed ordinance include:

1. Requires obtaining a permit for commercial photographic and filming activity within the City. Following activities do not require a permit:

    a. Noncommercial photographic or filming conducted solely for private use;
    b. Photographic or filming conducted for news purpose or by charitable organizations;
    c. Photographic or filming conducted for use in civil or criminal proceedings;
    d. Photographic or filming conducted for education, government, public access/local origination programs; and
    e. Studio filming.

2. Establishes the position/assignment of a City Permit Coordinator, designated by the City Manager to administer and oversee the processing and use of filming permits within the City, in order to centralize and expedite the process.

3. Requires a refundable security deposit, non-refundable permit application fee and payment of applicable cost recovery fees for use of City resources and personnel. The security deposit and application fee waived for (a) City produced or sponsored and educational access productions; (b) Student productions; and (c) Productions by charitable organizations.

4. Requires provision of insurance coverage and hold harmless/indemnification protection for the City.

5. Requires that the City Manager promulgate uniform rules, regulations and guidelines for the granting/denying permits, which shall be submitted to the Council for review and approval.

FISCAL IMPACT

The fiscal impact to the City may be positive in that an orderly, efficient processing of filming permits may result in more permit requests being processed and fees collected.

RECOMMENDATION

It is recommended that the Council adopt the attached Ordinance.

CRAIG J. CORNWELL
CITY ATTORNEY

APPROVED FOR FORWARDING:

CECIL W. RHAMBO, JR.
CITY MANAGER

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER IX OF THE COMPTON MUNICIPAL CODE BY ADDING SECTION 9-27 GOVERNING THE ISSUANCE OF PERMITS TO ENGAGE IN FILMING ACTIVITIES (MOTION PICTURES, TELEVISION AND PHOTOGRAPHIC PRODUCTION) WITHIN THE CITY

WHEREAS, the City of Compton has been, and continues to be, a desired location for filming activity including, but not limited to motion pictures, television shows, commercials and still photography; and

WHEREAS, the "Uniform Film Permit Act," commencing with Section 14999.20, *et seq.* of the California Government Code encourages local governments to adopt uniform permit procedures throughout the State; and

WHEREAS, the City wishes to adopt regulations for the issuance of photographic, motion picture and television filming permits and to establish a more uniform process for the permitting of commercial film activities within the City; and

WHEREAS, as required by Section 14999.21(b) of the Government Code, a copy of the City's proposed Ordinance was submitted to the California Film Commission prior to consideration/adoption by the Compton City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. That Chapter IX of the Compton Municipal Code is hereby amended to add Section 9-27 to read as follows:

9-27 MOTION PICTURES, TELEVISION AND PHOTOGRAPHIC PRODUCTION.

9-27.1 TITLE. This Section shall be known as the "Motion Pictures, Television and Photographic Production Ordinance" of the City of Compton.

9-27.2 PURPOSE AND INTENT. This Section is to establish administrative rules and regulations for the review and issuance of filming permits for motion picture, television and photographic production in the City of Compton. The intent of this Section is to facilitate and regulate the time, place and manner of such filming activity while protecting the residents and property owners from the potential adverse impacts of filming activities.

9-27.3 DEFINITIONS. For purposes of this Section, the following definitions shall apply:

"Charitable Films" shall mean commercials, motion pictures, television, videotapes or still photography produced by a nonprofit organization, which qualifies under Section 501(c)(3) of the Internal Revenue Code as a charitable organization. No person, directly or indirectly, shall receive a profit from the marketing and production of the film or from showing the films, tapes or photos.

"City Permit Coordinator" shall mean the City employee or body designated by the City Manager as responsible for issuing permits pursuant to this Section.

"Family Videos" shall mean the filming, videotaping of motion pictures or taking of photographs solely for private and/or family use.

"Film" shall mean and include, but not be limited to feature motion pictures, video recordings, television motion pictures, commercials and still photography.

"Filming Activity" shall mean all activity attendant to staging or shooting commercial motion pictures, television shows or programs, web based media, commercials and the taking of single or multiple photographs for sale or commercial use where the photographer sets up stationary equipment in any one location for longer than five (5) consecutive minutes. Filming activity also includes filming of commercial radio station promotional events.

"Filming Location" shall mean actual property or properties that any filming activity is performed.

"News Media" shall mean an individual or individuals or organizations filming or videotaping for the purpose of spontaneous, unplanned reporting of news events concerning those persons, scenes or occurrences which are in the news and of general public interest by reporters, photographers or camera persons in the employ of a newspaper, television station, news service or similar entity.

"Preparation (Prep)" shall mean the work day or days preceding filming activities. These activities may include, but are not limited to set construction, dressing, painting, landscaping and/or rigging for stunts and special effects.

"Production" shall mean the activity of making a film for commercial or noncommercial purposes on property owned by the City of Compton or on private property within the jurisdiction of the City of Compton.

"Strike" shall mean the work at a filming location that includes the removal of equipment at the end of filming activities. These activities may include, but are not limited to set removal, re-painting, re-landscaping and/or un-rigging from stunts and special effects.

"Student Films" shall mean the motion pictures, television programs or commercials or still photography produced to satisfy a course or curriculum requirement at an educational institution. The student filmmaker must supply proof that he/she is currently enrolled.

"Studio" shall mean a legally established commercial motion picture/television/still photography place of business where filming activities (motion or still photography) are regularly conducted inside a studio/stage on the premises.

9-27.4 PERMIT REQUIRED; EXEMPTIONS.

A. No person shall use any public or private property, building, facility or residence for the purpose of filming activity, including but not limited to producing, making or taking commercial motion pictures or television pictures (digital, film or tape) or commercial still photography without first applying for and receiving a permit from the City.

B. Except where otherwise indicated herein, the provisions of this Section shall not apply to the following:

1. Noncommercial filming, videotaping or photography activities conducted solely for private or family use;

2. Filming, videotaping or photography activities conducted for news purposes or by a charitable organization as defined herein;

3. Filming activities conducted for use in a criminal investigation or civil or criminal court proceeding;

4. Filming activities conducted for education, government, public access and local origination programs for cable television systems franchised within the City;

5. Any activity deemed to be in the public interest by the City Manager of his/her designee; or

6. Studio Filming.

C. Nothing in this Section shall limit the right of the City to suspend filming or videotaping activities exempted herein when found necessary for the protection of the public health, safety or general welfare, and when such filming activity poses an immediate hazard to persons and/or property.

9-27.5 PERMIT APPLICATIONS AND ISSUANCE.

A. Permit Applications. Any person desiring a permit under the provisions of this Section shall submit the following to the City Permit Coordinator:

1. A completed application for a permit on a form provided by the City. The form must be signed and accompanied by all required fees, deposits, indemnification agreement, and the insurance certificate(s) required by this Section and the City's administrative rules and regulations before the permit will be processed. Each application must include:

a. The name, address and telephone number of the applicant or duly authorized representative, and, if available, of the director, first assistance director, unit production manager or location manager;

b. The name and address of the individual or production company to whom the permit is to be issued;

c. The name, address and telephone number of the owner of the place at which the activity is to be conducted;

d. The specific location at such address or place;

e. The inclusive hours and dates such activity will occur, including but not limited to the preparation and clean-up of the location;

f. A general statement of the character or nature of the proposed filming activities, including any other activity which would affect the use of public facilities in the area;

g. The estimated number of personnel to be involved;

h. If applicant intends to use either animals, chemicals, explosives or fire, or intends to engage in any other hazardous activity, a statement to that effect;

i. The exact amount/type of vehicles/equipment to be involved;

j. The location of a base camp for the production, if any; and

k. Such additional information as the City may deem necessary.

2. Permit fee as established by City Council ordinance or resolution and other applicable deposits as described in subsection 9-27.6.

3. Evidence of insurance as required in subsection 9-27.7(a).

4. A fully executed indemnification agreement, on a form approved by the City Attorney, as required in Subsection 9-27.7(b).

5. If determined to be necessary by the City Permit Coordinator, written evidence of permits and/or conditions with other public agencies as may be required upon submission of an application for a permit. Requirements of these responsible agencies shall be requirements of this permit. Examples of such agencies include, but are not limited to the California Highway Patrol, the Los Angeles County Sheriff's Department, Federal Aviation Administration and the Compton Fire Department.

6. Any other information as required by the City's administrative rules and regulations.

B. Permit Issuance.

1. The City Permit Coordinator shall be responsible for the issuance of permits under this Section, when, from a consideration of the application and from such other information as may be otherwise obtained, he/she finds that:

a. The conduct of such activity will not unduly interfere with traffic or pedestrian movement or endanger public safety and that no streets will be completely closed to traffic for an unreasonable period of time;

b. The conduct of such activity will not unduly interfere with normal governmental or City operations, threaten to result in damage or detriment to public property, or result in the City incurring costs or expenditures in either money or personnel not reimbursed in advance by the applicant; and

c. At the determination of the City's Public Works Department, as well as the City's authorized law enforcement agency, City Fire Department and the City Engineer, as required, that the condition of such activity will not constitute a fire hazard or any other type of hazard and all proper safety precautions will be taken as determined by the Department Director(s) or their designee(s).

2. The City Permit Coordinator may impose any conditions found necessary to protect the public's health, safety and welfare. The permittee shall comply with any conditions or restrictions the City may impose as a condition to issuing a permit. No changes to such conditions shall be made without first obtaining the City Permit Coordinator's prior written approval. Failure to comply with the terms and conditions of a permit shall be grounds for permit revocation by the City.

3. Following issuance of a permit under this Section, the permittee shall notify residents and businesses within a five-hundred-foot (500') radius of the location of the proposed filming activity by distributing a fully completed

"Filming Location Notification Form", including the production company's contact telephone numbers, at least twenty-four (24) hours prior to the first day of filming activity. Notification is not required for still photographic productions with cast and crew of less than ten (10) people.

4. The decision of the City Permit Coordinator to issue, conditionally issue or not issue a permit shall be final unless appealed pursuant to subsection 9-27.9.

C. Permit Processing. Review and processing of a completed application shall be completed within four (4) weeks of submission, unless an extension of time is agreed to in writing by an applicant. The processing of a film permit application submitted for a small or routine request should generally be conducted within five (5) City business days, but may be extended beyond that time based on a reasonable determination made by the City Permit Coordinator. The processing of more complex or multi-faceted permit applications may extend beyond the five (5) working days but within a reasonable period of time not to exceed four (4) weeks. When an applicant does not agree to extend the permit application review process beyond four (4) weeks, the City Permit Coordinator is authorized to deny the application and to refund all monies paid by the applicant with a letter describing the reasons for denial.

D. General Permit Conditions. Any applicant granted a permit pursuant to this Section shall comply with all of the following conditions:

1. The permittee shall conduct operations in an orderly fashion with continuous attention to the storage of equipment not in use and the clean-up of trash and debris. The area used shall be cleaned of trash and debris upon completion of shooting at the scene and restored to the original condition before leaving the site.

2. An applicant is required to obtain the property owner's written permission, consent and/or lease for use of property not owned or controlled by the City.

3. If the applicant must park equipment, trucks and/or cars in zones that will not permit it, temporary "No Parking" signs shall be posted by the applicant, if required by the City. The applicant must also obtain permission to string cable across sidewalks or from a generator to a service point.

4. For filming that would impair traffic flow, an applicant must use the City's authorized law enforcement agency personnel and comply with all traffic control requirements deemed necessary.

a. An applicant shall furnish and install advance warning signs and any other traffic control devices in conformance with the manual of traffic controls, State of California, Department of Transportation. All appropriate safety precautions must be taken.

b. Traffic may be restricted by lane closure(s) and/or stopped intermittently. The period of time that traffic may be restricted will be determined by the City, based on location.

c. Traffic shall not be detoured across a double line without prior approval of the appropriate City department representative.

d. Unless authorized by the City, the camera cars must be driven in the direction of traffic and must observe all traffic laws.

e. Any emergency road work or construction by City crews, other governmental entities, public utilities and/or private contractors, under permit or contract to the appropriate department shall have priority over filming activities.

f. No relocation, alteration or moving of City owned structures or property will be permitted without prior approval.

5. City fire safety officers or advisors may be required if warranted by the activities; such as use of special effects, indoor filming, large crews, projectile pyrotechnics and filming during fire season or in fire-sensitive areas.

9-27.6 PERMIT FEES; COSTS. Each application for a permit shall be accompanied by:

A. A security deposit, in an amount established by City Council ordinance or resolution, to ensure cleanup and restoration of the site of the filming activity. The deposit, in full or part thereof, may be returned to the applicant upon completion of filming activity and inspection of the site by the City; and

B. A nonrefundable permit application fee in an amount established by ordinance or resolution of the City Council to reimburse the City for staff time required to evaluate and process the application and establish conditions of approval and to monitor the activity.

C. The security deposit and permit application fee shall not apply to or affect:

1. City produced or City-sponsored government or educational access productions;

2. Student films; and

3. Productions by charitable organizations that have been issued 501(c)(3) status by the Internal Revenue Service and is in good standing.

D. If deemed necessary by the City Permit Coordinator, additional law enforcement agency, code enforcement, film monitor and/or other City services shall be provided for the purpose of assisting, regulating or providing security or protection to the applicant and/or public for the proposed activities conducted under the permit, at a cost billed to the permittee. The cost of providing such additional services shall be paid in advance to the City by the permittee. Additional City services shall be provided/coordinated through the City Permit Coordinator. Additionally, if City property is destroyed or damaged by reason of permittee's use, event or activity, the Permittee shall reimburse the City the actual replacement or repair cost of the destroyed or damaged property.

9-27.7 INSURANCE AND HOLD HARMLESS. Before a permit is issued, the applicant/permittee (both for-profit and non-profit filming activities) shall submit the following:

A. Liability Insurance. If the activity will be conducted on public property, a certificate of insurance shall be submitted evidencing the following: 1) General Liability with limits no less than One Million Dollars ($1,000,000); 2) Auto Liability with limits no less than One Million Dollars ($1,000,000); 3) Workers' Compensation coverage as required by law; and 4) Employer's Liability with limits no

less than One Million Dollars ($1,000,000). The General Liability and Auto Liability policies shall name the City, its officials, officers, employees, agents and volunteers as additional insureds to protect the City against claims of third persons for personal injuries, wrongful death and property damage and to indemnify the City for damage to City property arising out of the permittee's activities. An additional aggregate may be required for the use of pyrotechnics or when other conditions warrant greater insurance liability. Such policy(ies) shall be provided by an insured permitted to do business in the State of California and shall not be subject to cancellation or modification until after thirty (30) days written notice to the City.

B. Hold Harmless Agreement. An applicant must execute and submit a hold harmless agreement in a form approved by the City Attorney, agreeing to defend, indemnify and hold harmless the City, its officials, officers, agents, employees and volunteers against losses and liabilities incurred from the activities of the permittee or issuance of the permit.

9-27.8 REVOCATION OF A CITY FILM PERMIT.

A. A permit may be revoked by the City for any of the following reasons:

1. Misrepresentation(s) on the permit application, including but not limited to the type or manner of film production, the location of activity or the parameters or the need for stunts or special effects.

2. Any violations of the local, state or federal law, and/or the City's administrative rules and regulations for filming activity.

3. Any violation of the conditions imposed on the permit.

B. The City's authorized law enforcement agency, City Fire Department, Code Enforcement and/or the City Permit Coordinator are authorized to suspend any filming activity not authorized by the necessary permit or when permit conditions are violated or where the City's filming rules and regulations, laws or ordinances are violated. A written notice of suspension shall be provided to the permittee and the City Permit Coordinator within twenty-four (24) hours of the suspension.

C. The decision of the City Permit Coordinator to revoke a City film permit shall be final unless appealed pursuant to Subsection 9-27.9.

9-27.9 APPEAL PROCEDURES. The decision of the City Permit Coordinator to issue, conditionally issue, not issue, suspend or revoke a permit may be appealed in writing to the City Manager within five (5) City business days of the decision. The appeal must include copies of all pertinent material necessary to support the permittee's position on appeal. The appeal shall be heard by the City Manager within ten (10) City business days after the appeal is filed and he/she shall render a decision within five (5) City business days after the appeal hearing. Any actions of the City Manager shall be final.

9-27.10 RULES AND REGULATIONS.

A. Change of Date. Upon the request of the applicant, submitted a minimum of twenty-four (24) hours' in advance, the City Permit Coordinator or his/her designee shall have the power, upon a showing of good cause, to change the date for which the permit has been issued, provided established limitations are complied with in respect to time and location.

B. Rules. The City Manager or his/her designee is authorized and directed to promulgate rules and regulations, subject to approval by resolution of the City Council, governing the time, place and manner of any film activity within the City. The rules and regulations shall be based upon the criteria set forth in this Section.

9-27.11 ENFORCEMENT OF VIOLATIONS.

A. Notwithstanding any other provision of the Compton Municipal Code to the contrary, any person who causes, permits, or suffers a violation of any provision of this Section, or who fails to comply with any obligation or requirement of this Section, is guilty of a misdemeanor violation punishable in accordance with Section 1-6 of Chapter I of the Compton Municipal Code and is also subject to administrative citations in accordance with Section 1-7.1 of Chapter I of the Compton Municipal Code.

B. Each person shall be guilty of a separate offense for each and every day, or part thereof, during which a violation of this Section, or of any law or regulation referenced herein, is allowed, committed, continued, maintained or permitted by such person, and shall be punishable accordingly.

C. This Section does not exclusively regulate filming activity in the City, and the remedies provided in this Section are in addition to other applicable remedies and penalties authorized by the Compton Municipal Code, or by the laws of the State of California or of the United States.

SECTION 2. That the City Council declares that, should any provision, section, subsection, sentence, paragraph, clause, phrase or word of this Ordinance, hereby adopted, be rendered or declared invalid by any final court action in a court of competent jurisdiction, or by any reason of any preemptive legislation, the remaining provisions, sections, subsections, sentences, paragraphs, clauses, phrases or words of this Ordinance hereby adopted shall remain in full force and effect.

SECTION 3. That a copy of this Ordinance shall be filed in the offices of the City Clerk, City Manager, City Attorney, Public Works, Fire, Building and Safety, General Services and Los Angeles County Sheriff's Department, Compton Station.

SECTION 4. That this Ordinance shall take effect thirty (30) days from after adoption by the City Council.

SECTION 5. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Ordinance and shall cause same to be published as required by law.

ADOPTED this ____ day of _____, 2019.

_____
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF COMPTON)

I, Alita Godwin, City Clerk of the City of Compton, do hereby certify that the foregoing Ordinance was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2019.

That said Ordinance was adopted by the following vote, to wit:

AYES: COUNCIL MEMBERS-
NOES: COUNCIL MEMBERS-
ABSENT: COUNCIL MEMBERS-
ABSTAIN: COUNCIL MEMBERS-

_____
CITY CLERK OF THE CITY OF COMPTON

May 28, 2019

TO: **MAYOR AND CITY COUNCIL MEMBERS**

FROM: **WENDELL E. JOHNSON, P.E.**
PUBLIC WORKS DIRECTOR

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONSTRUCTION CONTRACT WITH AND ESTABLISH PURCHASE ORDERS FOR ALL AMERICAN ASPHALT FOR ROAD REPAIR SERVICES CITYWIDE ($1,121,010)**

SUMMARY

Adoption of this Resolution will authorize the City Manager to enter into a construction contract with All American Asphalt for road repair services citywide, establish a purchase order in the amount of One Million, Nineteen Thousand and One Hundred Dollars ($1,019,100) and authorize another purchase order for the project contingency amount of One Hundred One Thousand, Nine Hundred and Ten Dollars ($101,910).

BACKGROUND

In 2017, the City of Compton ("City") performed an update to the Pavement Management System, which identified approximately 125 miles of Fair to Very Poor condition categories of streets. These findings indicate that proper preventative maintenance is significantly overdue and presents safety and liability concerns to the City.

The Road Repair Service project consist of providing pothole repair services citywide in accordance to the contract specification and other contract documents. Specifically, the project will consist of pavement repairs such as pothole repairs on distressed areas.

The project was advertised in the Compton Bulletin on April 17th, 24th, and May 1st , 2019. Bids were received and opened on May 2, 2019. Six (6) bids were received from the following contractors:

Contractors	Amount
All American Asphalt	$1,019,100
EBS General Engineering	$1,899,200
Hardy & Harper	$8,768,000
Jet Patcher	Non-Responsive
Palp Inc.	$1,659,400
Sialic	$1,909,800

Jet Patcher did not provide a bid item cost for pothole preparation and asphalt installation as required on the Bid Item List. As a result, City staff deemed Jet Patcher as non-responsive. Therefore, based upon the bids received and the review of submitted bid documents, it was determined that All American Asphalt submitted the lowest responsive bid.

Accordingly, staff recommends City Council award the construction contract to All American Asphalt in the amount of $1,019,100. Additionally, staff recommends that a ten percent (10%) contingency in the amount of $101,910 for any unforeseen costs be authorized for this project.

STATEMENT OF THE ISSUE

The City reserves the right, after opening bids, to reject any or all bids, or to make award to the lowest responsible bidder and reject all other bids. Therefore, in order to authorize the City Manager to enter into a contract and issue a purchase order for All American Asphalt, City Council's authorization is necessary.

FISCAL IMPACT

Funds for this expenditure in the amount of $1,121,010 ($1,019,100 construction costs plus $101,910 recommended contingency) will be available in the Public Works Department 2019-2020 Fiscal Year budget as follows:

Account No.	Description	Amount
2300-720-000-4269	Other Contract Svc.	$ 550,000
1520-710-0MR-4269	Other Contract Svc.	$ 474,758
1520-710-0MR-4266	Contract Svc.	$ 96,252
	TOTAL	**$1,121,010**

ALTERNATIVE

Council can reject the bid and instruct staff to re-advertise, however, due to the desire of the City to move forward with this project, no other alternative is being proposed at this time.

RECOMMENDATION

That the City Council adopt the attached Resolution.

WENDELL E. JOHNSON, P.E.
PUBLIC WORKS DIRECTOR

APPROVED FOR FORWARDING:

CECIL W. RHAMBO, JR.
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANGER TO ENTER INTO A CONSTRUCTION CONTRACT WITH AND ESTABLISH PURCHASE ORDERS FOR ALL AMERICAN ASPHALT FOR ROAD REPAIR SERVICES CITYWIDE ($1,121,010)

WHEREAS, in 2017, the City of Compton ("City") performed an update to the Pavement Management System, which identified approximately 125 miles of Fair to Very Poor condition categories of streets and these findings indicate that proper preventative maintenance is significantly overdue and presents safety and liability concerns to the City; and

WHEREAS, the Road Repair Service project consist of providing pothole repair services citywide in accordance to the contract specification and other contract documents, specifically, the project will consist of pavement repairs such as pothole repairs on distressed areas; and

WHEREAS, the project was advertised in the Compton Bulletin on April 17th, 24th, and May 1st, 2019 and bids were received and opened on May 2, 2019; and

WHEREAS, six (6) bids were received from the following contractors:

Contractors	**Amount**
All American Asphalt	$1,019,100
EBS General Engineering	$1,899,200
Hardy & Harper	$8,768,000
Jet Patcher	Non-Responsive
Palp Inc.	$1,659,400
Sialic	$1,909,800; and

WHEREAS, Jet Patcher did not provide a bid item cost for pothole preparation and asphalt installation as required on the Bid Item List and as a result, City staff deemed Jet Patcher as non-responsive; and

WHEREAS, based upon review of submitted bid documents, it has been determined that All American Asphalt submitted the lowest responsive bid; and

WHEREAS, staff recommends City Council award the construction contract to All American Asphalt in the amount of $1,019,100; and

WHEREAS, staff recommends that a ten percent (10%) contingency in the amount of $101,910 for any unforeseen costs be authorized for this project; and

WHEREAS, funds for this expenditure in the amount of $1,121,010 ($1,019,100 construction costs plus $101,910 recommended contingency) will be available in the Public Works Department 2019-2020 Fiscal Year budget as follows:

Account No.	**Description**	**Amount**
2300-720-000-4269	Other Contract Svc.	$ 550,000
1520-710-0MR-4269	Other Contract Svc.	$ 474,758
1520-710-0MR-4266	Contract Svc.	$ 96,252
	TOTAL	**$1,121,010**

WHEREAS, the City reserves the right, after opening bids, to reject any or all bids, or to make award to the lowest responsible bidder and reject all other bids; and

WHEREAS, in order to authorize the City Manager to enter into a contract and issue a purchase order for All American Asphalt, City Council's authorization is necessary.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the bid of All American Asphalt in the amount of One Million Nineteen Thousand One Hundred Dollars ($1,019,100) is hereby accepted and all other bids rejected.

SECTION 2. That the City Manager, upon the advice and approval of the City Attorney is hereby authorized to enter into a construction contract with All American Asphalt for services performed on the Road Repair project.

SECTION 3. That Funds in the amount of $1,121,010 ($1,019,100 construction costs plus $101,910 recommended contingency) will be available in the Public Works Department 2019-2020 Fiscal Year budget as follows:

Account No.	Description	Amount
2300-720-000-4269	Other Contract Svc.	$ 550,000
1520-710-0MR-4269	Other Contract Svc.	$ 474,758
1520-710-0MR-4266	Contract Svc.	$ 96,252
	TOTAL	**$1,121,010**

SECTION 4. That purchase orders in the amounts of $1,019,100 and $101,910 are authorized to be established for All American Asphalt.

SECTION 5. That a project contingency amount of One Hundred and One Thousand Nine Hundred and Ten Dollars ($101,910) is hereby authorized.

SECTION 6. That a copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, City Attorney and Public Works Department.

SECTION 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2019.

_____
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the ____ day of _____, 2019.

That said Resolution was adopted by the following vote to wit:

AYES: COUNCIL MEMBERS-
NOES: COUNCIL MEMBERS-
ABSENT: COUNCIL MEMBERS-
ABSTAIN: COUNCIL MEMBERS-

_____
CITY CLERK OF THE CITY OF COMPTON

CONSTRUCTION SERVICES AGREEMENT
BETWEEN
CITY OF COMPTON
AND
ALL AMERICAN ASPHALT
[Street Pavement Services]

This **AGREEMENT** is entered into by and between the **CITY OF COMPTON**, a municipal corporation of the State of California (hereinafter referred to as **"CITY"**) located at 205 South Willowbrook Avenue, Compton, California 90220, and **ALL AMERICAN ASPHALT** (hereinafter referred to as "**CONTRACTOR"**) located at 400 East Sixth Street, Corona, California 92879.

RECITALS:

A. City is a municipal corporation duly organized and validly existing under the law of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California and the Charter of City.

B. Contractor is a corporation duly organized and in good standing in the State of California. Contractor represents that it is duly licensed by the State of California and has the background, knowledge, experience and expertise to perform the obligations set forth in this Agreement.

C. City and Contractor enter into this Agreement for the purpose of retaining All American Asphalt (Contractor/License No. 267073) to perform that work required pursuant to an extension of the "Road Repair Services Project" ("Project")**.**

D. Authorization to enter into this Agreement is pursuant to Resolution No._____, adopted by the City Council on May ____, 2019.

WHEREFORE, the City and Contractor, for the consideration, terms and conditions herein described, mutually agree as set forth below:

1.0 GENERAL PROVISIONS

1.1 Definitions.

1.1.1 "Work" consists of all of the Construction Services, including but not limited to all of the labor, materials and equipment necessary to complete the Project in accordance with the Contract Documents.

1.1.2 "Contract Documents" consists of this Agreement (including all exhibits and schedules), any amendments and clarifications issued thereto, any "Bid/Unit Price Proposal/Scope of Work" submitted by the Contractor, the plans, general conditions, special provisions, standard and technical specifications, schedules, exhibits, drawings, designation of subcontractors, all required bonds, insurance policies, endorsements, certificates, permits, notices and affidavits, notice to proceed, notice of completion, any Change Orders, the provisions of the Standard Specifications for Public Works Construction (SSPWC), latest Edition (except as modified), Standard Specifications of the State of California Department of Transportation

(CalTrans), latest Edition (except as modified), Work Area Traffic Control Handbook (WATCH), latest Edition, CalTrans Standard Drawings, latest edition, Manual on Uniform Traffic Control Devices (MUTCD), latest Edition, MUTCD Latest California Supplement, and any and all other documents identified in the Contract Documents which together form the agreement between the City and the Contractor.

1.2 Public Work of Improvement.

City and Contractor acknowledge that City is a political subdivision of the State of California and that construction of the Project is to be funded with public funds.

1.3 Trust and Confidence.

Contractor accepts the obligation of trust and confidence established between it and City by this Agreement and shall act in the best interests of City, as its fiduciary, in carrying out Contractor's duties and responsibilities under this Agreement, including, without limitation, the furnishing of efficient business administration, sufficient senior level management and other qualified personnel to complete Contractor's obligations under the Contract Documents in an expeditious and economical manner and within the Contract Price and Contract Time.

1.4 Standard of Care.

Contractor shall perform all its obligations under the Contract Documents in accordance with the highest standard of care applicable to the performance of services and Work required by the Contract Documents. In the event portions of the Project are to be performed in accordance with a specific performance standard, the Work shall be performed so as to achieve such standard.

1.5 Compliance with Applicable Laws.

Contractor shall give all notices and comply with all applicable laws and lawful orders of any governmental authorities (including, without limitation, those laws, ordinances, rules, regulations and lawful orders relating to safety, prevailing wage, Hazardous Substances, and equal employment opportunities); pay all local, state and federal taxes; and pay all benefits, insurance, taxes and contributions for Social Security and Unemployment Insurance which are measured by wages, salaries or other remuneration paid to Contractor's employees. Upon City's request, Contractor shall furnish evidence satisfactory to City that any and all of the foregoing obligations have been fulfilled. Without limiting the foregoing, Contractor shall pay all employees on said Work a salary or wage at least equal to the prevailing salary or wage established for such Work as set forth in the wage determinations and wage standards applicable to this Work.

The Contractor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Contract. Contractor shall also comply with the following laws:

1.5.1 Prohibition Against Employment Discrimination. During the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, gender, marital status, ethnicity, religion, age or medical condition as set forth in the California Labor Code Section 177.6, Government Code, Title VII of the Civil Rights Act and the Civil Rights Act of 1991 and any amendments to the above. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor; state that all qualified applicants will receive consideration for employment without regard to race, color, gender, marital status, ethnicity, religion, age or medical condition.

In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or part and the Contractor may be declared ineligible for further Government contracts and such other sanctions may be imposed and remedies invoked as provided by law.

1.5.2 Clayton Act and Cartwright Act. In accordance with Section 7103 of the California Public Contract Code, in entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, the Contractor or subcontractor offers and agrees to assign to the City all rights, and interest in and all causes of action it may have under Section 4 of the Clayton Act or under the Cartwright Act, arising from the purchases of goods, services or materials pursuant to this Contract.

1.5.3 Subletting and Subcontracting. Contractor acknowledges and agrees that it is the City's intent for the provisions of the Subletting and Subcontracting Fair Practices Act (commencing with Section 4100 of the California Public Contract Code) to apply to all phases of the Work.

1.5.4 State Prevailing Wage Requirements. The Contractor's duty to pay prevailing wages can be found under California Labor Code Section 1770 et seq. and the penalties for failure to pay prevailing wages and employ apprentices including forfeitures and debarment can be found in California Labor Code Sections 1775 and 1777.7, as such wage rates are amended from time to time. It is the Contractor's responsibility to ensure payment of prevailing wages and inform all subcontractors that prevailing wage requirements apply to this construction project from commencement of the Contract through completion of the Work.

.a Contractor shall pay all employees on said Work a salary or wage at least equal to the prevailing salary or wage established for such Work as set forth in the wage determinations and wage standards applicable to this Work. Contractor shall forfeit to the City**,** as penalty, **Fifty Dollars ($50.00)** for each calendar day or portion thereof for each worker paid (either by him or any subcontractors under him) less than the prevailing rate described above on

the Work provided for in this Agreement, all in accordance with the State Labor Code and be subject to debarment from future public works projects with the City for a period not to exceed three (3) years. The Contractor shall not require more than eight (8) hours in a day from any person employed by him hereunder, except as provided in the Labor Code. The Contractor shall conform to the State Labor Code and it is agreed that the Contractor shall forfeit to the City, as penalty, the sum of **Twenty Five Dollars ($25.00)** for each worker employed in the execution of this Contract by the Contractor or any subcontractors for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in one day or 40 hours in one week in violation of said article. The Contractor shall indemnify, defend and hold harmless the City, its officials, officers, employees and agents from any and all liability including, but not limited to wages, overtime pay, liquidated damages, penalties, court costs, and attorneys fees arising under any wage and hour law including, but not limited to the Federal Fair Labor Standards Act, as amended, for work performed by the Contractor's employees for which the City may be found jointly or solely liable.

1.5.5 Employment of Apprentices. Pursuant to California Labor Code Section 1777.5, Contractor shall file with the appropriate Joint Apprenticeship Training Committee ("JATC"), a DAS-140 form registering to train apprentices. Only those programs approved by the California Apprenticeship Council are applicable to accept DAS-140 registration forms. In addition, contractor is required to make appropriate training contributions as set forth in the prevailing wage determination to each appropriate JATC, or in the alternative, to the California Apprenticeship Council.

.a Contractor shall forfeit to the City**,** as penalty, **Fifty Dollars ($50.00)** for each calendar day and be subject to debarment from future public works projects with the City for a period not to exceed three (3) years for failure of Contractor to register to train apprentices or failure to pay the appropriate training contribution.

1.5.6 Certified Payrolls. Pursuant to California Labor Code Section 1776, Contractor shall keep weekly payroll records, which shall be certified under penalty of perjury to record the proper payment of prevailing wages for this Project. City shall accept computer printouts (which are then certified) in lieu of the standard form as long as the computer printout provides all of the same information as required on the certified payroll form. Failure of Contractor to provide the certified payrolls within ten (10) days of a written deficiency notice from the City shall result in a penalty of **Twenty Five Dollars ($25.00)** per day per worker for each day of violation. City maintains the right to withhold any and all funds due the Contractor and/or his/her subcontractors in the event that certified payrolls are not maintained and provided to the City upon request.

1.6 Key Personnel.

1.6.1 Contractor's Representative. Contractor hereby designates **Mark Luer, President** of Contractor as Contractor's Representative, who shall be deemed to be Contractor's agent with express authority to bind Contractor with respect to all matters requiring Contractor's approval or authorization.

1.6.2 Before starting the Work, City shall have the authority to not approve the Contractor's proposed representative. The City shall inform the Contractor in writing and request a replacement representative.

1.6.3 City's Representative. City hereby designates **Wendell E. Johnson, P.E., Director of Public Works** as City's Representative for this Project.

1.7 Independent Contractor.

Contractor shall be an independent contractor, and neither Contractor, its officers, principals, employees, agents, volunteers and subcontractors (collectively hereinafter the "Contractor"), shall be considered employees or agents of City. Neither the City nor any of its officers, employees, agents or volunteers shall have any control over the conduct of the Contractor, except as expressly set forth in this Agreement. Contractor expressly warrants that while engaged in carrying out and complying with any terms and conditions of this Agreement that Contractor shall not at any time or in any manner, represent that Contractor is in any manner officers, employees, agents or volunteers of the City. Contractor shall obtain no rights to retirement, health care or any other benefit that accrue to City officials, officers, or employees. Contractor expressly waives any claim to such rights.

1.8 Permits.

Contractor understands and assumes all risk and sole responsibility, without any adjustment to the Contract Price or Contract Time, for obtaining all permits, licenses and approvals that may be necessary for the Project to be completely constructed and ready for occupancy by City.

Prior to or at the time of execution of this Agreement, the Contractor shall purchase a business license permit in conformance with *Section 9-1.2* of the *Compton Municipal Code*.

2.0 SCOPE OF SERVICES

2.1 It is the mutual understanding of the parties that all construction services to be performed hereunder shall be performed pursuant to the fee schedule, scope of work, the City Engineer and/or Project Manager, and other requirements contained in the Contract Documents. Contractor agrees to provide and furnish all necessary professionals, managers, supervisors, staff, equipment, materials, laborers, necessary tools, expendable equipment, all utility and transportation services and other facilities required to complete the following Work:

CITY-WIDE POTHOLE REPAIR SERVICES

The City-Wide Pothole Repair Services Project is aimed to provide City-Wide street pavement services in accordance to the contract specifications and other contract documents. The project will consist of pavement repairs such as pothole repairs on alligator areas. City shall provide the Contractor with street segment(s) and/or location(s) where repairs and work are to be performed. Contractor shall provide staff with the time

and costs to complete the work and schedule to perform the requested repairs. After review, the City shall authorize the Contractor to perform the requested repairs and work.

2.2 Management of Construction Work.

In addition to the Construction Work, Contractor shall cooperate with the City, City's Engineer and/or any construction management firm it may utilize as concerns and is incidental to construction projects of the nature and scope of this Project. The services required are not intended in any manner to diminish the overall responsibility of Contractor for the full and final completion of the Construction Work within the time and cost constraints specified in this Contract.

Contractor shall bear all costs associated with this Work, including, but not limited to, all professional, technical, clerical services, materials, tools, equipment, transportation, telephone, etc., used by Contractor in connection with this Work.

3.0 CONTRACT PRICE

3.1 Total Compensation.

As full and complete compensation for the faithful performance of all of the Work hereunder performed by Contractor in accordance with the Contract Documents, City shall pay, and Contractor agrees to accept, a not-to-exceed maximum sum of **One Million Nineteen Thousand One Hundred Dollars ($1,019,100)** ("Contract Price"), subject to adjustments for changes in the Work as may be agreed to in writing by the City and Contractor.

3.2 The Contract Price, unless changed by Change Order, represents the absolute limit of obligation or liability that City may ever have insofar as the cost for full and final completion of the Work, and the total of all payments to Contractor are concerned.

Should additional amounts be required to be expended, over and above the Contract Price, to achieve completion of the Work, including project construction, and payment to Contractor, in accordance with this Contract, liability for and payment of such additional amounts shall be the sole responsibility of Contractor and its Contract surety herein, and City shall not be liable for same. Should the final cost of the construction work and Contractor's compensation total less than the Contract Price, or any approved revision thereof, the difference shall inure to the benefit of City and no claim for all or any portion of said difference shall be valid against or payable by City.

3.3 Payments.

Progress payments may be made in arrears based on the percentage of work and deliverables completed by the Contractor. If Contractor fails to submit the required deliverable items according to schedule, the City shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions noted herein.

Contractor shall be reimbursed in accordance with the provisions of *California Public Contract Code, Section 20104.50*, upon receipt by the City of itemized invoices for services completed. City will verify the accuracy of the request, correct the charges where appropriate and make payment to the Contractor in an amount equal to the amount of such invoice, as verified or corrected by City. Invoices shall be submitted no later than 45 calendar days after the performance of Work for which the Contractor is billing. Invoices shall be delivered or mailed to the Public Works Director/City Engineer or his/her designee at the following address: **City of Compton, 205 South Willowbrook Avenue, Compton, California 90220.**

3.4 Retention.

Contractor agrees to the withholding of a 5% retention fee by the City**.** Unless there is a dispute, within sixty (60) days after the date of completion of the Work, the retention fee shall be released. If there is a dispute, the City may withhold from the final payment an amount not to exceed 150% of the disputed amount. For purposes of this section, "completion" means any of the following:

- The occupation and use of the improvement by the City after cessation of labor on the Work; or
- The acceptance of the Work by the City; or
- Cessation of labor on the Work of improvement for continuous period of at least 100 days, due to factors beyond the control of the City; or
- Cessation of labor on the Work of improvement for continuous period of at least 30 days if the City files for record a notice of cessation or a notice of completion.

-Or-

Pursuant to *Section 22300 of the Public Contract Code*, this Contract permits the substitution of securities for any monies withheld by a public agency to ensure performance under this Contract. At the request and expense of the Contractor, securities equivalent to the amount withheld shall be deposited with the public agency, or with a state or federally chartered bank as the escrow agent, who shall then pay such monies to the Contractor. Upon satisfactory completion of the Contract, the securities shall be returned to the Contractor.

Securities eligible for investment under this section shall include those listed in *Government Code Section 16430* or bank or savings and loan certificates of deposit. The Contractor shall be the beneficial owner of any securities substituted for monies withheld and shall receive any interest thereon.

In the alternative, under Section 22300, Contractor may request the City to make payment of earned retentions directly to the escrow agent at the expense of Contractor. Also at Contractor's expense, Contractor may direct investment of the payments in securities, and Contractor shall receive interest earned on such investment upon the same conditions as provided for securities deposited by Contractor. Upon satisfactory completion of the Contract, Contractor shall receive from the escrow agent all securities, interest and payments received by escrow agent from the City pursuant to the terms of Section 22300. Contractor shall pay to each subcontractor, not later than 20 days after receipt of such payment, the respective amount of

interest earned, net of costs attributed to retention withheld from each subcontractor, on the amount of retention withheld to insure performance of Contractor.

3.5 Contractor's Warranty of Contract Price.

Contractor warrants and represents that the Contract Price, includes without Limitation: (i) all overhead, general and administrative expenses, including without limitation, both on-site and off-site direct job expenses and home office overhead for the Project and all fees and assessments for building and other permits for which Contractor is responsible, licenses and inspections required for the Project, and (ii) includes and assumes that from time to time Contractor will encounter delays, difficult conditions arising from limited access to work areas or other interferences for which responsibility is not otherwise attributable to Contractor and unforeseen conditions at the Site not constituting differing site conditions. Except as otherwise provided in the Contract Documents, Contractor assumes full responsibility for its examination, investigation and understanding of such delays and difficulties which may be encountered, and shall be deemed to have included in its Contract Price a sum to cover the cost and expense associated therewith.

4.0 TIME

4.1 Time of Essence.

Time is of the essence with respect to all time limits set forth in the Contract Documents.

4.2 Commencement.

4.2.1 Construction Services. Contractor agrees to commence the Work provided for herein within **10 calendar days** after receipt of the **Notification to Proceed** or as otherwise agreed in writing with the Director of his/her designee, and continue in a diligent, professional and worker-like manner as directed by the City without interruption until the each of the requested segment(s) and/or location(s) identified by the City for repairs and work is completed no later than June 30, 2020 (this period is inclusive of time to procure needed materials, mobilization, etc.), whichever occurs first, unless this Agreement is extended, suspended or terminated as provided herein.

.a Notwithstanding any other provisions of this Contract, Contractor shall not be obligated to perform any work and the City shall not be obligated to accept or pay for any work performed by the Contractor prior to issuance of a Notice to Proceed. The City's knowledge of work being performed prior to issuance of the Notice to Proceed shall not obligate the City to accept or pay for such work. Contractor shall provide all required contract bonds and evidences of insurance prior to commencing work pursuant to this Contract.

4.3 Extensions.

The Contract Time shall not be extended except by a Change Order issued in accordance with the Contract Documents.

4.4 Compensation for Delay.

4.4.1 Sole Remedy. Extensions of time adjusting the Contract Time shall be Contractor's sole and exclusive remedy for delay for reasons beyond its reasonable control.

4.5 Liquidated Damages.

IF CONTRACTOR FAILS TO ACHIEVE SUBSTANTIAL COMPLETION OF THE WORK WITHIN THE PERIODS OF TIME REFERRED TO IN PARAGRAPH 4.2.1 OF THIS AGREEMENT (AS ADJUSTED BY CHANGE ORDER FOR EXTENSIONS PERMITTED BY THE CONTRACT DOCUMENTS), CITY WILL INCUR DAMAGES, THE AMOUNT OF WHICH WILL BE DIFFICULT OR IMPOSSIBLE TO ESTABLISH WITH CERTAINTY, INCLUDING BUT NOT LIMITED TO INEFFICIENCY AND DISRUPTION OF CITY'S OPERATIONS. THE PARTIES THEREFORE AGREE THAT FOR EACH DAY PAST THE COMPLETION DATES REFERRED TO IN PARAGRAPH 4.2.1 (AS ADJUSTED BY CHANGE ORDER FOR THE EXTENSIONS PERMITTED BY THE CONTRACT DOCUMENTS) THAT THE WORK IS NOT SUBSTANTIALLY COMPLETE, CONTRACTOR SHALL PAY CITY THE SUM OF ONE THOUSAND DOLLARS ($1,000) FOR EACH CALENDAR DAY DELAYED BEYOND THE TIME PRESCRIBED FOR FINISHING THE WORK AS LIQUIDATED DAMAGES. THIS SUM REPRESENTS A REASONABLE EFFORT TO ESTIMATE FAIR COMPENSATION FOR THE FORESEEABLE LOSSES CITY WILL INCUR ON ACCOUNT OF DELAYS IN SUBSTANTIAL COMPLETION OF THE WORK AND IS NOT A PENALTY. IF LIQUIDATED DAMAGES ARE NOT PAID, THE CITY MAY DEDUCT THE AMOUNT THEREOF FROM ANY MONEY DUE OR THAT MAY BECOME DUE TO THE CONTRACTOR UNDER THIS AGREEMENT IN ADDITION TO ANY OTHER REMEDY AVAILABLE TO THE CITY. CONTRACTOR SHALL NOT BE ASSESSED LIQUIDATED DAMAGES IF THE DELAY IS CAUSED BY ACTS OF GOD WHICH COULD NOT REASONABLY HAVE BEEN FORSEEN OR GUARDED AGAINST; STRIKES, BOYCOTTS OR LIKE OBSTRUCTIVE ACTIONS BY CONTRACTOR'S OR IT'S SUBCONTRACTOR'S EMPLOYEES WHICH ARE BEYOND CONTRACTOR'S CONTROL; FAILURE OF CITY TO PERFORM; OR FAILURE OF A PUBLIC UTILITY TO RELOCATE OR REMOVE AN EXISTING UTILITY REQUIRED FOR PERFORMANCE OF THIS CONTRACT. CITY AND CONTRACTOR HEREBY INDICATE THEIR AGREEMENT TO THE FOREGOING LIQUIDATED DAMAGES PROVISION:

City of Compton – City Manager	**Contractor – All American Asphalt**

4.6 Construction Schedule.

Contractor shall prepare and submit to City a detailed Construction Baseline Schedule (showing all milestones with critical activities on the Baseline Schedule) for each street segment(s) and/or location(s) identified and requested for repairs and Work prior to commencing construction. No Work shall be started until the Schedule has been approved in writing by the City. The Construction Schedule shall be prepared, utilizing a time-scaled bar chart showing continuous flow from left to right and major milestones which are critical to the completion of the

construction of the project and a clearly highlighted critical path. Durations and specific calendar dates shall be clearly and legibly shown for the start and finish of each activity. Activities shall be in sufficient detail to demonstrate a practical plan to complete the construction within the Contract Time.

5.0 CONSTRUCTION PHASE

5.1 General.

5.1.1 Contractor shall completely perform, to City's satisfaction, all of the Work in accordance with this Agreement and other Contract Documents.

5.1.2 Unless otherwise provided in the Contract Documents, Contractor shall furnish, or cause to be furnished, and shall pay for all labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated into the Work.

5.1.3 Contractor shall attend meetings with City as frequently as is necessary to the expeditious performance of the Work for the purpose of discussing construction issues which may arise during the Project.

5.2 Supervision of Work.

Contractor shall supervise and direct the Work, using Contractor's best skill and attention. Contractor shall be solely responsible for and have control over all construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work.

5.3 Permits, Approvals, Licenses and Notices.

Contractor shall obtain and pay for (i) all permits, approvals, licenses and easements; and (ii) government charges and inspection fees pertaining to the construction of the Project.

5.4 Safety.

5.4.1 Contractor shall have overall responsibility for safety precautions and programs in the performance of the Work.

5.4.2 Contractor shall seek to avoid injury, loss or damage to persons or property by taking reasonable steps to protect:

.a Employees and all other persons at the Site;

.b Materials and equipment stored on the Site or off the Site at locations for use in performance of the Work; and

.c The Project and all property located at the Site, whether or not said property or structures are part of the Project or involved in the Work.

5.4.3 Contractor shall designate an individual at the Site in the employ of Contractor who shall act as Contractor's designated safety representative with a duty to prevent accidents.

5.4.4 Losses not insured under property insurance which may arise from the performance of the Work, to the extent of the negligence attributed to such acts or omissions of Contractor or anyone for whose acts Contractor may be liable, shall be promptly remedied by Contractor at Contractor's cost and without reimbursement by City as a cost of work, or in any other manner.

5.4.5 If City deems any part of the Work or Site unsafe, City may require Contractor, without assuming responsibility for Contractor's safety program, to immediately stop performance of the Work or take corrective measures. Neither City's order nor Contractor's action in response thereto shall be the basis for adjustment in the Contract Price or Contract Time.

5.4.6 Should this work involve digging trenches or other excavations that extend deeper than four (4) feet below the surface, the Contractor shall promptly, and before the following conditions are disturbed, notify the City, in writing, of any:

.a Material the Contractor believes may be material that is hazardous waste, as defined in *Section 25117 of the Health and Safety Code that* is required to be removed to a Class I, Class II or Class III disposal site.

.b Subsurface or latent physical conditions at the Site differing from those indicated by information about the Site made available to bidders prior to deadline for submitting bids.

.c Unknown physical conditions at the Site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.

5.4.7 Contractor represents that in advance of the excavation of any trench deeper than five (5) feet, it shall submit for acceptance by the City or a registered civil or structural engineer, employed by the City, to whom authority to accept has been delegated, in advance of excavation, of a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer.

5.5 Substitutions.

There shall be no substitutions in the Work or procedures or methods specified by the Contract Documents for performing the Work, unless Contractor first receives written approval for such substitution from City.

5.6 Trade Contractors.

5.6.1 If applicable, Contractor shall employ only Trade Contractors who are duly licensed and qualified to perform the Work consistent with the Contract Documents. Each Trade Contractor, of every tier, shall be fully bound to the Contract Documents in the same manner as Contractor is bound to City for all the requirements of the Contract Documents to the extent applicable to the Trade Contractor's portion of the Work.

5.6.2 Contractor assumes responsibility for the proper performance of the Work of Trade Contractors, of every tier, and any acts or omissions in connection with such performance. Contractor shall coordinate the activities of all Trade Contractors, of every tier.

5.7 Separate Contractors.

5.7.1 Contractor agrees to reasonably cooperate with, and coordinate its activities so as not to interfere with, those Separate Contractors performing work at the Site, so that the Project can be completed in an orderly and coordinated manner without delay.

5.7.2 If any part of the Work depends upon other work performed by Separate Contractors, Contractor shall, prior to proceeding with that part of the Work, inspect such other work and promptly notify the City of any circumstance or fact that would render such other work unacceptable for the proper performance of the Work. Contractor shall not proceed with such part of the Work without further direction from the City. Contractor shall be liable for losses incurred due to any defects in such other work not so reported by Contractor.

6.0 ACCOUNTING RECORDS

6.1 Access.

Contractor shall keep, and shall include in its contracts with its Trade Contractors, provisions requiring its Trade Contractors to keep, full and detailed accounts in accordance with the requirements of the Contract Documents and exercise such controls as may be necessary for proper financial management of the Work. Such accounting and control systems shall comply with prevailing custom and practice for similar Projects and be satisfactory to City and shall include preservation of such records for a period of four (4) years after final completion of the Work, or for such longer period as may be required by law.

Contractor shall allow, and shall include in its contracts with its Trade Contractors, provisions requiring its Trade Contractors to allow, City or its authorized representative(s) and accountants, within twenty-four (24) hours after requested by City, to inspect, audit or reproduce any and all records relating to the Project. Such records shall include all information, materials and data of every kind and character (hard copy, as well as computer readable data if it exists), that may, in City's judgment, have any bearing on or pertain to any matters, rights, duties or obligations relating to the Project, including without limitation the following: agreements; purchase orders; leases; contracts; commitments; arrangements; notes; schedules; daily diaries; superintendent reports; drawings; receipts; vouchers; memoranda;

accounting records; job cost reports, job cost files (including documentation covering negotiated settlements); backcharge logs; general ledgers; documentation of cash and trade discounts earned, insurance rebates and dividends; any documents customarily maintained by contractors performing work on a cost plus a fee basis; other documents that City otherwise deems necessary to substantiate charges or claims related to the Project.

6.2 Enforcement.

Contractor hereby consents and agrees that any failure by Contractor to provide access to records as provided in this Article 6.0 shall be specifically enforceable by issuance of a preliminary and/or permanent mandatory injunction by a court of competent jurisdiction based on affidavits submitted to such court, without the necessity of oral testimony, to compel Contractor to permit access, inspection, audit and/or reproduction of the records or to require delivery of the records to City for inspection, audit and/or reproduction.

7.0 INDEMNITY, BONDS

7.1 Indemnity.

7.1.1 General Indemnity. To the fullest extent allowed by law, Contractor hereby agrees to defend, indemnify, and hold harmless City, its City Council, boards and commissions, officials, officers, agents, employees, representatives, insurers and volunteers (hereinafter collectively referred to as "City") through legal counsel acceptable to City, from and against any and all Losses arising directly or indirectly from, or in any manner relating to, any of the following: (i) any act or omission (negligent or otherwise) of Contractor, or by its Trade Contractors, of any tier; (ii) performance or nonperformance by Contractor or its Trade Contractors, of any tier, of any of the obligations under this Agreement or the other Contract Documents; (iii) the construction activities of Contractor, or its Trade Contractors, of any tier, either on the Site or on other properties; (iv) the payment or nonpayment of money by Contractor, or by any of its Trade Contractors, of any tier; or (v) any personal injury, property damage or economic loss to third persons or entities associated with the performance or nonperformance by Contractor, or any of its Trade Contractors, of any tier; provided, however, that nothing contained herein shall be construed as obligating Contractor to indemnify the City for losses resulting from the City's sole negligence, active negligence or willful misconduct. Contractor shall pay City for any costs incurred in enforcing the defense and/or indemnity obligations under this provision. Nothing in this Section 7.1 shall be construed to give rise to any implied right of indemnity in favor of Contractor against the City.

7.1.2 Survival. The provisions of Paragraph 7.1.1 shall survive complete performance or termination of this Agreement.

7.1.3 Severability. The invalidity of any portion of Paragraph 7.1.1 shall not affect or render unenforceable any other portions thereof.

7.2 Bonds.

7.2.1 Bond Forms. Prior to commencing any construction of the Work, Contractor shall file with City good and sufficient "Labor and Material Payment" and "Performance" bonds in the amount of one hundred percent (100%) of the Contract Price for each. Contractor shall take steps to assure that the penal sum of the bonds shall be increased by the amount of any additive adjustments to the Contract Price due to Change Orders. The bonds shall be on forms satisfactory to and approved by City, signed by both Contractor and surety and properly notarized. Should any bond required hereunder or any surety on such bond become or be determined by City to be insufficient, it shall be replaced within ten (10) days by a bond that fully complies with the requirements of this Paragraph 7.2.1. No further payments to Contractor for work performed shall be made or become due until Contractor has fully complied with the requirements of this Section 7.2.

7.2.2 Duration. The payment bond shall remain in effect until sixty (60) days after final completion of the Work and all claims by Contractor and Trade Contractors, of every tier, have been satisfied. The performance bond provided by Contractor shall remain in effect for the duration of the period of all warranties required by the Contract Documents and shall assure faithful performance of all of Contractor's obligations under the Contract Documents, including, without limitation, all obligations that survive final completion or termination, such as but not limited to Contractor's obligations under its warranties, guarantees and to defend and indemnify City.

7.2.3 Premiums. The premiums for all bonds are included in the Contract Price and shall be paid by Contractor.

7.2.4 Obligees. The performance and payment bonds shall name City as obligee.

7.2.5 Changes. Change Orders, Field Orders, Modifications, Scope Changes and other Changes in the Work and adjustments to the Contract Price or Contract Time shall in no way release or exonerate Contractor or its sureties from their obligations and notice thereof shall be waived by such sureties.

7.2.6 Communications. City shall have the right to communicate with Contractor's sureties with respect to matters that are related to Contractor's performance of its obligations under the Contract Documents. Such communications shall not create or be interpreted as creating any contractual relationship between City and any such surety.

8.0 INSURANCE

8.1 Insurance Requirements. The Contractor shall not commence Work under this Contract until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this Section 8.0.

As a condition precedent to the effectiveness of this Contract for work to be performed hereunder and without limiting the Contractor's indemnification of the City, Contractor shall provide and maintain at its own expense during the term of this Agreement the following program(s) of insurance covering its operations hereunder. ***Failure on the part of the Contractor to procure or maintain insurance shall constitute a material breach upon which the City may immediately terminate this Agreement.*** Contractor agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City. In the event that the Contractor's operations are suspended for failure to maintain required insurance coverage, the Contractor shall not be entitled to an extension of time for completion of the Work because of production lost during suspension.

8.2 Minimum Scope of Insurance. Insurance coverage specified herein constitutes the minimum requirements and said requirements shall in no way lessen or limit the liability of the Contractor under the terms of the Agreement. Contractor shall procure and maintain, at its own costs and expense, any additional kinds and amounts of insurance that, in its own judgment, may be necessary for its proper protection of the work.

All insurance required hereunder shall be primary with respect to any insurance maintained by the City and shall not call on the City's program for contributions. Program(s) of insurance shall include:

8.2.1 Commercial General Liability. Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01 11 88, with minimum limits of at least **One Million Dollars ($1,000,000.00)** per occurrence, and if written with an aggregate, the aggregate shall be double the per occurrence limit. Defense costs shall be paid in addition to the limits. Products and completed operations coverage shall be maintained for a minimum of two years after completion of the Work.

.a The policy shall contain no endorsements or provisions limiting coverage for (1) explosion, collapse or underground hazard (XCU); (2) products and completed operations; (3) contractual liability; (4) third party action over claims; (5) cross liability exclusion for claims or suits by one insured against another; or (6) contain any exclusions contrary to the Contract.

8.2.2 Automobile Liability. Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 06 92 covering "Any Auto" (Symbol 1) with minimum limits of **One Million Dollars ($1,000,000.00)** each accident. If Contractor does not own any company vehicles, the requirement may be satisfied by providing (a) a Personal Automobile Liability policy for the Contractor's own vehicle (as specified in the following paragraph); and (b) a non-owned auto endorsement to the Commercial General Liability policy if Contractor may use vehicles of others (e.g., vehicles of employees). Independent Contractors may not be able to purchase a Business Automobile policy and consideration may be given to accepting a Personal Automobile Liability policy. Requirements should stipulate "Automobile Liability Insurance with a limit of not less than $1,000,000 each accident."

8.2.3 Workers' Compensation. Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance, with a limit of not less than **One Million ($1,000,000.00)** per accident for bodily injury and disease. Workers' Compensation and Employer's Liability insurance may not be required if Contractor has no employees and provides, to City's satisfaction, a declaration stating this.

8.3 Endorsements. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval.

8.3.1 The policy or policies of insurance required by Section 8.2.1 (Commercial General Liability) shall be endorsed to provide the following:

.a Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be named as ***"additional insured"*** with regard to liability and defense of suits or claims arising out of the performance of the Agreement.

.b Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Contractor; or (4) contain any other exclusions contrary to the Contract.

.c Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City, except ten (10) days written notice shall be provided for non-payment of premium.

8.3.2 The policy or policies of insurance required by Section 8.2.2 (Automobile Liability) shall be endorsed to provide the following:

.a Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City, except ten (10) days written notice shall be provided for non-payment of premium.

8.3.3 The policy or policies of insurance required by Section 8.2.4 (Workers' Compensation) shall be endorsed to provide the following:

.a Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.

.b Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City, except ten (10) days written notice shall be provided for non-payment of premium.

8.4 Waiver of Subrogation. Required insurance coverage's shall not prohibit Contractor from waiving the right of subrogation prior to a loss. Contractor shall waive all subrogation rights against the indemnified parties. Policies shall contain or be endorsed to contain such provisions.

8.5 Deductible. Any deductible or self-insured retention must be approved in writing by the City and shall protect the indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

8.6 Evidence of Insurance. The Contractor, concurrently with the execution of the Contract, and as a condition precedent to the effectiveness thereof, shall deliver certified copies of the required policies on forms approved by the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

8.7 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

8.8 Insurance for Subcontractors. All subcontractors shall be included as additional insured's under the Contractor's policies, or the Contractor shall be responsible for causing subcontractors to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City as an ***"additional insured"*** to the subcontractor's policies. Contractor shall submit proof of compliance with this provision upon request of the City.

9.0 CHANGE ORDERS

9.1 Changes. City has the right, in its sole discretion, to make whatever changes it deems necessary or desirable to the Work; no change ordered by City shall entitle Contractor to an adjustment of the Contract Price or Contract Time unless it constitutes a Scope Change.

9.2 Change Orders. A Change Order is a written order signed by City and Contractor, and issued after execution of this Agreement, authorizing an adjustment in the Contract Price and/or Contract Time. The Contract Price and Contract Time can be adjusted only by Change Order. No action, conduct, omission, prior failure or course of dealing by City shall act to waive, modify, change or alter the requirement that Change Orders must be in writing signed by City and that such written Change Orders are the exclusive method for effecting any adjustment to the Contract Price and Contract Time.

10.0 CERTIFICATIONS

10.1 Certification of Contractor. I, **Mark Luer**, **HEREBY CERTIFY** that I am the President, and duly authorized representative of the Contractor firm of **All American Asphalt** and that, except as hereby expressly stated, neither I nor the above firm that I represent have: (i)

employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above consultant) to solicit or secure this agreement; nor (ii) agreed, as an express or implied condition for obtaining this Contract, to employ or retain the services of any firm or person in connection with carrying out the agreement; nor (iii) paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above consultant) any fee, contribution, donation, or consideration of any kind, for or in connection with, procuring or carrying out this Agreement.

10.2 Debarment and Suspension Certification. The Contractor, under penalty of perjury, certifies that, except as noted below, he/she/it or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal, State or local agency; and
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal, State or local agency within the past 3 years; and
- does not have a proposed debarment pending; and
- has not been indicted, convicted, or had a civil judgment rendered against him/her/it by a court of competent jurisdiction in any matter involving fraud or official misconduct in connection with obtaining, attempting to obtain, or performing a public (Federal, state or local) transaction or contract under a public transaction; violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property within the past 3 years; and
- are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in the preceding paragraph; and
- have not had one or more public transactions (Federal, State or local) terminated for cause or default within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

[Supply exceptions on separate page]

For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

[Attach separate page]

These certifications are a material representation of fact upon which reliance was placed when this transaction was made or entered into. The above certifications are part of this Contract. Signing this Agreement on the signature portion thereof shall also constitute signature of the above Certifications.

Mark Luer, President **(Date)**

11.0 DEFAULT AND TERMINATION

11.1 Default by Contractor.

11.1.1 Notice of Default. Without limitation to any of City's other rights or remedies at law or in equity, City shall have the right to terminate this Agreement in the event that Contractor fails or refuses to perform any of the obligations set forth in this Agreement or the other Contract Documents, and fails to cure such default in the manner required hereafter.

11.1.2 Opportunity to Cure Default. Contractor shall cure any default in performance of its obligations under the Contract Documents within two (2) business days after receipt of written notice of such default from City; provided, however, that if the breach cannot reasonably be cured within such time then Contractor will commence to cure the breach within two (2) days and will diligently and continuously prosecute such cure to completion within a reasonable time, which shall in no event be later than ten (10) calendar days after receipt of such written notice.

11.2 City's Rights and Remedies Upon Default.

11.2.1 Remedies Upon Default. In the event that Contractor fails to cure any breach of this Agreement within the time periods set forth above, then City may pursue any remedies available under law or equity, including, without limitation, the following:

.a Delete Certain Services. City may, without terminating this Agreement, delete certain portions of the Work, reserving to itself all rights to recover losses related thereto.

.b Perform and Withhold. City may, without terminating this Agreement, engage others to perform the Work or portion of the Work that has not been performed by Contractor and withhold the cost thereof to City from future payments to Contractor, reserving to itself all rights to recover losses related thereto.

.c Suspend this Agreement. City may, without terminating this Agreement and reserving to itself all rights to recover losses related thereto, suspend all or any portion of this Agreement for as long a period of time as City determines, in its sole discretion, appropriate, in which event City shall have no obligation to adjust the Contract Price or Contract Time, and shall have no liability to Contractor for adjustment to the Contract Price, Contract Time, or for losses, if City directs Contractor to resume Work.

.d Terminate this Agreement. City may terminate all or any part of this Agreement for cause according to the notice provisions set forth in this Agreement, reserving to itself all rights to recover losses related thereto.

.e Invoke the Performance Bond. City may, with or without terminating this Agreement and reserving to itself all rights to recover losses related thereto, exercise its rights under the Contractor's performance bond.

11.2.2 Rights Cumulative. All of City's rights and remedies under this Agreement is cumulative, and shall be in addition to those rights and remedies available in law or in equity. Designation in the Contract Documents of certain breaches as "material" shall not be construed as implying that other breaches not so designated are not material nor shall such designations be construed as limiting City's right to terminate or the exercise of its other rights or remedies for default to only material breaches. City shall determine whether there has been noncompliance with the Contract Documents so as to warrant exercise by City of its rights and remedies for default. No termination or action taken by City after termination shall prejudice any other rights or remedies of City provided by law or equity or by the Contract Documents upon such termination; and City may proceed against Contractor to recover all losses suffered by City.

11.2.3 Monies. In the event of a termination or suspension of all or a portion of the Work due to a default by Contractor, City shall have the right, without releasing Contractor or its sureties from liability for failure to fulfill this Agreement, to withhold all or a portion of the monies owing or retained until final completion of the Work. Any cost over and above the Contract Price arising from the suspension of operations of this Agreement and the completion of the Work shall be paid by Contractor's sureties. Contractor will be paid any surplus monies remaining after all contract disputes have been resolved and finally determined.

11.2.4 Delays by Sureties. Without limitation to any of City's other rights or remedies under the law or in equity, City has the right to suspend the performance by Contractor's sureties in the event of any of the following: (i) failure of the sureties to begin work within a reasonable time in such manner as to ensure full compliance with the Contract Documents within the Contract Time; (ii) abandonment of the Work; (iii) if at any time City is of the opinion the Work is unnecessarily or unreasonably delayed; (iv) willful violation of any terms of this Agreement; (v) failure to perform according to this Agreement or the other Contract Documents; or (vi) failure to follow instructions of City for performance of the Work within the Contract Time. City will serve notice of such failure upon the sureties and in the event the sureties neglect or refuse to cure the breach within the time specified in such notice, City shall have the power to suspend the operation or any part thereof of Contractor's sureties.

11.2.5 Contractor Obligations. Upon receipt of a notice of termination for default, Contractor shall, unless the notice states otherwise, perform each of the obligations set forth in Paragraph 11.4.1, below.

11.2.6 Damages to City.

.a Reservation of Remedies. City will be entitled to all damages available under the law, and all rights in equity, in the event of Contractor's breach of this Agreement or the other Contract Documents.

.b Deductions. If City suffers a loss due to Contractor's nonperformance, then such loss shall be deducted from the amounts withheld. Should the amount withheld exceed the amount deducted, the balance will be paid to Contractor or its designee upon completion of the Project. If the loss incurred by City exceeds the amount withheld, Contractor shall be liable to City for the difference and shall promptly remit same to City.

.c No Release. If, however, City elects to terminate this Agreement for cause, all monies due Contractor or retained under the terms of the Contract Documents shall be forfeited to City. Such forfeiture shall not release Contractor or its sureties from liability for failure to fulfill this Agreement. Contractor and its sureties will be credited with the amount of monies forfeited toward any greater sum they may be liable for in connection with Contractor's default.

11.3 Suspension by City for Convenience. City may, at any time and from time to time, without cause, order Contractor, in writing, to suspend, delay, or interrupt the Work in whole or in part for such period of time, up to an aggregate of fifty percent (50%) of the Contract Time, as City may determine, with such period of suspension to be computed from the date of the written order. Without limitation to the foregoing, Contractor acknowledges that issuance of a suspension order by City due to circumstances relating to City's compliance with the California Environmental Quality Act is foreseeable and that such suspension order, regardless of its duration, shall not be considered a breach by City of this Agreement. Upon receipt of a suspension order, Contractor shall, at City's expense, comply with its terms and take all reasonable steps to minimize costs allocable to the Work covered by the suspension order during the period of work stoppage. Within the period of the above noted aggregate time, or such extension to that period as is agreed upon by Contractor and City, City shall either cancel the suspension order or it shall have the right, without incurring a liability to Contractor for lost profits or consequential damages, to delete the Work covered by such suspension order by issuing a Change Order.

11.3.1 Resumption. If a suspension order is canceled or expires, Contractor shall resume and continue with the Work. A Change Order will be issued adjusting the Contract Price and/or the Contract Time for additional costs of work and delay necessarily caused by such suspension.

11.3.2 Suspension Order Required. The provisions of this Section 11.3 shall not apply if a suspension order is not issued by City. A suspension order shall not be required to stop the Work as permitted or required under any other provision of the Contract Documents.

11.4 Termination Without Cause. City shall have the option, at its sole discretion and without cause, to terminate this Agreement in part or in whole by giving thirty (30) days' written notice to Contractor as provided herein. Contractor agrees to accept such sums as allowed under this Section 11.4 as its sole and exclusive compensation and waives any claim for other compensation or Losses, including, but not limited to, Loss of anticipated profits, Loss of revenue, lost opportunity, or other consequential, direct, indirect, incidental Losses or damages, of any kind.

11.4.1 Contractor Obligations. Upon receipt of notice of termination without cause, Contractor shall, unless the notice directs otherwise, do the following:

.a Immediately discontinue performance to the extent specified in the notice;

.b Place no further orders or subcontracts for materials, equipment, services or facilities, except as may be necessary for completion of such portion of its obligations as is not discontinued;

.c Provide to City a description, in writing no later than two (2) business days after receipt of the notice of termination, complete copies of all subcontracts, purchase orders and contracts that are outstanding, including any change orders, amendments and modifications thereto, status of payments and balance owing, the status of performance and claims by Trade Contractors, together with such other information as City may determine necessary in order to decide whether to accept assignment of, or request Contractor to terminate the subcontract, purchase order or contract;

.d Promptly assign to City those subcontracts, purchase orders or contracts, or portions thereof, that City elects to accept by assignment and cancel, on the most favorable terms reasonably possible, all subcontracts, purchase orders or contracts, or portions thereof, that City does not elect to accept by assignment; and

.e Thereafter continue only such performance as may be necessary to preserve and protect work already completed or in progress and to protect materials and equipment on the Site or in transit thereto.

11.4.2 Final Billing. Following termination without cause and within thirty (30) days after receipt of a complete and timely billing from Contractor seeking payment of sums authorized by this Paragraph 11.4.2, City shall pay to Contractor as its sole and exclusive compensation for performance under this Agreement the following:

.a The Contract Price earned and payable as of the date of termination, less sums previously paid to Contractor;

.b Plus, reasonable costs of work of Contractor and Trade Contractors for (i) demobilizing, and (ii) administering the close out of its participation in the Project (including, without limitation, all billing and accounting functions) for a period of no longer than thirty (30) days after receipt of the notice of termination;

11.4.3 Trade Contractors. Contractor shall include provisions in all of its subcontracts, purchase orders and other contracts with its Trade Contractors permitting termination for convenience by Contractor on terms that are consistent with this Agreement and that afford no greater rights of recovery against Contractor for termination than are afforded to Contractor.

11.5 Contractor's Rights and Remedies.

11.5.1 Contractor's Remedies. Contractor may terminate this Agreement for cause only upon the occurrence of one of the following:

.a The work is stopped for one hundred sixty (160) consecutive

days, through no act or fault of Contractor, any Trade Contractor, of any tier, or any employee or agent of any of them, due to issuance of an order of a court or other governmental authority other than City having jurisdiction or due to an act of government, such as a declaration of a national emergency making material unavailable.

.b City fails to make payment of sums that are not in good faith disputed by City and fails to cure such default within (i) ninety (90) days after receipt of notice from Contractor notifying City of the default; and (ii) an additional thirty (30) days notice to City notifying it of its intention to terminate this Agreement.

11.5.2 Continuous Performance. Provided that Contractor is paid undisputed sums due under this Agreement, Contractor shall not stop, delay or interrupt continuous performance of the Work by reason of any dispute or disagreement with City, including, without limitation, any disputes or disagreements over payments of funds that are disputed in good faith by City.

12.0 MISCELLANEOUS PROVISIONS

12.1 Warranties. Contractor warrants and guarantees all equipment, materials, supplies and work furnished on the Project against defective construction or workmanship for a period of one (1) year following completion of the Project, except when a longer guaranty is provided by the supplier or manufacturer of the equipment. The Contractor warrants to the City that all materials and equipment furnished under this Contract will be new unless specified and that all work will be of good quality, free from faults and defects and in conformance with the Contract Documents. All work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. Contractor expressly agrees to act as co-guarantor of such equipment and materials and the Contractor shall supply City with all warranty and guaranty documents relative to equipment and materials incorporated in the Work and guaranteed by their suppliers or manufacturers.

If within one (1) year after the date of completion of the Project, any of the Work is found to be defective or not in accordance with the Contract documents, Contractor shall correct it or cause it to be corrected promptly after receipt of a written notice from the City to do so, at the Contractor's expense. This obligation shall survive completion or termination of the Contract. The City shall give notice promptly after discovery of the condition.

12.2 Governing Law. This Agreement shall be governed by the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Los Angeles.

12.3 Waiver of Jury Trial. Contractor voluntarily waives its right to a jury trial of any cause of action, claim, counter-claim or cross-complaint in any action, proceeding or hearing on any matter whatsoever arising out of, or in any way connected with, this Agreement, the relationship between City and Contractor, Contractor's performance on the Project, or the enforcement of any remedy under any law, statute or regulation now or hereafter in effect. Contractor shall include this provision for waiver of jury trial right in its contracts with its Trade

Contractors who provide work to the Project, waiving the right of a jury trial in any action involving City as a party, whether by joinder, consolidation, counter-claim, cross-complaint or otherwise.

12.4 Severability. Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties.

12.5 Successors and Assigns. This Agreement shall be binding on successors, assigns and legal representatives of and persons in privity of contract with City or Contractor. Contractor shall not assign, sublet or transfer an interest in this Agreement without advance written approval of City. Assignment, subletting or transfer will not release Contractor from any of its obligations to City.

12.6 Interpretation. Contractor and City acknowledge that the terms of this Agreement has been mutually negotiated and that such documents shall not be interpreted against either City or Contractor on the basis that either party was responsible for or in control of the drafting of such documents.

12.7 Survival. All provisions of this Agreement which by their nature continue beyond the termination or completion of performance under this Agreement, including, without limitation, those obligations pertaining indemnification, insurance and confidentiality, shall survive and continue in force after either termination or completion of performance by Contractor.

12.8 Conflict of Interest. The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by Contract, employment or otherwise, or as a partner, joint venturer or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any Contract, subcontract or arrangement with the City. Upon execution of this Contract and during its term, as appropriate, the Contractor shall disclose in writing to the City, any other Contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the City interest and the interests of the third parties.

12.9 City's Quality Assurance Plan. The City shall evaluate Contractor's performance under this Contract. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor deficiencies which the City determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the City. The report will include improvement/corrective action measures taken by the City and the Contractor. If improvement does not occur consistent with the corrective action measures, the City may terminate this Contract or seek other remedies as specified in this Contract.

12.10 Copyrights. No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. All documents become the property of the City who holds all the rights to said data.

12.11 Confidentiality of Reports. The Contractor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the City.

12.12 Employees of Contractor. Worker's Compensation: Contractor understands and agrees that all persons furnishing services to the City pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of Contractor. Contractor shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injury arising from an accident connected with services provided to the City under this Contract.

Professional Conduct: The City does not and will not condone any act, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activity or behavior that might be construed as harassment. The City will properly investigate all charges of harassment by residents, employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

12.13 Patent Rights. The City will hold all the patent rights with respect to any discovery or invention which arises or is developed in the course of, or under this Contractor.

12.14 Waivers. A waiver by either party to this Agreement of any breach of any term, covenant or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein, whether of the same or a different character.

12.15 Federal and State Withholding Taxes. Contractor shall be responsible for paying when due all federal and state income withholding taxes for all earning under this Agreement. Contractor agrees to indemnify City for any claims, costs, losses, fees, penalties, interest, or damages suffered by City resulting from Contractor's failure to comply with this provision.

12.16 Entire Agreement. The Contract Documents represent the entire and integrated agreement between City and Contractor and supersedes all prior negotiations, representations or agreements, either written or oral. The Contract Documents may be amended or modified only by Change Order. Nothing contained in the Contract Documents shall be for the benefit of, create any contractual relationship with, or give rise to a cause of action in favor of any third party.

12.17 Water Pollution Control.

12.17.1 Best Management Practices (BMPs). Contractor, without limitation, shall be responsible to provide and implement Best Management Practices to comply

with National Pollution Discharge Elimination System ("NPDES") standards and practices. The Contractor shall be responsible, to the fullest extent possible, not to permit any contaminants, including soil, to enter any drainage system. Contractor shall be responsible to maintain equipment so that oil, grease, gasoline, diesel fuel, et al., does not contaminate areas subject to run-off. The Contractor and its surety shall fully indemnify the City for any pollution damage and/or cleaning costs. All construction of off-site and on-site improvements shall adhere to NPDES Best Management Practices to prevent deleterious materials or pollutants from entering the City or County storm drain systems. Best Management Practices shall be defined as any program, technology, process, site criteria, operating method, measure or device which controls, prevents, removes or reduces pollution. Contractor shall obtain and refer to the California Storm Water Best Management Practice Handbooks, Volume 3 Construction BMP Handbook and the Los Angeles County Department of Public Works Best Management Practices Handbook for Construction Activities.

The City, as permittee, is subject to enforcement actions by the State Water Resources Control Board, Environmental Protection Agency and private citizens. The City may assess the Contractor a penalty of **One thousand Dollars ($1,000.00)** for each calendar day that the Contractor has not fully implemented the BMPs specified for the contract and/or is otherwise in noncompliance with these provisions. In addition, the City will deduct, from the final payment due the contractor, the total amount of any fines levied on the City, plus legal and staff costs, as a result of the Contractor's lack of compliance with these provisions and/or less than complete implementation of the specified BMPs.

12.18 Execution Authority. The person(s) executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which said party is bound. The Contractor shall complete a W9 Form in the form provided by the City.

13.0 NOTICES

13.1 Delivery. All notices, demands or requests to be given under this Agreement shall be given in writing and conclusively shall be deemed received when: (a) delivered personally, or (b) on the fifth (5^{th}) day after the deposit thereof in the United States mail, postage prepaid, and addressed as hereinafter provided, or (c) one (1) business day after send by facsimile transmission.

13.2 Addresses. All notices, demands, requests or approvals from Contractor to City shall be addressed to the City at:

City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director, Public Works Department
(310) 605-5505
(310) 605-6326 – Fax

with copies to:

City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Manager

All notices, demands or requests from City to Contractor shall be addressed to:

All American Asphalt
400 East Sixth Street
Corona, California 92879
Attn: Mark Luer
(951) 736-7600
(951) 736-7646 - Fax

13.3 Change in Address. In the event of any change of address, the moving party is obligated to notify the other party of the change of address in writing. Each party may amend, supplement and update the notice list to add, delete or replace any listed individuals; however, the amendment must be in writing.

IN WITNESS WHEREOF, Contractor has executed this Agreement and the City, by its City Manager, who is authorized to do so, has executed this Agreement.

ALL AMERICAN ASPHALT
CONTRACTOR

Dated: _____ **By _____**
Mark Luer, President

CITY OF COMPTON
Recommended for Approval:

By _____ **Dated: _____**
Wendell E. Johnson, P.E.
Public Works Director

Approved by:

Dated: _____ **By _____**
Cecil W. Rhambo, Jr., City Manager

Approved as to form:

By _____ **Dated: _____**
Craig J. Cornwell, City Attorney

ATTEST:

Dated: _____ **By _____**
Alita Godwin, City Clerk

Road Repair Project				Jet Patcher		All American Asphalt		EBS General Engineering		Hardy & Harper, Inc		Palp, Inc.	
ITEM NO.	ITEM DESCRIPTION	QUANTITY	UNIT OF MEASURE	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST
1	Pothole Preparation	15000	SY	$0.00	$0.00	$28.50	$427,500.00	$90.00	$1,350,000.00	$210.00	$3,150,000.00	$43.00	$645,000.00
2	Asphalt Installation	4000	TN	$0.00	$0.00	$144.00	$576,000.00	$134.00	$536,000.00	$1,400.00	$5,600,000.00	$250.00	$1,000,000.00
3	Adjust Sewer Manholes	12	Each	$1,500.00	$18,000.00	$1,300.00	$15,600.00	$1,100.00	$13,200.00	$1,500.00	$18,000.00	$1,200.00	$14,400.00
	TOTAL				**$18,000.00**	**1**	**$1,019,100.00**	**3**	**$1,899,200.00**	**5**	**$8,768,000.00**	**2**	**$1,659,400.00**

Sialic	
UNIT COST	TOTAL COST
$47.00	$705,000.00
$300.00	$1,200,000.00
$400.00	$4,800.00
4	**$1,909,800.00**

May 28, 2019

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: RAFAELA T. KING
CITY CONTROLLER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2018-2019 FISCAL YEAR BUDGET TO TRANSFER FUNDS AND AUTHORIZING THE CITY MANGER TO AMEND THE EXISTING PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COMPTON AND EADIE & PAYNE, LLP FOR PROFESSIONAL INDEPENDENT AUDITING SERVICES ($1,067,500)

SUMMARY

Adoption of this resolution will authorize amending the 2018-2019 Fiscal Year City Controller's Office budget to transfer One Hundred Twenty-Eight Thousand Dollars ($128,000.00) in funds between accounts, authorize the City Manager to amend the existing professional services agreement between the City of Compton and Eadie & Payne, LLP (Certified Public Accountants) for professional independent auditing services.

BACKGROUND

Section 1419 of the City Charter of the City of Compton provides for the employment of a qualified accountant at the beginning of each fiscal year, who at such time or times as may be specified by the City Council shall examine the books, records, inventories and reports of all officers and employees who receive, handle or disburse public funds and of such other officers, employees and departments as the City Council may direct.

On January 9, 2018, the Council approved Resolution No. 24,724, which authorized the City Manager to enter into a professional service agreement with Eadie & Payne, LLP for professional independent auditing services. This agreement included audit of financial records for fiscal years 2014-2015, 2015-2016, 2016-2017 and single audits for fiscal years 2013-2014, 2014-2015, 2015-2016, and 2016-2017.

On February 5, 2018, the City received a copy of the draft report of the State Controller's Office review of the City of Compton's administrative and internal accounting controls system. On March 9, 2018, the City received a copy of the State Controller's Office draft report from their audit of the City of Compton's Special Gas Tax Street Improvement Fund for the period of July 1, 2007 through

June 30, 2016. These reports revealed the State Controller's Office found that 90% of the City's internal control components were inadequate.

As a result of these reports, and other audit reports, more than 220 audit findings were discovered and presented and needed to be quantified in an annual Corrective Action Plan that had to be submitted to the State. The presentation of this report also triggered other funding agencies to conduct their own audits of their specific resources. The addition of these factors significantly increased the scope of work performed by the independent auditors, Eadie & Payne, LLP.

The City's initial agreement did not include assistance with the Corrective Action Plan (CAP) for each of those fiscal years nor the implementation of Government Accounting Standards Board (GASB) 68, or the multiple additional reports requested by our bond holders. As such the firm needs to be compensated for the additional Out of Scope work that had to be completed.

The City is also required to have the financial records audited for fiscal years 2017-2018, 2018-2019, and 2019-2020, as well as the single audits (audit of federal grants) performed for fiscal years 2017-2018, 2018-2019, and 2019-2020. These audits are crucial in establishing a sound financial standing with the State Controller's Office, the bond holders and will give the City the ability to have financial reports immediately available to apply for additional funding, grants and secure bonds if necessary.

STATEMENT OF THE ISSUE

Eadie & Payne, LLP was founded in 1919 and they take pride in their firm's rich history, while keeping an eye for the future, providing knowledgeable, trustworthy accounting services. Their firm is dedicated to personal service so that all clients regardless of size or earnings, experience one-on-one interaction from their accountants. The firm is a member of the American Institute of Certified Public Accountants Governmental Audit Quality Center, are committed to staying up to date concerning government audit regulations, and providing the highest quality audit services.

Eadie & Payne, LLP has significant experience with performing technically challenging audits as it relates to experience of their senior auditor and manager of the audit team. They were able to meet the required deadlines for the City of Compton and are completing financial statements and single audits within the agreed time table.

They are responsive to the City's requirements, they are very familiar with the City's current financial situation, and have played a significant role in building the relationship with the State Controller's Office.

The City would like to amend the current contract and retain Eadie & Payne, LLP to complete the audits for fiscal years 2017-2018, 2018-2019, and 2019-2020, as well as the continued assistance with the Corrective Action Plan, the implementation of GASB 68 and 75 and any additional special reports required.

Requesting proposals from other certified public accountants' firms will require too many resources and time that the City currently does not have. Eadie & Payne, LLP are committed in assisting the City in becoming current on the audited financial statements. Delaying this amendment can lead to regression in the progress made by Eadie & Payne, LLP and City staff as well as loss of economies of scale.

The amended scope of works and fees are as follows:

- $225,000 – Assistance with CAP for fiscal years ending June 30, 2014, 2015, 2016, 2017, 2018, 2019, and 2020 (1,125 hours estimated)
- $30,000 – GASB 68 implementation fiscal years ending June 30, 2015, 2016, 2017, 2018, 2019, and 2020 (170 hours estimated)
- $22,500 – GASB 75 implementation fiscal years ending June 30, 2018, 2019, and 2020 (125 hours estimated)
- $40,000 – Special auditor / accountant's reports for the duration of the contract (200 hours estimated)
- $250,000 – Audits for fiscal year ending June 30, 2018 (1,450 hours estimated)
- $250,000 – Audits for fiscal year ending June 30, 2019 (1,450 hours estimated)
- $250,000 – Audits for fiscal year ending June 30, 2020 (1,450 hours estimated)

These fees are inclusive of out-of-pocket expenses such as travel, hotel, and meals. The City has also required that all proposed fees are reflective of a "not-to-exceed" cap.

FINANCIAL IMPACT

The total cost for the amended professional services agreement is $1,067,500. To cover cost, the City Controller's Office 2018-2019 Fiscal Year budget must be amended to transfer funds between accounts as follows:

From	To	Object Code	Amount
1001-650-000-4222	1001-650-000-4266	Contract Services	$53,000.00
1001-650-000-4294			$75,000.00

Funds for this expenditure will be appropriated in the Fiscal Years 2018-19, 2019-20, and 2020-21 Controller's Office budget in Account No. 1001-650-000-4266 (Contract Services).

Appropriated funds for each fiscal year are as follows:

FY 2018-19	FY 2019-20	FY 2020-21
$496,072.00	$414,286.00	$157,142.00

Fiscal year 2018-19 funds for this expenditure will be available after after transfer is made.

RECOMMENDATION

It is recommended that the Mayor and City Council adopt the attached resolution.

RAFAELA T. KING
CITY CONTROLLER

APPROVED FOR FORWARDING:

CECIL W. RHAMBO, JR.
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2018-2019 FISCAL YEAR BUDGET TO TRANSFER FUNDS AND AUTHORIZING THE CITY MANGER TO AMEND THE EXISTING PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COMPTON AND EADIE & PAYNE, LLP FOR PROFESSIONAL INDEPENDENT AUDITING SERVICES ($1,067,500)~~.~~

WHEREAS, Section 1419 of the City Charter of the City of Compton provides for the employment of a qualified accountant at the beginning of each fiscal year, who at such time or times as may be specified by the City Council shall examine the books, records, inventories and reports of all officers and employees who receive, handle or disburse public funds and of such other officers, employees and departments as the City Council may direct; and

WHEREAS, an annual audit is also required to satisfy Federal legislation, state regulations, grants requirements, bonds covenants and other applicable regulations; and

WHEREAS, ~~On~~ on January 9, 2018, the Council approved Resolution No. 24,724, which authorized the City Manager to enter into a professional service agreement with Eadie & Payne, LLP for professional independent auditing services. This agreement included audit of financial records for fiscal years 2014-2015, 2015-2016, 2016-2017 and single audits for fiscal years 2013-2014, 2014-2015, 2015-2016, and 2016-2017; and

WHEREAS, On February 5, 2018, the City received a copy of the draft report of the State Controller's Office review of the City of Compton's administrative and internal accounting controls system. On March 9, 2018, the City received a copy of the State Controller's Office draft report from their audit of the City of Compton's Special Gas Tax Street Improvement Fund for the period of July 1, 2007 through June 30, 2016. These reports revealed the State Controller's Office found that 90% of the City's internal control components were inadequate; and

WHEREAS, As a result of these reports, and other audit reports, more than 220 audit findings were discovered and presented and needed to be quantified in an annual Corrective Action Plan that had to be submitted to the State. The presentation of this report also triggered other funding agencies to conduct their own audits of their specific resources. The addition of these factors severely increased the scope of work performed by the independent auditors, Eadie & Payne, LLP; and

WHEREAS, The City's initial agreement did not include assistance with Corrective Action Plan (CAP) for each of those fiscal years nor the implementation of GASB 68, or the multiple other reports requested by our bond holders. As such the firm needs to be compensated for the additional Out of Scope work that had to be completed. The City also needs to have the financial records audited for fiscal years 2017-2018, 2018-2019, and 2019-2020, as well as the single audits (audit of federal grants) performed for fiscal years 2017-2018, 2018-2019, and 2019-2020. These audits are crucial in establishing good financial standing with the State Controller's Office, the bond holders and will give the City the ability to have financial reports immediately available to apply for additional funding, grants and secure bonds if necessary; and

WHEREAS, Eadie & Payne, LLP was founded in 1919 and they take pride in their firm's rich history, while keeping an eye for the future, providing knowledgeable, trustworthy accounting services. Their firm is dedicated to personal service so that all clients regardless of size or earnings, experience one-on-one interaction from their accountants. They are members of the American Institute of Certified Public Accountants Governmental Audit Quality Center, are committed to staying on top of government audit regulations, and providing the highest quality audit services; and

WHEREAS, Eadie & Payne, LLP has significant experience with performing technically challenging audits as it relates to experience of their senior auditor and manager of the audit team. They were able to meet the required deadlines for the City of Compton and are completing financial statements and single audits within the agreed time table. They are responsive to the City's requirements, they are very familiar with the City's current financial situation, and have played a significant role in building the relationship with the State Controller's Office. The City would like to amend the current contract and retain Eadie & Payne, LLP to complete the audits for fiscal years 2017-2018, 2018-2019, and 2019-2020, as well as the continued assistance with the Corrective Action Plan, the implementation of GASB 68 and 75 and any additional special reports require; and

WHEREAS, requesting proposals from other certified public accountants' firms will require too many resources and time that the City currently does not have. Eadie & Payne, LLP are committed in assisting the City in becoming current on the audited financial statements. Delaying this amendment can lead to regression in the progress made by Eadie & Payne, LLP and City staff as well as loss of economies of scale; and

WHEREAS, the amended scope of works and fees are as follows:

- $225,000 – Assistance with CAP for fiscal years ending June 30, 2014, 2015, 2016, 2017, 2018, 2019, and 2020 (1,125 hours estimated)
- $30,000 – GASB 68 implementation fiscal years ending June 30, 2015, 23016, 2017, 2018, 2019, and 2020 (170 hours estimated)
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- $250,000 – Audits for fiscal year ending June 30, 2019 (1,450 hours estimated)
- $250,000 – Audits for fiscal year ending June 30, 2020 (1,450 hours estimated)

WHEREAS, ~~T~~these~~s~~e fees are inclusive of out-of-pocket expenses such as travel, hotel, and meals. The City has also required that all proposed fees are reflective of not-to-exceed cap; and

WHEREAS, to pay for this expenditure the Department's 2018-2019 Fiscal Year budget must be amended to transfer funds between accounts.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The City Controller's Department 2018-2019 Fiscal Year budget is hereby amended to transfer funds between accounts as follows:

From	To	Object Code	Amount
1001-650-000-4222	1001-650-000-4266	Contract Services	$53,000.00
1001-650-000-4294	1001-650-000-4266	Contract Services	$75,000.00 ~~$75,000.00~~

Section 2. That the City Manager, on the advice and approval of the City Attorney, is hereby authorizing City Manager to amend the existing professional services agreement between the City of Compton and Eadie & Payne, LLP (Certified Public Accountants) for professional independent auditing services.

Section 3. That funds in the amount of $496,072.00 are available in the 2018-2019 Fiscal Year budget of the City Controller Department (after budget is amended) in Account No. 1001-650-000-4266.

Section 4. That a purchase order in the amount of $496,072.00 is authorized to be issued for Eadie & Payne, LLP.

Section 5. That funds in the amount of $414,286.00 and $157,142 shall be funded in the 2019-2020 and 2020-2021, respectively, Fiscal Year budget of the City Controller Office in Account No. 1001-650-000-4266.

Section 6. That a copy of this Resolution shall be filed in the offices of the City Clerk, City Attorney, City Manager, and City Controller.

Section 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this ____ day of _____, 2019.

_____
MAYOR OF THE CITY OF COMPTON

ATTEST:

_____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF COMPTON)

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this ___ day of _____, 2019.

That said Resolution was adopted by the following vote, to wit:

AYES: COUNCILMEMBERS--
NOES: COUNCILMEMBERS--
ABSTAIN: COUNCILMEMBERS--
ABSENT: COUNCILMEMBERS---

CITY CLERK OF THE CITY OF COMPTON