



**CITY OF WEST COVINA**

**CITY COUNCIL/SUCCESSOR AGENCY**

**MAY 18, 2021, 7:00 PM  
REGULAR MEETING**

**CITY HALL COUNCIL CHAMBERS  
1444 W. GARVEY AVENUE SOUTH  
WEST COVINA, CALIFORNIA 91790**

**Mayor Letty Lopez-Viado  
Mayor Pro Tem Dario Castellanos  
Councilwoman Rosario Diaz  
Councilmember Brian Tabatabai  
Councilman Tony Wu**

On March 4, 2020, Governor Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19. On March 17, 2020, Governor Newsom issued Executive Order N-29-20, suspending certain requirements of the Brown Act relating to the conduct of public meetings. Pursuant to the Executive Orders, Council Members may attend City Council meetings telephonically and the City Council is not required to make available a physical location from which members of the public may observe the meeting and offer public comment.

On June 18, 2020, the California Department of Public Health issued guidance mandating that people in California wear cloth face coverings in specified circumstances, including when they are inside of, or in line to enter, any indoor public space.

Due to the ongoing COVID-19 emergency and pursuant to State and County public health directives, the City Council Chambers will have limited seating available on a first-come, first-served basis for members of the public to attend and participate in the City Council meeting in person. All persons attending the meeting are required to wear cloth face coverings and observe social distancing protocols. Members of the public may also watch City Council the meeting live on the City's website at: <https://www.westcovina.org/departments/city-clerk/agendas-and-meetings/current-meetings-and-agendas> under the "Watch Live" tab or through the West Covina City YouTube channel at [www.westcovina.org/LIVE](https://www.westcovina.org/LIVE).

If you are experiencing symptoms such as fever or chills, cough, shortness of breath or difficulty breathing, fatigue, or sore throat, the City requests that you participate in the meeting from home by watching the meeting live via the links set forth above.

## REMOTE PUBLIC PARTICIPATION:

In lieu of attending the meeting in person, members of the public can submit public comments via email or address the City Council by telephone using the methods described below.

### EMAILED PUBLIC COMMENT:

Members of the public can submit public comments to the City Clerk via e-mail at [City\\_Clerk@westcovina.org](mailto:City_Clerk@westcovina.org). The subject line should specify "Oral Communications – 5/18/2021" or "Public Hearing Item - 5/18/2021". Please include your full name and address in your e-mail. All emails received by 5:00 P.M. on the day of the Council meeting will be posted to the City's website under "Current Meetings and Agendas" and provided to the City Council prior to the meeting. No comments will be read out loud during the meeting. All comments received by the start of the meeting will be made part of the official public record of the meeting.

### TELEPHONIC ACCESSIBILITY.

Members of the public that wish to address the Council by telephone during Oral Communications or a public hearing may contact the City Clerk by email [City\\_Clerk@westcovina.org](mailto:City_Clerk@westcovina.org) or by telephone (626) 939-8433 by 5:30 P.M. on the day of the Council meeting for instructions regarding addressing the City Council by telephone during the meeting.

*Please turn off all cell phones and other electronic devices prior to entering the Council Chambers*

### **AMERICANS WITH DISABILITIES ACT**

The City complies with the Americans with Disabilities Act (ADA). If you will need special assistance at Council meetings, please call (626) 939-8433 (voice) or (626) 960-4422 (TTY) from 8 to 5 Monday through Thursday. Do call at least one day prior to the meeting date to inform us of your particular needs and to determine if accommodation is possible. For sign language interpreter services at Council meetings, please request no less than four working days prior to the meeting.

### **AGENDA MATERIAL**

Agenda material is available for review at the City Clerk's Office, Room 317 in City Hall, 1444 W. Garvey Avenue South, West Covina and at [www.westcovina.org](http://www.westcovina.org). Any writings or documents regarding any item on this agenda, not exempt from public disclosure, provided to a majority of the City Council that is distributed less than 72 hours before the meeting, will be made available for public inspection in the City Clerk's Office, Room 317 of City Hall located at 1444 W. Garvey Avenue South, West Covina, during normal business hours.

### **NOTICE**

The City Council will regularly convene on the first and third Tuesday of the month. The West Covina Community Development Commission, West Covina Public Financing Authority and the West Covina Community Services Foundation are agencies on which the City Council serves as members. Agendas may contain items for these boards, as necessary.

### **PUBLIC COMMENTS** **ADDRESSING THE CITY COUNCIL** ***(Per WCMC 2-48, Ordinance No. 2150)***

Any person wishing to address the City Council on any matter listed on the agenda or on any other matter within their jurisdiction should complete a speaker card that is provided at the entrance to the Council Chambers and submit the card to the City Clerk.

*Please identify on the speaker card whether you are speaking on an agenda item or non-agenda. Requests to speak on agenda items will be heard prior to requests to speak on non-agenda items. All comments are limited to five (5) minutes per speaker.*

*Oral Communications may be limited to thirty (30) minutes, unless speakers addressing agenda items have not concluded.*

*Any testimony or comments regarding a matter set for a Public Hearing will be heard during the hearing.*

#### ***RULES OF DECORUM***

Excerpts from the West Covina Municipal Code and Penal Code pertaining to the Rules of Decorum will be found at the end of agenda.

## **AGENDA**

### **CITY OF WEST COVINA CITY COUNCIL/SUCCESSOR AGENCY**

**TUESDAY MAY 18, 2021, 7:00 PM  
REGULAR MEETING**

#### **INVOCATION**

Led by Chaplain Albert Aguilar from Emanate Health

#### **PLEDGE OF ALLEGIANCE**

Led by Mayor Lopez-Viado

#### **ROLL CALL**

#### **REPORTING OUT FROM CLOSED SESSION**

#### **PRESENTATIONS**

- Certificates for Nogales High School 4.0 GPA Students (for 11th and 12 graders)
- Proclamation for Fibromyalgia Awareness Month
- Proclamation for Lupus Awareness Month
- Proclamation for Asian American and Pacific Islander Heritage Month

#### **ORAL COMMUNICATIONS - Five (5) minutes per speaker**

*Please step forward to the podium and state your name and city of residence for the record when recognized by the Mayor.*

#### **CITY MANAGER'S REPORT**

*City Manager's report on current City projects.*

#### **CONSENT CALENDAR**

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

#### **APPROVAL OF MEETING MINUTES**

- 1) **MAY 4, 2021, CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING MINUTES**  
**MAY 4, 2021, CITY COUNCIL/SUCCESSOR AGENCY REGULAR SESSION MEETING MINUTES**

It is recommended that the City Council approve the May 4, 2021, Closed Session Meeting Minutes, and the May 4, 2021, Regular Session Meeting Minutes.

**ORDINANCES FOR ADOPTION - Procedural Waiver.** *Waive full reading of each ordinance on the agenda and authorize the approval of each ordinance by title only.*

- 2) **CONSIDERATION OF AN ORDINANCE AMENDING SECTION 15-68 OF THE WEST COVINA MUNICIPAL CODE RELATING TO ADMINISTRATIVE FINES FOR FIREWORKS-RELATED VIOLATIONS**

It is recommended that the City Council conduct the second reading and adopt the following ordinance:

**ORDINANCE NO. 2481 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, AMENDING SUBSECTIONS (B) AND (C) OF SECTION 15-68 (ADMINISTRATIVE FINES) OF ARTICLE III (FIREWORKS) OF CHAPTER 15 (MISCELLANEOUS PROVISIONS RELATING TO PUBLIC HEALTH AND SAFETY) OF THE WEST COVINA MUNICIPAL CODE**

- 3) **CONSIDERATION OF SECOND READING AND ADOPTION OF ORDINANCE NO. 2482 - ZONE CHANGE NO. 20-02, ADOPTING THE WALNUT GROVE SPECIFIC PLAN (SP-30)**

It is recommended that the City Council adopt the following ordinance:

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING ZONE CHANGE NO. 20-02 AND ADOPTING THE WALNUT GROVE SPECIFIC PLAN (SP-30)**

- 4) **CONSIDERATION OF SECOND READING AND ADOPTION OF ORDINANCE NO. 2483 - AMENDING THE DOWNTOWN PLAN AND CODE**

It is recommended that the City Council adopt the following Ordinance:

**ORDINANCE NO. 2483 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, AMENDING THE DOWNTOWN PLAN AND CODE**

- 5) **CONSIDERATION OF ORDINANCE NO. 2484 TO ESTABLISH A PUBLIC HEALTH DEPARTMENT**

It is recommended that the City Council adopt the following ordinance:

**ORDINANCE NO. 2484 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, REPEALING AND REPLACING ARTICLE I (IN GENERAL) OF CHAPTER 13 (HEALTH AND SANITATION) OF THE WEST COVINA MUNICIPAL CODE TO ESTABLISH A PUBLIC HEALTH DEPARTMENT**

## **CITY MANAGER'S OFFICE**

### **6) CONSIDERATION OF AGREEMENTS WITH PEERLESS NETWORK AND ACC BUSINESS FOR VOIP PHONE DATA SERVICE**

It is recommended that the City Council:

1. Authorize the City Manager to negotiate and execute an agreement with Peerless Network Services for Voice-Over-Internet Phone Direct Inward Dialing (DID) and Enhanced 911 for 36 months with a monthly cost of \$1,265.
2. Authorize the City Manager to negotiate and execute an agreement with ACC Business for Voice-Over-Internet Access Bandwidth Service for 36 months with a monthly cost of \$984.

## **COMMUNITY DEVELOPMENT**

### **7) CONSIDERATION OF WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 1 SETTING OF FISCAL YEAR 2021-22 ASSESSMENT RATE**

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2021-39 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA SETTING THE ASSESSMENT RATE FOR WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR THE FISCAL YEAR BEGINNING JULY 1, 2021**

### **8) CONSIDERATION OF WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 2 SETTING OF FISCAL YEAR 2021-22 ASSESSMENT RATE**

It is recommended that the City Council adopt the following resolution, which provides for the assessment rate to be maintained at the current rate of 6.60 cents per 100 dollars of assessed valuation.

**RESOLUTION NO. 2021-40 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA SETTING THE ASSESSMENT RATE FOR WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 2 FOR THE FISCAL YEAR BEGINNING JULY 1, 2021**

### **9) CONSIDERATION OF RENEWAL OF LANDSCAPE MAINTENANCE DISTRICT NO. 4 — ORDERING OF ENGINEER'S REPORT AND PRELIMINARY APPROVAL OF THE ENGINEER'S REPORT**

It is recommended that the City Council take the following actions:

1. Adopt the following resolution:

**RESOLUTION NO. 2021-41 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ORDERING THE PREPARATION AND FILING OF A REPORT REGARDING THE FISCAL YEAR 2021-22 ASSESSMENT TO BE LEVIED IN CONNECTION WITH LANDSCAPE MAINTENANCE DISTRICT NO. 4**

2. Following adoption of Resolution No. 2020-41, adopt the following resolution:

**RESOLUTION NO. 2021-42 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, PRELIMINARILY APPROVING THE ENGINEER'S REPORT FOR LANDSCAPE MAINTENANCE DISTRICT NO. 4, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN SAID DISTRICT FOR FISCAL YEAR 2021-22 AND SETTING A PUBLIC HEARING REGARDING SUCH ASSESSMENTS**

**10) CONSIDERATION OF RENEWAL OF LANDSCAPE MAINTENANCE DISTRICT NO. 6 — ORDERING OF ENGINEER'S REPORT AND PRELIMINARY APPROVAL OF THE ENGINEER'S REPORT**

It is recommended that the City Council take the following actions:

1. Adopt the following resolution:

**RESOLUTION NO. 2021-43 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ORDERING THE PREPARATION AND FILING OF A REPORT REGARDING THE FISCAL YEAR 2020-21 ASSESSMENT TO BE LEVIED IN CONNECTION WITH LANDSCAPE MAINTENANCE DISTRICT NO. 6**

2. Following adoption of Resolution No. 2021-43, adopt the following resolution:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, PRELIMINARILY APPROVING THE ENGINEER'S REPORT FOR LANDSCAPE MAINTENANCE DISTRICT NO. 6, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN SAID DISTRICT FOR FISCAL YEAR 2021-22 AND SETTING A PUBLIC HEARING REGARDING SUCH ASSESSMENTS**

**11) CONSIDERATION OF RENEWAL OF LANDSCAPE MAINTENANCE DISTRICT NO. 7 — ORDERING OF ENGINEER'S REPORT AND PRELIMINARY APPROVAL OF THE ENGINEER'S REPORT**

It is recommended that the City Council take the following actions:

1. Adopt the following resolution:

**RESOLUTION NO. 2021-45 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ORDERING THE PREPARATION AND FILING OF A REPORT REGARDING THE FISCAL YEAR 2021-22 ASSESSMENT TO BE LEVIED IN CONNECTION WITH LANDSCAPE MAINTENANCE DISTRICT NO. 7**

2. Following the adoption of Resolution No. 2021-45, adopt the following resolution:

**RESOLUTION NO. 2021-46 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, PRELIMINARILY APPROVING THE ENGINEER'S REPORT FOR LANDSCAPE MAINTENANCE DISTRICT NO. 7, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN SAID DISTRICT FOR FISCAL YEAR 2021-22 AND SETTING A PUBLIC HEARING REGARDING SUCH ASSESSMENTS**

**FINANCE DEPARTMENT**

**12) THIRD QUARTER FINANCIAL REPORT FOR FISCAL YEAR 2020-21**

It is recommended that the City Council take the following actions:

1. Receive and file the Third Quarter Financial Report for Fiscal Year 2020-21; and
2. Adopt the following resolution:

**RESOLUTION NO. 2021-54 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021 (THIRD QUARTER FINANCIAL REPORT)**

**FIRE DEPARTMENT**

**13) CONSIDERATION OF FIRE STATION PRE-ALERTING SYSTEM**

It is recommended that the City Council take the following actions:

1. Approve a purchase order to US Digital Designs, Inc. and Bergelectric, Inc. totaling \$167,442 (including sales tax, delivery, installation, and warranty) for the purchase of a fire station pre-alerting system (based upon the pricing set forth in Attachment No. 1); and
2. Appropriate \$167,442 from the Fire Facilities Development Impact Fund 165 and the General Fund Balance to Account No. 160.80.7003.7900; and
3. Approve the following resolution:

**RESOLUTION NO. 2021-51 -A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021 (US DIGITAL DESIGNS, INC.)**

**14) CONSIDERATION OF 2019 ASSISTANCE TO FIREFIGHTERS GRANT**

It is recommended that the City Council take the following actions:

1. Accept and appropriate the reimbursable 2019 Assistance to Firefighters Grant (AFG) totaling \$131,700.00 in expenditures and revenues, and authorize the City Manager to execute all related agreements; and
2. In accordance with West Covina Municipal Code Chapter 2, Article VII, Division 2, Sec. 2-330(b) and Sec. 2-333(i)(1), and the findings of the West Covina Finance Department, find that the Stryker Sole source letters satisfies West Covina's bidding process, and authorize the purchase of a total of two (2) Stryker Power cot Power Lift Systems and three (3) Lucas Automatic Chest Compression Device (ACCD), directly from Stryker, for a total of \$131,585.48, from account 139.32.3210.7160; and
3. Adopt the attached resolution authorizing the necessary budget amendment:

**RESOLUTION NO. 2021-55 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021 (2019 ASSISTANCE TO FIREFIGHTERS GRANT)**

## **HUMAN RESOURCES/RISK MANAGEMENT**

### **15) CONSIDERATION OF RESOLUTION REPEALING AND REPLACING THE SALARY SCHEDULE FOR FULL-TIME CLASSIFICATIONS FOR THE CITY OF WEST COVINA**

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2021-53 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, REPEALING AND REPLACING THE SALARY SCHEDULE FOR FULL-TIME CLASSIFICATIONS OF THE CITY OF WEST COVINA**

### **16) CONSIDERATION OF PROPOSED APPOINTMENT FOR ASSISTANT CITY MANAGER**

It is recommended that the City Council approve the proposed appointment of Paulina Morales to the position of Assistant City Manager.

## **PUBLIC SERVICES**

### **17) CONSIDERATION OF AGREEMENT FOR JANITORIAL SERVICES FOR CITY BUILDINGS AND FACILITIES**

It is staff's recommendation that the City Council:

1. Authorize the City Manager to negotiate and execute an agreement with United Maintenance Systems, Inc. to provide janitorial services for City buildings and facilities, with a maximum compensation amount of \$1,218,000 (\$243,600 annually), for an initial term of three (3) years, with the option to extend the term for up to two (2) one (1) year periods; and
2. Authorize the City Manager to approve the extensions to the Agreement.

## **END OF CONSENT CALENDAR**

## **DEPARTMENTAL REGULAR MATTERS**

## **COMMUNITY DEVELOPMENT**

### **18) CONSIDERATION OF WEST COVINA CITYWIDE SEWER SERVICE CHARGE SETTING A PUBLIC HEARING DATE ON THE METHOD OF COLLECTION AND FEE INCREASE**

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2021-47 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, DECLARING ITS INTENTION TO COLLECT SEWER SERVICE CHARGES ON THE COUNTY TAX ROLL FOR FISCAL YEAR 2021-22 AND SETTING JUNE 15, 2021 FOR A PUBLIC HEARING REGARDING THE CHARGES TO BE SO COLLECTED**

### **19) CONSIDERATION OF RENEWAL OF THE CITYWIDE LIGHTING AND MAINTENANCE DISTRICT AND PRELIMINARY APPROVAL OF THE ENGINEER'S REPORT**

It is recommended that the City Council take the following actions:



1. Adopt the following resolutions:

**RESOLUTION NO. 2021-48 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ORDERING THE CITY ENGINEER TO PREPARE AND FILE A REPORT IN ACCORDANCE WITH PROPOSITION 218 AND ARTICLE 4, CHAPTER 1, PART 2, "LANDSCAPING AND LIGHTING ACT OF 1972, "BEING DIVISION 15, STREETS AND HIGHWAYS CODE OF THE STATE OF CALIFORNIA, ORDERING CERTAIN- LANDSCAPING AND LIGHTING MAINTENANCE IN THE, CITY OF WEST COVINA, CALIFORNIA, FOR THE FISCAL YEAR COMMENCING JULY 1, 2021**

**RESOLUTION NO. 2021-50 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, PRELIMINARILY APPROVING THE CERTIFIED ENGINEER'S REPORT AND DECLARING ITS INTENTION TO HOLD A PUBLIC HEARING ON JUNE 15, 2021 TO APPROVE CITYWIDE ASSESSMENTS COMMENCING IN FISCAL YEAR 2021-2022 TO FUND THE OPERATION AND MAINTENANCE OF STREETLIGHTS AND STREET TREES WITHIN THE DISTRICT**

## **FINANCE DEPARTMENT**

### **20) PRELIMINARY FISCAL YEAR 2021-22 BUDGET**

It is recommended that the City Council:

- 1) Receive and file the Preliminary Fiscal Year (FY) 2021-22 Operating and Capital Improvement Program Budget (Attachment No. 1); and
- 2) Direct that the budget be publicly disseminated, including at a community budget workshop on May 19, 2021; and
- 3) Schedule it for consideration at the June 15, 2021 City Council meeting.

## **MAYOR/COUNCILMEMBERS REPORTS**

AB 1234 Conference and Meeting Report (verbal, if any)

*(In accordance with AB 1234, Councilmembers shall make a brief report or file a written report on any meeting/event/conference attended at City expense.)*

### **21) REQUEST FOR CONSIDERATION FROM MAYOR LOPEZ-VIADO REQUESTING FOR STAFF TO DEVELOP A PROGRAM PREVENTING CRIME THROUGH ENVIRONMENTAL DESIGN PROGRAM**

It is recommended that the City Council provide direction to staff.

## **CITY COUNCIL REQUESTS FOR REPORTS, STUDIES OR INVESTIGATION**

*(Per City of West Covina Standing Rules 4.f - Requests for reports, studies, or investigations that are not readily available must be placed on the City Council/Successor Agency agenda as items of business and must be approved by a majority of the City Council/Successor Agency Board.)*

## **CITY COUNCIL COMMENTS**

## **ADJOURNMENT**

Next Tentative City Council Meeting

## RULES OF DECORUM

*The following are excerpts from the West Covina Municipal Code:*

Sec. 2-48. Manner of addressing council; time limit; persons addressing may be sworn.

- a. Each person addressing the council shall step up to the rostrum, shall give his or her name and city of residence in an audible tone of voice for the record and unless further time is granted by the council, shall limit his or her address to five (5) minutes.
- b. The city council may establish a limit on the duration of oral communications.
- c. All remarks shall be addressed to the council as a body and not to any member thereof. No person, other than the council and the person having the floor, shall be permitted to enter into any discussion, either directly or through a member of the council, without the permission of the presiding officer. No question shall be asked of a councilmember except through the presiding officer.
- d. The presiding officer may require any person to be sworn as a witness before addressing the council on any subject. Any such person who, having taken an oath that he or she will testify truthfully, willfully and contrary to such oath states as true any material matter which he knows to be false may be held to answer criminally and subject to the penalty prescribed for perjury by the provisions of the Penal Code of the state.

Sec. 2-50. Decorum--Required.

- a. While the council is in session, the members shall preserve order and decorum, and a member shall neither, by conversation or otherwise, delay or disrupt the proceedings or the peace of the council nor interrupt any member while speaking or refuse to obey the orders of the council or its presiding officer, except as otherwise herein provided.
- b. Members of the public shall not willfully disrupt the meeting or act in a manner that actually impairs the orderly conduct of the meeting. For the purposes of this code, "willfully disrupt" includes, but is not limited to, continuing to do any of the following after being warned by the Mayor that continuing to do so will be a violation of the law:
  - a. Addressing the Mayor and City Council without first being recognized.
  - b. Persisting in addressing a subject or subjects, other than that before the Mayor and City Council.
  - c. Repetitiously addressing the same subject.
  - d. Failing to relinquish the podium when directed to do so.
  - e. From the audience, interrupting or attempting to interrupt, a speaker, the Mayor, a council member, or a staff member or shouting or attempting to shout over a speaker, the Mayor, a council member or a staff member.
  - f. As a speaker, interrupting or attempting to interrupt the Mayor, a council member, or a staff member, or shouting over or attempting to shout over the Mayor, a council member, or a staff member. Nothing in this section or any rules of the council shall be construed to prohibit public criticism of the policies, procedures, programs, or services of the City or of the acts or omissions of the City Council. It shall be unlawful to violate the provisions of this Section.

If any subsection, sentence, clause, or phrase or word of this Section 2-50 is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Section. The City Council hereby declares that it would have passed this section and each subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more subsections, sentences, clauses, phrases or words had been declared invalid or unconstitutional.

**Sec. 2-52. Persons authorized to be within council area.**

No person, except city officials, their representatives and members of the news media shall be permitted within the rail in front of the council chamber without the express consent of the council.

*The following are excerpts from the Penal Code*

148(a) (1) Every Person who willfully resists, delays, or obstructs any public officer, peace officer, or an emergency medical technician, as defined in Division 2.5 (commencing with Section 1797) of the Health and Safety code, in the discharge or attempt to discharge any duty of his or her office or employment, when no other punishment is prescribed, shall be punished by a fine not exceeding one thousand dollars (\$1,000), or by imprisonment in a county jail not to exceed one year, or by both that fine and imprisonment.

403 Every person who, without authority of law, willfully disturbs or breaks up any assembly or meeting that is not unlawful in its character, other than an assembly or meeting referred to in Section 303 of the Penal Code or Section 18340 of the Elections Code, is guilty of a misdemeanor.



# AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:** MAY 4, 2021, CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING MINUTES  
MAY 4, 2021, CITY COUNCIL/SUCCESSOR AGENCY REGULAR SESSION MEETING MINUTES

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**RECOMMENDATION:**

It is recommended that the City Council approve the May 4, 2021, Closed Session Meeting Minutes, and the May 4, 2021, Regular Session Meeting Minutes.

**DISCUSSION:**

That the City Council adopt the attached minutes.

**Prepared by:** Lisa Sherrick; Assistant City Clerk

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**Attachments**

Attachment No. 1 - 5/4/2021 Closed Session Minutes Draft

Attachment No. 2 - 5/4/2021 Regular Session Minutes Draft

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# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:**  
**CONSIDERATION OF AN ORDINANCE AMENDING SECTION 15-68 OF THE WEST COVINA MUNICIPAL CODE RELATING TO ADMINISTRATIVE FINES FOR FIREWORKS-RELATED VIOLATIONS**

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## RECOMMENDATION:

It is recommended that the City Council conduct the second reading and adopt the following ordinance:

**ORDINANCE NO. 2481 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, AMENDING SUBSECTIONS (B) AND (C) OF SECTION 15-68 (ADMINISTRATIVE FINES) OF ARTICLE III (FIREWORKS) OF CHAPTER 15 (MISCELLANEOUS PROVISIONS RELATING TO PUBLIC HEALTH AND SAFETY) OF THE WEST COVINA MUNICIPAL CODE**

## BACKGROUND:

Fireworks can be spectacular, exciting, and loud, but they also start fires, damage property, injure, and kill. Many of these annual illegal fireworks accidents cause people to live with serious, permanent injuries or destroy property including homes.

On April 5, 2016, Ordinance No. 2294 was adopted by the City Council, adding sections 15-63 through 15-72 to Article III (Fireworks) of Chapter 15 (Miscellaneous Provisions Related to Public Health and Safety) of the West Covina Municipal Code, imposing penalties for the improper use of fireworks.

After this Ordinance was approved, the City of West Covina contracted with Turbo Data to handle the processing and management of parking and administrative citations to include the collecting of fines, fees, and mitigating citation disputes on the City's behalf. Due to this change, Ordinance No. 2315 was adopted by the City Council, amending Municipal Code sections 15-68 (Administrative Fines), 15-69 (Right to Administrative Hearing), 15-70 (Administrative Hearing Procedures), and 15-71 (Right of Appeal).

During the July 21, 2020 City Council meeting, the City Council asked that the Municipal Code be amended so that all fines related to fireworks violations, including both Dangerous Fireworks and Safe and Sane Fireworks,

would start at \$1,000.00 for the first offense.

On May 4, 2021, the West Covina City Council, by a 5-0 vote, introduced for first reading Ordinance No. 2481, which will amend subsections (b) and (c) of section 15-68 (Administrative Fines) of Article III (Fireworks) of Chapter 15 (Miscellaneous Provision Relating to Public Health and Safety) of the West Covina Municipal Code.

## DISCUSSION:

As outlined at the May 4, 2021 City Council meeting, the City's current Municipal Code section 15-68(b) states:

- A person who fails to obtain a license or approval from the city when such a person is required by the code shall be subject to administrative fine or fines under this article.

Number of Offense in One-Year Period	Amount of Administrative Penalty	Late Charge	Total Amount of Penalty Plus Late Charge
First	\$500	\$125	\$625
Second	\$1,000	\$250	\$1,250
Third	\$1,500	\$500	\$2,000

Adoption of Ordinance No. 2481 will amend the Administrative Fines section of 15-68(b) of the City's Municipal Code as follows:

Number of Offense in One- Year Period	Amount of Administrative Penalty	Late Charge	Total Amount of Penalty Plus Late Charge
First	\$1,000.00	\$250.00	\$1,250.00
Second	\$2,000.00	\$500.00	\$2,500.00
Third	\$3,000.00	\$1,000.00	\$4,000.00

Currently, the City's Municipal Code Section 15-68(c) states: Each person who sells, possesses or uses "safe and sane fireworks" in the city shall be subject to the imposition and payment of an administrative fine or fines as provided below:

Number of Offense in One-Year period	Amount of Administrative Penalty	Late Charge	Total Amount of Penalty Plus Late Charge
First	\$350.00	\$75.00	\$425.00
Second	\$700.00	\$150.00	\$850.00
Third	\$1,000.00	\$300.00	\$1,300.00

Adoption of Ordinance No. 2481 would amend the Administrative Fines section of 15-68(c) of the City's Municipal Code as follows:

Number of Offense in One-Year period	Amount of Administrative Penalty	Late Charge	Total Amount of Penalty Plus Late Charge
-----------------------------------------	-------------------------------------	-------------	---------------------------------------------

First	\$1,000.00	\$250.00	\$1,250.00
Second	\$2,000.00	\$500.00	\$2,500.00
Third	\$3,000.00	\$1,000.00	\$4,000.00

Staff recommends that the City Council conduct the second reading and adopt Ordinance No. 2481. The Ordinance will take effect on the 31st day following adoption, which is on or about June 18, 2021.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed the ordinance and approved it as to form.

**OPTIONS:**

The City Council has the following options:

- 1. Conduct the second reading and adopt Ordinance No. 2481; or
- 2. Provide alternative direction

**Prepared by:** Ken Plunkett, Captain

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**Attachments**

Attachment No. 1 - Current Fireworks Ordinance Sec 15-68  
Attachment No. 2 - Ordinance No. 2481

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**CITY COUNCIL GOALS & OBJECTIVES:** Protect Public Safety



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF SECOND READING AND ADOPTION OF ORDINANCE NO. 2482 - ZONE CHANGE NO. 20-02, ADOPTING THE WALNUT GROVE SPECIFIC PLAN (SP-30)**

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## RECOMMENDATION:

It is recommended that the City Council adopt the following ordinance:

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING ZONE CHANGE NO. 20-02 AND ADOPTING THE WALNUT GROVE SPECIFIC PLAN (SP-30)**

## BACKGROUND:

Request for the Zone Change No. 20-02 (Ordinance No. 2482) to change the zoning designation for 1651 E, Rowland Avenue from Single-Family Residential (R-1) to the Walnut Grove Specific Plan (SP-30) was processed with an application package involving the following entitlements:

- Precise Plan to allow the development of the site.
- Tentative Tract Map to allow for the condominium subdivision of airspace rights.
- Tree Removal Permit for the removal of nine (9) significant trees.
- General Plan Amendment to change the land-use designation to Neighborhood Medium to allow up to 20 residential units per acre.

The project involved a request to demolish all existing school buildings/uses on the site and construct 158 residential condominium units (66 two-story single-family residential style detached units: ranging from 1,471 sq. ft. to 1,798 sq. ft. and 92 attached three-story townhome style units: ranging from 1,310 sq. ft. to 1,721 sq. ft.), internal drive aisles, common open space, guest parking spaces, and other associated incidental improvements on a 9.14 acre site.

The project was reviewed by the Planning Commission on March 9 and March 23, 2021. The Planning Commission voted 3-2 to recommend that the City Council approve the project.

The City Council held a public hearing on May 4, 2021 and voted 4-1 to approve the project, which included the introduction of the Ordinance.

**DISCUSSION:**

This Ordinance was first introduced at the May 4, 2021, City Council meeting. The purpose of Ordinance No. 2482 is to change the zoning of 1651 E. Rowland Avenue from Single-Family Residential (R-1) to the Walnut Grove Specific Plan (SP-30). The Specific Plan provides standards for the development of a 158-unit multifamily residential development consisting of 66 two-story single-family residential style detached units and 92 attached three-story townhome units.

The Ordinance will take effect on the 31st day after its adoption, which is on or about June 18, 2021.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed the ordinance and approved it as to form.

**OPTIONS:**

The City Council has the following options:

1. Conduct the second reading and adopt Ordinance No. 2482; or
2. Provide alternative direction

**ENVIRONMENTAL REVIEW:**

Pursuant to the requirements of the California Environmental Quality Act (CEQA), a Mitigated Negative Declaration of Environmental Impact was prepared and adopted by the City Council on May 4, 2021 (Resolution No. 2021-28).

**Prepared by:** Jo-Anne Burns, Planning Manager

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**Attachments**

Attachment No. 1 - Ordinance No. 2482

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance the City Image and Effectiveness





# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF SECOND READING AND ADOPTION OF ORDINANCE NO. 2483 - AMENDING THE DOWNTOWN PLAN AND CODE**

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## RECOMMENDATION:

It is recommended that the City Council adopt the following Ordinance:

### **ORDINANCE NO. 2483 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, AMENDING THE DOWNTOWN PLAN AND CODE**

## BACKGROUND:

The City Council adopted the Downtown Plan in conjunction with the General Plan on December 20, 2016. The Downtown Plan and Code (Downtown Plan) is a form-based code which regulates development in the Downtown (formerly central business district) area. The Downtown Plan was created during the General Plan update and multiple study sessions were held with the Planning Commission and City Council to review the standards. At the time of adoption, there was an expectation that modifications might be necessary after the first year to address any issues that were not foreseen when the Downtown Plan was reviewed and adopted. The Downtown Plan was adopted as Article XV in Chapter 26 (Zoning) of the West Covina Municipal Code.

Since the adoption of the Downtown Plan, two separate amendments have been adopted. Code Amendment No. 17-02 (Ordinance No. 2443) was adopted on August 21, 2018, and was considered a "clean-up" amendment which revised a number of items in the Code including entitlement expiration dates, list of permitted uses, building heights, allowed building types, sign standards, minor modification/minor site plan review process, wall/fence standards, and parking standards. Code Amendment No. 18-03 (Ordinance No. 2450) was adopted on December 18, 2018, which revised the commercial parking requirement calculation for the T-5 Urban Center, T-4 General Urban and T-4 Urban Neighborhood Zones to 0.65 of cumulative parking standards from the Municipal Code for non-residential uses.

On April 13, 2021, the Planning Commission held a public hearing to consider Code Amendment No. 20-08 and voted 3-2 to recommend City Council approval of certain changes in the Downtown Plan involving the T-4 General Urban Zone, Rowhouse building type standards, and stoop dimensions.

On May 4, 2021, the City Council conducted a public hearing to consider Ordinance No. 2483 (Code Amendment No. 20-08).

## DISCUSSION:

This Ordinance was first introduced at the May 4, 2021 City Council Meeting. The City Council voted 5-0 to adopt Ordinance No. 2483 with the following revisions to the Planning Commission's recommendation:

- Remove the minimum interior floor height in the T-4 General Urban Zone.
- Remove the minimum width for individual Rowhouse units.

Ordinance No. 2483 has been revised in accordance to the City Council's direction.

Staff is recommending that the City Council conduct second reading and adopt Ordinance No. 2483. The ordinance will be effective on the 31st day after adoption, which is on or about June 18, 2021.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed the ordinance and approved it as to form.

**OPTIONS:**

The City Council has the following options:

1. Conduct the second reading and adopt Ordinance No. 2483; or
2. Provide alternative direction

**ENVIRONMENTAL REVIEW:**

The proposal is not subject to the California Environmental Quality Act (CEQA) per Section 15061(b)(3) of the CEQA Guidelines, which provides that CEQA only applies to activity that results in direct or reasonably foreseeable indirect physical change in the environment and for activity considered to be a project, respectively. The amendment to the Downtown Plan and Code would not result in a physical change in the environment because it would only provide minor revisions to certain development standards.

**Prepared by:** Jo-Anne Burns, Planning Manager

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**Attachments**

Attachment No. 1 - Ordinance No. 2483

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance the City Image and Effectiveness



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF ORDINANCE NO. 2484 TO ESTABLISH A PUBLIC HEALTH DEPARTMENT**

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## RECOMMENDATION:

It is recommended that the City Council adopt the following ordinance:

**ORDINANCE NO. 2484 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, REPEALING AND REPLACING ARTICLE I (IN GENERAL) OF CHAPTER 13 (HEALTH AND SANITATION) OF THE WEST COVINA MUNICIPAL CODE TO ESTABLISH A PUBLIC HEALTH DEPARTMENT**

## BACKGROUND:

The City of West Covina receives its public health services through the Los Angeles County Department of Public Health (County). In 1936, the City of West Covina adopted Resolution No. 2, consenting to the enforcement of all orders, quarantine regulations and rules prescribed by the State Board of Health, of all statutes relating to public health and to vital statistics by the County of Los Angeles (County) Health Officer within West Covina limits. In 1963, West Covina entered into its current Health Services Agreement (Agreement) with the County. Pursuant to the Agreement, the County provides health department services, including the enforcement of all ordinances relating to health and sanitation, inspections and related functions.

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in the State of California in response to the COVID-19 outbreak. Since the state of emergency was declared, Governor Newsom along with the County Health Department have imposed health orders aimed at curbing the spread of the virus. While well intended, the health orders at times have had no data or scientific evidence to support the mandated orders. In addition, the pandemic has impacted communities differently throughout Los Angeles County. Los Angeles County is one of the largest counties in the nation at 4,084 square miles, and has the largest population in the nation, with nearly 10 million residents, who account for 27% of California's population. The combination of Los Angeles County's vast geographic area with the significant population size make it difficult to address the specific needs of communities that are impacted differently by the pandemic with one-size-fits-all policies. Each community and region within Los Angeles County have had drastically different case rates and hospitalization numbers. West Covina has had relatively low infection rates compared to the Countywide rates even during the times the pandemic was surging in the Los Angeles County.

On December 1, 2020, in response to complaints from residents and the business community and a desire to provide a more appropriate response to the pandemic based on West Covina's data, the West Covina City Council directed staff to explore methods to improve local public health – including alternatives to the County Health Department.

On December 9, 2020, the City engaged Valley Physicians Medical Group, through Dr. P. Basil Vasantachart, MD, to provide consulting services relating to evaluating options for establishing a local health department.

On February 23, 2021, the City Council adopted Resolution 2021-15 and Urgency Ordinance No. 2476, terminating the Los Angeles County Health Officer services identified in Health and Safety Code section 101375. Staff submitted certified copies to the County by the March 1, 2021 deadline. The termination will be effective July 1, 2021.

The City received a letter dated February 23, 2021 from the County Health Department stating the County Health Department will continue to serve West Covina in its current capacity. The City intends for services paid for by local property taxes to continue to benefit the community (Attachment No. 2).

On March 16, 2021, the City Council introduced Ordinance No. 2478 (adding the position of Public Health Director as an exempt position in the municipal code) and Ordinance No. 2479 (adopting by reference County health code provisions). On April 6, 2021, the City Council adopted Ordinance No. 2478 and Ordinance No. 2479.

At the April 7, 2021 Human Resources Commission meeting, the Commission approved the job description and salary grade for a Public Health Officer. On April 20, 2021, the City Council adopted the job description and salary grade for a Public Health Officer.

At the May 4, 2021 City Council meeting, the City introduced Ordinance No. 2484 regarding establishing the West Covina Health Department, approved the Agreement with Transtech Engineers, Inc. for health services and adopted Resolution No. 2021-34 establishing the fees and charges for services provide by the West Covina Health Department.

## **DISCUSSION:**

Chapter 13 of the West Covina Municipal Code needs to be amended to formally create the Health Department and set forth the functions of the Health Department. Chapter 3 of Division 1 of Title 17 of the California Code of Regulations (CCRs) generally outlines what a local health department is required to perform. In order to be accredited as a local health department and be eligible for funds, a local health department must perform all the duties and functions imposed upon it by the Health and Safety Code, other California statutes, and by the rules, regulations and orders of the California Department of Public Health.

Ordinance No. 2484 amends Chapter 13 to repeal and replace Article I by formally creating the Health Department and outlining the functions of the West Covina Health Department, consistent with the requirements of 17 CCR section 1276.

Staff is recommending that the City Council conduct the second reading and adopt Ordinance No. 2484.

## **LEGAL REVIEW:**

The City Attorney's Office has reviewed the proposed ordinance and approved it as to form.

## **OPTIONS:**

The options available to the City Council are as follows:

1. Approve staff's recommendation; or
2. Provide alternative direction.

**Prepared by:** Paulina Morales, Acting Assistant City Manager

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**Attachments**

Attachment No. 1 - Ordinance No. 2484

Attachment No. 2 - Letter from Los Angeles County Department of Public Health

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance the City Image and Effectiveness  
Protect Public Safety  
Respond to the Global COVID-19 Pandemic



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF AGREEMENTS WITH PEERLESS NETWORK AND ACC BUSINESS FOR VOIP PHONE DATA SERVICE**

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## RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the City Manager to negotiate and execute an agreement with Peerless Network Services for Voice-Over-Internet Phone Direct Inward Dialing (DID) and Enhanced 911 for 36 months with a monthly cost of \$1,265.
2. Authorize the City Manager to negotiate and execute an agreement with ACC Business for Voice-Over-Internet Access Bandwidth Service for 36 months with a monthly cost of \$984.

## BACKGROUND:

In 2018, the City of West Covina entered into an agreement with Frontier to provide the Voice-Over-IP network services with a recent monthly cost of \$2,760. The cost of the service can fluctuate slightly due to regulatory fee and tax increases. Since moving to Frontier Communications in 2018 for VoIP network data service, the City of West Covina has experienced repeated outages in service. The City of West Covina's contract with Frontier Communications ends on July 31, 2021, termination notice must be 60 days before the contract ends or the contract renews automatically for one year.

## DISCUSSION:

As a result the multiple phone outages that impacted the City's operations since using Frontier, staff took initiative to seek other phone network providers this year. The phone services the City requires, including compatibility with the City phone system Mitel, are offered by Peerless Network Services that provides the phone numbers (DID) and ACC Business service provides the phone bandwidth. Peerless Network Services has been highly recommended by Maverk, the company that services the City's phones. The term of both agreements will be for thirty-six (36) months. The monthly rates for Peerless Network Services of \$1,265 and ACC Business of \$984, would be approximately \$500 less than the monthly rate of \$2,760 with Frontier. This change in phone network provider will address the phone service outages as well providing cost savings of approximately \$18,000 to the General Fund over the term of the agreements.

Staff is recommending the changing the City's phone provider to Peerless Network Services and ACC Business and that the City Council authorize the City Manager to execute agreements with each provider.

**OPTIONS:**

The City Council has the following options:

1. Approve the proposed contracts with Peerless Network Services and ACC Business for VoIP data services.
2. Provide alternative direction.

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**Fiscal Impact****FISCAL IMPACT:**

The VoIP phone data service cost is budgeted in the 21/22 budget. This change will save the City approximately \$6,000 in Fiscal Year 21/22 to the General Fund and a total of \$18,000 over the three-year term of the contract.

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**Attachments**

Attachment No 1 Frontier Services Agreement 2018

Attachment No 2 Peerless Networks proposal

Attachment No 3 ACC - 357726 Proposal

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Facilities and Infrastructure



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 1 SETTING OF FISCAL YEAR 2021-22 ASSESSMENT RATE**

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## RECOMMENDATION:

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2021-39 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA SETTING THE ASSESSMENT RATE FOR WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR THE FISCAL YEAR BEGINNING JULY 1, 2021**

## BACKGROUND:

In 1970, a planned community development known as Woodside Village began with “clustered” housing units on smaller lots and numerous open space areas. This combination of small lots and open space areas were developed to provide more cost-effective housing and create a park-like setting. In order to pay for maintenance of the open space areas, Landscape Maintenance District No. 1 (“LMD1”) was formed as an ad valorem assessment district pursuant to the Municipal Improvement Act of 1911. LMD1 is generally located south of Amar Road, east of Azusa Avenue between Temple Avenue and Shadow Oak Drive and consists of 872 properties (Attachment No. 1). The assessments within an ad valorem (Latin word for “according to value”) district are based on property value rather than benefit as in other districts, which were formed pursuant to the Landscaping and Lighting Act of 1972. In 1972, Proposition 92 capped the assessments rates for ad valorem districts at their 1972 rate, which for LMD1 was 18.75 cents per 100 dollars of assessed value.

## DISCUSSION:

For Fiscal Year ("FY") 2021-22, the assessment rate is proposed to be maintained at the current rate of 11.88 cents per 100 dollars of assessed value (Attachment No. 2). This rate has not been increased in the last twelve (12) years. As such, the annual assessment for a home and property valued at \$400,000 will continue to be \$475.20. The total projected revenue for the LMD1 is \$470,047, \$464,600 in assessments income and \$5,447 in interest. The Operating and Capital Budget for FY 2021-22 is \$365,113 (Attachment No. 3). The assessments for FY 21-22 (including interest) of \$470,047 will cover the expenditures for FY 2021-22.

LMD1 contains landscaped hillside slopes vegetated with plants, shrubbery, and trees. The current scope of work for the operations, maintenance, and care of these areas include 3 to 5-feet of fire clearing at the tops and toes of slopes and irrigation maintenance and repairs.



As costs have risen and the assessments have not increased in the last twelve (12) years, the district's ability to properly maintain the district has suffered. It is estimated that the budget for proper level of landscaping maintenance and operations scope is approximately double the existing LMD1 budget (see Attachment No. 3 - Optimal Maintenance).

A full study is needed to ascertain what a proper level of maintenance would cost and explore how to properly set the assessment rate accordingly. Such a study will take several months, LMD1 property owner meetings, and, if rates are to be increased, would require a vote by the affected property owners.

Pending completion of a further analysis, this report recommends that assessment rates be maintained at their current levels for FY 2021-22.

#### **OPTIONS:**

The City Council has the following options:

1. Approve staff's recommendation; or
2. Reduce the assessment rate; LMD1's fund balance will be depleted at a faster pace requiring the City's General Fund to subsidize the district; or
3. Provide alternative direction.

#### **ENVIRONMENTAL REVIEW:**

This item is exempt from the provisions of the California Environmental Quality Act ("CEQA") pursuant to Section 15061 (b) (3) of the CEQA Guidelines in that it consists of the maintenance and operations of landscaping and irrigation within the district, which does not have the potential for causing a significant effect on the environment.

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#### **Fiscal Impact**

##### **FISCAL IMPACT:**

For FY 2021-22, the assessment rate is proposed to be maintained at the current rate of 11.88 cents per 100 dollars of assessed value. The projected income from the recommended rates is \$464,600. In addition, \$5,447 is projected to be received in interest. The total projected revenue is \$470,047. The total funds available is \$3,193,438, including the \$2,723,391 fund balance from the previous fiscal year.

For FY 2021-22, the proposed operating budget for LMD1 is \$365,113, which is an increase of 2.0% when compared to the approved/amended budget for FY 2020-21. The proposed operating budget only funds regular landscape maintenance service. The annual administration cost is \$3,187.50 and will be paid from Account No. 181.71.4133.6110.

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#### **Attachments**

Attachment No. 1 - Map

Attachment No. 2 - Rate History

Attachment No. 3 - Financial Report

Attachment No. 4 - 10 Year Fiscal Projection

Attachment No. 5 - Resolution No. 2021-39

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**CITY COUNCIL GOALS & OBJECTIVES:** Achieve Fiscal Sustainability and Financial Stability  
Enhance City Facilities and Infrastructure



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 2 SETTING OF FISCAL YEAR 2021-22 ASSESSMENT RATE**

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## RECOMMENDATION:

It is recommended that the City Council adopt the following resolution, which provides for the assessment rate to be maintained at the current rate of 6.60 cents per 100 dollars of assessed valuation.

**RESOLUTION NO. 2021-40 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA SETTING THE ASSESSMENT RATE FOR WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 2 FOR THE FISCAL YEAR BEGINNING JULY 1, 2021**

## BACKGROUND:

In 1970, a planned community development known as Woodside Village began with “clustered” housing units on smaller lots and numerous open space areas. This combination of small lots and open space areas were developed to provide more cost-effective housing and create a park-like setting. In order to pay for maintenance of the open space areas, Landscape Maintenance District No. 2 (“LMD2”) was formed as an ad valorem assessment district pursuant to the Municipal Improvement Act of 1911. LMD 2 is generally located north of Amar Road, between Lark Ellen Avenue and Azusa Avenue and consists of 787 properties (Attachment No. 1). The assessments within an ad valorem (Latin word for “according to value”) district are based on property value rather than benefit as in other districts, which were formed pursuant to the Landscaping and Lighting Act of 1972. In 1972, Proposition 92 capped the assessments rates for ad valorem districts at their 1972 rate, which for LMD 2 was 18.75 cents per 100 dollars of assessed value.

## DISCUSSION:

For Fiscal Year (“FY”) 2021-22, the assessment rate is proposed to be maintained at the current rate of 6.60 cents per 100 dollars of assessed value (Attachment No. 1). This rate has not been increased in the last five (5) years. As such the annual assessment for a home and property valued at \$400,000 will continue to be \$264 per year. The total projected revenue for LMD2 is \$151,255, \$149,955 in assessments plus \$1,300 in interest. The Operating and Capital Budget for FY 2021-22 is \$154,241 (Attachment No. 3), the assessments for FY 21-22 (including interest) of \$151,255 will not be sufficient to cover the expenditures for FY 2021-22. The balance of \$2,983 will have to come from LMD2 fund balance which is \$650,139 from FY 2020-21.

LMD2 contains lighted paseos landscaped hillside slopes vegetated with plants, shrubbery, and trees. The current scope of work for the operations, maintenance, and care of these areas include 3 to 5-feet of fire

clearing at the tops and toes of slopes and irrigation maintenance and repairs. Increased scope of work for LMD2 is recommended to include the modification of the paseo lighting to LED for energy cost savings, repair and replacement of light standards, hardscape repair and replacement of off-grade, cracked and broken areas, tree trimming of the hillside trees on a trimming cycle, and landscape maintenance including trash removal and clearing of the hillside plants and shrubbery.

As costs have risen and the assessments have not increased in the last five (5) years, maintenance has suffered. It is estimated that the budget required for the increased lighting, hardscape, and landscaping scope is approximately double the existing LMD2 budget (see Attachment No. 3 - Optimal Maintenance).

A full study is needed to ascertain what a proper level of maintenance would cost and explore how to properly set the assessment rate accordingly. Such a study will take several months, LMD2 property owner meetings, and, if rates are to be increased, would require a vote by the affected property owners.

Pending completion of a further analysis, this report recommends that assessment rates be maintained at their current levels for Fiscal Year 2021-22.

### **OPTIONS:**

The City Council has the following options:

1. Approve staff's recommendation; or
2. Reduce the assessment rate; LMD2's fund balance will be depleted at a faster pace requiring the City's General Fund to subsidize the district; or
3. Provide alternative direction.

### **ENVIRONMENTAL REVIEW:**

This item is exempt from the provisions of the California Environmental Quality Act ("CEQA") pursuant to Section 15061 (b) (3) of the CEQA Guidelines in that it consists of the maintenance and operations of landscaping and irrigation within the district, which does not have the potential for causing a significant effect on the environment.

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## **Fiscal Impact**

### **FISCAL IMPACT:**

For FY 2021-22, the assessment rate is proposed to be maintained at the current rate of 6.60 cents per 100 dollars of assessed value. The projected income from the recommended rates is \$149,955. In addition, \$1,300 is projected to be received in interest, thus the total projected revenue is \$151,255. The total funds available is \$801,394, including the \$650,139 fund balance from the previous fiscal year.

For FY 2021-22, the proposed operating budget for LMD 2 is \$154,241, which is an increase of 2.00% when compared to the approved/amended budget for FY 2020-21. The proposed operating budget only funds regular landscape maintenance service. The annual administration cost is \$2,542.50 and will be paid from Account No. 182.71.4133.6110.

Furthermore, a portion of LMD2 is overlaid by Landscape Maintenance District No. 4 (LMD4). LMD4 benefit assessment district was formed in 1975 to encompass the previously remaining undeveloped areas of the Woodside Village planned community development. As a result, a portion of the assessment collected from LMD2 is reimbursed to LMD 4. In turn, this benefit assessment within the overlaid portion of LMD4 is reduced proportionately to reflect this reimbursement. For FY 2021-22, the reimbursement is \$9,000 to reflect the appropriate share of the actual assessment collections. LMD4 rates will be adopted by the City Council on June 1, 2021.

In addition, for the 370 properties that are within the overlaid portion of LMD4, the property owners pay an

assessment to LMD4 that ranges from \$77.89 to \$260.98 per year. This assessment is based on the benefit received by the property from the surrounding landscaping improvements.

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#### **Attachments**

Attachment No. 1 - Map

Attachment No. 2 - Rate History

Attachment No. 3 - Financial Report

Attachment No. 4 - 10 Year Fiscal Projection

Attachment No. 5 - Resolution No. 2021-40

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Facilities and Infrastructure  
Enhance the City Image and Effectiveness



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF RENEWAL OF LANDSCAPE MAINTENANCE DISTRICT NO. 4  
— ORDERING OF ENGINEER'S REPORT AND PRELIMINARY APPROVAL OF THE  
ENGINEER'S REPORT**

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## RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Adopt the following resolution:

**RESOLUTION NO. 2021-41 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ORDERING THE PREPARATION AND FILING OF A REPORT REGARDING THE FISCAL YEAR 2021-22 ASSESSMENT TO BE LEVIED IN CONNECTION WITH LANDSCAPE MAINTENANCE DISTRICT NO. 4**

2. Following adoption of Resolution No. 2020-41, adopt the following resolution:

**RESOLUTION NO. 2021-42 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, PRELIMINARILY APPROVING THE ENGINEER'S REPORT FOR LANDSCAPE MAINTENANCE DISTRICT NO. 4, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN SAID DISTRICT FOR FISCAL YEAR 2021-22 AND SETTING A PUBLIC HEARING REGARDING SUCH ASSESSMENTS**

## BACKGROUND:

Landscape Maintenance District No. 4 (LMD4) was established in 1975. This district is located in the southeasterly part of the City. The assessments collected are used to maintain landscaping, irrigation, hardscape (e.g. sidewalks, walls, etc.), and area lighting on 130 acres of public open space within the boundaries of the district. To encourage innovative housing types and neighborhood designs and to preserve the ridgelines in the San Jose Hills, this area was originally developed with relatively narrow street rights-of-way and small lot sizes. The resulting surplus land was converted to landscaped slope areas and park like "green belt" areas containing walkways, landscaping, and lighting.

## DISCUSSION:

The initial step of the renewal process is to adopt Resolution No. 2021-41, ordering the Engineer's Report.

This report has been completed and includes plans and specifications for improvements, estimated costs, assessment diagrams, and assessments spread to cover the estimated costs. The report was prepared in accordance with the Act.

The next step in the renewal process is the preliminary approval of the Engineer's Report and adoption of the Resolution of Intention concerning the levy and collection of assessments for LMD4. Staff is also recommending setting a public hearing date of June 1, 2021 as required in the Landscaping and Lighting Act of 1972. At the public hearing, the City Council will consider all written and oral comments regarding the level of assessments, and the maintenance and capital improvement work proposed for LMD4. The renewal process requires that a public notice be posted and published in a locally circulated newspaper, but does not require notices be mailed to each resident. Upon the conclusion of the hearing, the City Council should adopt a resolution confirming the diagram and assessment levy either as proposed or as changed by the City Council.

At this time, staff recommends that the assessment rates be maintained at their current levels for Fiscal Year 2021/2022. The annual assessment rates for LMD4 will be maintained at \$348.02 for a single dwelling unit and \$464 for a duplex unit.

It should be noted that, for various reasons, rates have not been increased since 2009, which has led to reduced services and increased concerns by residents. Maintenance districts are supposed to be self-funded and not rely on a general fund contribution. The City intends to conduct a full study of what a proper level of maintenance would cost and explore how to set the assessment rate accordingly. If rates are to be increased, the City will be required to comply with the requirements of Proposition 218.

#### **LEGAL REVIEW:**

The City Attorney's Office has reviewed and approved the resolutions as to form.

#### **OPTIONS:**

The City Council has the following options:

1. Maintain the assessment rates at their current levels. The attached "10-Year Fiscal Projection" shows rates being maintained at their current levels and the reserve levels over the next 10 years. Staff is recommending this option.
2. Reduce the assessment rates; LMD4's reserves will be depleted at a faster pace requiring the City's General Fund to subsidize the district.
3. Increase the assessment rates above the previously approved maximum amounts. LMD4 would need to comply with the mail ballot provision of Proposition 218. In Fiscal Year 2009/2010, a mail ballot election on a proposed increase of the assessment rates was processed and not approved by the property owners.
4. To not renew the district. If the City Council does not wish to continue the districts and wishes to fund the districts from the General Fund, the resolutions are not necessary.

**Prepared by:** Michael Ackerman, PE, City Engineer

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#### **Fiscal Impact**

#### **FISCAL IMPACT:**

The Fiscal Year 2021/22 Engineer's Report for LMD4 recommends that the assessment rates be maintained at their current levels. The annual assessment rates for LMD4 will be maintained at \$348.02 for a single dwelling unit and \$464 for a duplex unit. The projected income from the recommended rates is \$1,023,250. In addition, \$9,000 is projected to be received from Landscape Maintenance District No. 2 (LMD2) for costs of maintenance in an overlap area between LMD2 and LMD4. The total projected revenue is \$1,027,678, including \$4,428 in interest. With the \$2,213,890 balance from the previous year, the total funds available is

\$3,250,568.

The preliminary operating budget for LMD4 for FY 2021/22 is \$1,056,609, which is an increase of 2% compared to the approved/amended budget for FY 2020/21. The proposed operating budget funds only the regular landscape maintenance. Ongoing improvements such as irrigation system improvements, enhancement to existing landscaping, tree trimming, and other extras are being eliminated to maintain the operating budget within projected revenues from the capped assessment rates.

For FY 2021/22, LMD4 annual administration cost is \$3,992.50 and will be paid from Account No. 184.71.4133.6110.

There are no legal requirements or formal guidelines for the amount of reserves in an assessment district; however, at least 50% is required to cover cash flow. A reserve between 100% and 200% is recommended by staff to cover cash flow, future capital projects, and emergencies.

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### Attachments

Attachment No. 1 - 15 Year Rate History  
Attachment No. 2 - LMD No. 4 Engineer's Report  
Attachment No. 3 - 10 Year Fiscal Projection  
Attachment No. 4 - Resolution No. 2021-41  
Attachment No. 5 - Resolution No. 2021-42

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**CITY COUNCIL GOALS & OBJECTIVES:** Achieve Fiscal Sustainability and Financial Stability  
Enhance City Facilities and Infrastructure



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF RENEWAL OF LANDSCAPE MAINTENANCE DISTRICT NO. 6  
— ORDERING OF ENGINEER'S REPORT AND PRELIMINARY APPROVAL OF THE  
ENGINEER'S REPORT**

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## RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Adopt the following resolution:

**RESOLUTION NO. 2021-43 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ORDERING THE PREPARATION AND FILING OF A REPORT REGARDING THE FISCAL YEAR 2020-21 ASSESSMENT TO BE LEVIED IN CONNECTION WITH LANDSCAPE MAINTENANCE DISTRICT NO. 6**

2. Following adoption of Resolution No. 2021-43, adopt the following resolution:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, PRELIMINARILY APPROVING THE ENGINEER'S REPORT FOR LANDSCAPE MAINTENANCE DISTRICT NO. 6, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN SAID DISTRICT FOR FISCAL YEAR 2021-22 AND SETTING A PUBLIC HEARING REGARDING SUCH ASSESSMENTS**

## BACKGROUND:

The Landscaping and Lighting Act of 1972 (California Streets and Highways Code section 22500 et seq.) (the "Act") specifies the procedures for renewal of landscape maintenance districts. Landscape Maintenance District No. 6 (LMD6) was established in 1980 at the request of the owner of the development in lieu of forming a Homeowners' Association. LMD6 is generally located in the easterly end of the City known as South Hills. The funds collected by the district are used to maintain landscaping and irrigation in public open space areas within its boundaries. LMD6 contains 238 single-family dwellings, approximately 12 acres of landscaped and irrigated areas, and approximately 65 acres of natural area.



**DISCUSSION:**

The initial step of the renewal process is to adopt Resolution No. 2021-43, ordering the Engineer's Report.

This report has been completed and includes plans and specifications for improvements, estimated costs, assessment diagrams, and assessments spread to cover the estimated costs. The report was prepared in accordance with the Act.

The next step in the renewal process is the preliminary approval of the Engineer's Report and adoption of Resolution of Intention concerning the levy and collection of assessments for LMD6. Staff is recommending setting a public hearing date of June 1, 2021 as required by the Act. At the public hearing, the City Council will consider all written and oral comments regarding the level of assessments, and the maintenance and capital improvement work proposed for LMD6. The renewal process requires that a public notice be posted and published in a locally circulated newspaper, but does not require notices be mailed to each resident. Upon the conclusion of the hearing, the City Council should adopt a resolution confirming the diagram and assessment levy either as proposed or as changed by the City Council.

At this time, staff recommends that the assessment rates be maintained at their current levels for Fiscal Year 2021-2022. The annual assessment rates for LMD6 will be maintained at \$650 per lot annually (\$54.16 per month).

It should be noted that, for various reasons, rates have not been increased since 2009, which has led to reduced services and increased concerns by residents. Maintenance districts are supposed to be self-funded and not rely on a general fund contribution. The City needs to conduct a full study of what a proper level of maintenance would cost and explore how to set the assessment rate accordingly. If rates are to be increased, the City will be required to comply with the requirements of Proposition 218.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed and approved the resolutions as to form.

**OPTIONS:**

The City Council has the following options:

1. Maintain the assessment rates at their current levels. The attached "10-Year Fiscal Projection" shows rates being maintained at their current levels and the reserve levels over the next 10 years. Staff is recommending this option.
2. Reduce the assessment rates; LMD6's reserves will be depleted at a faster pace requiring the City's General Fund to subsidize the district.
3. To increase the assessment rates above the maximum rate of \$650 annually. LMD6 would need to comply with the mail ballot provision of Proposition 218.
4. To not renew the district. If the City Council does not wish to continue the districts and wishes to fund the districts from the General Fund, the resolutions are not necessary.

**Prepared by:** Michael Ackerman, PE, City Engineer

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**Fiscal Impact****FISCAL IMPACT:**

The Fiscal Year 2021-22 Engineer's Report for LMD6 recommends that the assessment rates be maintained at their current levels. The assessment rate for LMD6 is based on a special uniform benefit to the property owners and is recommended to remain at its current level of \$650 per lot annually (\$54.16 per month). The projected income from the recommended rates is \$154,700. Including the balance of \$227,089 from the previous year, the total funds available is \$381,789.

The preliminary operating budget for LMD6 is \$168,490, which is an increase of 2% when compared to the approved/amended budget for FY 2020-21. The proposed operating budget funds only the regular landscape maintenance services.

For FY 2021-22, LMD6 annual administration cost is \$2,320 and will be paid from Account No. 186.71.4133.6110.

There are no legal requirements or formal guidelines for the amount of reserves in an assessment district; however, at least 50% is required to cover cash flow. A reserve between 100% and 200% is recommended by staff to cover cash flow, future capital projects, emergencies, and as a benefit it also provides interest income.

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### **Attachments**

Attachment No. 1 - 15 Year Rate History

Attachment No. 2 - LMD No. 6 Engineer's Report

Attachment No. 3 - 10 Year Fiscal Projection

Attachment No. 4 - Resolution No. 2021-43

Attachment No. 5 - Resolution No. 2021-44

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Facilities and Infrastructure  
Enhance the City Image and Effectiveness



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF RENEWAL OF LANDSCAPE MAINTENANCE DISTRICT NO. 7  
— ORDERING OF ENGINEER'S REPORT AND PRELIMINARY APPROVAL OF THE  
ENGINEER'S REPORT**

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## RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Adopt the following resolution:

**RESOLUTION NO. 2021-45 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ORDERING THE PREPARATION AND FILING OF A REPORT REGARDING THE FISCAL YEAR 2021-22 ASSESSMENT TO BE LEVIED IN CONNECTION WITH LANDSCAPE MAINTENANCE DISTRICT NO. 7**

2. Following the adoption of Resolution No. 2021-45, adopt the following resolution:

**RESOLUTION NO. 2021-46 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, PRELIMINARILY APPROVING THE ENGINEER'S REPORT FOR LANDSCAPE MAINTENANCE DISTRICT NO. 7, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN SAID DISTRICT FOR FISCAL YEAR 2021-22 AND SETTING A PUBLIC HEARING REGARDING SUCH ASSESSMENTS**

## BACKGROUND:

Landscape Maintenance District No. 7 (LMD7) was established in 1980 at the request of the owner of the development in lieu of forming a Homeowners' Association. LMD7 is generally located in the easterly end of the City. The funds collected by the district are used to maintain landscaping and irrigation in public open space areas within its boundaries. Currently, LMD7 contains 372 improved and 8 unimproved single-family residential parcels. When development is 100 percent complete, LMD7 will contain 380 developed single residential parcels, 25 acres of landscaped and irrigated area, and 105 acres of natural area.

## DISCUSSION:

The initial step of the renewal process is to adopt Resolution No. 2021-45, ordering the Engineer's Report.

This report has been completed and includes plans and specifications for improvements, estimated costs, assessment diagrams, and assessments spread to cover the estimated costs. The report was prepared in accordance with the Act.

The next step in the renewal process is the preliminary approval of the Engineer's Report and adoption of the Resolution of Intention concerning the levy and collection of assessments for LMD7. Staff is also recommending setting a public hearing date of June 1, 2021 as required in the Landscaping and Lighting Act of 1972. At the public hearing, the City Council will consider all written and oral comments regarding the level of assessments, and the maintenance and capital improvement work proposed for LMD7. The renewal process requires that a public notice be posted and published in a locally circulated newspaper, but does not require notices be mailed to each resident. Upon the conclusion of the hearing, the City Council should adopt a resolution confirming the diagram and assessment levy either as proposed or as changed by the City Council.

At this time, staff is recommending that the assessment rates be maintained at their current levels for Fiscal Year 2021-2022. The annual assessment rates for LMD7 will be maintained at \$464.06 per developed lot and \$139.22 per undeveloped lot.

It should be noted that, for various reasons, rates have increased very incrementally since 2009, which has led to reduced services and increased concerns by residents. Maintenance districts are supposed to be self-funded and not rely on a general fund contribution. The City intends to conduct a full study of what a proper level of maintenance would cost and explore how to set the assessment rate accordingly. If rates are to be increased, the City will be required to comply with the requirements of Proposition 218.

#### **LEGAL REVIEW:**

The City Attorney's Office has reviewed and approved the resolutions as to form.

#### **OPTIONS:**

The City Council has the following options:

1. Maintain the assessment rates at their current levels. The attached "10-Year Fiscal Projection" shows rates being maintained at their current levels and the reserve levels over the next 10 years. Staff is recommending this option.
2. Reduce the assessment rates; LMD7's reserves will be depleted at a faster pace requiring the City's General Fund to subsidize the district.
3. Increase the assessment rates above the previously approved maximum amounts. LMD7 would need to comply with the mail ballot provision of Proposition 218. In Fiscal Year 2009-2010, a mail ballot election on a proposed increase of the assessment rates was processed and not approved by the property owners.
4. To not renew the district. If the City Council does not wish to continue the districts and wishes to fund the districts from the General Fund, the resolutions are not necessary.

**Prepared by:** Michael Ackerman, PE, City Engineer

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#### **Fiscal Impact**

##### **FISCAL IMPACT:**

The Fiscal Year 2021-22 Engineer's Report for LMD7 recommends that the assessment rates be maintained at their current levels. The annual assessment rates for LMD7 will be maintained at \$464.06 per improved lot and \$139.22 per unimproved lot. The total projected revenue is \$174,388 including interest. Including the \$321,982 balance from the previous year, the total funds available is \$496,370.

The preliminary operating budget for LMD7 for FY 2021-22 is \$178,205 which is an increase of 2% compared

to the approved/amended budget for FY 2020-21. The proposed operating budget funds not only the regular landscape maintenance but is also able to fund some improvements, such as irrigation system improvements and enhancement to existing landscaping.

Upon 100% completion of the development within LMD7, there will be 380 improved residential lots. The district's open space area will increase to 25 acres of landscaped and irrigated areas and 105 acres of open space, for a total of 130 acres. The total cost to maintain these areas is estimated at \$200,000.

For FY 2021-22, LMD7 annual administration cost is \$2,345 and will be paid from Account No. 187.71.4133.6110.

There are no legal requirements or formal guidelines for the amount of reserves in an assessment district; however, at least 50% is required to cover cash flow. A reserve between 100% and 200% is recommended by staff to cover cash flow, future capital projects, emergencies, and as a benefit it also provides interest income.

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### **Attachments**

Attachment No. 1 - 15 Year Rate History  
Attachment No. 2 - LMD No. 7 Engineer's Report  
Attachment No. 3 - 10 Year Fiscal Projection  
Attachment No. 4 - Resolution No. 2021-45  
Attachment No. 5 - Resolution No. 2021-46

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Facilities and Infrastructure  
Enhance the City Image and Effectiveness



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: THIRD QUARTER FINANCIAL REPORT FOR FISCAL YEAR 2020-21**

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## RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Receive and file the Third Quarter Financial Report for Fiscal Year 2020-21; and
2. Adopt the following resolution:

**RESOLUTION NO. 2021-54 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021 (THIRD QUARTER FINANCIAL REPORT)**

## DISCUSSION:

The City of West Covina has completed the third quarter of Fiscal Year 2020-21. The attached Quarterly Financial Report summarizes the City's overall financial position for the period of July 1, 2020 through March 31, 2021, but it is not meant to be inclusive of all finance and accounting transactions. While the focus of the report is the General Fund, summary financial information is also provided for the Enterprise Fund (West Covina Service Group) and Special Revenue Funds (i.e. Measure R, Proposition A, etc.).

With only 65.3% of the City's General Fund Revenues received by March 31, 2021, the General Fund Revenues are below budget at this time. This is expected, as the City's two largest General Fund revenues (sales and property taxes) are not received on a consistent basis. In fact, most property tax revenues are received in December/January and April/May. As part of the second quarter review, staff reviewed General Fund revenue trends and current available information to provide revised General Fund revenue projections. No new revisions to revenue projections are proposed at this time. However, an increase in transfers is proposed to reflect actuals which increases revenues by \$179,544.

With 75% of the year completed, a review of the City's General Fund Expenditures by department shows that five of the nine departments are on target with budget projections. The Human Resources budget is at 98.4% of the budgeted amount through March 31, 2021. A budget amendment correcting this was approved with the mid-year report. The Planning Department is slightly over 75%, 78.3% at the end of the quarter, but should be within budget at June 30, 2021. The Fire Department expense is at 93.6% of budget, mainly due to overtime costs that were not budgeted in the 2020-21 budget. A study exploring alternative options for the provision of

fire services is underway to provide the City Council with various options. Finally, the Finance Department is 79.9% of budgeted expenditures and is expected to end the year within budget.

A study evaluating alternative options for the provision of fire services is underway. The use of overtime is being closely monitored and evaluated by the City Manager and the Finance Director and when the study is complete it will be presented to the City Council for review and direction to resolve this issue. The overtime budgets for the Police and Fire Departments are being reviewed biweekly by City staff. Staff will also provide another update on the overtime for both departments in the Fourth Quarter Financial Report.

The City will make the Third Quarter Financial Report available on the City's website for review by the City's stakeholders.

#### **LEGAL REVIEW:**

The City Attorney's Office has reviewed the resolution and approved it as to form.

**Prepared by:** Robbeyn Bird, Finance Director

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#### **Fiscal Impact**

#### **FISCAL IMPACT:**

The proposed budget amendment will increase General Fund estimated revenues by \$179,544 and decrease General Fund expenditures by \$1,440,015. The net increase in both revenues and expenditures is \$1,619,559. Therefore, the General Fund remains in balance for Fiscal Year 2020-21.

Proposed General Fund (Fund 110) changes are summarized as follows:

<b>Original Budgeted Revenues</b>	<b>\$66,672,236</b>
Prior Budget Amendments:	1,485,900
Proposed Third Quarter Budget Adjustments:	
Transfer In from CIP Fund	179,510
Transfer In from Safer Grant Fund	11
Transfer In from Police Private Grants Fund	23
<b>Adjusted General Fund Revenues</b>	<b>\$68,337,680</b>
<b>Original Budgeted Expenditures</b>	<b>\$66,672,236</b>
Prior Budget Amendments:	3,105,459
Proposed Third Quarter Budget Adjustments:	
Transfer Out to CIP Fund	4,893,321
CIP Expenses	(4,893,321)
Transfer Out Prior Year PERS UAL	210,021
Decrease in PERS UAL	(1,650,036)
<b>Adjusted General Fund Expenditures</b>	<b>\$68,337,680</b>

It should be noted that General Fund revenues and expenditures for Fiscal Year 2020-21 remain balanced.

Proposed changes to other funds are summarized below:

<b>Fund</b>	<b>Revenue</b>	<b>Expenditure</b>	<b>Revenues Less Expenditures</b>
Redevelopment Obligation Retirement Fund	\$0	\$1,629,548	\$(1,629,548)
CFD Debt Service Fund	1,629,548	0	1,629,548

<b>Fund</b>	<b>Revenue</b>	<b>Expenditure</b>	<b>Revenues Less Expenditures</b>
Park Acquisition Fund	3,900,000	1,549,678	2,350,322
Law Enforcement Tobacco Grant Fund	38,200	15,000	23,200
Debt Service Fund	0	3,560,534	(3,560,534)
Self Insurance-Uninsured Loss Fund	0	100	(100)
Self Insurance General and Auto Liability Fund	100	0	100
Taskforce Regional Auto Theft Prevention Fund	210,021	0	210,021
Capital Projects Fund	4,893,321	5,072,831	(179,510)
Safer Grant Fund	0	11	(11)
Police Private Grants Fund	0	23	(23)

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#### **Attachments**

Attachment No. 1 – Third Quarter Financial Report for Fiscal Year 20-21

Attachment No. 2 – Resolution No. 2021-54

Exhibit No. 1 - Budget Amendment No. 43

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**CITY COUNCIL GOALS & OBJECTIVES:** Achieve Fiscal Sustainability and Financial Stability  
Respond to the Global COVID-19 Pandemic  
Financial Recovery Plan/Corrective Action





# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF FIRE STATION PRE-ALERTING SYSTEM**

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## RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Approve a purchase order to US Digital Designs, Inc. and Bergelectric, Inc. totaling \$167,442 (including sales tax, delivery, installation, and warranty) for the purchase of a fire station pre-alerting system (based upon the pricing set forth in Attachment No. 1); and
2. Appropriate \$167,442 from the Fire Facilities Development Impact Fund 165 and the General Fund Balance to Account No. 160.80.7003.7900; and
3. Approve the following resolution:

**RESOLUTION NO. 2021-51 -A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021 (US DIGITAL DESIGNS, INC.)**

## BACKGROUND:

On March 5, 2019, the City Council approved a purchase order in the amount of \$420,637.80 for the purchase of pre-alerting equipment and installation at dispatch and all five (5) fire stations. The staff report from the March 5, 2019 meeting is included as Attachment No. 2. The equipment was purchased, however, prior to installation it was determined that an extensive evaluation was required for asbestos, lead and mold at all five (5) fire stations. Staff was about to commence the evaluations of the fire stations when the COVID-19 pandemic took precedence, and the project was halted. In August 2020, the City was able to conduct the required evaluations of the fire stations, and is currently ready to proceed with installation of the pre-alerting equipment that has been purchased.

## DISCUSSION:

Staff is in need of completing the project, so fire stations can be alerted. Bergelectric and USDD prepared all equipment for installation and operation. The equipment and its installation and operation are proprietary, so USDD and Bergelectric are needed to finish the project. The original purchase order was closed due to inactivity of the project. The original purchase order expended \$255,195.00. A total of \$167,442.00 is needed to complete the project.

As outlined in the March 5, 2019 staff report, the City obtained pricing for the purchase through a cooperative purchasing agreement between National Purchasing Partners, Government Division ("NPPGov") and USDD. NPPGov utilized an RFP process that is more stringent than the requirements of the West Covina Municipal Code, meeting the requirements of Section 2-333(i)(2), which allows for the waiver of formal contract procedures when a successful bidder for a contract with another local agency makes the same written bid to the City, and the Purchasing Officer finds that the other local agency originally obtained the bid pursuant to formal contract procedures at least as rigorous as those of the City. The procurement documents relating to the NPPGov cooperative purchasing agreement with USDD are included as attachments to Attachment No. 2.

Staff is requesting that the City Council approve a purchase order in the amount of \$167,400, which is the amount necessary to complete the project that was initially approved by the City Council on March 5, 2019.

#### **LEGAL REVIEW:**

The City Attorney's Office has reviewed the resolution and approved it as to form.

#### **OPTIONS:**

The City Council has the following options:

1. Adopt Staff's recommendation;
2. Provide alternative direction.

**Prepared by:** Vincent Capelle, Fire Chief

**Additional Approval:** Robbeyn Bird, Finance Director

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#### **Fiscal Impact**

##### **FISCAL IMPACT:**

The total cost for the USDD fire station pre-alerting system is \$420,637.80 (including sales tax, delivery, installation, and warranty). The project has already expended \$255,195.00 and needs \$167,442.00 to complete the project. Staff is requesting that the City Council appropriate \$167,442.00 from available Fire Facilities Development Impact Fund 165 Balance and General Fund Balance as follows:

<b>Available Fund Balance</b>	<b>Project Account No.</b>	<b>Amount</b>
Fire Facilities Development Impact Fund 165	160.80.7003.7900	\$101,712.80
General Fund	160.80.7003.7900	\$65,729.20
<b>Total Amount</b>		<b>\$167,442.00</b>

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#### **Attachments**

Attachment No. 1 - US Digital Design Quote No CA WCV001

Attachment No. 2 - March 5, 2019 Staff Report

Attachment No. 3 - Resolution No. 2021-51 (Budget Amendment)

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Facilities and Infrastructure  
Protect Public Safety



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF 2019 ASSISTANCE TO FIREFIGHTERS GRANT**

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## RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Accept and appropriate the reimbursable 2019 Assistance to Firefighters Grant (AFG) totaling \$131,700.00 in expenditures and revenues, and authorize the City Manager to execute all related agreements; and
2. In accordance with West Covina Municipal Code Chapter 2, Article VII, Division 2, Sec. 2-330(b) and Sec. 2-333(i)(1), and the findings of the West Covina Finance Department, find that the Stryker Sole source letters satisfies West Covina's bidding process, and authorize the purchase of a total of two (2) Stryker Power cot Power Lift Systems and three (3) Lucas Automatic Chest Compression Device (ACCD), directly from Stryker, for a total of \$131,585.48, from account 139.32.3210.7160; and
3. Adopt the attached resolution authorizing the necessary budget amendment:

**RESOLUTION NO. 2021-55 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021 (2019 ASSISTANCE TO FIREFIGHTERS GRANT)**

## DISCUSSION:

The AFG is a Department of Homeland Security grant of federal origin through the Federal Emergency Management Association (FEMA). In 2020, FEMA issued a Notice of Funding for the 2019 AFG. Staff applied for funds under the 2019 AFG grant for Fire Department patient care rescue equipment. The AFG program has a non-federal 10% cost share requirement. The AFG award would require the City to expend approximately \$12,000.00 of City funds and receive \$119,690.31 of federal funds. Therefore, the project budget totals \$131,659.34 —see Attachment No. 1.

There are strict financial requirements associated with these grant funds. The funds can only be used for specific items approved by the grantors, and all purchases/projects must be completed by August 2021. Additionally, this is a reimbursable grant, which means that the City Council must first appropriate funds

before City staff can complete the purchases and submit for reimbursement. With all reimbursable grants, the City (General Fund) fronts the money for the purchases until the grant reimbursement funds are received—at that time, all transactions are recorded to the grant. There is ultimately no new burden on the City's General Fund as already budgeted "emergency services funds" will be used for city match.

West Covina Fire Department fields three Rescue Ambulances, and each ambulance requires a patient transport device, or gurney. One Rescue ambulance unit has the Stryker Power lift System. Two other Rescue ambulance units have manual lift devices. The upgrade from manual ambulance gurneys to power assist stretchers and hydraulic stretcher loaders will improve the everyday service that we provide while creating a safer working environment for responders. Currently, we perform 4,806 ambulance transports a year for an average of fourteen (14) a day. Each represents multiple lifts per transport and a potential employee injury. The Power Cot will improve provider safety by significantly reducing the amount of weight and number of times personnel will need to manually lift patients. The Power Loader will support the weight of the patient and gurney while the legs are raised and the cot is retracted, eliminating the lower back strain associated with manually loading patients into the ambulance. Additionally, the Power Cots have more ergonomic handles and the capability to lift 700 lbs opposed to manual gurneys which are limited to 500. These advantages result in a safer work environment and improved responder physical wellbeing. The Power Systems will also benefit our community in many positive ways. The wider base and a wider mattress make the gurney more stable and more comfortable for larger patients. The hydraulic lift system moves the stretcher in a gentle, predictable speed, eliminating the jerky motion associated with a manual lift. The Power System makes the transfer of the patient smoother and at a controlled speed which reduces patient anxiety and fear of being dropped, resulting in a better experience for our patients. Daily benefits of the use of Power Systems will include enhanced safety for our responders as well as improved service for our citizens.

While full cardiac arrests are a less frequent occurrence than a standard hospital transport, with an average of more than one event per week, they represent a common emergency response. Given the critical nature of these incidents ACCDs will be available for daily use should the need arise. The use of ACCDs by the West Covina Fire Department would improve our ability to save lives by increasing the chances of survival for citizens in full cardiac arrest while providing a safer working environment for responders. A recent study demonstrated that of those patients who received manual compressions 25% achieved Return of Spontaneous Circulation (ROSC) while 34% achieved ROSC when an ACCD was used. For those patients in witnessed arrest, ROSC was achieved 48% as opposed to 37% without. These units have also been associated with improved long-term outcomes in survivors post arrest as well. For our providers daily benefits from the use of ACCDs will include reduced physical strain while providing for safer as well as more reliable CPR for patients. When a patient is transported with CPR in progress or suffers cardiac arrests in route to the hospital, responders must stand above the gurney performing compressions unrestrained, placing them at high risk of injury in the event of an accident. The movement of the ambulance also effects the balance of the rescuer and decreases the efficiency of chest compressions. ACCDs are attached to the patient early in the management of a full arrest and can be left on the patient during transport eliminating the need for the dangerous practice of responders performing chest compressions in the back of the ambulance while continuing to deliver reliable and effective compressions.

## **LEGAL REVIEW:**

The City Attorney's Office has reviewed the resolution and approved it as to form.

## **OPTIONS:**

The City Council has the following options:

1. Adopt Staff's recommendation.
2. Provide alternative direction.

**Prepared by:** Vincent Capelle, Fire Chief  
**Additional Approval:** Thomas P. Duarte, City Attorney  
**Additional Approval:** Robbeyn Bird, Finance Director

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### **Fiscal Impact**

#### **FISCAL IMPACT:**

The City will receive \$119,690.31 in 2019 Assistance to Firefighters Grant Program funds. As detailed in the attached budget amendment, Staff is recommending expenditure and revenue appropriations of that amount in account 139.32.3210.71610. There is 10% non-federal funds match requirement of \$11,659.34, and when all grant purchases and reimbursements are complete, there will ultimately be no new budget impact on the City General Fund.

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### **Attachments**

Attachment No. 1- EMW-2019-FG-05857 - Award Package  
Attachment No. 2 - Resolution No. 2021-55 (Budget Amendment)  
Attachment No. 3- Stryker AFG Quote Power Lift System  
Attachment No. 4- Stryker AFG Quote LUCAS ACCD  
Attachment No. 5 - Stryker 2020 Power-LOAD\_Sole Source Letter  
Attachment No. 6 - Stryker 2020 Power-PRO XT\_Sole Source Letter  
Attachment No. 7- Stryker Lucas\_Sole-Source Letter 2020

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**CITY COUNCIL GOALS & OBJECTIVES:** Protect Public Safety



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF RESOLUTION REPEALING AND REPLACING THE SALARY SCHEDULE FOR FULL-TIME CLASSIFICATIONS FOR THE CITY OF WEST COVINA**

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## **RECOMMENDATION:**

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2021-53 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, REPEALING AND REPLACING THE SALARY SCHEDULE FOR FULL-TIME CLASSIFICATIONS OF THE CITY OF WEST COVINA**

## **BACKGROUND:**

Public agencies report pay rates to California Public Employees' Retirement System ("CalPERS"). Government Code sections 20636, 20636.1, 7522.34 (a) and corresponding sections of Title 2 of section 570.5 of the California Code of Regulations (CCR) require that all CalPERS employers maintain their compensation levels in a publicly available document, approved and adopted by the governing body.

On April 7, 2021, the Human Resources Commission approved the proposed Public Health Officer job description and salary grade and approved the proposed Maintenance Services Coordinator and salary grade. The changes were subsequently taken to City Council and approved on April 20, 2021.

## **DISCUSSION:**

The updated full-time salary schedule, included as Exhibit "A" to Attachment No. 2, includes the approved Public Health Officer classification and salary grade and the Maintenance Services Coordinator classification and salary grade.

**Prepared by:** Helen Tran, Director of Human Resources/Risk Management Department

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## **Fiscal Impact**

### **FISCAL IMPACT:**

No fiscal impact updating the salary schedule.

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## **Attachments**

Attachment No. 2 - Exhibit A - Full-time Salary Schedule

Attachment No. 1 - Resolution No. 2021-53

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**CITY COUNCIL GOALS & OBJECTIVES:** Achieve Fiscal Sustainability and Financial Stability





# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF PROPOSED APPOINTMENT FOR ASSISTANT CITY MANAGER**

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## RECOMMENDATION:

It is recommended that the City Council approve the proposed appointment of Paulina Morales to the position of Assistant City Manager.

## BACKGROUND:

Section 2-151(g) of the West Covina Municipal Code provides that "it shall be the duty of the city manager to appoint, remove, promote and demote any and all officers and employees of the city, except the city clerk, city attorney and city treasurer, subject to the rules and regulations of any applicable civil service or other personnel system in effect. Notwithstanding the foregoing, the city manager shall not appoint or promote a person to serve as the director of a department, unless a majority of the city council first voted in favor of the city manager's proposed appointment or promotion."

## DISCUSSION:

The City of West Covina Assistant City Manager position is vacant due to the resignation of Mark Persico. The City Manager proposes to appoint Paulina Morales to the position. Pursuant to Section 2-151(g) of the Municipal Code, before the City Manager appoints Ms. Morales to the position, a majority of the City Council must first vote in favor of the proposed appointment.

## OPTIONS:

The City Council has the following options:

1. Approve staff's recommendation; or
2. Provide alternative directions.

**Prepared by:** Helen Tran, Director of Human Resources/Risk Management Department

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## Fiscal Impact

### FISCAL IMPACT:

This position is budgeted annually. Therefore, there is sufficient funding in the adopted Fiscal Year 2020-21 budget and the proposed 2021-22 budget to cover personnel costs.

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance the City Image and Effectiveness  
Protect Public Safety



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF AGREEMENT FOR JANITORIAL SERVICES FOR CITY BUILDINGS AND FACILITIES**

## RECOMMENDATION:

It is staff's recommendation that the City Council:

1. Authorize the City Manager to negotiate and execute an agreement with United Maintenance Systems, Inc. to provide janitorial services for City buildings and facilities, with a maximum compensation amount of \$1,218,000 (\$243,600 annually), for an initial term of three (3) years, with the option to extend the term for up to two (2) one (1) year periods; and
2. Authorize the City Manager to approve the extensions to the Agreement.

## BACKGROUND:

United Maintenance Systems, Inc. (UMS) has been providing janitorial services to the City of West Covina since February 1, 2017, under an agreement that had an initial term of one (1) year with three (3) one (1)-year extension options. The original agreement provided for janitorial services for seven City-owned buildings and facilities, namely: City Hall, Police Department, City Yard, Cameron Community Center, Senior Citizens Center, Palm View Recreation Center, and Shadow Oak Recreation Center. These services include cleaning, polishing and vacuuming of floors, dusting, window washing, spot cleaning, cleaning and disinfecting of all restrooms, emptying trashcans, restocking of supplies, and other miscellaneous janitorial duties. The agreement amount was \$974,400 at \$243,600 per year.

Following the City Council's declaration of a fiscal emergency through Resolution 2020-46 on May 19, 2020, the City Manager asked staff to negotiate reductions in all service contracts by 5-10%. On September 1, 2020, City Council approved the Fourth Amendment to the Professional Services Agreement with UMS to reduce the scope of janitorial services at all City buildings except City Hall and the Police Department. The reductions resulted in a monthly saving of \$12,600, with a total savings of \$88,200 for the remainder of the agreement term that expired on January 31, 2021. In line with the City's requirements to competitively bid contract services and select the most qualified firm, staff issued a Request for Proposals (RFP) for janitorial services for City buildings and facilities on October 14, 2020. On November 5, 2020, twelve (12) proposals were received from the following firms.

Vendor	Location	Monthly Fee Proposal
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Alvarez Enterprise Services	Lake Elsinore, CA	\$ 153,420.00
United Maintenance Services, Inc.	Burbank, CA	\$ 243,600.00
Allied Universal	Santa Ana, CA	\$ 266,588.00
Trinity Building Services	San Pedro, CA	\$ 303,467.00
Commercial Building Management	Santa Ana, CA	\$ 303,540.00
Guaranteed Janitorial Service, Inc.	Chino, CA	\$ 310,200.00
CBS, Inc. (Coastal Building Services)	Orange, CA	\$ 318,000.00
GMI Building Services, Inc.	Irvine, CA	\$ 329,486.52
Premier Property Preservation	North Hills, CA	\$ 335,135.00
Ultimate Maintenance Services	Lawndale, CA	\$ 349,536.00
Base Hill, Inc. dba Jan Point	Santa Fe Springs, CA	\$ 380,280.00
J316 Builder	Whittier, CA	\$ 403,596.00

At the January 19, 2021 City Council meeting, staff recommended awarding the contract to UMS. The City Council directed staff to issue a new RFP for janitorial Services and to enter into a month-to-month agreement with UMS to ensure no lapse in service. The City entered into a Fifth Amendment to the 2017 agreement, providing for month-to-month extensions.

#### **DISCUSSION:**

On February 24, 2021, the RFP for janitorial services was advertised, sent out to subscribers to through the City's RFP e-notification system, and made available for download from the City's third-party website, Planet Bids. A mandatory pre-proposal meeting was held on March 10, 2021, and was attended by 27 janitorial service contractors.

On April 8, 2021, sixteen (16) proposals were received from the following firms. The top four firms were evaluated based on the City Council's declaration of a fiscal emergency through Resolution No. 2020-46:

<b>Vendor Name</b>	<b>Location</b>	<b>Fee Proposal</b>
Dynamic Building Maintenance	Riverside	\$ 242,400.00
United Maintenance Systems	Burbank	\$ 243,600.00
Cleaning Solutions	Tustin	\$ 250,055.07
Wurm's Janitorial Services, Inc.	Corona	\$ 251,990.09
US Metro Group, Inc.	Brea	\$ 271,800.00
Santa Fe Bbuilding Maintenance	Chino Hills	\$ 287,628.00
All Care Industries, Inc.	Cerritos	\$ 298,320.00
Omni Enterprise Inc	Santa Ana	\$ 300,000.00
Pro- Model Cleaning Services	South Gate	\$ 301,800.00
Coastal Building Services, Inc.	Anaheim	\$ 305,280.00
Guaranteed Janitorial Service, inc.	Chino	\$ 321,480.00
Executive Facilities Services, Inc.	Riverside	\$ 340,875.48
J316 Builder	Whittier	\$ 353,340.00
Alvarez Enterprise Services	Lake Elsinore	\$ 364,620.00
Universal Building Maintenance	South Pasadena	\$ 433,188.84
Base Hill Inc. dba Jan Point	Santa Fe Springs	\$ 440,802.48

Four vendors were invited for to interview on April 21, 2021. Staff completed their review and interview process, and evaluated the proposals with average scores as follows:

Vendor Name	Average Score
United Maintenance Systems	95
Cleaning Solutions	86
Wurm's Janitorial Services, Inc.	83
Dynamic Building Maintenance	withdrew

UMS was ranked number one. They submitted the most comprehensive proposal with relevant experience and a cost-effective fee to meet the City's standards and required level of service. They have proven to be effective and flexible during these unusual times. UMS is family owned and operated and has been in business for over eighteen (18) years. UMS currently provides janitorial services to the City of West Covina and 26 cities and governmental agencies, including the Cities of Pomona, Glendora, Downey, Cypress, Sierra Madre, and various facilities for California State University Los Angeles.

Staff is recommending that the City Council authorize the City Manager to execute an agreement with UMS to provide janitorial services for City buildings and facilities for an initial three (3) year term, with the option to extend for up to two (2) one (1) year periods. The maximum compensation over the initial term and extension periods is \$1,218,000 (\$243,600 annually). Staff is also recommending that the City Council authorize the City Manager to execute the extensions.

**Prepared by:** Renee M. G. Chavez, Accounting Technician

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### Fiscal Impact

#### FISCAL IMPACT:

The contract is to begin on July 1, 2021. As restrictions are lifted and all facilities are opened, the maximum budget in 2021-22 impact will be:

Funds	Account No.	Amount
General Fund	110.61.4142.6130	\$ 95,400.00
General Fund	110.61.4144.6130	\$ 101,400.00
General Fund	110.61.5161.6120	\$ 46,800.00
<b>Total:</b>		<b>\$ 243,600.00</b>

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### Attachments

Attachment No. 1 - Agreement with United Maintenance Systems, Inc.

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**CITY COUNCIL GOALS & OBJECTIVES:** Achieve Fiscal Sustainability and Financial Stability  
Enhance City Facilities and Infrastructure



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF WEST COVINA CITYWIDE SEWER SERVICE CHARGE  
SETTING A PUBLIC HEARING DATE ON THE METHOD OF COLLECTION AND  
FEE INCREASE**

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## RECOMMENDATION:

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2021-47 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, DECLARING ITS INTENTION TO COLLECT SEWER SERVICE CHARGES ON THE COUNTY TAX ROLL FOR FISCAL YEAR 2021-22 AND SETTING JUNE 15, 2021 FOR A PUBLIC HEARING REGARDING THE CHARGES TO BE SO COLLECTED**

## BACKGROUND:

From 1968 to 1978, the City of West Covina funded the costs of sewer maintenance and operation through the Improvement Act of 1911, which provided an ad valorem (according to value) levy used to pay for these costs. With the passage of Proposition 13, the revenues generated from the 1911 Act were reduced considerably and made it necessary to find an alternative method of funding sewer maintenance and operation costs. In Fiscal Year 1978-1979, the City Council established the Citywide Sewer Service Charge pursuant to Section 38902 of the Government Code as that alternative method.

The Sewer Service Charge funds the maintenance and operation of the City's sewer system assuring that lines are clear and flowing properly. This includes routine video inspections, jetting, and cleaning of sewer lines. The fees also fund capital improvements including purchase of sewer equipment and rehabilitation/replacement of sewer mainlines and appurtenances.

The Sewer Service Charge is based on general land use categories: residential and non-residential. A fixed fee is charged for each dwelling unit for residential property and every 667 square feet of floor area for other types of non-residential developments. Additionally, properties not connected to the sewer main lines are exempt from the charge.

## **DISCUSSION:**

State law requires that a specific procedure be followed to collect the Citywide Sewer Service Charge on the annual property tax bill. The initial step is to adopt a resolution setting a date for a public hearing on the proposed rates and method of collection. The process requires that a public notice be published in a locally circulated newspaper announcing the public hearing. Mailing notices to each property owner is only required when the charges are increased above the current Consumer Price Index (CPI).

Although sewer charges are exempt from voter approval under Proposition 218, if a new or increased sewer charge is to be imposed (more than the CPI), the City Council must conduct a protest hearing 45 days after mailed notice to property owners. If more than 50% of the property owners protest against the fees, the fees may not be imposed. In addition, the property owners are given an opportunity to voice their concerns on the method of collection. The most efficient and least costly method of collecting the Citywide Sewer Service Charge is to place it on the annual property tax bill. The Citywide Sewer Service Charge will then be collected at the same time and in the same manner as the general property taxes.

In June 2017, the City Council conducted a protest hearing regarding a proposed increase in the rates for five years, commencing with a 20% increase for Fiscal Year 2017-2018 and 5% thereafter for four years beginning Fiscal Year 2018-2019. The City did not receive majority protest against the proposed increase, so the City may impose the Sewer Service Charge at the maximum proposed level or less until Fiscal Year 2021-2022. The rate increase is consistent with the previously approved five-year budget and is based on the Sewer System Revenue Sufficiency Analysis (Analysis) in conjunction with the Sewer System Management Plan (SSMP) as conducted by Willdan Engineering. As part of the SSMP, Willdan Engineering, in conjunction with the City, identified a series of sewer capital projects that comprise the Sewer Capital Improvement Program in the total amount of \$13,689,100. In order to reduce the impact of initial assessment increase, the working capital balance is allowed to fall below 9 months of operating expenses, targeting a working capital balance of 6 months of operating expenses.

The proposed annual increase to the Sewer Service Charge is from \$78.12 to \$82.02 (an increase of about 32 cents per month or \$3.90 per year) for residential dwelling units, and per 667 square feet of floor area for commercial units.

## **LEGAL REVIEW:**

The City Attorney's Office has reviewed the resolution and approved it as to form.

## **OPTIONS:**

The City Council has the following options:

1. Increase assessment rate by 5% based on the Sewer System Revenue Sufficiency Analysis as previously approved to increase revenues and stabilize the reserves. Staff is recommending this option.
2. Maintain the assessment rates at their current level; reserves would be depleted sooner and result in the need to reduce services or subsidize the district with General Funds.

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## **Fiscal Impact**

### **FISCAL IMPACT:**

For Fiscal Year 2021-2022, the Citywide Sewer Service Charge rates are proposed to be increased by 5% from \$78.12 to \$82.02 per unit per year and generate an additional \$184,847 in sewer service charge. The previous fiscal year fund balance is \$2,258,624. The total proposed sewer rate is projected to generate a total of \$3,884,780. In addition, \$210,000 is projected to be received from the pre-existing ad valorem (according to value) and \$4,517 from cash balance interest. The total projected revenue is \$4,099,297.

The preliminary operating budget for Fiscal Year 2021-2022 is \$2,322,925. This includes an administration

and overhead charge of \$139,901. The administration and overhead costs are derived from support services provided by various departments including: City Manager's office, City Attorney's office, City Clerk's office, Finance Department, and Human Resources Department. Support services include, but not limited to payroll, personnel recruitment, insurance claims, audits, budgets, and purchasing. The annual administration cost is \$7,177.50 and will be paid from Account No. 189.71.4133.6110.

There is one Capital Improvement Projects scheduled to begin in Fiscal Year 2021-2022:

1. Sewer Main Replacement – Portions of Glenview Rd., Michelle St., Azusa Ave.

Budget: \$2,000,000

The ending fund balance for Fiscal Year 2020-2021 of \$2, 258,624 will be used to fund upcoming scheduled Capital Improvement Projects (CIP) according to the Sewer Maintenance Capital Improvement Program from the 2016 SSMP.

The Preliminary Financial Report for Fiscal Year 2021-2022 contains the following components:

1. Budget and Revenue Summary
2. Capital Improvement Project Fund
3. Proposed Assessment Rate
4. Revised Projected Reserve (Fiscal Year 2021-2022)
5. Preliminary Sewer Charge Roll

There are no legal requirements or formal guidelines for the amount of reserves; however, at least 50% is required to cover cash flow. A reserve between 100% and 200% is recommended by staff to cover cash flow, future capital improvement projects, emergencies, and as a benefit it also provides interest income.

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### **Attachments**

Attachment No. 1 - 15 Year Rate History

Attachment No. 2 - Preliminary Financial Report for Fiscal Year 2021-2022

Attachment No. 3 - Sewer Maintenance CIP from 2016 SSMP

Attachment No. 4 - Resolution No. 2021-47

Attachment No. 5 - 10 Year Fiscal Projection

Attachment No. 6 - Sewer Capacity Evaluation (Edited in October 2016)

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Facilities and Infrastructure  
Enhance the City Image and Effectiveness





# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF RENEWAL OF THE CITYWIDE LIGHTING AND MAINTENANCE DISTRICT AND PRELIMINARY APPROVAL OF THE ENGINEER'S REPORT**

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## RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Adopt the following resolutions:

**RESOLUTION NO. 2021-48 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ORDERING THE CITY ENGINEER TO PREPARE AND FILE A REPORT IN ACCORDANCE WITH PROPOSITION 218 AND ARTICLE 4, CHAPTER 1, PART 2, "LANDSCAPING AND LIGHTING ACT OF 1972, "BEING DIVISION 15, STREETS AND HIGHWAYS CODE OF THE STATE OF CALIFORNIA, ORDERING CERTAIN- LANDSCAPING AND LIGHTING MAINTENANCE IN THE, CITY OF WEST COVINA, CALIFORNIA, FOR THE FISCAL YEAR COMMENCING JULY 1, 2021**

**RESOLUTION NO. 2021-50 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, PRELIMINARILY APPROVING THE CERTIFIED ENGINEER'S REPORT AND DECLARING ITS INTENTION TO HOLD A PUBLIC HEARING ON JUNE 15, 2021 TO APPROVE CITYWIDE ASSESSMENTS COMMENCING IN FISCAL YEAR 2021-2022 TO FUND THE OPERATION AND MAINTENANCE OF STREETLIGHTS AND STREET TREES WITHIN THE DISTRICT**

## BACKGROUND:

The Landscaping and Lighting Act of 1972 (California Streets and Highways Code section 22500 et seq.) (the "Act") specifies the procedures for renewal of landscape maintenance districts. The Citywide Lighting and Maintenance District was established in 1976. As the name implies, this district encompasses the entire City. Prior to Fiscal Year 1997-1998, the Citywide District funded a variety of public improvements and services which included: street tree maintenance, median maintenance, park maintenance, municipal pool maintenance, area lighting maintenance, traffic signal maintenance, traffic engineering, and street lighting engineering. Since the passage of Proposition 218 in November 1996 and the subsequent property owner approval in July 1997, the Citywide District assessment currently funds only those services that have been designated as a "Special Benefit", which is the maintenance of most of the streetlights and street trees within the City.

The Citywide Lighting and Maintenance District funds the operation and maintenance of assessable (special benefit) street trees and street lighting. These funds are used for the operations and maintenance of street lights, trimming of street trees, and removal and replacement of diseased street trees.

## **DISCUSSION:**

The first step in the process is to adopt Resolution No. 2021-48, ordering the Engineer's Report.

The Engineer's Report, prepared by Willdan Financial Services, has been completed and includes plans and specifications for improvements, estimated costs, an assessment diagram, and assessment spread for the estimated costs, which is filed with the Office of the City Clerk. The report was prepared in accordance with the Act.

The City's General Fund finances a portion of the Citywide District through the City's payment of assessments on City-owned properties in the amount of about \$42,135. In addition, the Successor Agency of the City of West Covina is projected to pay an assessment amount of about \$451 to the Citywide District for the parcels owned by the former Redevelopment Agency. At this time, this is an enforceable obligation cost of the Successor Agency, and paid through the Recognized Obligation Payment Schedule (ROPS) funds.

Cost estimates based upon the projected operating and capital budgets for each district will be prepared. Assessment rates sufficient to fund all eligible services will be recommended based upon these cost estimates including contingencies.

Since the assessments for the Citywide Lighting and Maintenance District were approved in a mail ballot election in July 1997 in accordance with Proposition 218, the renewal for the Citywide District can be completed in accordance with the requirements of the Act, provided the assessment rates and/or the assessment methodology do not change. The voter-approved rates for the Citywide District included a provision for not more than a 2% annual increase based on the Consumer Price Index (CPI). The CPI for a one-year period from March 2020 to March 2021 for the Los Angeles, Long Beach, and Anaheim areas is 2.19%. Therefore, current rates are set at the max of 2.00%. The necessity for any increases has been evaluated as part of the Engineer's Reports.

The next step in the renewal process is the preliminary approval of the Engineer's Report and adoption of the Resolution of Intention concerning the levy and collection of assessments for the District. Staff is recommending setting a public hearing date of June 15, 2021 as required in the Act. At the public hearing, the City Council will consider any written and oral comments regarding the level of assessments and proposed maintenance and capital improvement work within the district. The public hearing requires a public notice be posted and published in a locally circulated newspaper, but does not require notices be mailed to each resident. Upon the conclusion of the hearing, the City Council should adopt a resolution confirming the Engineer's Report and assessment levy either as proposed or as modified by the City Council.

The City intends to conduct a full study of what a proper level of maintenance would cost and explore how to set the assessment rate accordingly. If rates are to be increased, the City will be required to comply with the requirements of Proposition 218.

## **LEGAL REVIEW:**

The City Attorney's Office has reviewed and approved the resolutions as to form.

## **OPTIONS:**

The City Council has the following options:

1. Increase current assessment rates by 2.00%. This would generate an additional \$37,741 in streetlights and street trees assessment. Staff is recommending this option.
2. Maintain the current assessment rates. Maintaining the rates at their current levels (0% increase) would deplete the reserves at a faster pace and require the General Fund to subsidize the district in future years.
3. Reduce the assessment rates; Citywide District reserves will be depleted at a faster pace requiring the City's General Fund to subsidize the district.
4. To not renew the district. If the City Council does not wish to continue the districts and wishes to fund the districts from the General Fund, the resolutions are not necessary.

**Prepared by:** Michael Ackerman, City Engineer

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### **Fiscal Impact**

#### **FISCAL IMPACT:**

For Fiscal Year 2021-22, the Engineer's Report for the Citywide Lighting and Maintenance District proposes to use the voter approved adjustment to increase the assessment rates by 2.00% from their current levels, which would generate an additional \$37,741, in assessments. This is the amount of increase allowed under Proposition 218. The total projected income from the recommended rates is \$1,874,062. Including the \$3,013 interest and \$1,506,599 balance from the previous year, the total funds available is \$3,383,674.

The proposed operating budget for the district is \$1,628,801. The 2021-22 operating budget for the district includes an administration and overhead charge of \$78,111, personnel costs of \$108,625 maintenance contracts cost of \$337,304, property and liability insurance costs of \$22,370, utility costs of \$1,000,000, \$36,443 in-supplies, vehicles, maintenance and gas costs, and \$124,059 in engineering costs. The administration and overhead costs are derived from support services provided by various departments including: the City Manager's office, City Attorney's office, City Clerk's office, Finance Department, and Human Resources Department. Support services include but not limited to payroll, personnel recruitment, insurance claims, audits, budgets, and purchasing.

The reserves are projected to be approximately \$1,398,438 by the end of FY 2021-22. These reserves partially cover the cash flow, which is needed to pay monthly expenses while income is received twice a year. The amount necessary to avoid a net negative cash flow over the period of one year is \$814,401, which is approximately one-half of the proposed operating budget. The City's General Fund will be used to cover the temporary cash flow deficiencies and later reimbursed when district funds become available. The annual administration cost is \$7,177.50 and will be paid from Account No. 188.71.4133.6110.

Since the City of West Covina is not exempt from assessments for this district, the City's total assessment is about \$54,102. The City pays this assessment using General Funds within the non-departmental operating budget.

There are no legal requirements or formal guidelines for the amount of reserves in an assessment district; however, at least 50% is required to cover cash flow. A reserve between 100% and 200% is recommended by staff to cover cash flow, future capital projects, emergencies, and as a benefit, it also provides interest income.

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### **Attachments**

Attachment No. 1 - 15 Year Rate History

Attachment No. 2 - Citywide Lighting and Maintenance Engineer's Report

Attachment No. 3 - 10 Year Fiscal Projection

Attachment No. 4 - Resolution No. 2021-48

**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Facilities and Infrastructure  
Enhance the City Image and Effectiveness



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:** PRELIMINARY FISCAL YEAR 2021-22 BUDGET

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## RECOMMENDATION:

It is recommended that the City Council:

- 1) Receive and file the Preliminary Fiscal Year (FY) 2021-22 Operating and Capital Improvement Program Budget (Attachment No. 1); and
- 2) Direct that the budget be publicly disseminated, including at a community budget workshop on May 19, 2021; and
- 3) Schedule it for consideration at the June 15, 2021 City Council meeting.

## BACKGROUND:

The City of West Covina fiscal year is a 12-month period used to measure revenues and expenditures. It starts July 1 and ends June 30 the following year. At its highest level, a municipal budget identifies the needs and interests of the community and allocates available resources to those interests while remaining fiscally strong for the future. In crafting the following proposed allocations, staff was guided by the principles of fiscal sustainability & responsibility. This budget represents the City's 2021-22 financial plan.

## DISCUSSION:

The City's financial policies, plans, and reporting systems help the operating departments achieve their objectives and affect the City's long-term fiscal health. The City's accounting program maintains accounting records in accordance with Governmental Accounting Standards Board (GASB) pronouncements and Generally Accepted Accounting Principles (GAAP).

The FY 2021-22 General Fund Budget is balanced using approximately \$2.3 of General Fund reserves and focuses on provision of essential services with no reductions in staffing or service levels provided to the community. The City General Fund has a structural deficit which is exacerbated by the COVID-19 pandemic. As vaccinations are more readily available and businesses are allowed to open under the State guidelines, the economy will begin its recovery and the use of reserves will be less than indicated in this budget. The alternative to using reserves would result in deep cuts in both Fire and Police department expenditures.

The public safety budgets are a topic of conversation every budget year. The high cost of Fire Department overtime/backfill is a recurring concern. In FY 2020-21 the Fire Department overtime costs are expected to exceed \$3.1 million dollars. The City has been facing economic challenges in sustaining the delivery of fire and EMS at the current level. These issues are not dissimilar to the challenges faced by many cities and localities throughout California.

The City's Memorandum of Understanding (MOU) with the labor unit, the West Covina Firefighter's Association, I.A.F.F., Local 3226, Section 21, discusses staffing levels. Section 32.12.C discusses limitations on the number of people allowed off on vacation per shift. As vacancies in the workforce occur, whether by benefit time use, injuries, employee separations or fire line assignments, those positions are backfilled by off duty personnel.

All operational costs must be more accurately monitored to avoid the surprise of unanticipated costs. Especially, overtime needs to be closely scrutinized. Any cost reduction would likely result in service modifications. The "WCFD Service Delivery Review" (Attachment No. 2) provides a current assessment and discusses various alternatives. One alternative to the current service model could be to brown out a fire engine whenever overtime is triggered because of vacation requests. A second alternative could be changing the current rescue ambulance delivery model to delivering paramedic services using a squad platform consistent with surrounding cities. Another alternative could be a reduction in the fire safety workforce. Elimination of three (3) captain positions, 3 engineer positions, and 3 firefighter/paramedic positions could mean an annual savings to the City General Fund of approximately \$1,643,500. The City and Association would need to meet and confer regarding any alternatives considered by the City.

Police Department reductions could be attained either through reductions in the workforce or reduction in operating expenditures. One alternative to the provision of services would be to eliminate non-sworn positions through attrition such as one (1) Senior Administrative Assistant, (1) Community Services Officer, and one (1) Records Specialist I. This would result in approximately \$184,500 in General Fund savings.

The reductions listed above result in \$1,828,000 in General Fund reductions. The deficit is \$2.3 million which leaves a remaining deficit of approximately \$472,000 that would require either the use of reserves or further cuts in the organization. As these changes are implemented, the City will analyze implementing service delivery options, to include levels of service, service quality and expected performance. The service levels that the community is accustomed to would certainly be reduced.

## **City Fund Structure**

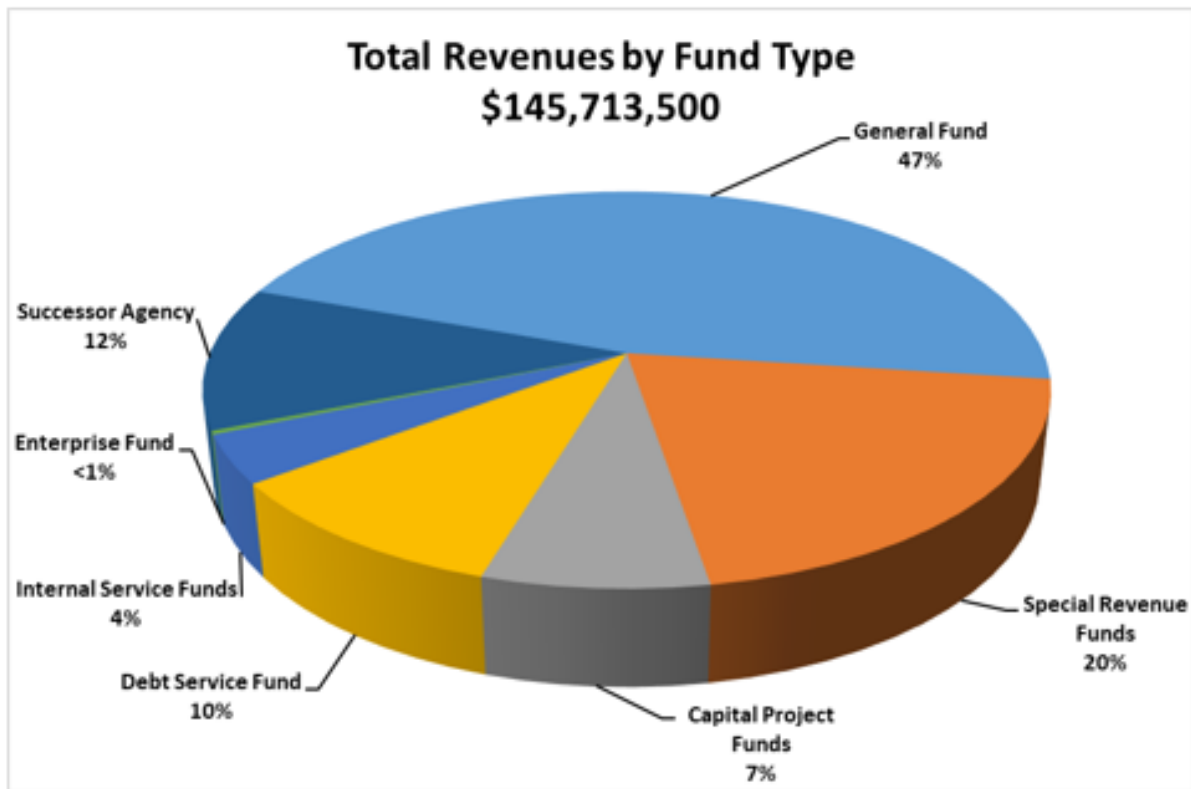
A number of different funds are utilized to account for the City, the Successor Agency to the Former Redevelopment Agency, and the West Covina Housing Authority financial resources. Funds are classified into the following fund types:

- General Fund
- Special Revenue
- Debt Service
- Capital Projects
- Proprietary
- Private Purpose Trust

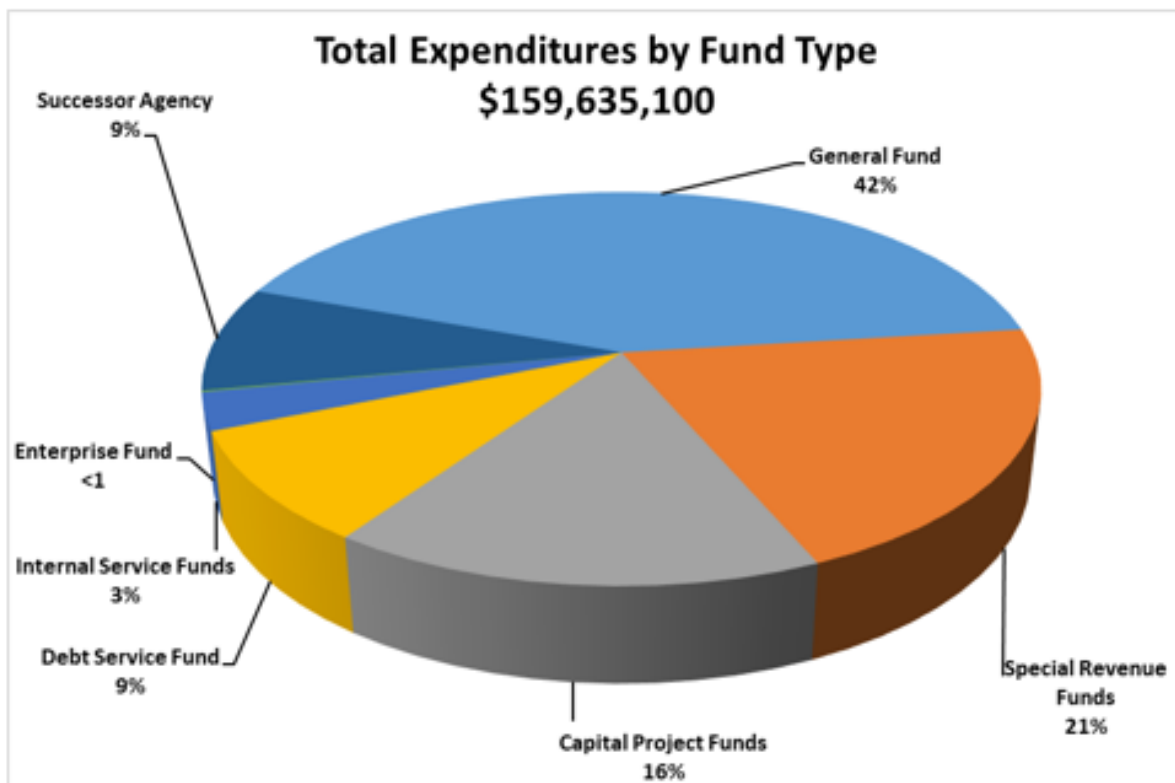
The City has established multiple funds, under each fund type, to assist in accounting and record keeping for the City and outside agencies. A brief description of all the funds begins on page 17 of the budget document.

## **Proposed Budget Information**

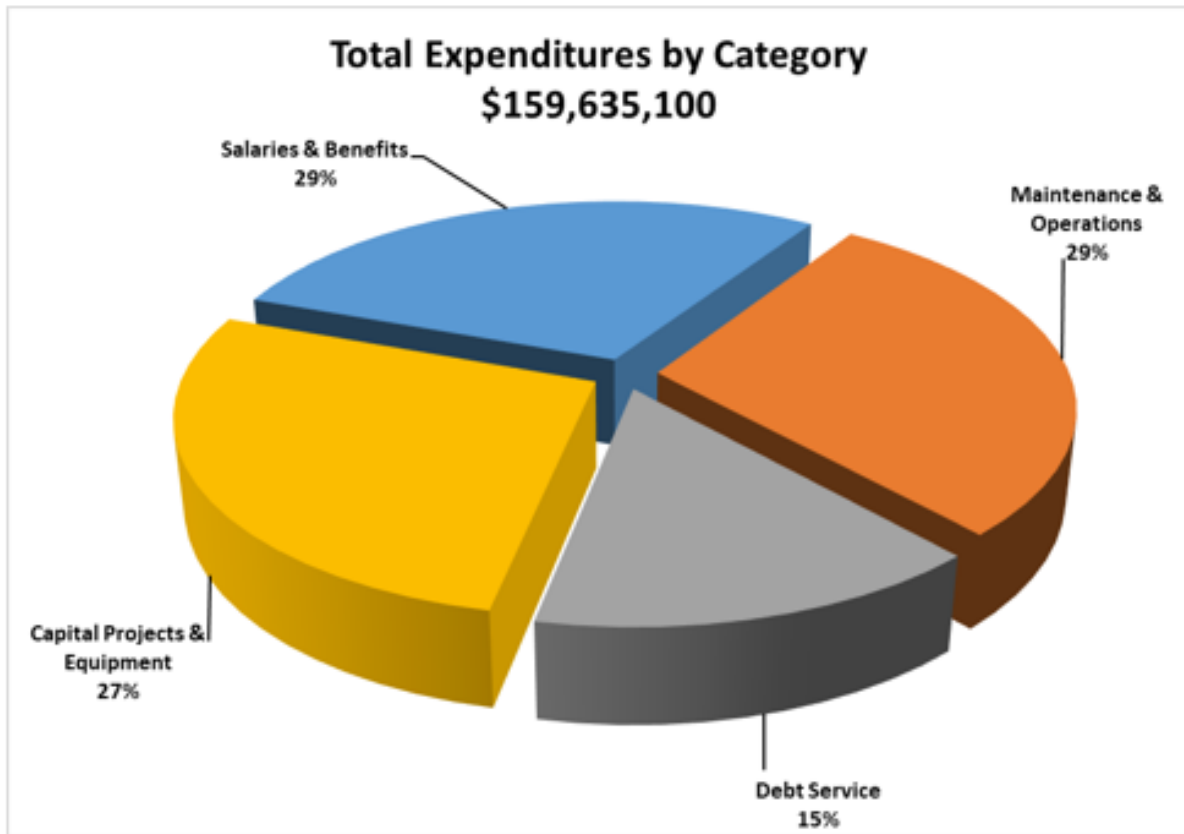
For FY 2021-22, estimated revenues (including transfers in) on an all-funds basis are \$145,713,500. Many funds make up the total budget amount, with the largest being the General Fund in the amount of \$67,814,100, or 47% of the City's total budget, as depicted in the chart below.



Estimated expenditures (including transfers out) for all budgeted funds are estimated at \$159,635,100. The General Fund makes up 42% of the organization's total budget, or \$67,814,100.



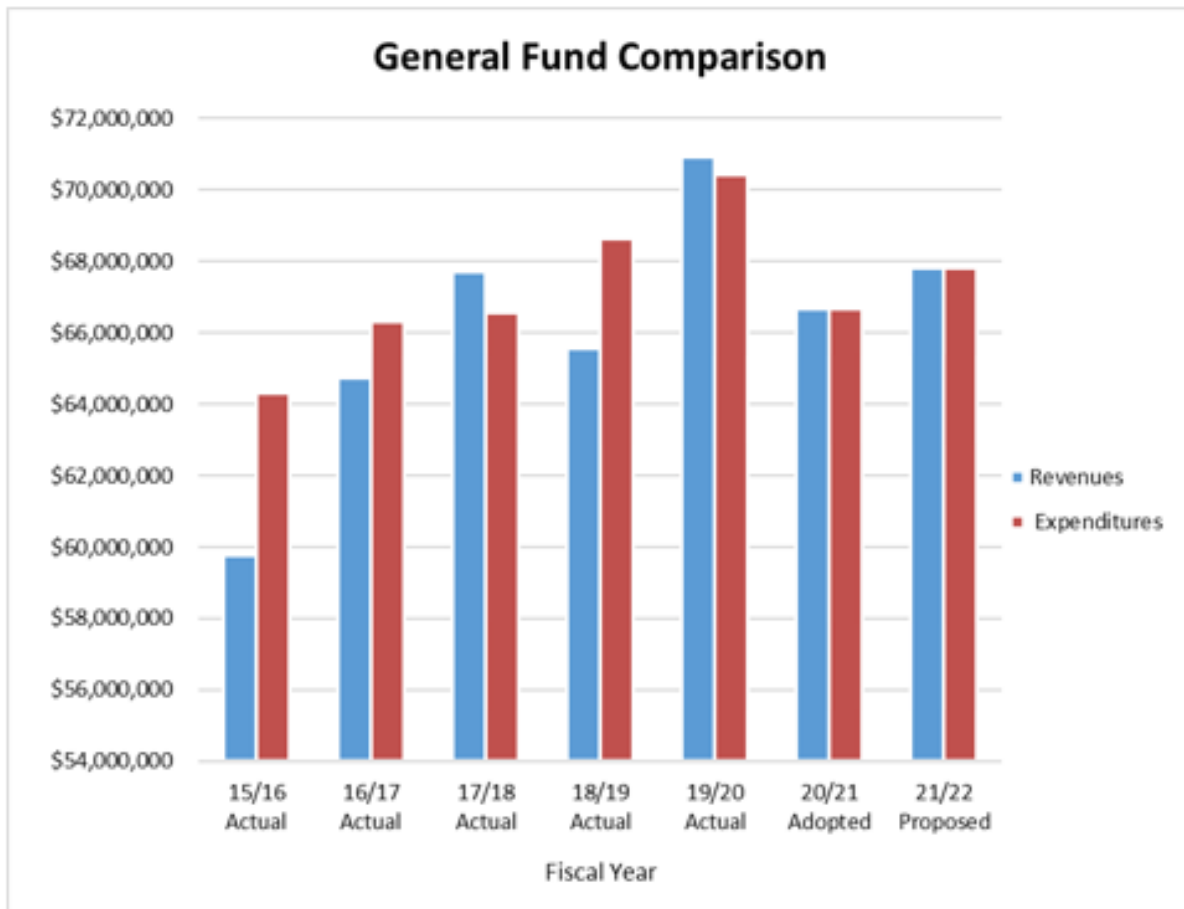
Personnel costs inclusive of all City funds are anticipated to be \$45.8 million. Pension costs for the California Public Employment Retirement System (CalPERS) have continually increased during the past several years and were anticipated to rise for the next several years. Therefore, in July 2020, the City issued approximately \$204 million in Pension Obligation bonds to attain more favorable interest rates.



### **General Fund**

The City's primary financial goal is to provide an appropriate level of municipal services meeting the needs of the present without compromising the ability of future generations to meet their own needs. This will require that community leaders continue to take an active role in the City's efforts to think and act sustainably. The City of West Covina's General Fund continues to be negatively impacted by economic conditions, increases in pension costs, the State's elimination of redevelopment, and most recently from the COVID-19 virus. The following chart is a comparison of General Fund Revenues and expenditures for the past seven (7) years.

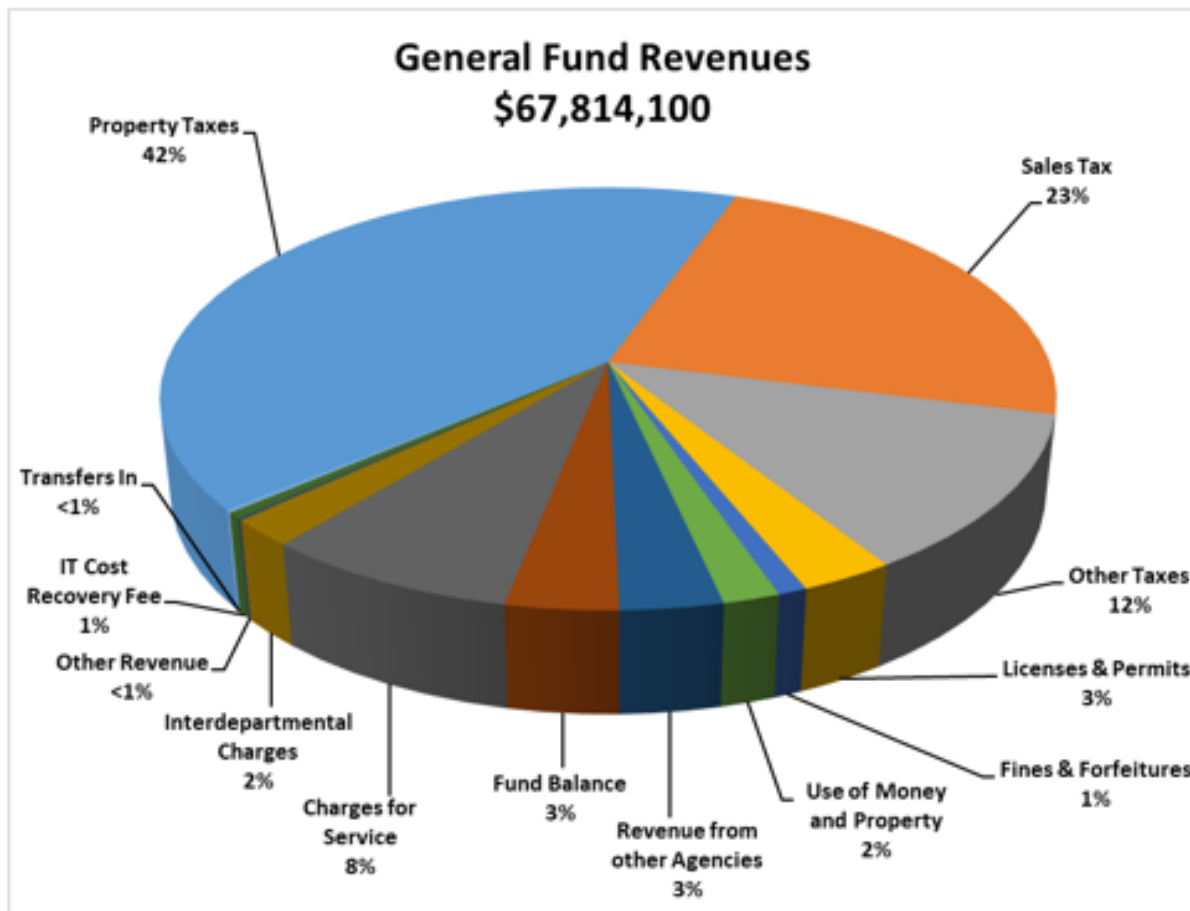




#### General Fund Revenues:

Total General Fund revenues are projected to be \$67,814,100, an increase of \$1,141,864 or 1.7% from the prior year adopted budget. The numbers that are budgeted reflect a decrease in business license and contractor's license tax. The increase is largely due to anticipated increases in property tax revenue. The revenues will be monitored very closely during the fiscal year and adjustments made as revenues change as businesses re-open and the economy improves.

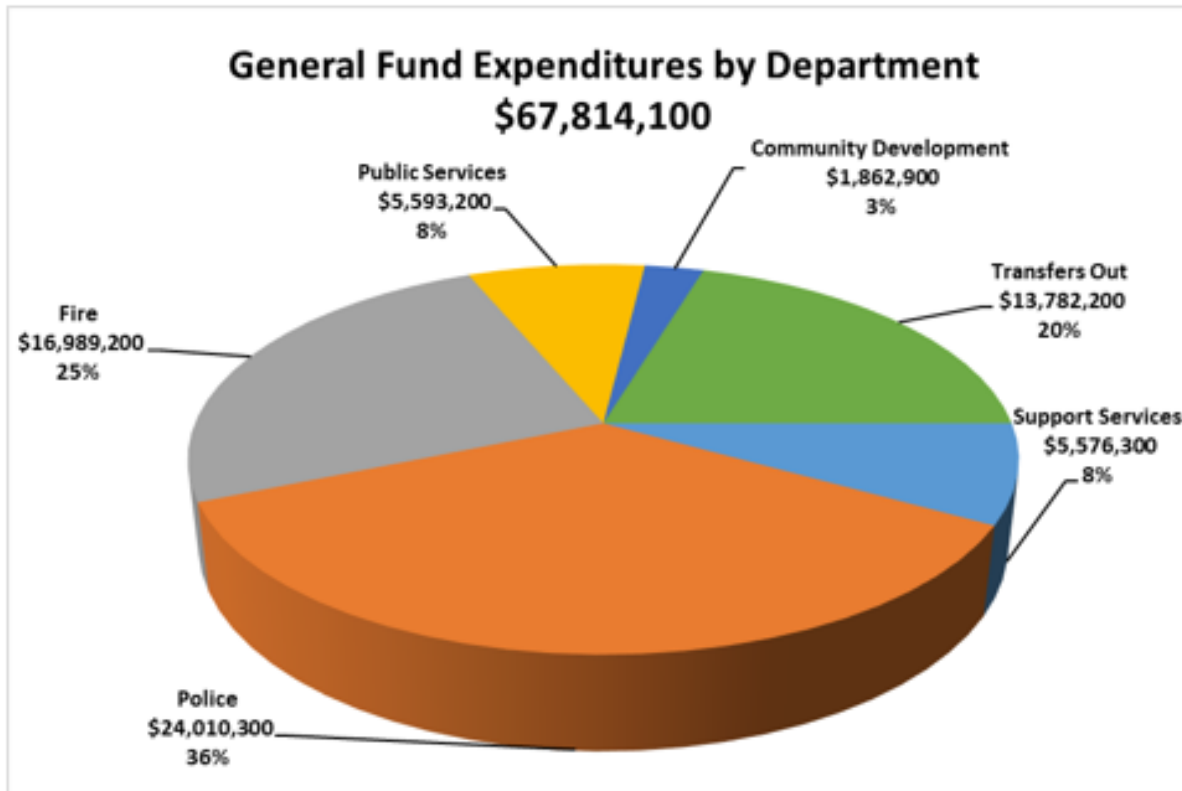
Property tax and sales tax continue to be the City's main source of revenue at 42% and 23%, respectively as shown on the chart on the next page. The City also anticipates an increase in permit fees due to an anticipated increase in City fees as recommended by the State Auditors.



#### General Fund Expenditures:

At this time, General Fund expenditures for FY 2021-22 are projected to be \$67,814,100. This equates to an increase in budgeted expenditures of \$1,141,864 or 1.7% when compared to the adopted budget for FY 2020-21.

The chart below indicates that Public Services and Community Development percentages remain the same as the previous fiscal year at 8% and 3%, respectively. Support Services (which includes Administration, City Clerk, Finance and Human Resources), Police Department, and Fire Department percentages all decreased from the previous fiscal year. Police and Fire both decreased by 12% and 5%, respectively and Transfers Out increased 17% from last year. The increase in the Transfers is mainly due to increased debt service payments for the 2020 bonds that were issued in July 2020 and corresponds to the decrease in the departments.



General Fund revenues are projected to be \$65,473,700 and expenditures are projected to be \$67,814,100. To balance the budget staff is recommending that reserves of \$2,340,400 be used to balance the budget for the fiscal year ending 2021-22 as discussed above.

#### General Fund Reserves:

To maintain the City's credit rating and meet seasonal cash flow shortfalls, economic downturns or a local disaster, the budget provides for an anticipated fund balance for the general fund. The General Fund ending unassigned fund balance, or reserve, is equivalent to a "savings account" to cover unexpected costs or significant economic changes. The intent is to not use the reserves for normal operating expenses on a continual basis. The General Fund ending unassigned fund balance is projected to be approximately \$17,873,663, which is 26.8% of operating expenditures for fiscal year ending June 30, 2021. The City is required to have a minimum of 17% in unassigned fund balance per the City's reserve policy. During fiscal year ended June 30, 2020, the General Fund unassigned reserves decreased to only 14.8%. During 2020-21, reserves have been restored and, in fact, exceed the required minimum per the Reserve Policy of the City.

At this time, the General Fund's estimated ending fund balance for FY 2021-22 is \$21.4 million; however, \$3.2 million is considered nonspendable. The nonspendable portion consists of unpaid loans to the former Redevelopment Agency which have been approved by the Department of Finance (DOF) and will be repaid over the next few years in the amount of \$200 thousand, and land held for resale in the amount of \$3 million.

#### **Capital Improvement Program:**

Staff is recommending a number of CIP projects for FY 2021-22, all of them being funded from special revenue funds. These projects are listed in the budget beginning on page 389.

**Prepared by:** Robbeyn Bird, Finance Director

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## **Fiscal Impact**

### **FISCAL IMPACT:**

City staff will make every effort to continue to provide the best quality service to our customers with the resources available. Revenues and expenditures will be monitored and evaluated monthly by finance staff and presented quarterly to the City Council to ensure departments are not exceeding budgeted amounts.

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### **Attachments**

Attachment No. 1 - FY 2021-2022 Preliminary Operating and Capital Improvement Program Budget

Attachment No. 2 - WCFD Service Delivery Review

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**CITY COUNCIL GOALS & OBJECTIVES:** Achieve Fiscal Sustainability and Financial Stability



# AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** 05/18/2021

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: REQUEST FOR CONSIDERATION FROM MAYOR LOPEZ-VIADO REQUESTING  
FOR STAFF TO DEVELOP A PROGRAM PREVENTING CRIME THROUGH  
ENVIRONMENTAL DESIGN PROGRAM**

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**RECOMMENDATION:**

It is recommended that the City Council provide direction to staff.

**DISCUSSION:**

Per the City Council Standing Rules, Mayor Lopez-Viado is seeking the City Council's consensus to instruct staff to develop a program that is implemented in Preventing Crime Through Environmental Design. The program would be a collaboration between the City and business community to enhance the appearance of our commercial properties.

**Prepared by:** Paulina Morales, Acting Assistant City Manager

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**CITY COUNCIL GOALS & OBJECTIVES:** Protect Public Safety