



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

**JUNE 21, 2022, 7:00 PM**  
**REGULAR MEETING**

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

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

*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 JUNE 21, 2022, 7:00 PM**  
**REGULAR MEETING**

**INVOCATION**

Led by Pastor Samuel Martinez from Amazing Love Ministries

**PLEDGE OF ALLEGIANCE**

Led by Councilman Wu

**ROLL CALL**

## **REPORTING OUT FROM CLOSED SESSION**

### **PRESENTATIONS**

- Certificate of Recognition honoring the graduates of the Mt. SAC Early College Academy
- Presentation by the Upper San Gabriel Valley Municipal Water District on Drought 101 and conservation efforts
- Presentation by Southern California Edison
  - System Reliability Report
  - Residential Rate Plan Choices

### **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) **CONSIDERATION OF APPROVAL OF THE JUNE 07, 2022, CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING MINUTES AND THE JUNE 07, 2022, CITY COUNCIL/SUCCESSOR AGENCY REGULAR SESSION MEETING MINUTES.**

It is recommended that the City Council approve the June 07, 2022, Closed Session Meeting Minutes and the June 07, 2022 Regular Session Meeting Minutes.

### **COMMISSION SUMMARY OF ACTIONS**

**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 ADOPTING NEW PURCHASING PROCEDURES**

It is recommended that the City Council adopt the following:

**ORDINANCE NO. 2498 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, REPEALING AND REPLACING DIVISION 1 (GENERALLY) AND DIVISION 2 (PURCHASING SYSTEM) AND AMENDING DIVISION 3 (CONTRACTING FOR PUBLIC PROJECTS) OF ARTICLE VII (PURCHASES AND SALES) OF CHAPTER 2 (ADMINISTRATION) OF THE WEST COVINA MUNICIPAL CODE**

**RESOLUTION NO. 2022-64 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ESTABLISHING THE THRESHOLDS FOR SMALL, INFORMAL AND FORMAL PROCUREMENTS IN ACCORDANCE WITH SECTION 2-328 (PURCHASING AUTHORITY; PURCHASE ORDER AND CONTRACT APPROVAL REQUIREMENTS) OF DIVISION 1 (GENERALLY) OF ARTICLE VII (PURCHASES AND SALES) OF CHAPTER 2 (ADMINISTRATION) OF THE WEST COVINA MUNICIPAL CODE**

### **CITY CLERK'S OFFICE**

- 3) **BIENNIAL REVIEW OF CONFLICT OF INTEREST CODE**

It is recommended that the City Council direct staff to review the City's current Conflict of Interest Code and report to the City Council no later than October 1, 2022 regarding whether or not an amendment to the Code is required.

### **CITY MANAGER'S OFFICE**

- 4) **CONSIDERATION OF FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH TRANSTECH ENGINEERS, INC. FOR HEALTH RESOURCE SERVICES**

It is recommended that the City Council approve the First Amendment to the Professional Services Agreement (PSA) with Transtech Engineers, Inc. (Transtech) for Health Resource Services.

### **COMMUNITY DEVELOPMENT**

- 5) **CONSIDERATION OF FINAL TRACT MAP NO. 83166  
LOCATION: 1024 WEST WORKMAN AVENUE  
SUBDIVIDER: MERITAGE HOMES OF CALIFORNIA, INC.**

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

**RESOLUTION NO. 2022-35 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING FINAL TRACT MAP NO. 83166 LOCATED AT 1024 WEST WORKMAN AVENUE**

**6) CONSIDERATION OF UTILIZING THE ART IN PUBLIC PLACES FUND TO MAINTAIN EXISTING ARTWORK AND COMMISSION NEW ARTWORK**

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

1. Utilize a portion of the Art in Public Places fund to commission artwork in the form of a mural at the Orangewood Park skate park; and
2. Approve the Planning Commission's recommendation to create an Art in Public Places Subcommittee; and
3. Ratify the Mayor's appointment of Council Member Letty Lopez-Viado, Planning Commissioner Brian Gutierrez, Community and Senior Services Commissioner Sherry Fischer, and Assistant City Manager Paulina Morales to the Art in Public Places Subcommittee.

**7) CONSIDERATION OF AN AMENDMENT OF CONSTRUCTION AGREEMENT OF FRIENDSHIP PARK IMPROVEMENTS WITH JAYNES BROTHERS CONSTRUCTION INC. TO ADDRESS TRIPPING HAZARDS AND LIGHTING CONCERNS - PROJECT NO. 21035**

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

1. Increase contingency for Jaynes Brothers Construction Inc. contract to 25%, if necessary, with the City Manager's approval, for unforeseen conditions;
2. Authorize the City Manager to approve any and all purchases and execute any and all agreements or amendments within the total project budget of \$1,000,000.

**FINANCE DEPARTMENT**

**8) CONSIDERATION OF SINGLE AUDIT REPORT FOR THE YEAR ENDED JUNE 30, 2021**

It is recommended that City Council receive and file the Single Audit Report on Federal Award Programs for the year ended June 30, 2021.

**FIRE DEPARTMENT**

**9) CONSIDERATION OF FIRST AMENDMENT TO THE AGREEMENT WITH RINCON ENVIRONMENTAL, LLC FOR LOCAL ENFORCEMENT AGENCY REGULATORY COMPLIANCE SERVICES**

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

1. Approve the First Amendment to the Professional Services Agreement with Rincon Environmental LLC for LEA (local enforcement agency) regulatory compliance services; and
2. Authorize the City Manager to negotiate and execute future amendments to the Agreement, provided that the overall term does not exceed five (5) years.

**10) CONSIDERATION OF A BUDGET AMENDMENT AND AGREEMENT WITH PERFORMANCE TRUCK REPAIR FOR FIRE EQUIPMENT MAINTENANCE**

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

1. Authorize the City Manager to execute the First Amendment to the Maintenance Services Agreement with Performance Truck Repair, Inc. (PTR) for fire apparatus service and repairs.
2. Authorize the City Manager to negotiate and execute future amendments to the Agreement exercising the extension options.
3. Adopt the following resolution:

**RESOLUTION NO. 2022-63 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR FISCAL YEAR COMMENCING JULY 1, 2021 AND ENDING JUNE 30, 2022 (FIRE FLEET REPAIR)**

**POLICE DEPARTMENT**

**11) CONSIDERATION OF AWARD OF AGREEMENT FOR CITYWIDE TOWING SERVICES**

It is recommended that the City Council:

1. Award a non-exclusive franchise agreement for police towing services to Royal Coaches Auto Body & Towing; and
2. Authorize the City Manager to negotiate and execute the agreement, with a term of five years, in such form as approved by the City Attorney.

## **PUBLIC SERVICES**

### **12) CONSIDERATION OF AN AGREEMENT WITH U.S. FOODS TO PROVIDE RAW FOOD AND MISCELLANEOUS FOOD SUPPLIES FOR THE SENIOR MEALS PROGRAM**

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

1. Authorize the City Manager to execute an agreement with U.S. Foods, Inc. for raw foods and miscellaneous food supplies for the City's Senior Meals Program, in an amount not to exceed \$60,000, for a term through November 24, 2022; and
2. Authorize the City Manager to negotiate and execute all necessary documents in such final form as approved by the City Attorney, including any amendments to the agreement if the State of California extends its agreement.

### **13) CONSIDERATION OF AN AGREEMENT WITH BETTER 4 YOU MEALS FOR FROZEN MEALS FOR THE SENIOR MEALS PROGRAM**

It is recommended that the City Council:

1. Authorize the City Manager to enter into an agreement with Better 4 You Breakfast, Inc. dba Better 4 You Meals to provide frozen meals for the Senior Meals Program, in a form approved by the City Attorney;
2. Authorize the City Manager to negotiate and execute all other necessary documents, in such form as approved by the City Attorney, to carry out the City Council's direction.

### **14) CONSIDERATION OF RATIFICATION OF EXPENDITURES FOR THE 2022 WEST COVINA SPRING FESTIVAL**

It is recommended that the City Council waive formal contract procedures, in accordance with West Covina Municipal Code Chapter 2, Article VII, Division 2, Section 2-333(i)(1), and ratify the following expenditures from the 2022 West Covina Spring Festival:

- a. United Site Services for sanitation in the amount of \$55,923.56
- b. A-1 Event & Party Rentals in the amount of \$66,784.95.

## **END OF CONSENT CALENDAR**

## **HEARINGS**

### **PUBLIC HEARINGS**

### **15) CONSIDERATION OF ZONE CHANGE NO. 22-02 (ACCESSORY DWELLING UNIT ORDINANCE)**

It is recommended that the City Council conduct a public hearing and then introduce the following ordinance for first reading, by title only, further reading waived:

**ORDINANCE NO. 2500 - AN ORDINANCE OF THE CITY COUNCIL OF WEST COVINA, CALIFORNIA, AMENDING PORTIONS OF DIVISION 11 (ACCESSORY DWELLING UNITS) OF ARTICLE XII (SPECIAL REGULATIONS FOR UNIQUE USES) OF CHAPTER 26 (ZONING) OF THE WEST COVINA MUNICIPAL CODE TO AUTHORIZE ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS CONSISTENT WITH STATE LAW REQUIREMENTS**

### **16) PUBLIC HEARING TO CONSIDER WEST COVINA AUTO PLAZA BUSINESS IMPROVEMENT DISTRICT FISCAL YEAR 2022-2023 ANNUAL REPORT AND ASSESSMENT**

It is recommended that the City Council conduct the public hearing and then adopt the following resolution:

**RESOLUTION NO. 2022-51 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, CONFIRMING THE ANNUAL REPORT FILED BY THE WEST COVINA AUTO PLAZA BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD AND LEVYING AN ANNUAL ASSESSMENT FOR THE WEST COVINA AUTO PLAZA BUSINESS IMPROVEMENT DISTRICT FOR FISCAL YEAR 2022-2023**

## **DEPARTMENTAL REGULAR MATTERS**

### **COMMUNITY DEVELOPMENT**

### **17) FISCAL YEAR 2021-22 CAPITAL IMPROVEMENT PROGRAM STATUS UPDATE**

It is recommended that City Council receive and file the Fiscal Year 2021-22 Capital Improvement Program (CIP) Projects status update.

### **FINANCE DEPARTMENT**

### **18) CONSIDERATION OF MEASURES TO COMPLY WITH CALIFORNIA SENATE BILL 1383, NPDES STORMWATER REGULATIONS, AND AMENDMENTS TO THE ATHENS SERVICES FRANCHISE AGREEMENT**

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

1. Authorize the City Manager to execute a professional services agreement, in a form approved by the City Attorney, with the San Gabriel Valley Council of Governments for participation in the San Gabriel Regional Food Recovery Program; or

2.a. Authorize the City Manager to negotiate and execute an agreement with Arakelian Enterprises, Inc. DBA Athens Services for the collection of solid waste, recyclables, yard waste and other compostables, in such final form as approved by the City Attorney, incorporating the updated terms relating to beautification services as detailed below; and

2.b. Approve, by a majority vote of the entire City Council, dispensing with formal bidding procedures and requirements in connection with the procurement of bus shelter maintenance and graffiti abatement services by finding that it would be uneconomical to comply with such requirements and it would promote the public interest to dispense with such requirements, in accordance with the requirements of Section 2-330(b) of the West Covina Municipal Code; or

3. Direct the City Manager to continue negotiations with Arakelian Enterprises, Inc. DBA Athens Services to implement SB 1383.

#### **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.)*

#### **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

Regular Meeting

07/05/2022

7:00 PM

#### **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

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF APPROVAL OF THE JUNE 07, 2022, CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING MINUTES AND THE JUNE 07, 2022, CITY COUNCIL/SUCCESSOR AGENCY REGULAR SESSION MEETING MINUTES.**

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**RECOMMENDATION:**

It is recommended that the City Council approve the June 07, 2022, Closed Session Meeting Minutes and the June 07, 2022 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 - 6/7/2022 Closed Session Minutes Draft

Attachment No. 2 - 6/7/2022 Regular Session Minutes Draft

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



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:** CONSIDERATION OF AN ORDINANCE ADOPTING NEW PURCHASING PROCEDURES

## RECOMMENDATION:

It is recommended that the City Council adopt the following:

**ORDINANCE NO. 2498 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, REPEALING AND REPLACING DIVISION 1 (GENERALLY) AND DIVISION 2 (PURCHASING SYSTEM) AND AMENDING DIVISION 3 (CONTRACTING FOR PUBLIC PROJECTS) OF ARTICLE VII (PURCHASES AND SALES) OF CHAPTER 2 (ADMINISTRATION) OF THE WEST COVINA MUNICIPAL CODE**

**RESOLUTION NO. 2022-64 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ESTABLISHING THE THRESHOLDS FOR SMALL, INFORMAL AND FORMAL PROCUREMENTS IN ACCORDANCE WITH SECTION 2-328 (PURCHASING AUTHORITY; PURCHASE ORDER AND CONTRACT APPROVAL REQUIREMENTS) OF DIVISION 1 (GENERALLY) OF ARTICLE VII (PURCHASES AND SALES) OF CHAPTER 2 (ADMINISTRATION) OF THE WEST COVINA MUNICIPAL CODE**

## BACKGROUND:

The City of West Covina originally adopted a Purchasing Ordinance (Ordinance No. 576) in 1958, which was subsequently amended by Ordinance No. 2070 in 2001, Ordinance No. 2172 in 2008, Ordinance No. 2276 in 2015 and Ordinance No. 2337 in 2018. In 2018, the Purchasing Policy was amended and updated. The update to the Purchasing Policy was a compilation of efforts by City staff and a financial consultant, Lance, Soll and Lunghard, LLP, to review the City's Municipal Code and Purchasing Policy to facilitate bringing them into compliance with Federal and State guidelines.

In 2020, the California State Auditor reviewed the City's Procurement Policy. The State Auditor recommended (Objective number 9) that the City improve internal purchasing processes/enforcement to reduce susceptibility to waste and fraud. In the City's Financial Recovery Plan, action steps included adopting revised purchasing policies and adopting an ordinance enacting the California Uniform Public Construction Cost Accounting Act. In May 2021, the City Council adopted Ordinance No. 2477, enacting the provisions of the California Uniform Public Construction Cost Accounting Act. The Ordinance, codified in Division 3 (Contracting for Public Projects) of Article VII (Purchases and Sales) of Chapter 2 (Administration) of the West Covina Municipal Code (WCMC), established the following dollar thresholds, which are updated periodically by the California Uniform Public Construction Cost Accounting Commission for public projects:

- (a) Public projects of \$60,000 or less may be performed by the employees of the City by force account, by negotiated contract, or by purchase order.
- (b) Public projects of \$200,000 or less may be let to contract by informal procedures.
- (c) Public projects of more than \$200,000 must be let to contract by formal bidding procedures.

## DISCUSSION:

Staff has reviewed the City's Purchasing Ordinance, codified in Division 2 (Purchasing System) of Article VII (Purchases and Sales) of Chapter 2 (Administration) of the WCMC and is proposing to update the Purchasing Ordinance to mirror the procedures for contracting for public projects, clarify discrepancies, streamline processes, and reduce administrative burden.

For simplicity, staff recommends that the City Council adopt the proposed ordinance, which would repeal and replace Division 1 (Generally) and Division 2 (Purchasing System) of Article VII (Purchases and Sales) of Chapter 2 (Administration) of the West Covina Municipal Code. Additionally, the ordinance creates separation of the policy from procedures by authorizing the Purchasing Officer (Finance Director) to establish a Purchasing Manual, subject to the approval of the City Manager, to implement the policies as adopted by Council. The ordinance also makes certain clarifying changes to Division 3 (Contracting for Public Projects) of Article VII (Purchases and Sales) of Chapter 2 (Administration) of the West Covina Municipal Code.

The threshold for three written quotes is proposed to raise from \$2,000 to \$5,000. Other thresholds are proposed to be consistent with Division 3 of the Municipal Code. These thresholds will be established by City Council resolution (Attachment No. 2).



Procurement Method	Current \$ Threshold	Proposed \$ Threshold	Delegation of Authority
One quote or Invoice	Less than \$2,500	Less than \$5k	Department Head
3 Written Quotes	\$2,500-\$20k	\$5k-\$60k	Finance Director
Informal Procurement Procedures (Bidding or RFP)	-	\$60k-\$200k*	City Manager
Formal Procurement Procedures (Bidding or RFP)	\$30k or more	Over 200k*	City Council

Although Department Heads will be authorized to approve purchases of up to \$5,000, the ordinance expressly states that Department Heads do not have authority to execute contracts or agreements on behalf of the City. The ordinance also expressly states that all contracts and agreements must be signed by either the Mayor or the City Manager and that, except for the Purchasing Officer's authority to issue and approve purchase orders of up to \$60,000, no other City officer or employee has authority to bind the City by contract or agreement.

Reporting requirements and policies for amendments are also proposed to remain similar to the provisions of Division 3.

The ordinance also sets forth the maximum length of contracts for goods and/or services as five (5) years, and the maximum length for lease agreements as thirty (30) years, unless otherwise approved by the City Council. These limits were previously established by the City's Contract Term Policy, an Administrative Policy adopted by the City Manager and Finance Director in April 2017. By codifying these limitations, staff intends to repeal the Contract Term Policy.

To streamline processes and increased efficiencies, the following exemptions from competitive bidding are proposed for purchases:

1. A procurement for professional services;
2. A procurement for the performance of temporary work or services;
3. A procurement of items that are available from only one source, or only one source is able to supply a commodity or service within the timeframe or under terms and conditions which meet the needs of the city;
4. Personal property sold: (a) at an auction by a state licensed auctioneer; (b) at a going out of business sale; (c) by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or (d) under an interlocal contract for cooperative purchasing;
5. Purchases of goods that will be offered for retail sale by the city;
6. Purchases made through a cooperative purchasing agreement or program, including, but not limited to, the California Multiple Award Schedules Program (CMAS), the U.S. General Services Administration (GSA) Multiple Award Schedules Program, Sourcewell, and the U.S. Communities Government Purchasing Alliance, provided that certain requirements are met;
7. Purchases made using another governmental or public agency's contract or substantially the same terms, provided certain requirements are met;
8. Purchases of goods and/or services obtained from or through an agreement with any governmental, public or quasi-public entity;
9. Procurements funded by grants, donations or gifts when the special conditions attached to the grants, donations or gifts require the procurement of particular goods and/or services;
10. When the city council determines, by minute action or resolution, that compliance with the bidding requirements and procedures is inefficient, impractical or not in the best interest of the city, based on specifically identified conditions set forth on the record;
11. In the event of an emergency, which is deemed to exist if:
  - There is a public calamity such as fire, flood, earthquake, storm or similar disaster that poses a serious threat to the public safety or city property; or
  - There is an immediate need to prepare for or provide national or local defense; or
  - There is a breakdown in machinery, equipment, property or an essential service which requires the immediate purchase of supplies or services to protect the public health, welfare or safety; or
  - An essential operation or city service affecting the public health, welfare or safety would be greatly hampered if adherence to the prescribed purchasing procedures would cause undue delay in procurement of the needed item or service.

City Council introduced the ordinance for first reading during the June 7, 2022 meeting. Staff is presenting the ordinance for second reading and adoption. The ordinance will be effective on the 31st day after adoption. Additionally, staff recommends Council adopt a resolution (Attachment No. 2) outlining the procurement thresholds set forth above, which will go into effect on the same date the ordinance goes into effect.

#### LEGAL REVIEW:

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

**Prepared by:** Stephanie Sikkema, Finance Director

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#### Attachments

Attachment No. 1 - Ordinance No. 2498

Attachment No. 2 - Resolution No. 2022-64

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Image and Effectiveness  
Achieve Fiscal Sustainability and Financial Stability



## AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:** BIENNIAL REVIEW OF CONFLICT OF INTEREST CODE

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### RECOMMENDATION:

It is recommended that the City Council direct staff to review the City's current Conflict of Interest Code and report to the City Council no later than October 1, 2022 regarding whether or not an amendment to the Code is required.

### BACKGROUND:

The Political Reform Act (California Government Code Section 81000 et seq.) requires every local agency to adopt a Conflict of Interest Code. A Conflict of Interest Code designates positions within the agency which make or participate in making governmental decisions which may have a material effect on any financial interest held by them.

California Government Code Section 87306.5 requires every local government agency to review its Conflict of Interest Code biennially (in even numbered years) to determine its accuracy or, alternatively, that the Code must be amended. Typical amendments include the addition of new positions, the elimination of old positions and title changes to positions due to agency reorganizations. In addition, some current positions may need to be reclassified as to disclosure requirements due to increased responsibilities.

### DISCUSSION:

The City Council serves as the code reviewing body for City agencies. In accordance with California Government Code Section 87306.5, no later than July 1, 2022, the City Council must direct staff to begin review of the Conflict of Interest Code and determine if amendments are necessary. Any amendments must be presented to the City Council by October 1, 2022. If amendments are necessary, the revised Code must be approved by the City Council by December 31, 2022.

City staff will begin reviewing each City position to determine whether it should be included on the list of designated Statement of Economic Interest (Form 700) filers. Staff will advise the City Council by October 1, 2022 whether or not amendments need to be made to the existing Code.

### LEGAL REVIEW:

The City Attorney's Office has reviewed this report.

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

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



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH TRANSTECH ENGINEERS, INC. FOR HEALTH RESOURCE SERVICES**

## RECOMMENDATION:

It is recommended that the City Council approve the First Amendment to the Professional Services Agreement (PSA) with Transtech Engineers, Inc. (Transtech) for Health Resource Services.

## BACKGROUND:

The City of West Covina currently receives its public health services through the Los Angeles County Department of Public Health (County Health Department). 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.

Commencing in December 2020, the City began taking steps to establish its own health department. The following are the steps to date the City has taken towards establishing our own Health Department:

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.

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.

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 was effective July 1, 2021.

February 23, 2021 - The City received a letter 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.

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.

April 7, 2021 - At the 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.

May 4, 2021 - The West Covina City Council, by a 4-1 vote (No: Tabatabai), introduced for first reading Ordinance No. 2484, establishing a Public Health Department. Ordinance No. 2484 was adopted, by a 3-1 vote (Absent: Castellanos, No: Tabatabai) at the May 18, 2021 City Council meeting.

May 4, 2021 - The City Council authorized the City Manager to execute a Professional Services Agreement with Transtech. .

May 2021 - The City submitted the West Covina Health Department Overview & Summary to the California Department of Public Health (CDPH).

## DISCUSSION:

On March 25, 2021, the City of West Covina released a Request for Qualifications for qualified consulting firms to initiate and support community health and wellness. The City received one statement of qualifications submission from Transtech in association with Constant Associates (Constant) by the deadline of April 15, 2021. Transtech's statement of qualifications included a comprehensive approach to establishing a local health department. On May 4, 2021, by a 4-1 vote (No: Tabatabai) the City Council approved a Professional Services Agreement with Transtech Engineers, Inc. (Transtech).

Since Transtech was brought on board, City staff and the Transtech team have met monthly with CDPH representatives. At this time, the City is waiting for a response to the West Covina Health Department Overview & Summary that was submitted last May. CDPH representatives have informed the City that after receiving the City's submittal, and having reviewed the State law, they determined much of State law is outdated. Prior to proceeding with any new requests for establishing a Health Department, CDPH expressed their desire to reevaluate the process and update it. At this time City staff has been working regularly with CDPH in preparing for the anticipated new regulations. As part of the new process CDPH anticipates the City will be required to complete the following:

- Preliminary Application for CDPH
- City to do Initial Implementation
- Final Application to CDPH
  - West Covina Community Health Needs Assessment
  - West Covina Community Health Improvement Plan

Staff is seeking approval to the First Amendment to the PSA with Transtech to in order to proceed with this phase of the establishment of a West Covina Health Department. The amendment seeks to increase the Transtech's compensation by an additional \$500,000 and extend the term trough June 30, 2023.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed the amendment 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, Assistant City Manager

**Fiscal Impact**

**FISCAL IMPACT:**

Funding for the First Amendment to the PSA with Transtech will be funded by the American Rescue Plan Act:

Project	Fund	Account No.	Current Budget Balance	Amount Requested	New Balance
22011, PSA for Health Dept. Services	179, ARPA Local Fiscal Recovery Funds	179.80.7003.7900	501,810	500,000	1,810
Total			\$501,810	\$500,000	\$1,810

**Attachments**

Attachment No. 1 - First Amendment with Transtech Engineerings, Inc.

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



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:** **CONSIDERATION OF FINAL TRACT MAP NO. 83166**  
**LOCATION: 1024 WEST WORKMAN AVENUE**  
**SUBDIVIDER: MERITAGE HOMES OF CALIFORNIA, INC.**

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## RECOMMENDATION:

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

**RESOLUTION NO. 2022-35 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING FINAL TRACT MAP NO. 83166 LOCATED AT 1024 WEST WORKMAN AVENUE**

## DISCUSSION:

On July 20, 2021, the West Covina Planning Commission approved Tentative Tract Map No. 83166. The tract map subdivides the 8.05-acre site into a total of 119 residential lots. The 8.05-acre site will include 47 detached two-story units, 72 attached 3-story townhome style units, internal drive aisles, common open space, guest parking spaces, and other associated incidental improvements throughout the development.

The owner, Meritage Homes of California, Inc., is requesting final map approval from the City of West Covina.

The owner has satisfied the conditions for approval of the tract map and has bonded for the required on-site and off-site improvements. The map was reviewed by the City's Engineering Division and determined to comply with State law and is technically correct. In accordance with Section 66458 of the California Government Code, the final map must now be approved or disapproved at the first City Council meeting at which it is received or at the next regular meeting. If no action is taken by the next regular meeting of the City Council, the map shall be deemed approved.

## 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. Approve Staff's recommendation; or
2. Provide alternative direction.

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

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## Fiscal Impact

### FISCAL IMPACT:

This is strictly an administrative item, therefore; there is no fiscal impact associated with this action.

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## Attachments

Attachment No. 1 - Resolution No. 2022-35  
Attachment No. 2 - Tract Map 83166

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**CITY COUNCIL GOALS & OBJECTIVES:** Expand Economic Development Opportunities



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF UTILIZING THE ART IN PUBLIC PLACES FUND TO MAINTAIN EXISTING ARTWORK AND COMMISSION NEW ARTWORK**

## RECOMMENDATION:

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

1. Utilize a portion of the Art in Public Places fund to commission artwork in the form of a mural at the Orangewood Park skate park; and
2. Approve the Planning Commission's recommendation to create an Art in Public Places Subcommittee; and
3. Ratify the Mayor's appointment of Council Member Letty Lopez-Viado, Planning Commissioner Brian Gutierrez, Community and Senior Services Commissioner Sherry Fischer, and Assistant City Manager Paulina Morales to the Art in Public Places Subcommittee.

## BACKGROUND:

On August 17, 2004, the City Council adopted Ordinance No. 2117, which established the requirement of Art in Public Places for certain developments within the City. Ordinance No. 2117 added a new Article II (Art in Public Places) to Chapter 17 (Planning) of the West Covina Municipal Code. The following projects are required to provide public art or pay the "in-lieu" contribution:

- New residential projects consisting of the subdivision of ten (10) or more residential lots and/or construction of ten (10) or more residential units
- New nonresidential projects having total project costs of \$500,000 or more
- Expansion and/or remodeling of existing nonresidential projects having a total project costs of \$250,000 or more
- Mixed use projects consisting of both residential and nonresidential development that meet one (1) or more of the criteria listed above
- Capital improvement projects involving the construction of public buildings or facilities and having a project costs of \$500,000 or more

When developers choose to pay the "in-lieu" contribution, they are required to pay 0.5% of the total project costs for residential development and 1% of the total project costs for non-residential development. Funds collected from the in-lieu contributions are deposited in the Art in Public Places fund. Monies in the Art in Public Places fund may only be used for the following purposes:

- The purchase, commission, and/or installation of public artwork
- Maintenance or restoration of public artwork
- Art education programs and events
- Plaques and signage
- Publicity and promotional materials for public art programs and functions
- Training and development for staff and commissioners involved in the administration of the Art in Public Places program
- Other costs directly associated with the administration of the art in public places program as set forth in the annual program budget.

Per Section 17-74 of the West Covina Municipal Code, a work program is required to be prepared each year setting forth a plan for use and expenditure of funds, including specifying locations for artwork. The Planning Commission is required to review the annual Art In Public Places work program and render a recommendation for the final approval by the City Council.

## DISCUSSION:

At its May 10, 2022 meeting, the Planning Commission reviewed the 2022/2023 Art in Public Places Annual Work Program. The Planning Commission reviewed and considered utilizing the Art in Public Places funds to maintain existing artwork and to commission new artwork.

### Existing Artwork

The last artwork that the City commissioned is the West Covina Veterans Memorial located in the Civic Center Courtyard. The West Covina Veterans Memorial was dedicated on May 30, 2016. The total cost of the design and installation of the West Covina Veterans Memorial was approximately \$186,000 (including \$10,000 raised by the Veterans groups). The Memorial is overdue for the periodic maintenance procedure (inspection, cleaning, and waxing) that was recommended by the City's Art in Public Places consultant in 2016. The Planning Commission recommended that the City Council direct staff to contact Rosa Lowinger & Associates (professional arts conservator previously recommended by the City's art consultant) to obtain a quote for the maintenance procedure and present the information for the City Council's consideration at a later date. If directed by City Council tonight, staff will obtain a quote for the maintenance of the Veterans Memorial and bring it back to City Council for further direction.

### Future Artwork

Since February 2023 is West Covina's centennial anniversary, the Planning Commission recommended that the City Council utilize a portion

of the Art in Public Places fund to commission a new public art installation in the City, which could be unveiled during the City's centennial celebration, or during a special event throughout 2023. The potential artwork can be in the form of a mural at the Orangewood Park skate park, or another form of art in a public area within the City.

**Art in Public Places Subcommittee**

The Planning Commission recommended that the City Council create an Art in Public Places Subcommittee comprised of one (1) City Council member, one (1) Planning Commissioner, one (1) Community and Senior Services Commissioner, and the Community Development Director (or staff representative) appointed by the Mayor and approved by the City Council. The Subcommittee will be tasked with reviewing proposals for the artwork and making the recommendation to the City Council.

The Mayor has appointed Council Member Letty Lopez-Viado, Brian Gutierrez (Planning Commissioner), Sherry Fischer (Community and Senior Services Commissioner), and Assistant City Manager Paulina Morales to the Art in Public Places Subcommittee.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed this staff report.

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

**Fiscal Impact**

**FISCAL IMPACT:**

The City currently has approximately \$297,000 in the Art in Public Places fund. Additionally, \$99,999 was included in the approved FY2022-23 City Budget for a skate park mural.

Project No.	Fund Name	Account No.	FY2022-23 Proposed Budget
23012	Art In Public Places	212.80.7004.7700	99,999
Total			\$99,999

Funding for the maintenance procedure will require a budget amendment which will be presented to Council for consideration with the maintenance agreement at a later date.

**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Image and Effectiveness  
A Well-Planned Community  
A Creative and Active Community



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF AN AMENDMENT OF CONSTRUCTION AGREEMENT OF FRIENDSHIP PARK IMPROVEMENTS WITH JAYNES BROTHERS CONSTRUCTION INC. TO ADDRESS TRIPPING HAZARDS AND LIGHTING CONCERNS - PROJECT NO. 21035**

## RECOMMENDATION:

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

1. Increase contingency for Jaynes Brothers Construction Inc. contract to 25%, if necessary, with the City Manager's approval, for unforeseen conditions;
2. Authorize the City Manager to approve any and all purchases and execute any and all agreements or amendments within the total project budget of \$1,000,000.

## BACKGROUND:

On September 7, 2021, the City Council approved a construction agreement with Jaynes Brothers Construction Inc. and a purchase order with Innovative Playgrounds, Co. for improvements at Friendship Park, including playground equipment, fitness area, entry sign and basketball court improvements.

The following is the approved budget for the project:

Construction Contract with Jaynes Brothers Construction Inc.	\$201,258.43
Basketball Court, Playground Equipment, Fitness Equipment and Entry Signs Purchase Order	\$616,882.93
Subtotal Construction Contract and Purchase Order	\$818,141.36
Contingency Budget allowance authorization to staff to utilize for unforeseen conditions as necessary (10%)	\$81,814.14
Total Construction Estimate	\$899,955.50
Project Management and Administration (Preparation of Bid Documents)	\$20,000.00
Construction Management and Inspection, CDBG Labor Compliance	\$75,000.00
Newspaper Advertisement, Misc. Expenses	\$3,000.00
<b>Total Project Estimate</b>	<b>\$997,955.50</b>

## DISCUSSION:

The improvements for Friendship Park, including playground equipment, fitness area, entry sign and basketball court improvements commenced in January 2022. As part of the park improvements, staff would like address sidewalk repairs that are tripping hazards as well as improve lighting for the playground. In order to address those hazards, staff is recommending that the City Council increase the contingency amount for the agreement with Jaynes Brothers Construction Inc.

The original approval included a contingency of 10% for both agreements, totaling \$81,814.14. Staff is requesting amending the percentage of contingency from 10% to 25% on the Jaynes Brothers agreement only. Staff does not anticipate a change order for the purchase order with Innovative Playgrounds, Co. for the equipment. While the request is to increase the contingency percentage for Jaynes Brothers, staff is not requesting funds above the original \$81,814.14 contingency amount.

## OPTIONS:

The City Council has the following options:

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



**ENVIRONMENTAL REVIEW:**

The proposed Project is a project subject to CEQA. Staff has reviewed the proposed project and has determined that it is categorically exempt from CEQA pursuant to CEQA Guidelines Section(s) 15302: Replacement or reconstruction; (c) Replacement or reconstruction of existing utility and/or facilities involving negligible or no expansion of capacity.

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

**Additional Approval:** Okan Demirci, CIP Manager

**Fiscal Impact**

**FISCAL IMPACT:**

The requested change does not increase the total project budget. It allows the City to utilize the already approved contingency of \$81,814.14 towards the additional change orders that will address tripping hazards and lighting concerns at the park.

The approved funds available for this project are as follows:

Project No.	Funds	Account No.	Project Budget	Project Estimate	Estimated Balance
21035	CDBG	131.80.7004.7700	\$1,000,000	\$997,955.50	\$2,044.50
Total			\$1,000,000	\$997,955.50	\$2,044.50

**Attachments**

Attachment No. 1 - Construction Services Agreement

**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Image and Effectiveness  
A Creative and Active Community



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:** CONSIDERATION OF SINGLE AUDIT REPORT FOR THE YEAR ENDED JUNE 30, 2021

## RECOMMENDATION:

It is recommended that City Council receive and file the Single Audit Report on Federal Award Programs for the year ended June 30, 2021.

## BACKGROUND:

The City's Single Audit, previously known as the OMB Circular A-133 audit, is an organization-wide financial statement and federal awards' audit which is required when the City expends \$750,000 or more in federal funds in one year. It is intended to provide assurance to the Federal Government that the City has adequate internal controls in place, and is generally in compliance with program requirements.

The purpose of this report is solely to describe the scope of audit testing of internal control and compliance and the results of that testing. This report does not provide an auditor's opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

## DISCUSSION:

### Single Audit Report on Federal Awards

As a recipient of Federal grant funds in excess of \$750,000, the City's Single Audit Report on Federal Awards is required to be submitted in compliance with the financial reporting requirement in accordance with Title 2, Code of Federal Regulations (CFR), Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The Single Audit Report (Attachment No. 1) includes the following:

1. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards;
2. Independent Auditor's Report on Compliance for Each Major Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by Uniform Guidance;
3. Schedule of Expenditures of Federal Awards;
4. Notes to the Schedule of Expenditures of Federal Awards;
5. Schedule of Findings and Questioned Costs; and
6. Summary Schedule of Prior Audit Findings.

### Internal Control Over Financial Reporting

As part of the Single Audit, the City's auditors considered the City's internal control over financial reporting to determine audit procedures that are appropriate in the circumstances for the purpose of expressing their opinions on the City's financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control exists* when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

The auditors identified one deficiency in internal control over financial reporting that they considered to be a material weakness for the year ended June 30, 2021. Finding Number 2021-001 is related to the Housing Loans Receivable Administration (page 10 of Attachment No. 1). In response to this finding, the City submitted a Corrective Action Plan (Attachment No. 2). Additionally, staff is working to address this issue for fiscal year ending June 30, 2022. There were not any auditor findings to be reported in accordance with Uniform Guidance. Additionally, corrective action has been taken on all prior audit findings (five total).

This report was also reviewed, received and filed by the Audit Committee June 9, 2022.

**Prepared by:** Stephanie Sikkema, Finance Director

**FISCAL IMPACT:**

This agenda item is to receive and file, therefore; there is no fiscal impact associated with this action.

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**Attachments**

Attachment No. 1 - Single Audit Report FYE 2021

Attachment No. 2 - Corrective Action Plan

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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:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF FIRST AMENDMENT TO THE AGREEMENT WITH RINCON ENVIRONMENTAL, LLC FOR LOCAL ENFORCEMENT AGENCY REGULATORY COMPLIANCE SERVICES**

## RECOMMENDATION:

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

1. Approve the First Amendment to the Professional Services Agreement with Rincon Environmental LLC for LEA (local enforcement agency) regulatory compliance services; and
2. Authorize the City Manager to negotiate and execute future amendments to the Agreement, provided that the overall term does not exceed five (5) years.

## BACKGROUND:

On April 7, 1992, the City Council adopted Resolution No. 8807 creating a Waste Management Enforcement Agency (WMEA) and designating the City as the Local Enforcement Agency (LEA). On July 29, 1992, the California Integrated Waste Management Board (predecessor agency to the Department of Resources Recycling and Recovery - CalRecycle) approved the City of West Covina Enforcement Program Plan and the City's designation as the LEA. On October 20, 2020, the City Council adopted Resolution No. 2020-104, confirming a Waste Management Enforcement Agency (WMEA) as a division of the Fire Department and designating the WMEA as the Local Enforcement Agency (LEA) for the City.

## DISCUSSION:

Protecting public safety is one of the City's major goals. Regulatory compliance and positive intergovernmental relations are essential and integral parts in achieving that goal.

On March 4, 2020, the City retained the services of Rincon Environmental LLC, and its President, Steve Samaniego, as the LEA. Steve Samaniego is a Registered Environmental Health Specialist as mandated by State law. Mr. Samaniego is also a former City employee who previously served as LEA and helped oversee post-closure maintenance at the BKK landfill. He has over 20 years of knowledge regarding the BKK landfill site and possesses the professional certification required to meet State standards.

The current Professional Services Agreement (PSA) with Rincon Environmental has a term of October 20, 2020 through June 30, 2022, at a total cost not to exceed \$120,000. Staff is recommending to amend Section 4.1 of the PSA to allow for a maximum of three (3) one (1) year extensions and extending the agreement through June 30, 2023. Staff is also recommending to amend Section 2.1 to increase the compensation amount by \$255,000 to a total of \$345,000. This equates to an average of \$75,000 annually for the additional three one-year extensions.

## LEGAL REVIEW:

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

## OPTIONS:

The City Council has the following options:

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

**Prepared by:** Vincent A. Capelle

**Additional Approval:** Thomas P. Duarte, City Attorney

## Fiscal Impact

### FISCAL IMPACT:

Funds for this agreement are budgeted annually for LEA needs and are funded under the Waste Management Enforcement Grant Fund which receives grants from CAL-Recycle.

Account No.	FY2022-23 Budget	Estimated Fiscal Impact		
		FYE 2023	FYE 2024	FYE 2025
145.71.4182.6120	\$115,700	\$75,000	\$75,000	\$75,000

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### **Attachments**

Attachment No1\_ West Covina - Rincon Environmental LLC - First Amendment 6-21-22

Attachment No 2\_PSA for Rincon Environmental LLC\_expires 06-30-2022

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**CITY COUNCIL GOALS & OBJECTIVES:** Protect Public Safety  
Enhance City Image and Effectiveness  
Maintain Good Intergovernmental Relations



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF A BUDGET AMENDMENT AND AGREEMENT WITH PERFORMANCE TRUCK REPAIR FOR FIRE EQUIPMENT MAINTENANCE**

## RECOMMENDATION:

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

1. Authorize the City Manager to execute the First Amendment to the Maintenance Services Agreement with Performance Truck Repair, Inc. (PTR) for fire apparatus service and repairs.
2. Authorize the City Manager to negotiate and execute future amendments to the Agreement exercising the extension options.
3. Adopt the following resolution:

**RESOLUTION NO. 2022-63 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR FISCAL YEAR COMMENCING JULY 1, 2021 AND ENDING JUNE 30, 2022 (FIRE FLEET REPAIR)**

## BACKGROUND:

The West Covina Fire Department serves the community by responding from five strategically located fire stations. Emergency operations are the core of the Department's fire and life safety protection services responding to incidents such as medical emergencies, public assistance, hazardous conditions, mutual aid calls, and structure fires. Emergency operations are 24 hours a day, 365 days a year provided by five paramedic assessment fire pumper engine companies, one paramedic assessment ladder truck, three paramedic ambulances, and one Assistant Fire Chief vehicle. Emergency personnel respond quickly and are able to mitigate and solve problems efficiently regardless of the nature of the emergency.

A rigorous inspection and preventive maintenance program is an essential element of equipment management. Preventive maintenance reduces operating and maintenance costs, minimizes time out of service, and increases vehicle life. Only certified fire apparatus mechanics are allowed to repair or work on fire apparatus. The West Covina Fire Department has eight fire pumper engines, two fire ladder trucks, six ambulances and two support vehicles. Due to the age and condition of the Fire Department fleet, the apparatus require preventative maintenance services including routine inspections, servicing, repairs, and replacement of equipment components on a regular basis to facilitate operations with minimal downtime.

### Existing Fleet Maintenance Contracts

On February 18, 2020, City Council approved the award of bids for fire and heavy equipment maintenance and repairs issued by Public Services, Fleet Services division. Awarded for fire fleet was Southern California Fleet Services and South Coast Fire Equipment. These two vendors were unable to make and schedule repair needs resulting in having to send apparatus to another vendor further delaying the apparatus being returned to service. As a result, on July 26, 2021, an emergency purchase order for Performance Truck Repair, Inc. ("PTR") was issued.

PTR is a local vendor and has mobile mechanics capabilities resulting in little to no delay in apparatus being out of service. It is a well-established and reputable emergency vehicle maintenance company that has provided quality service to the West Covina Fire Department in the past. Additionally, they have performed vehicle maintenance and repair services for multiple governmental agencies including U.S. Forest Service, Cal Fire, US Marine Corps, and several Los Angeles area jurisdictions such as the Cities of Alhambra, Arcadia, Azusa, Bellflower, Beverly Hills, Carson, Duarte, Los Angeles.

Additionally, Council approved an agreement on December 7, 2021 (Attachment 2) with PTR for vehicle maintenance and repair services, that provides for an initial term through June 30, 2024, with the option to extend the term for two additional one-year periods. Currently, fleet maintenance repairs are spread across all three vendors as applicable.

## DISCUSSION:

Staff has been able to utilize existing purchase orders with the other two approved vendors, however; they are still unable to perform in a timely manner in comparison to PTR. In order to meet the needs of our fire fleet and continue to provide service to our residents, staff has taken more vehicles to PTR than originally anticipated.

Under the Maintenance Services Agreement, PTR's maximum annual compensation is \$100,000. Due to necessary unexpected repairs, the

\$100,000 limit has been reached. Therefore, staff recommends removing the limit to continue to pay PTR in accordance with the fee schedule as set forth in the Agreement. The new limit would be set by the budget appropriation for vehicle maintenance and repairs.

**LEGAL REVIEW:**

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

**OPTIONS:**

The City Council has the following options:

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

**Prepared by:** Vincent A. Capelle

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**Fiscal Impact**

**FISCAL IMPACT:**

Fleet and maintenance repairs are generally funded through Fleet Management (Fund 365) and charge backed to the departments. In Fire, these expenses are charged to Vehicle Maintenance Charges. Since Fire has contracted these services directly, staff proposes reallocating funding from Vehicle Maintenance Charges to Other Vehicle Sublet Repairs and adding \$75,000 in expenditures to fund the necessary repairs. To offset this increase, staff recommends increasing revenue to Fire Plan Check/Inspection Fees by \$75,000 based on overages received to-date.

Overall, the proposed budget amendment has a zero net impact to the City's General Fund. This budget amendment will fund invoices anticipated for all three vendors.

Account Number	Dept/Account Description	Current Budget	Proposed Amendment	Amended Budget
<b>Expenditures</b>				
110.32.3210.8104	Vehicle Maintenance Charges	253,900	(110,100)	143,800
110.32.3210.6329	Other Vehicle Sublet Repairs	6,000	185,100	191,100
<b>Subtotal Expenditures</b>		259,900	75,000	334,900
<b>Revenue</b>				
110.32.4630	Fire Plan Check/Insp. Fees	167,000	75,000	242,000
<b>Subtotal Revenue</b>		167,000	75,000	242,000
<b>Revenue Less Expenditures</b>		<b>(92,900)</b>	<b>0</b>	<b>(92,900)</b>

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**Attachments**

Attachment No. 1 - First Amendment to Agreement with PTR

Attachment 2 - West Covina Maintenance Services Agreement - Performance Truck Repair, Inc.

Attachment No. 3 - Resolution No. 2022-63

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



## AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:** CONSIDERATION OF AWARD OF AGREEMENT FOR CITYWIDE TOWING SERVICES

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### RECOMMENDATION:

It is recommended that the City Council:

1. Award a non-exclusive franchise agreement for police towing services to Royal Coaches Auto Body & Towing; and
2. Authorize the City Manager to negotiate and execute the agreement, with a term of five years, in such form as approved by the City Attorney.

### BACKGROUND:

Every several years, the City awards a new contract for towing services, following a competitive bid process. Tow providers are responsible for all Police Department calls for tow services, and calls for service for the Fire Department and Maintenance Yard. Additionally, service requests made to the Police Department by private citizens for undesignated towing services are referred to the contracted towing provider.

### DISCUSSION:

On April 18, 2022, a request for proposals ("RFP") for Towing Services for Areas 1 & 2 was posted on Planet Bids. Like past RFPs, this current RFP had specific requirements for prospective bidders. These included the following:

- Have a storage lot or primary office within five miles of the City limits;
- Respond to calls "24/7," with a 15-minute response time;
- Have at least one "Class A" light duty tow truck, at least one "Class B" medium duty tow truck, and at least one "Class C" heavy duty tow truck, with licensed drivers for each type;
- Pay a franchise fee to the City, of 30% (or higher) of the gross towing revenue for the City;
- Obtain proper insurance, a West Covina business license, and complete all other required forms included in the RFP.

Over a dozen prospective bidders viewed the RFP on Planet Bids, although not all of them were towing companies. On the bid deadline of May 10, 2022, staff received five sealed bid packages, signed by the bidders.



Staff has reviewed these bid packages and below is a summary. Additionally, a side-by-side summary of all proposals is also included as Attachment No. 1.

Towing Company	Proposed Franchise Fee	Other Considerations
Al & Son's Towing Inc	N/A	
Haddick's Towing	25%	
Jan's Towing	30%	
Navarro's Towing	N/A	
Royal Coaches Auto Body & Towing	30%	Plus 5% Community Services donation, increasing 1% per year

- **Jan's Towing Inc.**, 1045 West Kirkwall St., Azusa, CA 91702

Jan's tow yard is located approximately 3 miles from West Covina's city limits. Their operating hours are Monday – Friday from 8:00 a.m. to 5:00 p.m. and Saturday and Sunday from 8:00 a.m. to 12:00 p.m. Their tow yards have an 8-foot fence that surrounds the perimeter, camera surveillance, 24-hour live security, and remote controlled access. Their tow yards are capable of holding approximately 550 vehicles, 50 of those vehicles are for inside storage. They possess a secure area for evidence held vehicles.

Jan's tow vehicles meet the towing requirement for class A, B, C, & D. They have approximately 45 employees and the tow truck drivers are part of the Department of Motor Vehicle's Pull Notification program. All employees have passed a background which are updated annually. Additionally, employees participate in random drug tests. Jan's towing services are available 24 hours per day and will meet the maximum permitted response time of 15 minutes. With over 30 years of experience, Jan's Towing meets the requirements of the RFP and they are capable of providing quality service to the City of West Covina.

**In response to the RFP:** Jan's Towing, Inc. agrees to pay 30% of the gross towing revenue for the sole towing rights for Areas 1 & 2.

- **Royal Coaches Auto Body & Towing**, 14827 Ramona Blvd., Baldwin Park, CA 91706

Royal Coaches Auto Body & Towing's tow yard is located approximately .25 miles from West Covina's city limits. Their operating hours are Monday – Friday from 8:00 a.m. to 5:00 p.m. and they have the capability to release vehicles 24 hours per day, seven days per week. Their tow yards are paved, fenced and lighted at night. Security is provided by 57 cameras and DVR recordings as well as employees on site 24 hours per day, 365 days per year. Their tow yards are capable of holding approximately 325 vehicles, 25 of those vehicles are for inside storage. They possess a "State-of-the art evidence investigation and security cages are available to support evidence and on-going investigation by the police department."

Royal Coaches Auto Body & Towing's tow vehicles meet the towing requirement for class A, B, C, & D. They have approximately 40 employees and 34 current tow truck drivers are fully licensed for the type of truck they operate. Each driver has completed a Royal Coaches training program, California Tow Truck Association training certificate, and 26 drivers specialize in the FSP program training. All employees have passed a pre-employment background and are updated annually. Additionally, employees participate in random drug tests. Royal Coaches Auto Body & Towing services are available 24 hours per day and will meet the maximum permitted response time of 15 minutes. With over 35 years of experience, Royal Coaches Auto Body and Towing meet the requirements of the RFP and they are capable of providing quality service to the City of West Covina. Royal Coaches is the City's current tow service provider.

**In response to the RFP:** Royal Coaches Auto Body & Towing agrees to pay 30% of the gross towing and storage revenue for the towing rights for Areas 1 & 2. Also, Royal Coaches proposes an additional 5% annual donation to be paid to the City of West Covina for community services beginning year 1, and increasing one percent (1%) per year ending at ten (10%) percent at the end of the three-year agreement plus the two-year option period.

- **Navarro's Towing**, 1122 N. Azusa Canyon Rd, West Covina, CA 91790

Navarro's Towing is located within the city limits and is approximately 1.5 miles from the Police Department. Their operating hours are Monday – Friday from 8:00 a.m. to 5:00 p.m. and hours of operation are negotiable for Saturday and Sunday. Their tow yards have a fence that surrounds the perimeter, 18 camera surveillance that have motion sensors and are recorded onto a DVR. The recordings are backed up on external storage. Their tow yards are capable of holding approximately over 10,000 vehicles, 150-175 of those vehicles are for outside storage. They possess a secure area for evidence held vehicles.

Navarro's tow vehicles meet the towing requirement for class A, B, C, & D. They have approximately 47 employees and the tow truck drivers are part of the Department of Motor Vehicle's Pull Notification program. All employees have passed a background which are updated annually. Additionally, employees participate in random drug tests. Navarro's towing services are available 24 hours per day and will meet the maximum permitted response time of 15 minutes. With over 30 years of experience, Navarro's Towing meets the requirements of the RFP and they are capable of providing quality service to the City of West Covina.

**In response to the RFP:** Navarro's Towing did not specify a franchise fee amount to be paid to the City. Their RFP bid states the following: "If awarded a contract, the undersigned agrees to execute a formal contract agreement as set forth in the RFP if the City requires, within twenty four (24) hours of the City's acceptance of our proposal."

- **Haddick's Towing**, 15252 E. Valley Blvd., City of Industry, CA 91746

Haddick's tow yard is located approximately 2 miles from West Covina's city limits. Their operating hours are Monday – Friday from 8:00 a.m. to 5:00 p.m. and Saturday and Sunday from 10:00 a.m. to 12:00 p.m. Their tow yards are gated and has a secure lot not visible to the public, camera surveillance, and 24 hour live dispatch. Their tow yards capacity was not indicated in the bid. They possess a secure area for evidence held vehicles which is monitored by cameras.

Haddick's tow vehicles meet the towing requirement for class A, B, C, & D. They have approximately 24 employees and the tow truck drivers are part of the Department of Motor Vehicle's Pull Notification program. All employees have passed a background. Additionally, employees participate in random drug tests. Haddick's towing services are available 24 hours per day and will meet the maximum permitted response time of 15 minutes. With over 94 years of experience, Haddick's Towing meets the requirements of the RFP and they are capable of providing quality service to the City of West Covina.

**In response to the RFP:** Haddick's Towing agrees to pay 25% franchise fee paid quarterly to the City.

- **Al & Son's Towing Inc.**, 2810 Valley Blvd., Pomona, CA 91768

Al & Son's Towing Inc. tow yard is located approximately just under 5 miles from West Covina's city limits. This route was measured using Google maps and is not the most direct route to the city limits. The most direct route to the city limits exceed the 5 mile minimum. Their operating hours are Monday – Friday from 8:00 a.m. to 5:00 p.m. Their tow yards have a chain-link fence that surrounds the perimeter, camera surveillance, 24-hour operation with drivers always on scene. Their tow yards are capable of holding approximately 80 vehicles. They possess a secure area for up to 6 evidence held vehicles.

Al & Son's Towing Inc. vehicles meet the towing requirement for class A, B, C, & D. They have approximately 5 employees and the tow truck drivers are part of the Department of Motor Vehicle's Pull Notification program. All employees have passed a background which are not updated annually. Additionally, employees participate in random drug test. Al & Son's towing services are available 24 hours per day and will meet the maximum permitted response time of 15 minutes. Al & Son's Towing meets the requirements of the RFP and they are capable of providing quality service to the City of West Covina; however, with only 4 drivers, they could be limited on services provided to the City of West Covina.

**In response to the RFP:** Al & Son's Towing did not specify a franchise fee amount to be paid to the City.

Staff is recommending that the City Council award the agreement for police towing services to Royal Coaches Auto Body & Towing.

**LEGAL REVIEW:**

The City Attorney's Office will prepare the non-exclusive franchise agreement for police towing services based upon the City Council's direction.

**OPTIONS:**

The City Council has the following options:

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

**Prepared by:** Brian Daniels, Lieutenant  
**Additional Approval:** Richard Bell, Chief of Police

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**Fiscal Impact**

**FISCAL IMPACT:**

Towing franchise fees result in revenue to the General Fund (Account No. 110.31.4602). On average, the City receives approximately \$200k per fiscal year with a 30% franchise fee. Additionally, the City currently receives a 5% annual donation to the Community Services Foundation (220.61.4862) which averages approximately \$27k annually.

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**Attachments**

Attachment No. 1 - Summary of Proposals

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



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF AN AGREEMENT WITH U.S. FOODS TO PROVIDE RAW FOOD AND MISCELLANEOUS FOOD SUPPLIES FOR THE SENIOR MEALS PROGRAM**

## RECOMMENDATION:

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

1. Authorize the City Manager to execute an agreement with U.S. Foods, Inc. for raw foods and miscellaneous food supplies for the City's Senior Meals Program, in an amount not to exceed \$60,000, for a term through November 24, 2022; and
2. Authorize the City Manager to negotiate and execute all necessary documents in such final form as approved by the City Attorney, including any amendments to the agreement if the State of California extends its agreement.

## BACKGROUND:

During the COVID-19 pandemic, the Cortez Park Community and Senior Center was required to close due to the Safer at Home Orders issued by Los Angeles County. In response, the in-person hot senior meal program was adapted into an emergency meal program providing frozen meals both via drive-thru and home delivery for LA County residents.

As of May 23, 2022, the West Covina Senior Meals Program re-opened for in-person service of hot meals two days per week and providing participants with five frozen meals for the balance of the week. Staff plans on serving 175 seniors each day. As the meal program is currently providing both hot and frozen meals, the City needs food vendors for both frozen and raw foods. This contract is for the raw foods used in the hot meals.

In preparation of hot meals, the Senior Center Cook develops a unique daily lunch menu for the senior participants that is monitored by Los Angeles County to meet the nutritional needs of seniors. Based on the approved menu, raw food (i.e., meat, produce, eggs, beverages, etc.) is purchased for meal preparation.

It is expected that the program will fully transition back to in-person service during the upcoming fiscal year. At this time, however, it is uncertain when this will occur.

## DISCUSSION:

Since 2014, the City has piggybacked on the State of California's agreement with U.S. Foods, Inc.

Periodically, the State of California conducts a Request for Proposals (RFP) for the purchase of raw foods and miscellaneous food supplies for State facilities. Within the scope of work of the State's bid is the allowance for 2,000 agencies (local governments and schools) across California to purchase food product through this bidding process. Therefore, once the State of California awards the contract, cities are allowed to utilize the State of California's raw foods and miscellaneous food supplies bid in lieu of conducting their own bidding process. Cities utilize the State of California's contract for raw foods and miscellaneous food supplies under the assumption that since the State of California purchases more items in bulk than any one government entity in California, they are being granted the best pricing on bulk purchases of raw food. The RFP is attached (Attachment No. 1).

The State of California's Request for Proposal grouped food products into six categories. Bidders were to provide the costs for a list of items under each category:

1. Grocery, Beverage, Fruits & Vegetables, Meat, Poultry, Fish (No Refrigeration Required)
2. Grocery, Beverage, Fruits & Vegetables, Eggs (Refrigeration Required)
3. Fresh Produce
4. Meat, Chicken, Seafood (Refrigerated or Frozen)
5. Dairy Products
6. Emergency Food supplies (i.e. Earthquake, Fire, Flood, etc.)

The State of California awarded their contract (Contract Number: 05-13-89-15B) to U.S. Foods, Inc., which expires on November 24, 2022.

Pursuant to Section 2-333 (i)(2) of Division 2 of Article VII of Chapter 2 of the West Covina Municipal Code, formal contract procedures may be waived when a contractor with another county, city, special district or other 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 Purchasing Division has verified that the State of California's RFP meets the City of West Covina's bidding requirements.

as outlined in the City's Municipal Code. Numerous other local agencies have also used the State's bid and contracts for these products.

Therefore, City staff is recommending that the City Council authorize the City of West Covina to enter into agreement with U.S. Foods, Inc. for raw foods and miscellaneous food supplies for the Senior Meals Program, not to exceed \$60,000, until November 24, 2022, unless the State of California extends the agreement.

**OPTIONS:**

The City Council has the following options:

1. Approve City staffs recommendation; or
2. Instruct City staff to solicit bids from various vendors to provide raw food and miscellaneous food supplies for the Senior Center lunch program. (Since the State of California conducted a thorough bidding process and awards a large contract, it is unlikely that bidding this purchase would reduce the City's costs any further); or
3. Provide alternate direction.

**Prepared by:** Kelly McDonald, Public Services Manager

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**Fiscal Impact**

**FISCAL IMPACT:**

The Fiscal Year 2022-2023 Proposed Budget included \$155,000 for meals, as follows: \$95,000 in 146.61.5186.6158 - Los Angeles County Area Agency on Aging (AAA) and \$60,000 in 225.61.5121.6120 - Community Development Block Grant - COVID (CDBG-CV). A total of \$30,000 from each fund (AAA and CDBG-CV) is proposed to be allocated to cover the costs of raw food from US Foods. There are no General Funds used for the purchase of frozen food for the Senior Center.

FUNDING SOURCE	ACCOUNT	FY2022-23 PROPOSED BUDGET	AMOUNT
AAA COUNTY GRANT	146.61.5186.6158	\$95,000	\$30,000
CDBG-CV	225.61.5121.6120	\$765,440	\$30,000
	<b>TOTAL</b>	<b>\$860,440</b>	<b>\$60,000</b>

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**Attachments**

Attachment No. 1 - State of California's RFP for Raw Food & Miscellaneous Food Supplies

Attachment No. 2 - US Foods 1-17-89-15B Supplement 7

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



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF AN AGREEMENT WITH BETTER 4 YOU MEALS FOR FROZEN MEALS FOR THE SENIOR MEALS PROGRAM**

## RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the City Manager to enter into an agreement with Better 4 You Breakfast, Inc. dba Better 4 You Meals to provide frozen meals for the Senior Meals Program, in a form approved by the City Attorney;
2. Authorize the City Manager to negotiate and execute all other necessary documents, in such form as approved by the City Attorney, to carry out the City Council's direction.

## BACKGROUND:

During the COVID-19 pandemic, the Cortez Park Community and Senior Center was required to close due to the Safer at Home Orders issued by Los Angeles County. In response, the in-person hot senior meal program was adapted into an emergency meal program providing frozen meals both via drive-thru and home delivery for LA County residents.

As of May 23, 2022, the West Covina Senior Meals Program re-opened for in-person service of hot meals two days per week and providing participants with five frozen meals for the balance of the week. Staff plans on serving 175 seniors each day. As the meal program is currently providing both hot and frozen meals, the City needs food vendors for both frozen and raw foods. This contract is for frozen meals.

It is expected that the program will fully transition back to in-person service during the upcoming fiscal year. At this time, however, it is uncertain when this will occur.

## DISCUSSION:

Better 4 You Meals is the City's current frozen food provider. Staff contacted several other frozen meal providers from the County's approved 2021-2022 Caterers List (Attachment No. 2) for quotes.

- Project Angel Food -
  - Responded that they are unable to provide the service (Attachment No. 3.)
- Hirsh Family Kosher Kitchen
  - Non-responsive (Attachment No. 4)
- Better 4 You Meals
  - Quoted a price of \$4.45 per meal and have the capacity to meet the volume of meals needed by the City's program

City staff is recommending that the City Council authorize the City to enter into an agreement with Better 4 You Meals for frozen meals for the Senior Center, in a form approved by the City Attorney.

## OPTIONS:

The City Council has the following options:

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

**Prepared by:** Kelly McDonald, Public Services Manager

## Fiscal Impact

### FISCAL IMPACT:

There are no General Funds used for the purchase of frozen food for the Senior Center. In Fiscal Year 2022-2023, \$155,000 was included in the approved budget for meals, as follows:

- \$95,000 under Fund 146 (Senior Meals Program) funded by Los Angeles County Area Agency on Aging (AAA);
- \$60,000 under Fund 225 (CDBG - R) funded by the Community Development Block Grant - COVID (CDBG-CV).

A total of \$30,000 from each AAA and CDBG-CV is proposed to be allocated to cover the costs for frozen meals from Better 4 You Meals:

Account No.	Account Name	FY2022-23 Budget	Estimate	Balance
146.61.5186.6158	AAA, Meals	\$95,000	\$30,000	\$65,000
225.61.5121.6120	CDBG-CV, Other Contractual Services	\$765,440	\$30,000	\$735,440
<b>Total</b>		<b>\$860,440</b>	<b>\$60,000</b>	<b>\$800,440</b>

At \$4.45 per meal this will enable the City to purchase up to 13,483 meals.

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#### Attachments

Attachment No. 1 - B4YM Food Service Agreement  
Attachment No. 2 - Approved Caterers 21-22  
Attachment No. 3 - Project Angel Email Response  
Attachment No. 4 - Hirsh Family Kosher Kitchen Email

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Image and Effectiveness  
Maintain Good Intergovernmental Relations



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF RATIFICATION OF EXPENDITURES FOR THE 2022 WEST COVINA SPRING FESTIVAL**

## RECOMMENDATION:

It is recommended that the City Council waive formal contract procedures, in accordance with West Covina Municipal Code Chapter 2, Article VII, Division 2, Section 2-333(i)(1), and ratify the following expenditures from the 2022 West Covina Spring Festival:

- a. United Site Services for sanitation in the amount of \$55,923.56
- b. A-1 Event & Party Rentals in the amount of \$66,784.95.

## BACKGROUND:

City staff, working with seven non-profit organizations, coordinated and produced the City of West Covina's First Annual Spring Festival. These organizations included the East San Gabriel Valley Japanese Community Center, the NAACP of San Gabriel Valley, the West Covina Business Association, the Filipino American Association of West Covina, Chinese American Association of West Covina, the West Covina Kiwanis, and the Seesaw Communities. The Spring Festival took place on March 12th and March 13th at the West Covina Sportsplex. The Spring Festival featured a carnival, cultural performances, live entertainment, two beer gardens, and 150 food and retail vendors. City staff estimated attendance at 10,000 festival attendees over the two-day event.

## DISCUSSION:

Planning for the West Covina Spring Festival commenced in January 2022. Working within a condensed preparation period and receiving an outpouring of vendors interested in participating in the event, the City procured equipment and services to support the event that were outside the routine timeline and methods for purchasing. The volume of sanitation services and the quantity of rental equipment needed to support the event along with competing events throughout LA County resulted in limited availability of supplies and equipment. Therefore, the City procured goods from two vendors, United Site Services and A-1 Event & Party Rental, that require ratification by the City Council.

At its meeting of March 1, 2022, the City Manager alerted the City Council of these purchases and indicated that they would come back to the City Council for ratification. In accordance with the West Covina Purchasing Policy, City staff may bring forth purchases for City Council to ratify after purchases have been made.

**Prepared by:** Roxanne Lerma, Assistant City Manager/Director Public Services

## Fiscal Impact

### FISCAL IMPACT:

The vendors and the invoice amounts are as follows:

- United Site Services for sanitation in the amount of \$55,923.56
- A-1 Event & Party Rentals in the amount of \$66,784.95

These purchases will be absorbed in the Fiscal Year 2021-2022 Sportsplex budget under other special events (account no. 242.61.5167.6188).

## Attachments

Attachment No. 1 - United Site Services  
Attachment No. 2 - A1 Event & Party Rental

**CITY COUNCIL GOALS & OBJECTIVES:** Expand Economic Development Opportunities  
A Creative and Active Community



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:** CONSIDERATION OF ZONE CHANGE NO. 22-02 (ACCESSORY DWELLING UNIT ORDINANCE)

## RECOMMENDATION:

It is recommended that the City Council conduct a public hearing and then introduce the following ordinance for first reading, by title only, further reading waived:

**ORDINANCE NO. 2500 - AN ORDINANCE OF THE CITY COUNCIL OF WEST COVINA, CALIFORNIA, AMENDING PORTIONS OF DIVISION 11 (ACCESSORY DWELLING UNITS) OF ARTICLE XII (SPECIAL REGULATIONS FOR UNIQUE USES) OF CHAPTER 26 (ZONING) OF THE WEST COVINA MUNICIPAL CODE TO AUTHORIZE ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS CONSISTENT WITH STATE LAW REQUIREMENTS**

## BACKGROUND:

In September 2019 the State Legislature adopted Senate Bill (SB) 13 and Assembly Bills (AB) 68, 670, and 881 which were signed by Governor Newsom in October 2019 and took effect January 1, 2020. Cities that do not adopt an ordinance pertaining to accessory dwelling units (ADUs) in compliance with State law are required to follow the standards described in the California Government Code. Based on the actions of the State, on November 26, 2019, the Planning Commission initiated Code Amendment 19-06 on a 3-2 vote (Kennedy and Redholtz opposed).

Due to time constraints, the City Council adopted the Urgency Ordinance on December 17, 2019, which went into effect January 1, 2020.

The Urgency Ordinance reflected the City's best interpretation; taking into consideration previous directives from the Department of Housing and Community Development ("HCD"), with the intent that the City would revise the Ordinance once comments and feedback were received from HCD.

On October 5, 2020, the City conducted a virtual meeting with HCD and was informed that the Ordinance addressing ADUs was inconsistent with State law. Staff prepared a draft revision to the ADU Ordinance to address HCD's verbal comments. On April 20, 2021, the City Council adopted an amendment to the ADU Ordinance. As required, the City submitted the revised Ordinance to HCD.

On February 11, 2022, the City received written comments on the City's ADU Ordinance (Attachment No. 3). The City responded to HCD's letter on March 8, 2022 (Attachment No. 4) and discussed the proposed revisions with an HCD representative via the telephone. HCD informed the City that they will not be providing written comments until the Ordinance is amended, and the revisions are adopted.

Staff prepared a draft Ordinance addressing HCD's comments and presented it to the Planning Commission on May 10, 2022. During the public hearing, two public comments were received urging the Planning Commission to consider including text that would allow for two-story detached ADUs and to allow ADUs in the front yard of properties located on private streets. The Planning Commission voted 5-0, recommending that the City Council adopt the Ordinance as recommended by staff.

## DISCUSSION:

The following is a summary of the proposed changes:

- Clarify that setbacks are not required in certain instances mentioned in California Government Code Section 65852.2 (existing structure converted into an ADU) for ADUs proposed/constructed within an existing multifamily residential use.
- Clarify that the 1,000-square foot maximum area is per ADU unit proposed/constructed within an existing multifamily residential use.
- A cross-reference to California Government Code Section 65852.26 has been added to clarify that the separate sales of ADUs are allowed in certain instances referenced in the California Government Code.
- Clarify that exterior staircases shall not be located between the side property line and the existing building. This would allow exterior staircases to be located at the rear of the building and would no longer make it impossible to create a compliant exterior staircase.

Once adopted, staff will send a copy of Ordinance No. 2500 to HCD for review. The Ordinance will take effect 30 days after adoption.

## LEGAL REVIEW:

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

## OPTIONS:

The City Council has the following options:



1. Adopt the proposed ordinance per the Planning Commission's recommendation; or
2. Provide alternative direction

**ENVIRONMENTAL REVIEW:**

The project has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA guidelines, and the City's environmental procedures, and is found to be exempt pursuant to CEQA Guidelines Section 15061(b)(3), as this ordinance cannot create any significant effect on the environment and pursuant to 15282(h), which states that "the adoption of an ordinance regarding second units in a single-family or multifamily zone by a city or county to implement the provisions of Sections 65852.1 and 65852.2 of the Government Code" are Statutorily Exempt from the requirements of CEQA.

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

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

This is strictly an administrative item, therefore; there is no fiscal impact associated with this action.

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**Attachments**

Attachment No. 1 - Ordinance No. 2500  
Attachment No. 2 - Redline of Division 11 of Article XII of Chapter 26  
Attachment No. 3 - Letter from HCD dated February 11, 2022  
Attachment No. 4 - City's Response to HCD dated March 8, 2022

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**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Image and Effectiveness  
A Well-Planned Community



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: PUBLIC HEARING TO CONSIDER WEST COVINA AUTO PLAZA BUSINESS IMPROVEMENT DISTRICT FISCAL YEAR 2022-2023 ANNUAL REPORT AND ASSESSMENT**

## RECOMMENDATION:

It is recommended that the City Council conduct the public hearing and then adopt the following resolution:

**RESOLUTION NO. 2022-51 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, CONFIRMING THE ANNUAL REPORT FILED BY THE WEST COVINA AUTO PLAZA BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD AND LEVYING AN ANNUAL ASSESSMENT FOR THE WEST COVINA AUTO PLAZA BUSINESS IMPROVEMENT DISTRICT FOR FISCAL YEAR 2022-2023**

## BACKGROUND:

The Parking and Business Improvement Area Law of 1989 (California Streets and Highways Code Section 36500 et seq) (PBIA Law) establishes the framework for Business Improvement Districts (BID). The State wanted to make it possible for groups of businesses to band together and invest in their commercial neighborhoods for the purposes of revitalization, stability, and growth. On June 1, 1993, the City Council adopted Ordinance No. 1923, which established the West Covina Auto Plaza Business Improvement District (Auto Plaza BID). The City created this BID at the request of the businesses located in the area. Each year, the City Council holds a noticed public hearing before deciding whether to renew the BID for another year.

The assessment revenue is collected from businesses located within the Auto Plaza BID and is used to pay for the capital costs, operation and maintenance of a LED reader board sign located in the West Covina Auto Plaza, adjacent to the I-10 freeway, and for the operation and maintenance of the Auto Plaza entry monument sign and landscaping located at the southeast corner of Azusa Avenue and Garvey Avenue South. Assessment revenue is also used for landscaping maintenance along the I-10 freeway immediately facing and parallel to the Auto Plaza dealerships.

On April 19, 1994, the City Council appointed an Advisory Board consisting of the owners (and/or their representatives) of the auto dealerships located at the Auto Plaza. The function of the Advisory Board is to make recommendations to the City Council on the expenditure of revenues derived from the levy of assessments, on the classification of businesses, and on the method and basis of levying the assessments. Pursuant to the PBIA Law, for each fiscal year that assessments will be levied, the Advisory Board is required cause a report to be prepared containing the following: (1) any proposed changes in the boundaries of the BID or in any benefit zones within the area, (2) the improvements and activities to be provided for that fiscal year, (3) an estimate of the cost of providing the improvements and the activities for that fiscal year, (4) the method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year, (5) the amount of any surplus or deficit revenues to be carried over from a previous fiscal year, and (6) the amount of any contributions to be made from sources other than assessments levied.

The purpose of this item is to request that the City Council conduct the required public hearing and then adopt the resolution to confirm the Advisory Board's annual report as originally filed and levy the assessment for FY 2022-23.

## DISCUSSION:

The Annual Report has been prepared and filed with the City Clerk in accordance with the requirements of the PBIA Law. The Annual Report is included as Attachment No. 2 to this report.

At the June 7, 2022 City Council meeting, the City Council approved the Annual Report and adopted Resolution 2022-50, declaring the intention to levy the annual assessment for FY 22-23 and setting the public hearing for June 21, 2022, at 7:00 p.m. in the City Council chambers.

The Annual Report includes a total budget of \$124,910.07, with an assessment of \$16,524.00 per dealership site. The gross estimated annual cost for operating expenditures including programming, maintenance, electricity, and insurance for the readerboard sign, landscaping, landscape maintenance, taxes and preparation costs, is \$70,670.04. The annual loan repayment is \$54,240.03, totaling \$124,910.07 in annual expenditures. Staff is recommending that the City levy an assessment of \$16,524.00 per dealership site (the same as last year), which would generate \$115,668.00 for FY 2022-23. Since the annual expenditures increased, the assessments will not cover the total annual expenditures, with a deficit of \$9,242.07. A portion of the FY 2021-22 year-end fund balance of \$80,025.41 will be used to cover the deficit and to cover the required six (6) month operating reserve (\$35,085.02). An assessment of \$16,524.00 for each of the seven (7) dealership sites in the Auto Plaza BID will be placed on the tax rolls by the County of Los Angeles Department of Auditor-Controller.

The anticipated year-end fund balance for FY 2021-22 is anticipated to be \$80,025.41, which includes the operating reserves.

At the conclusion of the hearing, the City Council may order changes in the proposed assessment, the proposed improvements to be funded, and/or the proposed boundaries of the BID. If the Council determines to levy the assessment as proposed, it may adopt the attached resolution (Attachment No. 1), which confirms the Annual Report and levies the assessment for FY 2022-23. Adoption of the resolution places direct assessments on the auto dealers of the West Covina Auto Plaza BID. The BID boundaries are included as Exhibit A to the resolution.

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

**Prepared by:** Gerardo Rojas, Economic Development Project Coordinator

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**Fiscal Impact**

**FISCAL IMPACT:**

There is no impact to City funds by adopting the attached resolution that levies the assessment for the Auto Plaza BID. All costs are covered by assessments collected from the West Covina Auto Plaza Business Improvement District dealerships. As part of the Annual Report approval by the Auto Plaza BID is the repayment of the City loan. In addition, the Auto Plaza BID is charged a nominal administrative fee for City staff's time to administer the West Covina Plaza BID and monitor the annual budget.

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**Attachments**

Attachment No. 2 - West Covina Auto Plaza Annual Report 2022-2023

Attachment No. 1 - Resolution No. 2022-51

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**CITY COUNCIL GOALS & OBJECTIVES:** Achieve Fiscal Sustainability and Financial Stability  
Expand Economic Development Opportunities



## AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:** FISCAL YEAR 2021-22 CAPITAL IMPROVEMENT PROGRAM STATUS UPDATE

### RECOMMENDATION:

It is recommended that City Council receive and file the Fiscal Year 2021-22 Capital Improvement Program (CIP) Projects status update.

### BACKGROUND:

A capital improvement program (CIP) is a plan, usually four to ten years, which identifies capital projects and equipment purchases, provides a planning schedule and identifies options for financing the plan. The plan provides a link to the annual budget. State planning law requires that the City Planning Commission review the CIP to ensure that it is consistent with the General Plan.

Project delivery is the key. As part of the process, the majority of the CIP projects that are fully funded are required to go through complex and often lengthy steps leading into their implementation and construction phase. The steps include: project planning, scope of improvements, preliminary cost estimating, design phase which often requires issuing Request for Proposals (RFPs) for design consultant selection, preparation of bid documents which comprises construction plans, specifications and cost estimates, authorization to bid, bidding, bid evaluation, recommendation for award of construction contract, and finally construction.

### DISCUSSION:

The purpose of this report is to provide an update on the Capital Improvement Projects for the City. Please see attached FY 2021/22 Capital Improvement Projects (CIP) Matrix (Attachment No. 1).

**Prepared by:** Okan Demirci, PE, QSD/P  
**Additional Approval:** Paulina Morales, Assistant City Manager

### Attachments

Attachment No. 1 - FY 2021-22 Capital Improvement Project Matrix

**CITY COUNCIL GOALS & OBJECTIVES:** Protect Public Safety  
 Enhance City Image and Effectiveness  
 A Well-Planned Community



# AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** 06/21/2022

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF MEASURES TO COMPLY WITH CALIFORNIA SENATE BILL 1383, NPDES STORMWATER REGULATIONS, AND AMENDMENTS TO THE ATHENS SERVICES FRANCHISE AGREEMENT**

## RECOMMENDATION:

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

1. Authorize the City Manager to execute a professional services agreement, in a form approved by the City Attorney, with the San Gabriel Valley Council of Governments for participation in the San Gabriel Regional Food Recovery Program; or
- 2.a. Authorize the City Manager to negotiate and execute an agreement with Arakelian Enterprises, Inc. DBA Athens Services for the collection of solid waste, recyclables, yard waste and other compostables, in such final form as approved by the City Attorney, incorporating the updated terms relating to beautification services as detailed below; and
- 2.b. Approve, by a majority vote of the entire City Council, dispensing with formal bidding procedures and requirements in connection with the procurement of bus shelter maintenance and graffiti abatement services by finding that it would be uneconomical to comply with such requirements and it would promote the public interest to dispense with such requirements, in accordance with the requirements of Section 2-330(b) of the West Covina Municipal Code; or
3. Direct the City Manager to continue negotiations with Arakelian Enterprises, Inc. DBA Athens Services to implement SB 1383.

## BACKGROUND:

### SB 1383

California's Short-Lived Climate Pollutant Reduction law, often called SB 1383, establishes methane reduction targets for California. SB 1383 is an unfunded State mandate that sets goals to reduce disposal of organic waste in landfills, including edible food. The bill's purpose is to reduce greenhouse gas emissions, such as methane, and address food insecurity in California. Aspects of this law ensure that food scraps are composted and compost is purchased by cities. Composting, industrial uses, and animal feed are good environmental uses for inedible food or other organic material. Disposing of organic waste in landfills is considered a significant source of local air quality pollutants, which can cause respiratory issues and hospitalizations for community members.

To address the environmental and health concerns of surplus edible food, SB 1383 requires 20% of edible food that would otherwise be disposed of in the garbage or compost be recovered for human consumption by 2025. This means surplus edible food will help feed Californians in need instead of decomposing in a landfill while emitting harmful greenhouse gases. The EPA recognizes feeding hungry people as one of the most preferred avenues to prevent food waste and benefit the environment, society, and economy.

### NPDES

In addition to compliance with SB 1383, compliance with National Pollutant Discharge Elimination System (NPDES) permits is critical to protecting our nation's waters. The objective of the NPDES initiative is to improve surface water quality by assuring that all NPDES permittees are complying with their permits. Improving surface water quality protects public health and reduces potential pollution impacts on drinking water supplies, aquatic life and public enjoyment of fishable and swimmable waters. Violations of NPDES Stormwater Permits can result in legal actions and fines against the City.

City of West Covina streets are currently not swept weekly. State of California Regional Water Quality Control Board guidance presents the best management practices "BMPs" or good housekeeping practices addressing the discharge of pollutants to the storm drain system from municipal facilities. These facilities include streets, roads, and highways. Pollutants of concern include metals, oil & grease, fertilizer, pesticides & herbicides, chemical products, and gasoline & radiator fluid.

### ATHENS CONTRACT

Over the years, the City of West Covina approved multiple amendments to its agreement with Arakelian Enterprises, Inc. dba Athens Services ("Athens Services"), a waste collection company and valued community partner. Athens Services has developed programs that have kept West Covina on the cutting edge of environmental sustainability and in compliance with state laws relating to integrated waste management. The agreement between West Covina and Athens Services is a franchise agreement that establishes the waste collection company's exclusive right to engage in the business of collecting solid waste, recyclables, and other waste within the boundaries of the City. In exchange for this right, the

waste collection company pays the City a franchise fee of 10 percent of its gross receipts resulting from the agreement. The contract also specifies the rates that the waste collection company can charge to residents and businesses for its services and authorizes the company to request an annual rate increase in accordance with the Consumer Price Index (CPI). This type of arrangement is common among similar cities in Los Angeles County.

West Covina initially contracted with Athens Services in 1992. That agreement contained a clause that annually extended the agreement's duration by one year, thereby ensuring it maintained an ongoing service period of eight years (resulting in what is known as an evergreen period). In other words, in 1997 the expiration date for the agreement was 2005, while by 1999 the expiration had extended to 2007. In March 2001, the City Council adopted the first of 11 amendments to that agreement, which extended its evergreen period from eight to 12 years. In October 2012, the City Council approved Amendment No. 9 to the agreement, which extended the evergreen period to 25 years. In exchange for the extension of the evergreen period, Athens Services agreed to make a one-time payment of \$2 million to the City and annual recurring payments of \$100,000 in addition to the franchise fee. Over the years, the City Council approved other amendments to the franchise agreement that pertained to rate adjustments but did not modify the length of the contract.

In November 2016, the City Council approved an Amendment No. 10 to the franchise agreement for a series of rate increases to customers for waste collection services. That amendment also provided for a one-time payment of \$650,000 to the City and increased the annual recurring payments from Athens Services to \$300,000, but stipulated that the City's notification of contract termination would void that payment clause. Finally, the City approved Amendment No. 11 to the franchise agreement in October 2018, which included a clause preventing the City from exercising its annual option to terminate the agreement until October 2023. As a result of its amendments, the earliest the City could contract with another vendor would be October 2048.

Given the long term relationship between West Covina and Athens Services, the City asked Athens Services to enter into negotiations to implement changes to the existing agreement recognizing changes in new laws pertaining to solid waste handling and the need for the diversion of solid waste from landfills. As it complies with SB 1383, West Covina is able to seek the best value for its residents and community and renegotiate certain terms of the contract with the waste collection company.

In February 2022, a proposed amendment to the contract was presented to City Council. After discussion, the item was tabled. Staff continued negotiations.

#### **DISCUSSION:**

Due to SB 1383, West Covina's trash and green waste collection services are going to change beginning July 1, 2022. SB 1383 was signed into law in 2016 to gradually reduce organic waste disposal by 75% and increase edible food recovery by 20%, by the year 2025. Starting July 1, 2022, residents living in a single-family home or apartment/condo will be required to separate food waste and food-soiled paper from the trash. These materials will no longer go into the trash container but will instead go into the green organics (green) container, along with yard waste. To handle the processing of organics, rather than taking organic waste to a landfill, beginning on July 1, 2022, the standard residential service rate will increase.

#### **Athens**

By negotiating with Athens Services, West Covina seeks to maximize its long-term contract position by amortizing the substantial costs associated with the operational and infrastructure investments necessary for the City to comply with SB 1383. The proposed changes, including SB 1383 compliance, will ensure that West Covina remains in compliance with state law. Athens Services would provide waste stream analyses, education and outreach, contamination monitoring, data management, procurement support, food recovery support, and new technologies to support the cutting edge processing or disposal of organic waste.

Following the February 15, 2022 meeting, Staff continued to negotiate the agreement with Athens Services. Based on those negotiations, the City has two options with Athens Services:

##### **Option 1 - Amended and Restated Agreement Incorporating SB 1383 Implementation and Beautification Services**

Under the terms of the draft agreement with Athens Services (Attachment No. 1), the standard residential service rate would initially increase by approximately \$3.63 per month. Athens Services would collect and recycle organic waste into compost that can be used to grow plants and vegetables. This compost would be made available to all residents at the City's compost giveaway events. Athens has offered to provide these services at a competitive price and crosswalk any associated rate changes over several years to mitigate the cost impact on rate payers and avoid a one-time increase. Residents having service questions are encouraged to call Athens at (888) 336-6100.

In addition to SB 1383 implementation services, the most recent contract negotiations included the following deal points:

- Athens will provide the City with an annual City Improvement Fee, totaling \$1,200,000, for the City's use to keep public spaces throughout the City safe and clean. The City anticipates using such funds for services such as street sweeping, storm drain cleaning and landscaping services.
- Athens will provide at least 100 hours per week of graffiti removal services
- Athens will provide bus shelter cleaning and maintenance to all City bus stops and shelters on a quarterly basis
- In exchange for the City Improvement Fee and additional services, the City would agree to a three-year extension to the no-trigger clause of the agreement. This means the City would not be able to provide notice of intent to terminate the agreement prior to August 2027.

SB 1383 and NPDES compliance are the impetus of the proposed changes to the City's refuse and recycling agreement. The draft agreement represents a modification of the existing waste collection franchise agreement with Athens Services. It integrates the original agreement and all 11 amendments into a single document. It also incorporates the deal points outlined above.

##### **Option 2 - Amended and Restated Agreement Implementing SB 1383 Only**

If the City Council does not wish to incorporate the City Improvement Fee and beautification services into the agreement with Athens Services, the City may enter into an amended and restated agreement to integrate the original agreement and all 11 amendments into a single document and incorporate provisions relating to implementation of SB 1383. Under this option, the standard residential service rate would initially increase by approximately \$7.45 per month. All other terms of the agreement as

agreed upon through prior amendments (i.e., \$300,000 annual payment and the ability to provide notice of intent to terminate in October 2023) would remain in effect.

Below is a chart outlining the key differences between Options 1 and 2 (Attachment No. 4):

	Option 1 - Proposed Agreement with Athens - SB 1383 Compliance & Beautification	Option 2 - Existing Agreement with Athens - with Rate Increases Based on SB 1383 Compliance
<b>Residential</b>	<b>Year 1 - 9.399% Increase</b> 7.399% CPI + 2% Avg Bill: \$38.62 to \$42.23  Years 2 & Beyond: Trash CPI + 1%	<b>Year 1 - 19.399% Increase</b> 7.399 % CPI + 12% Avg Bill: \$38.62 to \$41.75  Years 2 & Beyond: CPI
<b>Commercial</b>	<b>Year 1 - 11.399% Increase</b> 7.399% CPI + 4%  Avg Bill: \$262.60 to \$292.51  Years 2 & 3: Trash CPI + 3% Year 4 & Beyond: Trash CPI + 1%	<b>Year 1 - 11.399% Increase</b> 7.399% CPI + 4%  Avg Bill: \$262.60 to \$292.51  Years 2 & 3 Beyond: CPI
<b>CPI</b>	Garbage & Trash, U.S. Average Trash CPI February 2021-2022 = 4.1%	All items, L.A. Region CPI February 2021-2022 = 7.399%
<b>Franchise Fee</b>	10%	10%
<b>Beautification Services</b>	\$640,000	\$0
<b>Direct Payment to City</b>	\$1,200,000	\$300,000
<b>Term Trigger</b>	+ 3 years (to existing clause) = 5 total	+ 5 years = 7 total

Section 2-330(b) of the West Covina Municipal Code states that the City Council, by a majority vote of the entire City Council, may dispense with the formal bidding procedures and requirements of Division 2 (Purchasing System) of Article VII (Purchases and Sales) of Chapter 2 (Administration) of the West Covina Municipal Code upon a finding that "it would be impracticable, useless or uneconomical...to follow such procedures and...the public welfare would be promoted by dispensing with the same." Staff believes it would be uneconomical and would not promote the public welfare to follow formal bidding requirements in connection with the procurement of bus shelter maintenance and graffiti abatement services that will be provided by Athens pursuant to the Amended and Restated Agreement, as Athens will provide a significant amount of such services at no cost to the City.

Therefore, regardless of which option the Council ultimately selects, staff is recommending that the City Council, by a majority vote of the entire City Council, approve dispensing with formal bidding requirements and procedures in connection with the procurement of bus shelter maintenance and graffiti abatement services that will be provided by Athens by finding that it would be uneconomical to comply with such requirements and the public welfare would be promoted by dispensing with such requirements for the bus shelter maintenance and graffiti abatement services.

#### **Alternative Option - Consultant(s)**

##### **Request for Proposals**

The City of West Covina released a Request for Proposals (RFP) for services to assist the City in implementing the compliance requirements for SB 1383. The RFP requested three tasks: 1) Development of Implementation Plan; 2) Implementation of Plan; 3) Facilitate Discussions with Trash Hauler. The City received a total of six proposals. Please see a summary of the proposals below (Attachment No. 5):

	Vendor	Task 1: Development of Implementation Plan	Task 2: Implementation of Plan	Task 3 : Facilitate Discussions with Trash Hauler	Fee
1	Recreate Waste Collaborative	✓	✓	✓	\$91,045
2	Muni Environmental	✓	✓	✓	\$94,586
3	Go2Zero	✓	✓	Not Included	\$114,760
4	MSW Consultants	✓	Provide Assistance in Implementation	✓	\$129,970
5	HF&H Consultants Inc	✓	✓	✓	\$224,795
6	SEMCO	✓	Provide Assistance in Implementation	✓	Only gave hourly rates

#### San Gabriel Valley Council of Governments - San Gabriel Valley Regional Food Recovery Program

In addition, San Gabriel Valley Council of Governments (SGVCOG) is serving as the lead in a Regional Food Recovery Program, in efforts to provide cities with a regional program to support complying with SB 1383's edible food recovery regulations. The intent was to alleviate cities' staff burden and reduce costs by participating in the regional endeavor. SGVCOG has hired SCS Engineers (SCS) to manage the San Gabriel Valley Regional Food Recovery Program ("SGV Food Recovery Program"). Cities within the SGVCOG are able to participate in the SGV Food Recovery Program with a participation cost based on the city.

The SGV Food Recovery Program includes assessing commercial edible food waste generators, identifying and fostering partnerships with local food recovery organizations, implementing outreach and education, and developing and implementing inspection protocols. Cities can elect the level of participation in the SGV Food Recovery Program, either capacity assessment and education and/or the enforcement and inspection. Cities that are participating in the entire SGV Food Recovery Program include; Azusa, Covina, Duarte, Glendora, Irwindale, La Canada Flintridge, Monrovia, Monterey Park, South Pasadena and Temple City. Alhambra, Pomona and Walnut are only participating in capacity assessment and education.

As the SGV Food Recovery Program commenced in September 2021, West Covina's scope of services will be modified (the City will benefit from the information materials already developed & we are behind the other participating cities in outreach). SCS Engineering's proposal (Attachment No. 6) for West Covina's participation will include the following:

- Project Update Meetings
- Food Recovery Organization Capacity Assessment
- Tier 1 & Tier 2 Generator Compliance Assessment
- Outreach & Education (Specific to West Covina)
  - 2 workshops for Businesses
  - Materials in various languages (English, Spanish, Traditional Chinese)
- Final Report
- Inspections of Tier 1 & Tier 2 & Food Recovery

As the SGVCOG is administering SCS's contract, they charge a 5% administrative fee. The contract would also be for a minimum of three (3) years (pilot program period). The total for the contract with SGVCOG would be \$151,614. Please note participation in the San Gabriel Valley Regional Food Recovery Program will only address the food recovery regulations of SB 1383. The City would still be required to address the organic waste regulations, and will remain responsible for record keeping and reporting and issuing inspections for the food recovery regulations.

West Covina was awarded a SB 1383 Local Assistance Grant in the amount of \$149,000. Staff is verifying with the City's grant manager if a portion of these funds can be reallocated and applied towards participation in the SGV Food Recovery Program. The City also has monies available in our Fund 129 AB 939 (funds can be used to address solid waste reduction, recycling, and other solid waste management activities).

#### **LEGAL REVIEW:**

The City Attorney's Office will approve the agreements as to form prior to execution.

#### **OPTIONS:**

The City Council has the following options:

1. Continue Negotiations with Athens Services & Enter into an Agreement with SGVCOG to participate in the SGV Food Recovery Program
  - a. Authorize the City Manager to continue to negotiate an agreement with Arakelian Enterprises, Inc. DBA Athens Services to reflect SB 1383 implementation, in such final form as approved by the City Attorney; and/or
  - b. Authorize the City Manager to execute an agreement with San Gabriel Valley Council of Governments to participate in the San Gabriel Valley Regional Food Recovery Program, in such final form as approved by the City Attorney; or
2. Approve the Amended and Restated Agreement with Athens Incorporating SB 1383 Implementation and Beautification Services:
  - a. Authorize the City Manager to negotiate and execute an agreement with Arakelian Enterprises, Inc. DBA Athens Services for the collection of solid waste, recyclables, yard waste and other compostables, in such final form as approved by the City Attorney, incorporating the updated terms relating to beautification services as detailed below; and
  - b. Approve, by a majority vote of the entire City Council, dispensing with formal bidding procedures and requirements in connection with the procurement of bus shelter maintenance and graffiti abatement services by finding that it would be uneconomical to comply with such requirements and it would promote the public interest to dispense with such requirements, in accordance with the requirements of Section 2-330(b) of the West Covina Municipal Code; or
3. Continue Negotiations with Athens Services to implement SB 1383; or
4. Provide alternative direction.

**Prepared by:** Stephanie Sikkema, Finance Director

**Additional Approval:** Paulina Morales, Assistant City Manager

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#### **Fiscal Impact**

#### **FISCAL IMPACT:**

The fiscal impact will be dependent on the direction provided by City Council.

- If the City Council elects to add the beautification services to Athens contract, the City would receive public benefits totaling over \$1.8 million annually for City improvements (may include street sweeping) (\$1,200,000), bus shelter cleaning (\$90,000), and for graffiti removal services (\$550,000).
- If the City Council elects to add SB 1383 services to the Athens contract only, the fee would be passed down to the residents and the City will continue to receive \$300,000 annually.



- If the City Council elects to hire a consultant including the SGVCOG (\$151,614), the City would utilize monies in Fund 129 (AB 939) to cover the costs.

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#### **Attachments**

Attachment No. 1 - Draft Agreement with Athens - SB 1383 Implementation and Beautification Services  
Attachment No. 2 - Draft Agreement with Athens - SB 1383 Implementation Only  
Attachment No. 3 - Athens - SB 1383 Proposal  
Attachment No. 4 - Athens Services Contract Term Comparison  
Attachment No. 5 - RFP #11-015 Proposal Summary  
Attachment No. 6 - SGVCOG Food Recovery Program Proposal

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**CITY COUNCIL GOALS & OBJECTIVES:** Protect Public Safety  
Enhance City Image and Effectiveness  
Achieve Fiscal Sustainability and Financial Stability