



**CITY OF WEST COVINA**

**CITY COUNCIL/SUCCESSOR AGENCY**

**JUNE 16, 2020, 7:00 PM  
REGULAR MEETING**

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

**Mayor Tony Wu  
Mayor Pro Tem Letty Lopez-Viado  
Councilman Dario Castellanos  
Councilman Lloyd Johnson  
Councilmember Jessica C. Shewmaker**

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

IN ORDER TO REDUCE THE SPREAD OF THE COVID-19 VIRUS, GOVERNOR NEWSOM HAS ISSUED EXECUTIVE ORDERS THAT TEMPORARILY SUSPEND CERTAIN REQUIREMENTS OF THE BROWN ACT AND ALLOW COUNCIL MEMBERS TO ATTEND CITY COUNCIL MEETINGS TELEPHONICALLY. PURSUANT TO THE GOVERNOR'S EXECUTIVE ORDERS AND DUE TO CONCERNS OVER COVID-19, THE CITY COUNCIL MEETING WILL BE CONDUCTED ENTIRELY TELEPHONICALLY.

Public Participation: In accordance with Executive Order N-29-20 and guidance from the California Department of Public Health on gatherings, City Council Chambers will remain closed to the public. Members of the public may participate remotely in the following ways:

Public comments will be accepted via e-mail to the City Clerk at [City\\_Clerk@westcovina.org](mailto:City_Clerk@westcovina.org). The subject line should specify either "Public Comment or Public Hearing – 6/16/2020". Please include your full name and address in your e-mail. The City Clerk will read emails received by 6:30 P.M. the day of the Council meeting out loud into the public record.

If you wish to address the Council by telephone during public comment or a public hearing, you may contact the City Clerk by email [City\\_Clerk@westcovina.org](mailto:City_Clerk@westcovina.org) or by telephone (626) 939-8433 by 6:30 P.M. on the day of the Council meeting, to advise the City Clerk that you would like to address the Council during public comment or a public hearing.

Members of the public may watch City Council meetings live through the West Covina City YouTube channel at [www.westcovina.org/LIVE](http://www.westcovina.org/LIVE). Council meeting videos are also posted to the City's Video Archive on <https://www.westcovina.org/departments/city-clerk/agendas-and-meetings/current-meetings-and-agendas>.

***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 16, 2020, 7:00 PM**  
**REGULAR MEETING**

#### **INVOCATION**

Led by Pastor Emeritus Carmany of the United Church of Huntington.

#### **PLEDGE OF ALLEGIANCE**

Led by Councilman Castellanos

#### **ROLL CALL**

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

#### **PRESENTATIONS**

- Inland Valley Humane Society & S.P.C.A - Nikole Bresciani
- South Hills High School – Graduating Class of 2020
- West Covina High School | Edgewood High School | Coronado High School – Graduating Classes of 2020

#### **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) **JUNE 2, 2020 CITY COUNCIL/SUCCESSOR AGENCY REGULAR MEETING MINUTES  
JUNE 2, 2020 CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING  
MINUTES**

It is recommended that the City Council approve the June 2, 2020, Regular Meeting Minutes, and the June 2, 2020, Closed Session Meeting Minutes.

## **CLAIMS AGAINST THE CITY**

- 2) **CONSIDERATION OF GOVERNMENT TORT CLAIMS**

It is recommended that the City Council deny the following Government Tort Claims and the claimants be notified:

1. **Nancy Diaz** vs. The City of West Covina
2. **James Moss** vs. The City of West Covina
3. **Jacob Dominguez, Ann Martinez, Linda Quinonez, Oscar Escamillo, Mary Escamillo, Fabiola Rosales, Lorenzo Dominguez**  
**Estate of Gracie Contreras** vs. The City of West Covina

## **CITY MANAGER'S OFFICE**

- 3) **APPOINTMENT OF HUMAN RESOURCES COMMISSIONER ROSY FRANCO**

It is recommended that the City Council receive and file this informational report.

## **COMMUNITY DEVELOPMENT**

- 4) **CONSIDER ADOPTION OF VEHICLE MILES TRAVELED ("VMT") AND THRESHOLDS OF SIGNIFICANCE FOR PURPOSES OF ANALYZING TRANSPORTATION IMPACTS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

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

**RESOLUTION NO. 2020-57 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING “VEHICLE MILES TRAVELED” THRESHOLDS OF SIGNIFICANCE FOR PURPOSES OF ANALYZING TRANSPORTATION IMPACTS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

- 5) **WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 1 SETTING OF FISCAL YEAR 2020-21 ASSESSMENT RATE**

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

**RESOLUTION NO. 2020-59 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA SETTING THE ASSESSMENT RATE FOR WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR THE FISCAL YEAR BEGINNING JULY 1, 2020**

6) **CONSIDER SETTING OF FISCAL YEAR 2020-21 ASSESSMENT RATE FOR WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 2**

It is recommended that the City Council adopt the following resolution, which provides for the assessment rate to be maintained at the current rate.

**RESOLUTION NO. 2020-60 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA SETTING THE ASSESSMENT RATE FOR WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 2 FOR THE FISCAL YEAR BEGINNING JULY 1, 2020**

7) **CONSIDER INITIATION OF CODE AMENDMENT NO 20-06 REGARDING WIRELESS TELECOMMUNICATION FACILITIES WITHIN ALL LAND-USE ZONES**

That the City Council adopt the following resolution:

**RESOLUTION NO. 2020-58 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, INITIATING CODE AMENDMENT NO. 20-06 RELATED TO WIRELESS TELECOMMUNICATION FACILITIES WITHIN ALL LAND USE ZONES**

8) **CONSIDERATION OF FISCAL YEAR 2020-21 PROJECTS FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

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

**RESOLUTION NO. 2020-63 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING A LIST OF FISCAL YEAR 2020-21 PROJECTS FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

## **HUMAN RESOURCES/RISK MANAGEMENT**

9) **CONSIDERATION OF BUDGET AMENDMENT FOR FISCAL YEAR 2019-2020**

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

**RESOLUTION NO. 2020-66 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2019 AND ENDING JUNE 30, 2020**

## **PUBLIC HEARINGS**

10) **PUBLIC HEARING REGARDING WEST COVINA CITYWIDE SEWER SERVICE CHARGE - CONTINUE TO JUNE 23, 2020**

It is recommended that the City Council continue the public hearing regarding the Citywide Sewer Service Charge to the Special City Council meeting of June 23, 2020.

11) **PUBLIC HEARING FOR WEST COVINA LIGHTING AND MAINTENANCE DISTRICT - CONTINUE TO JUNE 23, 2020**

It is recommended that the City Council continue the public hearing regarding the Citywide Lighting and Maintenance District to the Special City Council meeting of June 23, 2020.

## **DEPARTMENTAL REGULAR MATTERS**

### **FINANCE DEPARTMENT**



## 12) FISCAL YEAR 2020/2021 PRELIMINARY BUDGET DISCUSSION

It is recommended that the City Council: 1) receive and file the Preliminary Fiscal Year Preliminary 2020-21 Operating and Capital Improvement Program Budget, 2) direct that the Preliminary Budget be broadly publicly disseminated, and 3) schedule the 2020-21 Budget for consideration at the June 23rd City Council meeting.

### MAYOR/COUNCILMEMBERS REPORTS

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

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

### 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

July 7, 2020

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:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: JUNE 2, 2020 CITY COUNCIL/SUCCESSOR AGENCY REGULAR MEETING MINUTES  
JUNE 2, 2020 CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING  
MINUTES**

---

### RECOMMENDATION:

It is recommended that the City Council approve the June 2, 2020, Regular Meeting Minutes, and the June 2, 2020, Closed Session Meeting Minutes.

### DISCUSSION:

That the City Council adopt the attached minutes.

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

---

### Attachments

Attachment No. 1 - 06-02-20 Regular Session Meeting Minutes Draft

Attachment No. 2 - 06-02-20 Closed Session Meeting Minutes Draft

---



## **CITY OF WEST COVINA**

### **CITY COUNCIL/SUCCESSOR AGENCY**

JUNE 2, 2020, 7:00 PM  
REGULAR MEETING

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

**Mayor Tony Wu**  
**Mayor Pro Tem Letty Lopez-Viado**  
**Councilman Dario Castellanos**  
**Councilman Lloyd Johnson**  
**Councilmember Jessica C. Shewmaker**

### **MINUTES**

#### **CALL TO ORDER**

A Regular Meeting was called to order by Mayor Wu on Tuesday, June 2, 2020 at 7:00 p.m. in the Council Chambers, 1444 West Garvey Avenue South, West Covina, California.

#### **ROLL CALL**

Council Members

Present: Council Members Dario Castellanos, Lloyd Johnson, Jessica Shewmaker, Mayor Pro Tem Letty Lopez-Viado, Mayor Tony Wu

Council Members

Absent: None

City Staff: David Carmany City Manager, Mark Persico Assistant City Manager, Thomas P. Duarte City Attorney, Lisa Sherrick Assistant City Clerk; other City staff presented reports and responded to questions as indicated in the minutes.

### **INVOCATION**

Led by Pastor Samuel Martinez from Amazing Love Ministries

### **PLEDGE OF ALLEGIANCE**

Led by Councilmember Shewmaker

### **CLOSED SESSION**

#### CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code § 54957.6

City Negotiators: Carmany, Duarte

Employee Organizations

- Confidential Employees
- Maintenance & Crafts Employees
- Non-Sworn
- W.C. Police Officers' Association
- W.C. Firefighters' Management Assoc.
- W.C. Firefighters' Association, I.A.F.F., Local 3226
- General Employees
- Mid-Management Employees
- W.C. Police Management Association

Unrepresented Employee Group

- Department Heads

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

City Attorney Thomas P. Duarte reported that no reportable action was taken during the closed session meeting.

### **PRESENTATIONS**

South Hills High School – Graduating Class of 2020

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

- Else Messman
- Phil Moreno
- Jim Grivich
- Jay Meader
- Steve Bennett
- Sheri Orellana
- Jerri Potras
- Marsha Solorio
- Mark Goshgarian

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

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

### **CONSENT CALENDAR**

**ACTION: MOTION BY COUNCILMAN JOHNSON AND SECONDED BY MAYOR PRO TEM LOPEZ-VIADO, CARRIED 5-0 to: approve Consent Calendar Items 1-5 and 7.** (Item 5 pulled from the Consent Calendar by City Manager Carmany).

### **APPROVAL OF MEETING MINUTES**

- 1) **MAY 19, 2020 CITY COUNCIL/SUCCESSOR AGENCY REGULAR MEETING MINUTES**  
**MAY 19, 2020 CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING MINUTES**  
**MAY 19, 2020 CITY COUNCIL/SUCCESSOR AGENCY SPECIAL SESSION MEETING MINUTES**

**CARRIED 5-0 to:** approve the May 19, 2020 Regular Meeting Minutes, May 19, 2020 Closed Session Meeting Minutes, and the May 19, 2020 Special Session Meeting Minutes.

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

- 2) **CONSIDERATION OF RESOLUTIONS RELATING TO THE NOVEMBER 3, 2020 ELECTION**

**CARRIED 5-0 to:** adopt the following resolutions relating to the November 3, 2020 General Municipal Election:

**RESOLUTION NO. 2020-47 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2020 FOR THE ELECTION OF CERTAIN**

**OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES**

**RESOLUTION NO. 2020-48 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 3, 2020, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THAT DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE**

**RESOLUTION NO. 2020-52 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES' STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2020**

**CITY MANAGER'S OFFICE**

**3) CONSIDERATION OF RESOLUTION NO. 2020-45 EXTENDING THE LOCAL EMERGENCY DECLARATION**

**CARRIED 5-0 to:** adopt Resolution 2020-45 as follows:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, DETERMINING THE NEED TO FURTHER CONTINUE THE LOCAL EMERGENCY PROCLAIMED ON MARCH 16, 2020 AND PREVIOUSLY CONTINUED ON APRIL 7, 2020 AND MAY 5, 2020**

**4) CONSIDERATION OF RESOLUTION 2020-44 AUTHORIZING APPLICATION FOR, AND RECEIPT OF, LOCAL GOVERNMENT PLANNING SUPPORT GRANT PROGRAM FUNDS**

**CARRIED 5-0 to:** adopt Resolution 2020-44 as follows:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA AUTHORIZING APPLICATION FOR, AND RECEIPT OF, LOCAL GOVERNMENT PLANNING SUPPORT GRANT PROGRAM FUNDS**

**5) CONSIDERATION OF ACTIONS TAKEN BY THE CITY MANAGER UNDER THE FISCAL EMERGENCY (RESOLUTION 2020-46)**

**REGARDING AGREEMENTS WITH NATIONWIDE ENVIRONMENTAL SERVICES AND CARE AMBULANCE SERVICES**

**CARRIED 5-0 to:** adopt the following resolutions related to the City's Fiscal Emergency:

**RESOLUTION NO. 2020-55 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, RATIFYING THE CITY MANAGER'S TERMINATION OF THE CONTRACT SERVICES AGREEMENT BETWEEN THE CITY AND NATIONWIDE ENVIRONMENTAL SERVICES, DATED JUNE 18, 2002, AS AMENDED**

**RESOLUTION NO. 2020-56 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA CALIFORNIA, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH CARE AMBULANCE SERVICES, INC. FOR AMBULANCE TRANSPORTATION AND BILLING SERVICES**

**6) CONSIDERATION OF CONTRACT FOR MICROSOFT ENTERPRISE AGREEMENT WITH DELL MARKETING LP**

(Item 6 was removed from the Agenda by City Manager Carmany.)

1. Approve a three-year agreement with Dell Marketing LP in the amount of \$149,584.83 per year (a total of \$448,754.49) for furnishing and delivering Microsoft product licenses and support services, on the same terms and conditions afforded to Riverside County through Licensing Solution Provider Agreement Number PSA 0001524 and Riverside County's Microsoft Enterprise Agreement (Master Agreement No. 8084445).
2. Authorize the City Manager to execute the agreement, in a form approved by the City Attorney, and any documents necessary in connection with the agreement.

**POLICE DEPARTMENT**

**7) CONSIDERATION OF ACCEPTANCE OF CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING (CESF) GRANT FROM U.S. DEPARTMENT OF JUSTICE**

**CARRIED 5-0 to:** take the following actions:

1. Accept the Coronavirus Emergency Supplemental Funding grant from the U.S. Department of Justice for police overtime, services, and supplies, and authorize the City Manager or his designee to complete all grant award documents; and



2. Adopt the attached resolution authorizing the necessary budget amendments:

**RESOLUTION NO. 2020-43 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2019 AND ENDING JUNE 30, 2020 (USDOJ CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING GRANT)**

**END OF CONSENT CALENDAR**

**HEARINGS**

**PUBLIC HEARINGS**

- 8) **PUBLIC HEARING - CONSIDERATION OF ASSESSMENTS FOR FISCAL YEAR 2020-21 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 4**

***ACTION: MOTION BY COUNCILMAN CASTELLANOS AND SECONDED BY COUNCILMAN JOHNSON CARRIED 5-0 to:***  
adopt the following resolution:

**RESOLUTION NO. 2020-49 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2020-21 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 4**

- 9) **PUBLIC HEARING - CONSIDERATION OF ASSESSMENT FOR FISCAL YEAR 2020-21 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 6**

***ACTION: MOTION BY COUNCILMAN CASTELLANOS AND SECONDED BY COUNCILMAN JOHNSON CARRIED 5-0 to:***  
adopt the following resolution:

**RESOLUTION NO. 2020-50 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2020-21 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 6**

- 10) **PUBLIC HEARING - CONSIDERATION OF ASSESSMENT FOR FISCAL YEAR 2020-21 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 7**

**ACTION: MOTION BY COUNCILMAN CASTELLANOS AND  
SECONDED BY COUNCILMAN JOHNSON CARRIED 5-0 to:**

adopt the following resolution:, which provides for the assessment rates in Landscape Maintenance District No. 7 to be maintained at their current levels:

**RESOLUTION NO. 2020-51 — A RESOLUTION OF THE CITY  
COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA,  
APPROVING THE ENGINEER'S REPORT AND CONFIRMING A  
DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2020-21 FOR  
LANDSCAPE MAINTENANCE DISTRICT NO. 7**

**DEPARTMENTAL REGULAR MATTERS**

**FINANCE DEPARTMENT**

**11) FISCAL YEAR 2020-21 PRELIMINARY BUDGET**

**ACTION: MOTION BY COUNCILMAN JOHNSON AND SECONDED  
BY MAYOR PRO TEM LOPEZ-VIADO CARRIED 5-0 to:**

Approve the following recommendations: 1) receive and file the Preliminary Fiscal Year Preliminary 2020-21 Operating and Capital Improvement Program Budget, 2) refer for review and comments at the June 3 Finance and Audit Committee meeting, 3) direct that the Preliminary Budget be broadly publicly disseminated, including at a community budget workshop on June 9, and 4) schedule the matter for consideration at the June 16<sup>th</sup> City Council meeting.

**MAYOR/COUNCILMEMBERS REPORTS**

None

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

None

**CITY COUNCIL COMMENTS**

None

**(THIS SPACE IS INTENTIONALLY LEFT BLANK)**

**ADJOURNMENT**

A motion to adjourn the Regular Meeting was made by Mayor Wu, and the meeting was adjourned at 8:52 p.m. The next regularly scheduled Regular City Council Meeting will be held on Tuesday, May 19, 2020 at 7:00 p.m. in the Council Chambers, 1444 West Garvey Avenue South, West Covina, California.

Submitted by:

---

Lisa Sherrick  
Assistant City Clerk

---

Tony Wu  
Mayor



**CITY OF WEST COVINA**

**CITY COUNCIL/SUCCESSOR AGENCY**

JUNE 2, 2020, 6:00 PM  
REGULAR MEETING - CLOSED SESSION

CITY MANAGER'S CONFERENCE ROOM  
1444 W. GARVEY AVENUE SOUTH  
WEST COVINA, CALIFORNIA 91790

**Mayor Tony Wu**  
**Mayor Pro Tem Letty Lopez Viado**  
**Councilman Dario Castellanos**  
**Councilman Lloyd Johnson**  
**Councilmember Jessica C. Shewmaker**

**MINUTES**

**CALL TO ORDER**

A Closed Session Meeting was called to order by Mayor Wu on Tuesday, June 2, 2020 at 6:00 p.m., in the City Hall Council Chambers, 1444 West Garvey Avenue South, West Covina, California.

**ROLL CALL**

**Council Members**

**Present:** Council Members Dario Castellanos, Lloyd Johnson, Jessica C. Shewmaker, Mayor Pro Tem Letty Lopez-Viado, Mayor Tony Wu – All Members were present via a GoToMeeting request

**Council Members**

**Absent:** None

**City Staff:** David Carmany City Manager, Mark Persico Assistant City Manager, Thomas P. Duarte City Attorney, Helen Tran Director of Human

Resources, Robbeyn Bird Finance Director, Linda Daube, Daube Law Group, Oliver Yee, **LCW** Legal via GoToMeeting request.

**PUBLIC COMMENTS ON ITEMS ON THE AGENDA**

None

**CLOSED SESSION**

CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code § 54957.6

City Negotiators: Carmany, Duarte

Employee Organizations

- Confidential Employees
- Maintenance & Crafts Employees
- Non-Sworn
- W.C. Police Officers' Association
- W.C. Firefighters' Management Assoc.
- W.C. Firefighters' Association, I.A.F.F., Local 3226
- General Employees
- Mid-Management Employees
- W.C. Police Management Association

Unrepresented Employee Group

- Department Heads

**REPORTING OUT**

City Attorney Thomas P. Duarte reported that no reportable action was taken during the closed session meeting.

**(THIS SPACE IS INTENTIONALLY LEFT BLANK)**

**ADJOURNMENT**

The Closed Session Meeting adjourned at 6:50 p.m., by Mayor Wu. The next regularly scheduled Closed Session City Council Meeting will be held on Tuesday, June 16, 2020 at 6:00 p.m. in the City Hall Council Chambers, 1444 West Garvey Avenue South, West Covina, California.

Submitted by:

---

Lisa Sherrick  
Assistant City Clerk

---

Tony Wu  
Mayor



## AGENDA STAFF REPORT

---

City of West Covina | Office of the City Manager

**DATE:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:** **CONSIDERATION OF GOVERNMENT TORT CLAIMS**

---

### RECOMMENDATION:

It is recommended that the City Council deny the following Government Tort Claims and the claimants be notified:

1. **Nancy Diaz** vs. The City of West Covina
2. **James Moss** vs. The City of West Covina
3. **Jacob Dominguez, Ann Martinez, Linda Quinonez, Oscar Escamillo, Mary Escamillo, Fabviola Rosales, Lorenzo Dominguez**  
**Estate of Gracie Contreras** vs. The City of West Covina

### BACKGROUND:

The California Tort Claims Act is the act that governs filing claims against a government entity. The Tort Claims Act is found in Division 3.6 of Title 1 of the Government Code (Govt. Code §§ 810 et seq.). The Tort Claims Act requires that all claims for money or damages against a public entity be presented in writing to the public entity before filing a lawsuit.

### DISCUSSION:

All claims should be considered potential lawsuits. As such, it is requested that all Councilmembers refrain from making specific public comments so as not to prejudice any claim. Specific questions should be referred to the City Attorney.

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

---

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



## AGENDA STAFF REPORT

---

City of West Covina | Office of the City Manager

**DATE:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: APPOINTMENT OF HUMAN RESOURCES COMMISSIONER ROSY FRANCO**

---

### RECOMMENDATION:

It is recommended that the City Council receive and file this informational report.

### BACKGROUND:

West Covina Municipal Code Section 2.66 established a 5-Member Human Resources Commission. Each City Councilmember has the power to appoint one (1) Human Resources Commissioner. To qualify, Commissioners must be 1) at least eighteen (18) years of age, and 2) a resident and registered voter of the City at the time of his or her appointment and throughout their term of office.

### DISCUSSION:

Mayor Tony Wu is announcing the appointment of Rosy Franco to the Human Resources Commission.

As required by California Government Code Section 54970 (Maddy Act) a notice of vacancy for this position was posted by the City Clerk on April 21, 2020. The filing period for those interested in submitting an application closed June 8, 2020. The City received eleven (11) qualified applications. The new appointee will assume office following the appointment and upon being administered the City's oath, and will serve unless removed by the City Council, or until replaced following the date of expiration of the appointing councilmember's term.

**Prepared by:** David Carmany, City Manager

---

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





## AGENDA STAFF REPORT

---

City of West Covina | Office of the City Manager

**DATE:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDER ADOPTION OF VEHICLE MILES TRAVELED ("VMT") AND THRESHOLDS OF SIGNIFICANCE FOR PURPOSES OF ANALYZING TRANSPORTATION IMPACTS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

---

### RECOMMENDATION:

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

**RESOLUTION NO. 2020-57 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING “VEHICLE MILES TRAVELED” THRESHOLDS OF SIGNIFICANCE FOR PURPOSES OF ANALYZING TRANSPORTATION IMPACTS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

### BACKGROUND:

On September 27, 2013, Governor Brown signed SB 743 into law and started a process intended to fundamentally change how transportation impact analysis is conducted as part of the California Environmental Quality Act (CEQA) review of projects. SB 743 eliminates Level of Service (LOS) as the basis for determining transportation impacts under CEQA and requires the use of Vehicle Miles Traveled (VMT) instead. The state is shifting the focus of CEQA traffic analysis from measuring a project's impact on automobile delay (LOS) to measuring the amount and distance of automobile travel that is attributable to a project (VMT). The State's goal in changing the metric used to determine a significant transportation impact is to encourage land use and transportation decisions that reduce greenhouse gas emissions, encourage infill development, and improve public health through active transportation.

### DISCUSSION:

Changes in state law require that cities adopt new CEQA thresholds of environmental significance for transportation impacts. For the purposes of CEQA, these changes will modify how cities evaluate projects for transportation impacts. Under the new legislation cities are required to use Vehicle Miles Traveled (VMT) instead of Level of Service (LOS) as the metric to evaluate transportation impacts in CEQA documents such as Environmental Impact Reports (EIRs). However, outside the CEQA process cities may choose to continue to evaluate projects using the LOS metric.

The City of West Covina joined with other cities in the San Gabriel Valley to pool resources and take a regional approach to complying with the new legislation. A regional approach reduced the cost to individual cities and allowed for the development of a more uniform approach to complying with the new CEQA requirements.

## **San Gabriel Valley Council of Governments Implementation Process**

After receiving consent from the majority of the San Gabriel Valley cities to develop a regional approach to addressing traffic issues, the San Gabriel Valley Council of Governments (SGVCOG) retained the traffic consultant Fehr and Peers based upon a competitive bidding process. The consultant analyzed existing traffic conditions in the region to arrive at a baseline standard from which to determine significance thresholds for future land use and transportation projects. The result defines recommendations for establishing methodology, thresholds, and technical tools and procedures for CEQA analysis and transportation impacts of land use and transportation projects and plans in the local jurisdictions within the San Gabriel Valley.

Staff is recommending that the City follow the guidelines established by the Governor's Office of Planning and Research ("OPR") in all the areas listed below. Following OPR guidelines allows the City to be consistent with surrounding jurisdictions, which makes the City economically competitive.

### **Analysis of CEQA Transportation Thresholds**

*Which projects should be exempt from VMT Analysis?*

- **Project Type Screening**

The City staff recommendation is to be consistent with OPR guidance to screen out retail projects up to 50,000 SF in floor area and projects generating less than 110 daily trips.

- **Low VMT Screening**

The City staff recommendation is to be consistent with OPR guidance to screen out residential and office projects located in low VMT areas. Low VMT is defined as 15% below the Baseline VMT metrics. Low VMT areas are shown in Attachment No. 3.

- **Transit Priority Area (TPA) Screening**

The City staff recommendation is to be consistent with OPR guidance to screen out projects in Transit Priority Areas be defined as locations within ½ mile of a transit stop/station with a minimum of 15-minute headways during peak commute hours. Transit Priority Areas are also shown in Attachment No. 3.

- **Affordable Housing Screening**

The City staff recommendation is to be consistent with OPR guidance to screen out affordable housing developments or affordable housing units within mixed-use developments.

A complete list of projects that can be Screened Out based on type is shown on Attachment No. 2.

*How does the City define its Baseline VMT?*

The Baseline VMT is defined as the average VMT for the area represented by the San Gabriel Valley Council of Governments, as measured by VMT per capita, VMT per employee, or VMT per service population. A project's VMT will be compared to the Baseline VMT when determining potential significant impacts.

*What is an appropriate VMT significant impact threshold?*

- **Land Use Plans:** To be consistent with OPR guidance, significant impacts would occur if the VMT per service population for the land use plan exceeds 15% below the Baseline VMT.
- **Land Use Projects:** To be consistent with OPR guidance, significant impacts would occur if a project generates VMT (per capita, per employee, or per service population) higher than 15% below the Baseline VMT.
- **Transportation Projects:** To be consistent with OPR guidance, significant impacts would occur if the projects

results in a net increase in VMT.

### *Existing Thresholds of Significance*

The City's existing thresholds of significance rely on the LOS criteria. Staff believes that this approach is still valid for analyzing local impacts to intersections in proximity to proposed projects. While the LOS analysis cannot be used for CEQA anymore, the City can choose to continue to use these thresholds outside the CEQA process. Therefore, staff is recommending that these thresholds be adopted as an official policy by the City Council.

## **GENERAL PLAN CONSISTENCY**

The new CEQA transportation impact thresholds are consistent with the objectives, principles, and standards of the West Covina General Plan. The Circulation and Land Use Elements have a number of actions and policies relevant to the new CEQA transportation impact thresholds, including the following:

"Our Natural Community" Policy 1.3- Minimize the adverse impact of growth and development on air quality and climate.

"Our Well-Planned Community" Policy 2.6 - Reduce West Covina's production of greenhouse gas emissions and contribution to climate change, and adapt to the effects of climate change.

*Action 2.6a* - Key land use adaptation strategies to reduce greenhouse gas emissions are: promoting transit-oriented infill development, and providing incentives for high-performance buildings and infrastructure.

"Our Accessible Community" Policy 4.2- Accommodate multimodal mobility, accessibility and safety needs when planning, designing, and implementing transportation improvements, improving access and circulation for all users of City streets.

*Action 4.2c* - Accommodate the needs of all travelers through a Complete Streets approach to designing new transportation improvements. Complete streets are roadways designed to facilitate safe, comfortable, and efficient travel for all roadway users.

"Our Accessible Community" Policy 4.4 - Allocate street space equitably among all modes.

*Action 4.4a* - Ensure that pedestrians, bicyclists, transit vehicles and automobiles each have space in the right-of-way that is consistent with the street's designated mobility function and land use context per street typologies and modal-priority overlays as defined in the Thoroughfares Plan.

"Our Accessible Community" Policy 4.6 - Work with transit providers to develop high-quality facilities for transit users, including access facilities.

"Our Resilient Community" Policy 5.1 (Circulation) - Promote fine-grained network of complete streets in new and redevelopment projects.

*Action 5.1* -Adjust development regulations and review processes to require new development and redevelopment projects to provide a fine-grained, interconnected, multimodal transportation network with a balance of motor vehicle, pedestrian, bike, and transit amenities.

"Our Resilient Community" Policy 5.5 (Transportation)- Implement a Complete Streets Policy for the city to ensure that the right of way will provide safe access for all users.

*Action 5.5* - Publish a Complete Streets Manual that provides engineering and design guidelines for different street typologies to better accommodate a mix of modes, including cars, public transportation, cyclists, and pedestrians; apply the standards in the manual to projects whenever possible.

"Our Healthy and Safe Community" Policy 6.1 - Promote and support transportation decisions that reduce driving and increase rates of transit use, walking, and biking.

*Action 6.1a* - Review and revise street standards to promote walking, transit use, and biking.

"Our Healthy and Safe Community" Policy 6.4 - Implement a Complete Streets Policy for the city to ensure that the right of way will provide safe access for all users.

Following adoption of the VMT standards, the San Gabriel Valley Council of Governments (SGVCOG) recommends that individual cities prepare new CEQA transportation impact thresholds for consideration by the City Council. Staff will begin drafting new thresholds following City Council adoption of the new VMT standards.

**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.

**ENVIRONMENTAL REVIEW:**

This Ordinance has been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the environmental regulations of the City. The adoption of new local CEQA thresholds of significance for transportation impacts and the adoption of new Local Transportation Assessment Guidelines will not have a significant environmental impact and are exempt from the CEQA pursuant to Section 15308 of Title 14 of the California Code of Regulations because the two actions are undertaken by the City for the protection of the environment. The revised CEQA thresholds will be compliant with a State mandate (SB 743) and will be used in a regulatory process (CEQA process) that involves procedures for the protection of the environment. Accordingly, the City Council will consider the recommendation to find the Resolution exempt from the environmental review requirements of CEQA pursuant to Section 15308 of Title 14 of the California Code of Regulations.

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

---

**Attachments**

Attachment No. 1 - Resolution No. 2020-57  
Attachment No. 2 - List of Projects that Can Be Screened  
Attachment No. 3 - Low VMT Areas (3 Maps)

---

**CITY COUNCIL GOALS & OBJECTIVES:** Enhance City Facilities and Infrastructure  
Engage in Proactive Economic Development

**RESOLUTION NO. 2020-57**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING “VEHICLE MILES TRAVELED” THRESHOLDS OF SIGNIFICANCE FOR PURPOSES OF ANALYZING TRANSPORTATION IMPACTS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**WHEREAS**, the California Environmental Quality Act Guidelines (“CEQA Guidelines”) encourage public agencies to develop and publish generally applicable “thresholds of significance” to be used in determining the significance of a project’s environmental effects; and

**WHEREAS**, CEQA Guidelines section 15064.7(a) defines a threshold of significance as “an identifiable quantitative, qualitative or performance level of a particular environmental effect, noncompliance with which means the effect will normally be determined to be significant by the agency and compliance with which means the effect normally will be determined to be less than significant”; and

**WHEREAS**, CEQA Guidelines section 15064.7(b) requires that thresholds of significance must be adopted by ordinance, resolution, rule, or regulation, developed through a public review process, and be supported by substantial evidence; and

**WHEREAS**, pursuant to CEQA Guidelines section 15064.7(c), when adopting thresholds of significance, a public agency may consider thresholds of significance adopted or recommended by other public agencies provided that the decision of the agency is supported by substantial evidence; and

**WHEREAS**, Senate Bill 743, enacted in 2013 and codified in Public Resources Code section 21099, required changes to the CEQA Guidelines regarding the criteria for determining the significance of transportation impacts of projects; and

**WHEREAS**, in 2018, the Governor’s Office of Planning and Research (“OPR”) proposed, and the California Natural Resources Agency certified and adopted, new CEQA Guidelines section 15064.3 that identifies vehicle miles traveled (“VMT”) – meaning the amount and distance of automobile travel attributable to a project – as the most appropriate metric to evaluate a project’s transportation impacts; and

**WHEREAS**, as a result, automobile delay, as measured by “Level of Service” and other similar metrics, generally no longer constitutes a significant environmental effect under CEQA; and

**WHEREAS**, the City’s project review process will retain “Level of Service” analysis to ensure consistency with the General Plan; and

**WHEREAS**, CEQA Guidelines section 15064.3 goes into effect on July 1, 2020, though public agencies may elect to be governed by this section immediately; and

**WHEREAS**, the City of West Covina, following a public review process consisting of a staff presentation before the City Council, wishes to adopt the VMT thresholds of significance for determining the significance of transportation impacts.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The City Council finds that the adoption of new local CEQA thresholds of significance for transportation impacts and the adoption of new Local Transportation Assessment Guidelines will not have a significant environmental impact and are exempt from the CEQA pursuant to Section 15308 of Title 14 of the California Code of Regulations because the two actions are undertaken by the City for the protection of the environment. The revised CEQA thresholds will be compliant with a State mandate (SB 743) and will be used in a regulatory process (CEQA process) that involves procedures for the protection of the environment. Accordingly, the City Council finds that adoption of this resolution is exempt from the environmental review requirements of CEQA pursuant to Section 15308 of Title 14 of the California Code of Regulations.

**SECTION 2.** The City Council hereby adopts the VMT thresholds of significance attached hereto as Exhibit A.

**SECTION 3.** The City Clerk shall certify to the adoption of this resolution and shall enter the same in the book of original resolutions and it shall become effective immediately.

**APPROVED AND ADOPTED** this 16th day of June, 2020.

---

Tony Wu  
Mayor

**APPROVED AS TO FORM:**

**ATTEST:**

---

Thomas P. Duarte  
City Attorney

---

Lisa Sherrick  
Assistant City Clerk

**ATTACHMENT NO.1**

I, LISA SHERRICK, Assistant City Clerk of the City of West Covina, California, do hereby certify that the foregoing Resolution No. 2020-57 was duly adopted by the City Council of the City of West Covina, California, at a regular meeting thereof held on the 16th day of June, 2020, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Lisa Sherrick  
Assistant City Clerk

## Exhibit A

### VMT Baselines and Thresholds of Significance

Consistent with State CEQA Guidelines section 15064.3, the City of West Covina has adopted the project baselines and thresholds of significance set forth in Table 1 to guide in determining when a project will have a significant transportation impact.

**TABLE 1**

Project Type	Thresholds
Land Use Plan	<ol style="list-style-type: none"><li>1) Project Impact: A significant impact would occur if the VMT rate for the plan would exceed the applicable baseline VMT rate.</li><li>2) Cumulative Project Effect: A significant impact would occur if the project increases total regional VMT compared to cumulative no project conditions.</li></ol>
Land Use Project	<ol style="list-style-type: none"><li>1) Project Impact: A significant impact would occur if the VMT rate for the project would exceed the applicable baseline VMT rate.</li><li>2) Cumulative Project Effect: A significant impact would occur if the project increases total regional VMT compared to cumulative no project conditions.</li></ol>
Retail Project (over 50,000 square feet)	<ol style="list-style-type: none"><li>1) Project Impact: A significant impact would occur if the VMT rate for the project would exceed the applicable baseline VMT.</li><li>2) Cumulative Project Effect: A significant impact would occur if the project increases total VMT in the study area compared to baseline conditions.</li></ol>
Transportation Project	A significant impact would occur if the project causes a net increase in total regional VMT compared to baseline conditions, opening year no project conditions, or cumulative no project conditions.
All land use and transportation projects	A significant impact would occur if the project is inconsistent with the RTP/SCS (Regional Transportation Plan/Sustainable Communities Strategy).

Note: Baseline VMT rate is defined as the rate for SGVCOG, per applicable service population.

The baseline VMT may be changed pending updates to the SCAG's RTP model.

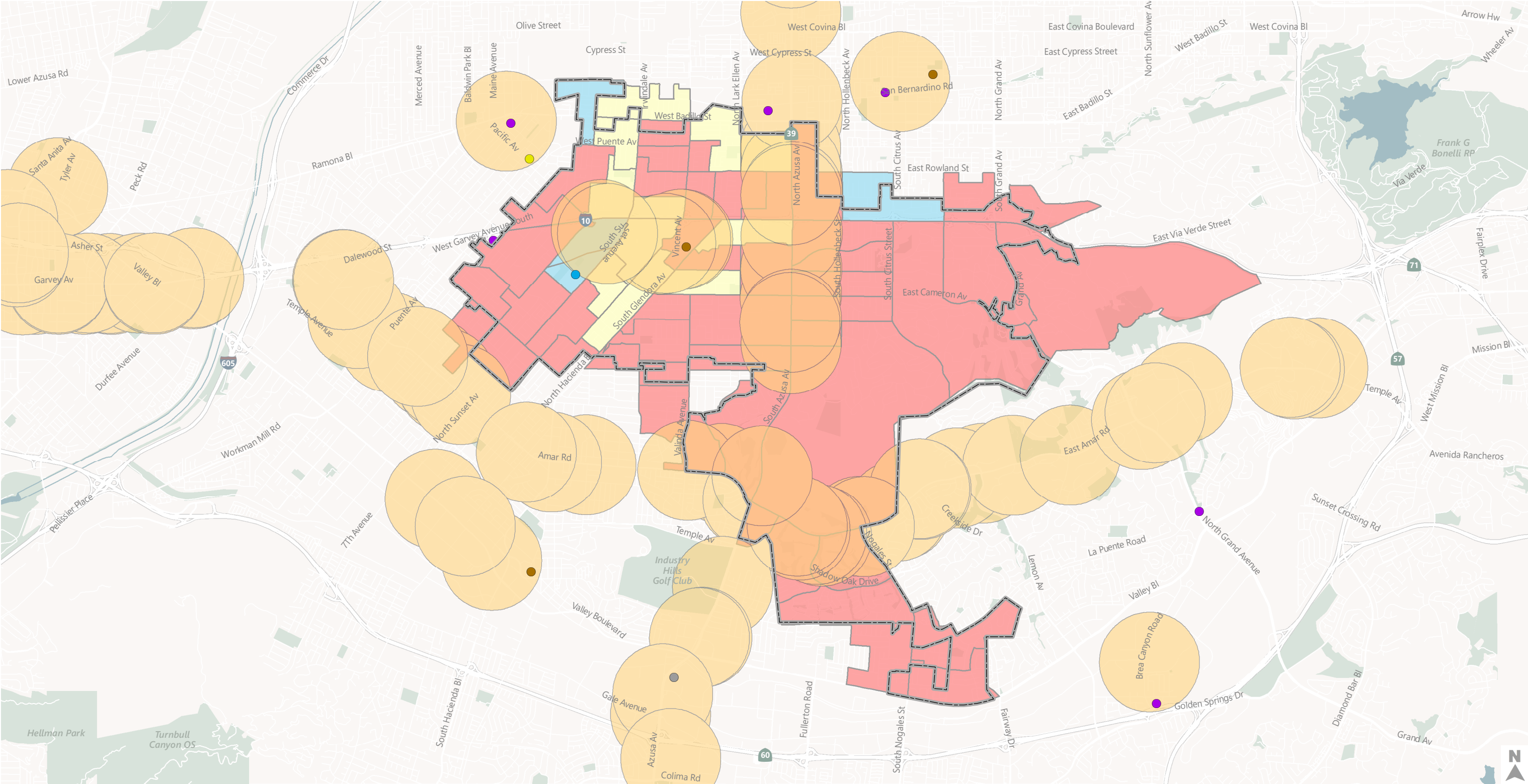


## List of Projects that Can Be Screened Out Based on Type

OPR identified local serving project types that may be presumed to have a less than significant impact absent substantial evidence to the contrary. Local serving retail projects (less than 50,000 square feet) generally improve the convenience of shopping close to home and has the effect of reducing vehicle travel. The City of West Covina will screen out the following projects.

The following uses are presumed to have a less than significant impact (absent substantial evidence to the contrary) as their uses are local serving in nature:

- Local serving retail (retail establishments less than 50,000 square feet in size)
- Local-serving K-12 schools
- Local parks
- Day care centers
- Local-serving retail uses less than 50,000 square feet, including:
  - o Gas stations
  - o Banks
  - o Restaurants
  - o Shopping Center
- Local-serving hotels (e.g. non-destination hotels)
- Student housing projects on or adjacent to a college campus
- Local-serving assembly uses (places of worship, community organizations)
- Community institutions (public libraries, fire stations, local government)
- Affordable, supportive, or transitional housing
- Assisted living facilities
- Senior housing (as defined by HUD)
- Local serving community colleges that are consistent with the assumptions noted in the RTP/SCS (Regional Transportation Plan/Sustainable Communities Strategy)
- Projects generating less than 110 daily vehicle trips. This generally corresponds to the following “typical” development potentials:
  - o 11 single family housing units
  - o 16 multi-family, condominiums, or townhouse housing units
  - o 10,000 sq. ft. of office
  - o 15,000 sq. ft. of light industrial
  - o 63,000 sq. ft. of warehousing
  - o 79,000 sq. ft. of high-cube transload and short-term storage warehouse
- Public parking garages and public parking lots



- Home-Based VMT per Capita Comparison

15% or more below SGVCOG Average

0 to 15% below SGVCOG Average

Higher than SGVCOG Average

No Residents
- Transit Priority Area (TPA)
- Land Use

Mixed Use

Multi-Family Residential

Single-Family Residential

Hotel

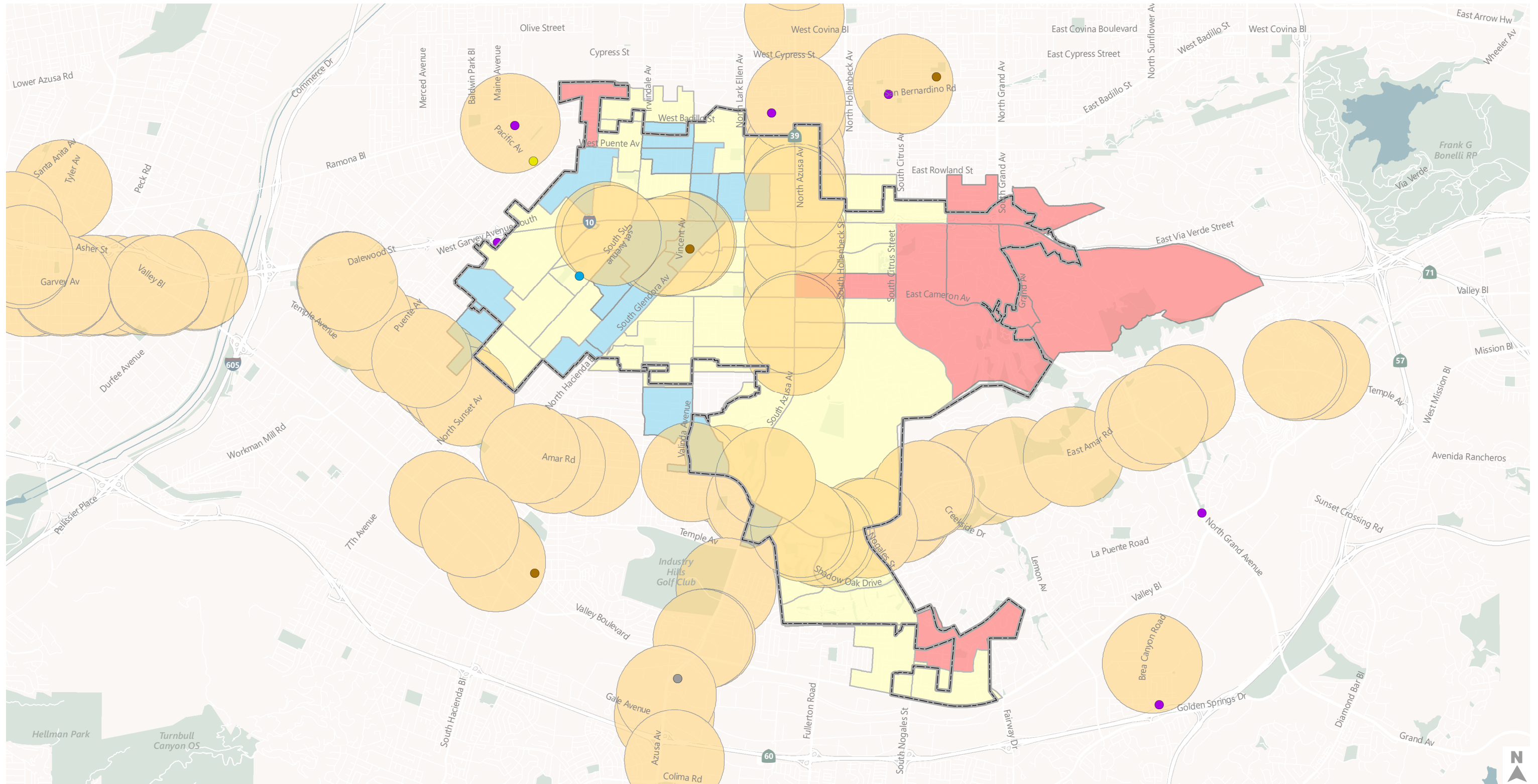
Medical

Industrial



Daily Residential Home-Based VMT per Capita for West Covina (2012)





Home-Based Work VMT per Employee Comparison

- 15% or more below SGVCOG Average
- 0 to 15% below SGVCOG Average
- Higher than SGVCOG Average

City Boundary

Transit Priority Area (TPA)

Land Use

- Mixed Use
- Multi-Family Residential
- Single-Family Residential

Hotel

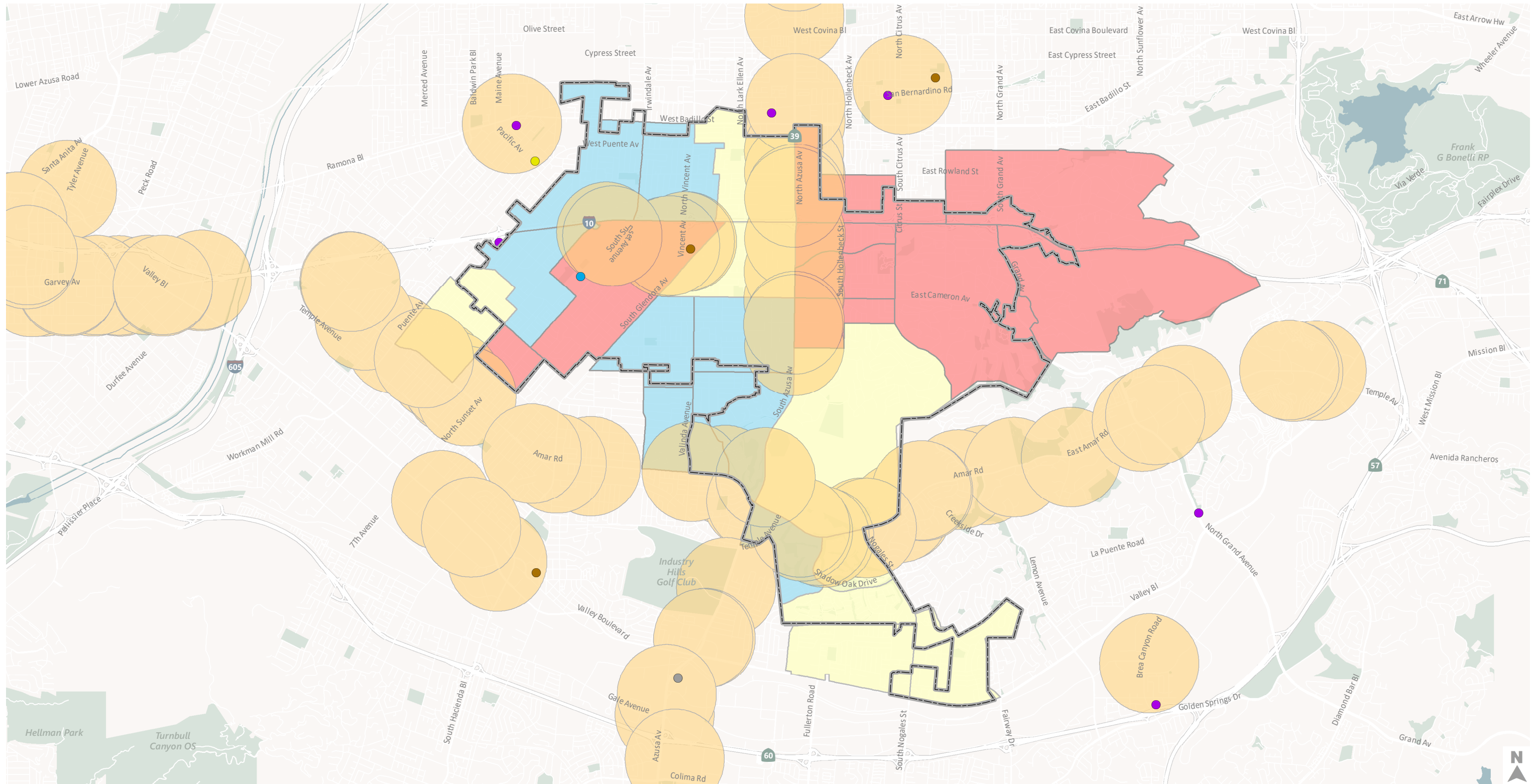
Medical

Industrial



Daily Home-Based Work VMT per Employee for West Covina (2012)





VMT per Service Population Comparison

- 15% or more below SGVCOG Average
- 0 to 15% below SGVCOG Average
- Higher than SGVCOG Average

City Boundary

Transit Priority Area (TPA)

Land Use

- Mixed Use
- Multi-Family Residential
- Single-Family Residential

- Hotel
- Medical
- Industrial





## AGENDA STAFF REPORT

---

City of West Covina | Office of the City Manager

**DATE:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 1 SETTING OF FISCAL YEAR 2020-21 ASSESSMENT RATE**

---

### RECOMMENDATION:

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

**RESOLUTION NO. 2020-59 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA SETTING THE ASSESSMENT RATE FOR WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR THE FISCAL YEAR BEGINNING JULY 1, 2020**

### BACKGROUND:

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

### DISCUSSION:

For Fiscal Year (“FY”) 2020-21, the assessment rate is proposed to be maintained at the current rate of 11.88 cents per 100 dollars of assessed value. At this rate, the annual assessment for a home and property valued at \$400,000 would be \$475.20. The total projected revenue is \$464,178 including \$4,178 in interest, which will continue to fund the current maintenance. Attachment No. 2 shows the history of assessment rates in this District for the last 15 years. There have been no increases in assessment rates since 2009.

LMD1 contains landscaped hillside slopes vegetated with plants, shrubbery, and trees. The current scope of work for the operations, maintenance, and care of these areas include 3 to 5-feet of fire clearing at the tops and toes of slopes and irrigation maintenance and repairs. As costs have risen, maintenance has suffered. It is estimated that the budget required for increased landscaping maintenance and operations scope is approximately double the existing LMD1 budget.

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

Pending completion of a further analysis, this report recommends that assessment rates be maintained at their current levels for Fiscal Year 2020-21.

### **OPTIONS:**

The City Council has the following options:

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

### **ENVIRONMENTAL REVIEW:**

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

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

---

### **Fiscal Impact**

#### **FISCAL IMPACT:**

For FY 2020-21, the assessment rate is proposed to be maintained at the current rate of 11.88 cents per 100 dollars of assessed value. The projected income from the recommended rates is \$460,000. In addition, \$4,178 is projected to be received in interest. The total projected revenue is \$464,178. The total funds available is \$2,553,173, including the \$2,088,995 fund balance from the previous fiscal year.

For FY 2020-21, the proposed operating budget for LMD1 is \$357,954, which is an increase of 2.0% when compared to the approved/amended budget for FY 2019-20. The proposed operating budget only funds regular landscape maintenance service.

---

### **Attachments**

Attachment No. 1 - Map

Attachment No. 2 - 15 Year Rate History

Attachment No. 3 - Financial Report

Attachment No. 4 - 10 Year Fiscal Projection

Attachment No. 5 - Resolution No. 2020-59

---

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

# Landscape Maintenance District 1



**West Covina  
Landscape Maintenance District No. 1  
15 Year Rate History**

<b>Fiscal Year</b>	<b>Cents per \$100 of Assessed Value</b>	<b>Assessments for Assessed Value of \$400,000</b>
<b>Proposed 2020-2021</b>	<b>11.88</b>	<b>\$475.20</b>
2019-2020	11.88	\$475.20
2018-2019	11.88	\$475.20
2017-2018	11.88	\$475.20
2016-2017	11.88	\$475.20
2015-2016	11.88	\$475.20
2014-2015	11.88	\$475.20
2013-2014	11.88	\$475.20
2012-2013	11.88	\$475.20
2011-2012	11.88	\$475.20
2010-2011	11.88	\$475.20
2009-2010	11.88	\$475.20
2008-2009	11.65	\$466.00
2007-2008	11.42	\$456.80
2006-2007	11.04	\$441.60



City of West Covina  
Landscape Maintenance District No. 1  
Fiscal Year 2020-21  
Financial Report  
Estimated Costs for Landscape Maintenance

	<i><u>Existing Maintenance</u></i>	<i><u>Optimal Maintenance</u></i>
<b><i>Previous Fiscal Year Fund Balance</i></b>	<b><i>\$2,088,995</i></b>	<b><i>\$2,088,995</i></b>
<b><i>Revenues</i></b>		
Assessment Income (Total Balance to Levy)	\$460,000	\$460,000
Interest	4,178	4,178
<b>Total Projected Revenue</b>	<b>\$464,178</b>	<b>\$464,178</b>
<b><i>Expenditures</i></b>		
<b>Direct Maintenance</b>		
Personnel Services	\$112,062	\$224,124
<b>Materials and Services</b>		
Maintenance Contracts	118,526	237,052
Utilities (electricity & water)	70,000	140,000
Maintenance Supplies	5,000	10,000
Property & Liability Insurance	6,538	13,076
Administration & Overhead	45,828	91,656
<b>Total Direct Maintenance</b>	<b>\$357,954</b>	<b>\$715,908</b>
<b>Capital Improvement</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Operating and Capital Budget</b>	<b>\$357,954</b>	<b>\$715,908</b>
<b><i>Ending Fund Balance</i></b>	<b><i>\$2,195,219</i></b>	<b><i>\$1,837,265</i></b>

Note: The variance is the amount needed to support the recommended increased scope of work for Landscape Maintenance District 1. The recommended scope of work includes tree trimming of the hillside trees on a trimming cycle and landscape maintenance including trash removal and clearing of the hillside plants and shrubbery.

**West Covina Landscape Maintenance District No. 1**  
**10 Year Fiscal Projection**

Percent Increase	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Fiscal Year	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30
<b>Assessment Income</b>	<b>\$460,000</b>	<b>\$460,000</b>	<b>\$460,000</b>	<b>\$460,000</b>	<b>\$460,000</b>	<b>\$460,000</b>	<b>\$460,000</b>	<b>\$460,000</b>	<b>\$460,000</b>	<b>\$460,000</b>
Interest <sup>(1)</sup>	4,178	4,390	4,478	4,568	4,659	4,752	4,847	4,944	5,043	5,144
Prior Year Balance	2,088,995	2,195,219	2,239,123	2,283,906	2,329,584	2,376,176	2,423,699	2,472,173	2,521,617	2,572,049
<b>Total Funding</b>	<b>\$2,553,173</b>	<b>\$2,604,236</b>	<b>\$2,656,321</b>	<b>\$2,709,448</b>	<b>\$2,763,637</b>	<b>\$2,818,909</b>	<b>\$2,875,287</b>	<b>\$2,932,793</b>	<b>\$2,991,449</b>	<b>\$3,051,278</b>
Maintenance Costs <sup>(2)</sup>	357,954	365,113	372,415	379,864	387,461	395,210	403,114	411,177	419,400	427,788
Capital Improvements	0									
<b>Total Cost</b>	<b>\$357,954</b>	<b>\$365,113</b>	<b>\$372,415</b>	<b>\$379,864</b>	<b>\$387,461</b>	<b>\$395,210</b>	<b>\$403,114</b>	<b>\$411,177</b>	<b>\$419,400</b>	<b>\$427,788</b>
<b>Ending Balance</b>	<b>\$2,195,219</b>	<b>\$2,239,123</b>	<b>\$2,283,906</b>	<b>\$2,329,584</b>	<b>\$2,376,176</b>	<b>\$2,423,699</b>	<b>\$2,472,173</b>	<b>\$2,521,617</b>	<b>\$2,572,049</b>	<b>\$2,623,490</b>
Assess. Per \$400k										
Assessed Valuation <sup>(3)</sup>	\$475.20	\$475.20	\$475.20	\$475.20	\$475.20	\$475.20	\$475.20	\$475.20	\$475.20	\$475.20
Rate per \$100										
Assessed Valuation <sup>(4)</sup>	\$0.1188	\$0.1188	\$0.1188	\$0.1188	\$0.1188	\$0.1188	\$0.1188	\$0.1188	\$0.1188	\$0.1188

Notes: (1) Interest is 0.4% of one- half of the previous year ending balance.  
(2) 2% increase in maintenance cost each year due to inflation.  
(3) 1% increase in assessed valuation each year is allowable.  
(4) Previously approved maximum highest rate, \$0.1875.

RESOLUTION NO. 2020-59

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF WEST COVINA, CALIFORNIA, SETTING THE  
ASSESSMENT RATE FOR WEST COVINA LANDSCAPE  
MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR  
BEGINNING JULY 1, 2020**

THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, DOES  
HEREBY RESOLVE AS FOLLOWS:

**SECTION 1.** As applicable, the assessment levied on the real property is exempt from the application of Article XIII A, Section 1 (A) and Article XIII C of the Constitution of the State of California and is levied for the benefit of the residents of the City of West Covina Landscape Maintenance District No. 1 (“LMD1”).

**SECTION 2.** The amount of funds necessary to be raised by the assessment, upon the assessable property within LMD1, for the current Fiscal Year beginning July 1, 2020, is hereby fixed as follows:

For the cost of maintaining and operating the open space, improvements, and facilities thereon within the LMD1 in the amount of \$357,954

**SECTION 3.** For the purpose of raising the funding necessary to be raised by the assessment upon the assessable property within LMD1, as revenue to maintain and operate the open space, improvements and facilities within the LMD1, the rate is hereby fixed and the assessment is hereby set on all assessable real property in the LMD1 for the Fiscal Year beginning July 1, 2020, at the rate of 11.88 cents upon 100 dollars of assessed value of said assessable real property as assessed by the County Assessor and equalized by the Assessment Appeals Board of the County of Los Angeles and with respect to certain property as assessed by the State Board of Equalization and equalized by said Board as follows:

Estimated Assessed Value of Land within Entire District	\$277,261,901
---	---------------

Benefit Assessment Rate	\$0.1188 per one hundred dollars
-------------------------	----------------------------------

No separate tax is being levied upon the assessable property within any zone in LMD1 for the Fiscal year beginning July 1, 2020, and no funds are being raised to finance special services within LMD1.

**SECTION 4.** The City Council finds that the levy and collection of these assessments is statutorily exempt from the California Environmental Quality Act under § 15273 of the Guidelines. In addition, the capital improvements proposed for LMD1 are of minor nature and, therefore, categorically exempt from the requirements for environmental compliance.

**SECTION 5.** The City Clerk shall certify to the adoption of this resolution and shall enter the same in the book of original resolutions and it shall become effective immediately.

**APPROVED AND ADOPTED** this 16th day of June, 2020.

---

Tony Wu  
Mayor

**APPROVED AS FORM**

**ATTEST**

---

Thomas P. Duarte  
City Attorney

---

Lisa Sherrick  
Assistant City Clerk

I, LISA SHERRICK, ASSISTANT CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing Resolution No. 2020-59 was duly adopted by the City Council of the City of West Covina, California, at a regular meeting thereof held on the 16th day of June, 2020, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Lisa Sherrick  
Assistant City Clerk



## AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDER SETTING OF FISCAL YEAR 2020-21 ASSESSMENT RATE FOR WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 2**

---

### RECOMMENDATION:

It is recommended that the City Council adopt the following resolution, which provides for the assessment rate to be maintained at the current rate.

**RESOLUTION NO. 2020-60 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA SETTING THE ASSESSMENT RATE FOR WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 2 FOR THE FISCAL YEAR BEGINNING JULY 1, 2020**

### BACKGROUND:

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

### DISCUSSION:

For Fiscal Year (“FY”) 2020-21, the assessment rate is proposed to be maintained at the current rate of 6.60 cents per 100 dollars of assessed value. At this rate, the annual assessment for a home and property valued at \$400,000 would be \$264.00 per year. The total projected revenue is \$148,470 plus \$737 in interest, which will continue to fund the current maintenance activities. Attachment No. 2 shows the history of assessment rates in this district for the last 15-years. There have been no increases in assessment rates over the last four years.

LMD2 contains lighted paseos landscaped hillside slopes vegetated with plants, shrubbery, and trees. The current scope of work for the operations, maintenance, and care of these areas include 3 to 5-feet of fire clearing at the tops and toes of slopes and irrigation maintenance and repairs. Increased scope of work for LMD2 is recommended to include the modification of the paseo lighting to LED for energy cost savings, repair and replacement of light

standards, hardscape repair and replacement of off-grade, cracked and broken areas, tree trimming of the hillside trees on a trimming cycle, and landscape maintenance including trash removal and clearing of the hillside plants and shrubbery. It is estimated that the budget required for the increased lighting, hardscape, and landscaping scope is approximately double the existing LMD2 budget.

As costs have risen, maintenance has suffered. It is estimated that the budget required for increased landscaping maintenance and operations scope is approximately double the existing LMD2 budget.

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

Pending completion of a further analysis, this report recommends that assessment rates be maintained at their current levels for Fiscal Year 2020-21.

### **OPTIONS:**

The City Council has the following options:

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

### **ENVIRONMENTAL REVIEW:**

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

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

---

### **Fiscal Impact**

#### **FISCAL IMPACT:**

For FY 2020-21, the assessment rate is proposed to be maintained at the current rate of 6.60 cents per 100 dollars of assessed value. The projected income from the recommended rates is \$148,470. In addition, \$737 is projected to be received in interest, thus the total projected revenue is \$149,207. The total funds available is \$517,752, including the \$368,545 fund balance from the previous fiscal year.

For FY 2020-21, the proposed operating budget for LMD2 is \$151,393, which is an increase of 1.87% when compared to the approved/amended budget for FY 2019-20. The proposed operating budget only funds regular landscape maintenance service.

Furthermore, a portion of LMD2 is overlaid by Landscape Maintenance District No. 4 (LMD4). LMD4 benefit assessment district was formed in 1975 to encompass the previously remaining undeveloped areas of the Woodside Village planned community development. As a result, a portion of the assessment collected from LMD2 is reimbursed to LMD 4. In turn, this benefit assessment within the overlaid portion of LMD4 is reduced proportionately to reflect this reimbursement. For FY 2020-21, the reimbursement is \$9,000 to reflect the appropriate share of the actual assessment collections. LMD4 rates were adopted by the City Council on June 2, 2020.

In addition, for the 370 properties that are within the overlaid portion of LMD4, the property owners pay an assessment to LMD4 that ranges from \$77.89 to \$260.98 per year. This assessment is based on the benefit received by the property from the surrounding landscaping improvements.

---

### **Attachments**

Attachment No. 1 - Map

Attachment No. 2 - 15 Year Rate History

Attachment No. 3 - Financial Report

Attachment No. 4 - 10 Year Fiscal Projection

Attachment No. 5 - Resolution No. 2020-60

---

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

# Landscape Maintenance District 2





**West Covina  
Landscape Maintenance District No. 2  
15 Year Rate History**

<b>Fiscal Year</b>	<b>Per \$100 of Assessed Value</b>	<b>Assessment for Assessed Value of \$400,000</b>
<b>Proposed 2020-2021</b>	<b>\$0.0660</b>	<b>\$264.00</b>
2019-2020	\$0.0660	\$264.00
2018-2019	\$0.0660	\$264.00
2017-2018	\$0.0660	\$264.00
2016-2017	\$0.0643	\$257.20
2015-2016	\$0.0643	\$257.20
2014-2015	\$0.0643	\$257.20
2013-2014	\$0.0643	\$257.20
2012-2013	\$0.0630	\$252.00
2011-2012	\$0.0630	\$252.00
2010-2011	\$0.0630	\$252.00
2009-2010	\$0.0630	\$252.00
2008-2009	\$0.0618	\$247.20
2007-2008	\$0.0606	\$242.40
2006-2007	\$0.0592	\$236.80

City of West Covina  
Landscape Maintenance District No. 2  
Fiscal Year 2020-21  
Estimated Costs for Landscape Maintenance

	<u>Existing Maintenance</u>	<u>Optimal Maintenance</u>
<b>Previous Fiscal Year Fund Balance</b>	<b>\$368,545</b>	<b>\$368,545</b>
<b>Revenues</b>		
Assessment Income (Total Balance to Levy)	\$148,470	\$148,470
Interest	737	737
<b>Total Projected Revenue</b>	<b>\$149,207</b>	<b>\$149,207</b>
<b>Expenditures</b>		
<b>Direct Maintenance</b>		
Personnel Services	\$72,845	\$145,690
<b>Materials and Services</b>		
Maintenance Contracts	28,437	56,874
Utilities (electricity & water)	8,620	17,240
Maintenance Supplies	1,000	2,000
Property & Liability Insurance	14,944	29,888
Administration & Overhead	16,547	33,094
<b>Total Direct Maintenance</b>	<b>\$142,393</b>	<b>\$284,786</b>
<b>Fund Transfer</b>	<b>\$9,000</b>	<b>\$9,000</b>
<b>Capital Improvement <sup>(1)</sup></b>	<b>\$0</b>	<b>\$0</b>
<b>Total Operating and Capital Budget</b>	<b>\$151,393</b>	<b>\$293,786</b>
<b>Ending Fund Balance</b>	<b>\$366,359</b>	<b>\$223,966</b>

WEST COVINA MAINTENANCE DISTRICT NO. 2  
10-YEAR FISCAL PROJECTION - RECOMMENDATION (0.0% INCREASE)

Percent Increase	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Fiscal Year	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30
Assessment Income <sup>(1)</sup>	\$148,470	\$149,955	\$151,454	\$152,969	\$154,498	\$156,043	\$157,604	\$159,180	\$160,772	\$162,379
Interest <sup>(2)</sup>	737	733	715	697	679	661	643	625	607	589
Prior Yr. Balance	368,545	366,359	357,359	348,359	339,359	330,359	321,359	312,359	303,359	294,359
Total Funding	\$517,752	\$528,107	\$538,669	\$549,443	\$560,432	\$571,640	\$583,073	\$594,734	\$606,629	\$618,762
Operating Exp.	142,393	145,241	148,146	151,109	154,131	157,213	160,358	163,565	166,836	170,173
Fund Transfers	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
CIP										
Total Cost	\$151,393	\$154,241	\$157,146	\$160,109	\$163,131	\$166,213	\$169,358	\$172,565	\$175,836	\$179,173
Ending Balance	\$366,359	\$357,359	\$348,359	\$339,359	\$330,359	\$321,359	\$312,359	\$303,359	\$294,359	\$285,359
Assess. Per \$400k										
Assessed Valuation <sup>(3)</sup>	\$257.20	\$257.20	\$257.20	\$257.20	\$257.20	\$257.20	\$257.20	\$257.20	\$257.20	\$257.20
Rate per \$100										
Assessed Valuation <sup>(4)</sup>	\$0.0643	\$0.0643	\$0.0643	\$0.0643	\$0.0643	\$0.0643	\$0.0643	\$0.0643	\$0.0643	\$0.0643

- Notes:
- (1) 1% increase in maintenance cost each year due to inflation.

(2) Interest is 0.4% of one- half of the previous year ending balance.

(3) 1% increase in assessed valuation each year is allowable.

(4) Previously approved maximum highest rate, \$0.1875 cents.

**RESOLUTION NO. 2020-60**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF WEST COVINA, CALIFORNIA, SETTING THE  
ASSESSMENT RATE FOR WEST COVINA LANDSCAPE  
MAINTENANCE DISTRICT NO. 2 FOR FISCAL YEAR  
BEGINNING JULY 1, 2020**

THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, DOES  
HEREBY RESOLVE AS FOLLOWS:

**SECTION 1.** As applicable, the assessment levied on the real property is exempt from the application of Article XIII A, Section 1 (A) and Article XIII C of the Constitution of the State of California and is levied for the benefit of the residents of the City of West Covina Landscape Maintenance District No. 2 ("LMD2").

**SECTION 2.** The amount of funds necessary to be raised by the assessment, upon the assessable property within LMD2, for the current Fiscal Year beginning July 1, 2020, is hereby fixed as follows:

For the cost of maintaining and operating the open space, improvements, and facilities thereon within the LMD2 in the amount of \$151,393.

**SECTION 3.** For the purpose of raising the funding necessary to be raised by the assessment upon the assessable property within LMD2, as revenue to maintain and operate the open space, improvements and facilities within the LMD2, the rate is hereby fixed and the assessment is hereby set on all assessable real property in the LMD2 for the Fiscal Year beginning July 1, 2020, at the rate of 6.60 cents upon 100 dollars of assessed value of said assessable real property as assessed by the County Assessor and equalized by the Assessment Appeals Board of the County of Los Angeles and with respect to certain property as assessed by the State Board of Equalization and equalized by said Board as follows:

Estimated Assessed Value of Land within Entire District	\$232,909,638
---	---------------

Benefit Assessment Rate	\$0.0660 per hundred dollars
-------------------------	------------------------------

No separate tax is being levied upon the assessable property within LMD2 for the Fiscal year beginning July 1, 2020, and no funds are being raised to finance special services within LMD2.

**SECTION 4.** The City Council finds that the levy and collection of these assessments is statutorily exempt from the California Environmental Quality Act under § 15273 of the Guidelines. In addition, the capital improvements proposed for LMD2 are of minor nature and, therefore, categorically exempt from the requirements for environmental compliance.

**SECTION 5.** The City Clerk shall certify to the adoption of this resolution and shall enter the same in the book of original resolutions and it shall become effective immediately.

**APPROVED AND ADOPTED** this 16th day of June, 2020.

---

Tony Wu  
Mayor

**APPROVED AS FORM**

**ATTEST**

---

Thomas P. Duarte  
City Attorney

---

Lisa Sherrick  
Assistant City Clerk

I, LISA SHERRICK, ASSISTANT CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing Resolution No. 2020-60 was duly adopted by the City Council of the City of West Covina, California, at a regular meeting thereof held on the 16th day of June, 2020, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Lisa Sherrick  
Assistant City Clerk



## AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDER INITIATION OF CODE AMENDMENT NO 20-06 REGARDING WIRELESS  
TELECOMMUNICATION FACILITIES WITHIN ALL LAND-USE ZONES**

---

### RECOMMENDATION:

That the City Council adopt the following resolution:

**RESOLUTION NO. 2020-58 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST  
COVINA, CALIFORNIA, INITIATING CODE AMENDMENT NO. 20-06 RELATED TO  
WIRELESS TELECOMMUNICATION FACILITIES WITHIN ALL LAND USE ZONES**

### BACKGROUND:

At the May 19, 2020 City Council meeting, the City Council requested that standards for Wireless Telecommunication Facilities on private property be revised to be made consistent with the review process for Wireless Telecommunication Facilities in the Public Right-of-Way that the City Council adopted through Ordinance No. 2470.

### DISCUSSION:

If the City Council initiates the code amendment, the Planning Commission will schedule a study session to evaluate the standards for wireless telecommunication facilities within all land-use zones in the West Covina Municipal Code. Following the Planning Commission study session, staff will prepare the code amendment and schedule a Planning Commission public hearing during which the Commission would make a formal recommendation to the City Council.

### LEGAL REVIEW:

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

### OPTIONS:

The City Council has the following options:

1. Adopt staff's recommendation;
2. Receive and file the report thereby declining to initiate a code amendment;
3. Provide alternative direction.

**ENVIRONMENTAL REVIEW:**

The proposed code amendment initiation is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines in that it consists of a code amendment initiation, which does not have the potential for causing a significant effect on the environment.

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

---

**Attachments**

Attachment No. 1 - Resolution No. 2020-58

---

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

## **RESOLUTION NO. 2020-58**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, INITIATING CODE AMENDMENT NO. 20-06 RELATED TO WIRELESS TELECOMMUNICATION FACILITIES WITHIN ALL LAND USE ZONES**

**WHEREAS**, on May 19, 2020, the City Council requested that a code amendment be initiated regarding standards for wireless facilities located on private property in the West Covina Municipal Code; and

**WHEREAS**, the studies and investigations made by the City Council and on its behalf reveal the following facts:

1. Standards for wireless telecommunication facilities located on private property and government property were last updated on February 1, 2011.
2. It is appropriate to consider updating development standards and the review process for wireless telecommunication facilities within all land use zones.
3. The proposed action is considered to be exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the CEQA Guidelines, in that the proposed action consists of an initiation of a code amendment, which does not have the potential for causing a significant effect on the environment.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The City Council of the City of West Covina, in conformance with Section 26-153(a)(2) of the West Covina Municipal Code, hereby initiates a code amendment related to wireless telecommunication facilities within all land use zones of the City.

**SECTION 2.** The City Clerk shall certify to the adoption of this resolution and shall enter the same in the book of original resolutions and it shall become effective immediately.

**APPROVED AND ADOPTED** this 16th day of June, 2020.

---

Tony Wu  
Mayor



**APPROVED AS TO FORM:**

**ATTEST:**

---

Thomas P. Duarte  
City Attorney

---

Lisa Sherrick  
Assistant City Clerk

I, LISA SHERRICK, ASSISTANT CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing Resolution No. 2020-58 was duly adopted by the City Council of the City of West Covina, California, at a regular meeting thereof held on the 16th day of June, 2020, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Lisa Sherrick  
Assistant City Clerk



## AGENDA STAFF REPORT

---

City of West Covina | Office of the City Manager

**DATE:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF FISCAL YEAR 2020-21 PROJECTS FUNDED BY SENATE BILL 1:  
THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

---

### RECOMMENDATION:

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

**RESOLUTION NO. 2020-63 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING A LIST OF FISCAL YEAR 2020-21 PROJECTS FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

### BACKGROUND:

On April 28, 2017, Governor Brown signed Senate Bill 1 (SB1), which is known as the Road Repair and Accountability Act of 2017, to address basic road maintenance, rehabilitation and critical safety needs on both State highways and local streets. SB1 increased per gallon fuel excise taxes; increased diesel fuel sales taxes and vehicle registration fees; and provides for inflationary adjustments to tax rates in future years.

Since November 1, 2017, the State Controller has deposited various portions of this new funding into the newly created Road Maintenance and Rehabilitation Account (RMRA). A percentage of this new RMRA funding was apportioned by a formula to eligible cities pursuant to Streets and Highways Code (SHC) section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on local streets and roads.

Cities receiving RMRA funds must comply with all relevant Federal and State laws, regulations, policies, and procedures. In order to receive RMRA funds, the City must annually expend for street, road, and highway purposes an amount not less than the annual average of its expenditures from its General Fund during the 2009-10 (\$655,146), 2010-11 (\$446,279), and 2011-12 (\$600,020) fiscal years. The City's average expenditures for this three-year period was \$567,148, which is the minimum Maintenance of Effort (MOE) required to receive SB1 funding. This amount was calculated by the State Controller's Office based on information provided by the Finance Department during base years.

Pursuant to SHC section 2034(a)(1), prior to the apportionment of funds under the program, the City is required to submit to the California Transportation Commission (CTC) a list of eligible projects to be funded with RMRA funds pursuant to a resolution adopted by the City Council at a regular meeting.

### DISCUSSION:

It is estimated that the City will receive an estimated \$1,858,151 in RMRA funding for Fiscal Year 2020-21 from SB1.

The City is proposing that the FY 2020-21 RMRA funding be allocated to the following projects:

- Azusa Avenue AC Roadway Rehabilitation based on the recommendation identified within the City's Pavement Management System (PMS).
- Residential Streets AC Roadway Rehabilitation based on the recommendation identified within the City's PMS.

**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:** Okan Demirci, PE, CIP Manager

---

**Fiscal Impact**

**FISCAL IMPACT:**

In order to receive Road Maintenance and Repair Account funds, the City must meet a "maintenance of effort" requirement using discretionary funding from the General Fund in the amount of \$567,148. The Fiscal Year 2020-21 Capital Improvement Program budget includes \$2,067,148 for the Annual Residential Streets Rehabilitation Project, including SB-1 funds.

---

**Attachments**

Attachment No. 1 - Resolution 2020-63

---

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

**RESOLUTION NO. 2020-63**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF WEST COVINA, CALIFORNIA, APPROVING A LIST  
OF FISCAL YEAR 2020-2021 PROJECTS FUNDED BY  
SENATE BILL 1: THE ROAD REPAIR AND  
ACCOUNTABILITY ACT OF 2017**

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

**WHEREAS**, SB1 includes accountability and transparency provisions that will ensure the residents of the City are aware of the projects proposed for funding in the community and which projects have been completed each fiscal year; and

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

**WHEREAS**, the City, will receive an estimated \$1,858,151 in RMRA funding in Fiscal Year 2020-21 from SB 1; and

**WHEREAS**, this is the fourth year in which the City is receiving SB 1 funding. The funding will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, repair and replace aging bridges, and increase access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

**WHEREAS**, the City used a Pavement Management System (StreetSaver) to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

**WHEREAS**, the funding from SB 1 will help the City maintain and rehabilitate the local streets identified in this resolution throughout the City; and

**WHEREAS**, the 2018 California Statewide Local Streets and Roads Needs Assessment found that the City's streets and roads are in "at-risk" condition, and this revenue will help the City increase the overall quality of its road system and over the next decade will bring City streets and roads into a better condition; and

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

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WEST COVINA,  
CALIFORNIA DOES HEREBY RESOLVE AS FOLLOWS:**

1. The foregoing recitals are true and correct.
2. The following list of proposed projects will be funded with Fiscal Year 2020-21 Road Maintenance and Rehabilitation Account revenues:

<b>Description</b>	<b>Location</b>	<b>Estimated Useful Life</b>	<b>Anticipated Project Schedule Start</b>	<b>Anticipated Project Schedule Completion</b>
Azusa Avenue AC Roadway Rehabilitation based on the recommendation identified within the City's Pavement Management System (PMS).	Azusa Avenue between Vine Ave to North City Limit	15	03/2021	08/2021
Residential Streets AC Roadway Rehabilitation based on the recommendation identified within the City's Pavement Management System (PMS).	Detailed in Exhibit A	10	03/2021	08/2021

**APPROVED AND ADOPTED** this 16th day of June, 2020.

---

Tony Wu  
Mayor

**APPROVED AS FORM**

**ATTEST**

---

Thomas P. Duarte  
City Attorney

---

Lisa Sherrick  
Assistant City Clerk

**ATTACHMENT NO. 1**

I, LISA SHERRICK, ASSISTANT CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing Resolution No. 2020-63 was duly adopted by the City Council of the City of West Covina, California, at a regular meeting thereof held on the 16th day of June, 2020, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Lisa Sherrick  
Assistant City Clerk

## EXHIBIT A –

### RESIDENTIAL STREETS AC ROADWAY REHABILITATION BASED ON THE RECOMMENDATION IDENTIFIED WITHIN THE CITY'S PAVEMENT MANAGEMENT SYSTEM (PMS)

Street Name	Begin Location	End Location
CAMBRIDGE CT	DOUBLEGROVE ST	END OF STREET
EVENINGSIDE DR	BRENTWOOD DR	ALLEY WY
Fairgrove Ave	NW City Boundary	SE City Boundary
South Garvey Ave	Cherrywood St	Azusa Ave
AUBURN DR	MICHELLE ST	END OF STREET
Fairgrove Ave	Nelson St	Azusa Ave
NEWCREST DR	VARILLA DR	ALMANAC DR.
AJAX CIRCLE	RODNEY RD	END OF STREET
BARHAM AVE	RODNEY RD	END OF STREET
CUMBERLAND DR	RENOWN TER	NELSON ST
FLEETWELL AVE	MICHELLE ST	McWOOD ST
South Garvey Ave	Lark Ellen Ave	Cherrywood St
South Garvey Ave	Cherrywood St	Lark Ellen Ave
South Garvey Ave	Azusa Ave	Cherrywood St
ADUL ST	GRAND VIEW LN	END OF STREET
ALASKA ST	GLENVIEW RD	AZUSA AVE
ALMANAC DR	AUTUMN DR	ALMANAC DR
AUTUMN DR	ALMANAC DR	DOUBLEGROVE ST
AVINGTON AVE	MAPLEGROVE ST	END OF STREET
BAUER DR	MEADOW SIDE ST	FORD DR
BERGLUND DR	FORD DR	MEADOWSIDE ST
BRENTWOOD DR	ALLEY WY	END OF STREET
BROOKTREE CIRCLE	EVENINGSIDE DR	END OF STREET
CAMPER DR	MAPLEGROVE ST	END OF STREET
Cortez St	Citrus St	Intersection
Cortez St	Citrus St	Intersection
DEREK COURT	EDENVIEW LN	END OF STREET
DIANE PL	SCOTT RD	KELLY WY
DORE ST	EDENVIEW LN	END OF STREET

Street Name	Begin Location	End Location
DORE ST	GRAND VIEW LN	VALINDA AVE
DOUBLEGROVE ST	1628 DOUBLEGROVE ST	SEASON AVE
DRYDEN LN	HARRINGTON WY	END OF STREET
ECLIPSE WY	LYNDA LN	JENNIFER PL
EDENVIEW LN	MERRYL LN	ADUL ST
EVENINGSIDE DR	FAIRGROVE AVE	ALLEY WY
Fairgrove Ave	Lark Ellen Ave	Molokai
Fairgrove Ave	Molokai	Lark Ellen Ave
Fairgrove Ave	Molokai	Nelson St
Fairgrove Ave	Azusa Ave	Nelson St
FLEETWELL AVE	GREENVILLE DR	END OF STREET
FORD DR	BAUER DR	BERGLUND DR
Francisquito Ave	Hyacinth Ave	Azusa Ave
Francisquito Ave	Azusa Ave	Hyacinth Ave
GLENVIEW RD	VINE AVE	MERCED AVE
GLENVIEW RD	1621 THACKERY ST	VINE AVE
GLENVIEW RD	THACKERY ST	END OF STREET
GRAND VIEW LN	AMAR RD	EDEN VIEW LN
GREENVILLE DR	AZUSA AVE	GLENVIEW RD
GRENOBLE AVE	AZUSA AVE	DOUBLEGROVE ST
HARRINGTON WY	SUMMERPLACE DR	DRYDEN LN
HARVEST MOON ST	LARK ELLEN AVE	END OF STREET
HERRING AVE	LARKELLEN AVE	LEAF AVE
HOLLY OAK PL	HOLLY OAK DR	END OF STREET
JENNIFER PL	PASS AND COVINA RD	ECLIPSE WY
JONES CT	VARILLA DR	END OF STREET
KELLY WY	DIANE PL	DORE ST
LARKWOOD ST	LARKELLEN AVE	END OF STREET
LEAF AVE	THACKERY AVE	912 S LEAF AVE
LEAF AVE	HERRING AVE	912 S LEAF AVE
LYNDA LN	DORE ST	ECLIPSE WY
MAPLEGROVE ST	CAMPER DR	END OF STREET
MAPLEGROVE ST	OAKGREEN AVE	CAMPER DR
MAPLEGROVE ST	LARKELLEN AVE	OAKGREEN AVE
MCWOOD ST	WILSON DR	LEAF AVE
MEADOWSIDE ST	VANDERWELL AVE	BAUER DR
MEADOWSIDE ST	VALINDA AVE	VANDERWELL AVE
MERRYL LN	JENNIFER PL	EDENVIEW LN



Street Name	Begin Location	End Location
MICHELLE ST	AZUSA AVE	GLENVIEW RD
NORMA AVE	TURNER AVE	LEAF AVE
OAKGREEN AVE	HARVEST MOON ST	MAPLEGROVE ST
OXFORD CT	DOUBLEGROVE ST	END OF STREET
PARKSIDE DR	FAIRGROVE AVE	ALLEY WY
PARKSIDE DR	ALLEY WY	EVENINGSIDE DR
PARKSIDE DR	EVENINGSIDE DR	END OF STREET
PEPPERTREE CIRCLE	EVENINGSIDE DR	END OF STREET
PEPPERTREE CIRCLE	EVENINGSIDE DR	END OF STREET
PORTNER ST	LARKELLEN AVE	END OF STREET
RAELYN PL	DORE ST	END OF STREET
RENOWN TER	CUMBERLAND DR	BARHAM AVE
RIMSDALE DR	MICHELLE ST	END OF STREET
ROBIN RD	NORMA AVE	END OF STREET
ROBIN RD	MERCED AVE	McWOOD ST
RODNEY RD	ANSON WY	BARHAM AVE
RONNIE ST	EDENVIEW LN	END OF STREET
SCOTT RD	DORE ST	DIANE PL
SEASON AVE	DOUBLEGROVE ST	DUBESOR ST
SHALENE ST	EDENVIEW LANE	END OF STREET
SHERYL PL	DORE ST	END OF STREET
SUMMERPLACE DR	HARRINGTON WY	END OF STREET
SUMMERPLACE DR	MEADOWSIDE ST	END OF STREET
THACKERY ST	GLENVIEW RD	END OF STREET
THACKERY AVE	LARK ELLEN AVE	LEAF AVE
TURNER AVE	STUART AVE	END OF STREET
VARILLA DR	NEWCREST DR	END OF STREET
Vine Ave	Lark Ellen Ave	Glenview Rd
Vine Ave	Glenview Rd	Lark Ellen Ave
Vine Ave	Glenview Rd	Azusa Ave
Vine Ave	Azusa Ave	Glenview Rd
WALNUT CREEK PKWY	LEAF AVE	END OF STREET
WEBSTER CIR	FORD DR	END OF STREET
WILSON DR	MERCED AVE	END OF STREET
WILSON DR	MERCED AVE	McWOOD ST
WIMBLEDON CT	GRENOBLE AVE	END OF STREET
WOLSEY LN	BRENTWOOD DR	ANSON WY



## AGENDA STAFF REPORT

---

City of West Covina | Office of the City Manager

**DATE:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: CONSIDERATION OF BUDGET AMENDMENT FOR FISCAL YEAR 2019-2020**

---

### RECOMMENDATION:

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

**RESOLUTION NO. 2020-66 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2019 AND ENDING JUNE 30, 2020**

### DISCUSSION:

#### General Liability

The City's general liability program experienced several unanticipated claims that resulted in significant legal and settlement costs to the City. Of particular note, the City recently settled three (3) high exposure tort claims that totaled \$3,400,000 in legal and settlement costs. The cost for these three (3) claims depleted the general liability program budget and resulted in an immediate budget deficit of approximately \$772,800. These three (3) claims were anomalies and their impact on the current fiscal year budget could not be anticipated.

The City's workers' compensation program also experienced an increased in the number of claims paid and medical expenses that has caused a budget deficit of approximately \$326,000.

Due to these unanticipated expenditures, staff is requesting a general fund appropriation of \$1,132,800 to cover the City's general liability, workers' compensation programs and expenses/invoices in Human Resources for the July 1, 2019 through June 30, 2020 period.

This appropriation will cover the following:

\$772,800 - Appropriation needed to cover General Liability program budget deficit.

\$326,000 - Appropriation needed to cover Workers Compensation program budget deficit.

\$34,000 - Appropriation needed to cover expenses/invoices in Human Resources through - June 30, 2020.

#### City Clerk

During the year 2018 the City contracted with National Demographics Corporation to assist the City with basic districting project elements including project setup and coordination, plan development, plan presentation, and implementation with the County Registrar's Office. National Demographics Corporation created a "Public

Participation Kit” for public use and attended five Council Meetings. A purchase order was established and subsequently canceled, and this invoice was not processed for payment. Attached is a budget amendment request to cover the cost of this invoice.

\$40,000 - Appropriation needed to cover City Council Districting invoice

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

---

### **Fiscal Impact**

#### **FISCAL IMPACT:**

This appropriation of funds will require a withdrawal of \$1,172,800 from the City's general fund reserves. The appropriation will be allotted as follows:

\$1,132,800 - For unanticipated general liability, workers' compensation and Human Resources expenses.

\$ 40,000 - For unanticipated City Council Districting expenses.

Staff recognizes that this appropriation will result in a significant reduction in the City's general fund reserve and is actively working to mitigate future impacts.

---

### **Attachments**

Attachment No. 1 - Resolution No. 2020-66 Approving Appropriation of Funds and Budget Amendment

Attachment No. 2 - Budget Amendment Expenditures Human Resources

Attachment No. 3 - Budget Amendment Expenditure City Clerk

---

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

**RESOLUTION NO. 2020-66**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2019 AND ENDING JUNE 30, 2019.**

**WHEREAS**, the City Manager, on or about June 2020, submitted to the City Council a proposed budget for the appropriation and expenditure of funds for the City of West Covina for Fiscal Year 2019-2020; and

**WHEREAS**, following duly given notice and prior to budget adoption, the City Council held public meetings, considering and evaluating all comments, and adopted a budget for the fiscal year commencing July 1, 2019 and ending June 30, 2020; and

**WHEREAS**, amendments must periodically be made to the budget to conform to changed circumstances following adopting of the budget.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** That the budget amendments for Fiscal Year 2019-2020 are hereby approved as reflected in Exhibit 1 and Exhibit 2 attached hereto.

**SECTION 2.** That this resolution shall be effective immediately upon passage of adoption.

**SECTION 3.** The City of West Covina's Clerk shall certify to the adoption of this Resolution.

**APPROVED AND ADOPTED** this 16th day of June, 2020.

---

Tony Wu  
Mayor

**APPROVED AS FORM**

**ATTEST**

---

Thomas P. Duarte  
City Attorney

---

Lisa Sherrick  
Assistant City Clerk

I, LISA SHERRICK, ASSISTANT CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing Resolution No. 2020-42 was duly adopted by the City Council of the City of West Covina, California, at a regular meeting thereof held on the 19th day of May, 2020, by the following vote of the City Council:

AYES:

NOES:            ABSENT:

ABSTAIN:

---

Lisa Sherrick  
Assistant City Clerk

ATTACHMENT NO. 2  
CITY OF WEST COVINA  
**BUDGET AMENDMENT**

**BA #** 58  
Posted By:  
Date Posted:

Date: 6/16/2020  
Requested by: Helen Tran  
Dept/Div: Human Resources

Fiscal Year: 2019-20  
Amount: \$1,132,800.00  
Description: Appropriation for Human Resources

**EXPENDITURES**

Account Number	Dept/Account Description	Current Budget	Proposed Amendment	Amended Budget
363.15.1520.6419	Claim Paid	400,000.00	226,000.00	626,000.00
363.15.1510.6511	Workers Comp Medical	325,000.00	100,000.00	425,000.00
361.15.1520.6111	Legal Services	650,000.00	200,000.00	850,000.00
361.15.1520.6419	Claims Paid	908,100.00	572,800.00	1,480,900.00
				-
110.14.1410.6110	Professional Services	153,945.00	20,000.00	173,945.00
110.14.1410.6111	Legal Services	25,000.00	5,000.00	30,000.00
110.14.1410.6342	Benefits Admin Fees	55,000.00	9,000.00	64,000.00
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-

**REVENUES**

Account Number	Account Description	Current Budget	Proposed Amendment	Amended Budget
				-
				-
				-
				-
				-

REASON/JUSTIFICATION (Please be specific)

See Staff Report

**APPROVALS**

City Council Approval Date (if required, attach minutes): \_\_\_\_\_ ☐ Approval Not Required

Dept Head Approval: \_\_\_\_\_ Date: \_\_\_\_\_

Finance Director: \_\_\_\_\_ Date: \_\_\_\_\_

Funds Available? ☐ Yes ☐ No

City Manager: \_\_\_\_\_ Date: \_\_\_\_\_

(if over \$100,000)

☐ Approved ☐ Denied

<b>BA #</b>	59
Posted By:	
Date Posted:	

Fiscal Year:	2019-20
Amount:	\$40,000.00
Description:	Service Contracts

[illegible]

Account Number	Account Description	Current Budget	Proposed Amendment	Amended Budget
				-
				-
				-
				-
				-

See Staff Report
------------------

Finance Director: \_\_\_\_\_ Date: \_\_\_\_\_

Funds Available? ☐ Yes ☐ No

City Manager: \_\_\_\_\_ Date: \_\_\_\_\_  
 (if over \$100,000)

☐ Approved      ☐ Denied



## AGENDA STAFF REPORT

---

City of West Covina | Office of the City Manager

**DATE:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: PUBLIC HEARING REGARDING WEST COVINA CITYWIDE SEWER SERVICE  
CHARGE - CONTINUE TO JUNE 23, 2020**

---

### RECOMMENDATION:

It is recommended that the City Council continue the public hearing regarding the Citywide Sewer Service Charge to the Special City Council meeting of June 23, 2020.

### DISCUSSION:

The public hearing that was scheduled for this evening is recommended for continuation to June 23, 2020.

**Prepared by:** Mark Persico, Assistant City Manager

---

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





## AGENDA STAFF REPORT

---

City of West Covina | Office of the City Manager

**DATE:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT: PUBLIC HEARING FOR WEST COVINA LIGHTING AND MAINTENANCE DISTRICT -  
CONTINUE TO JUNE 23, 2020**

---

### RECOMMENDATION:

It is recommended that the City Council continue the public hearing regarding the Citywide Lighting and Maintenance District to the Special City Council meeting of June 23, 2020.

### DISCUSSION:

The public hearing that was scheduled for this evening is recommended to be continued to June 23, 2020.

**Prepared by:** Mark Persico, Assistant City Manager

---

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



## AGENDA STAFF REPORT

---

City of West Covina | Office of the City Manager

**DATE:** June 16, 2020

**TO:** Mayor and City Council

**FROM:** David Carmany  
City Manager

**SUBJECT:** FISCAL YEAR 2020/2021 PRELIMINARY BUDGET DISCUSSION

---

### RECOMMENDATION:

It is recommended that the City Council: 1) receive and file the Preliminary Fiscal Year Preliminary 2020-21 Operating and Capital Improvement Program Budget, 2) direct that the Preliminary Budget be broadly publicly disseminated, and 3) schedule the 2020-21 Budget for consideration at the June 23rd City Council meeting.

### BACKGROUND:

The City of West Covina fiscal year is a 12-month period used to measure revenues and expenditures. It starts July 1 and ends June 30 the following year. At its highest level, a municipal budget identifies the needs and interests of the community and allocates available resources to those interests while remaining fiscally strong for the future. In crafting the following proposed allocations, the staff was guided by the principles of fiscal sustainability & responsibility. This budget represents the City's 2020-21 financial plan.

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

Public comments about budget priorities are considered as part of the annual municipal budget. There have been several meetings this month regarding the 2020-21 budget, and public participation solicited.

The preliminary budget for fiscal year 2020-21 was an agenda topic at the June 2nd City Council meeting. After receiving a staff presentation and asking questions, the City Council referred the budget to the City's Finance & Audit Committee. That Committee met on June 3rd and on June 11th. The June 11th meeting agenda focused on options for fire and ambulance services.

The City Council also directed that the budget be broadly publicly disseminated – a community budget workshop was held on Tuesday, June 9th. A budget survey (Attachment No. 2) had elicited by June 9th more than 100 comments. A special City Council meeting regarding the budget will be held on June 23rd.

## **DISCUSSION:**

The State Auditor has identified West Covina as one of 18 California cities facing fiscal challenges by assessing levels of risk using various financial indicators. Factors include cash position/liquidity, debt burden, financial reserves, revenue trends, and retirement obligations. Due to cash flow requirements, changes to the city organization will be immediately required to achieve economies and efficiencies in city operations, to bring substandard facilities and equipment to standard, and to maintain essential services. Though it is important that the fiscal impacts of COVID-19 and structural issues not be conflated, COVID-19 has brought these issues to the forefront for West Covina and all California municipalities (see Attachment No. 1).

As the City works without delay to address pandemic fiscal realities, it will be increasingly more important for the city to consider all options in the provision of municipal services. Work continues on several initiatives including pension obligation bonds (see Attachment No. 3), risk management program, and alternatives for fire and EMS services (see Attachment No. 4). As changes are implemented, the city will analyze implementing service delivery options, to include levels of service, service quality and expected performance, service revenues and costs, required transition activities and other relevant factors as new service delivery methods are implemented. Timing, labor relations and cash flow considerations during the fiscal emergency will be critical factors.

### **City Fund Structure**

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

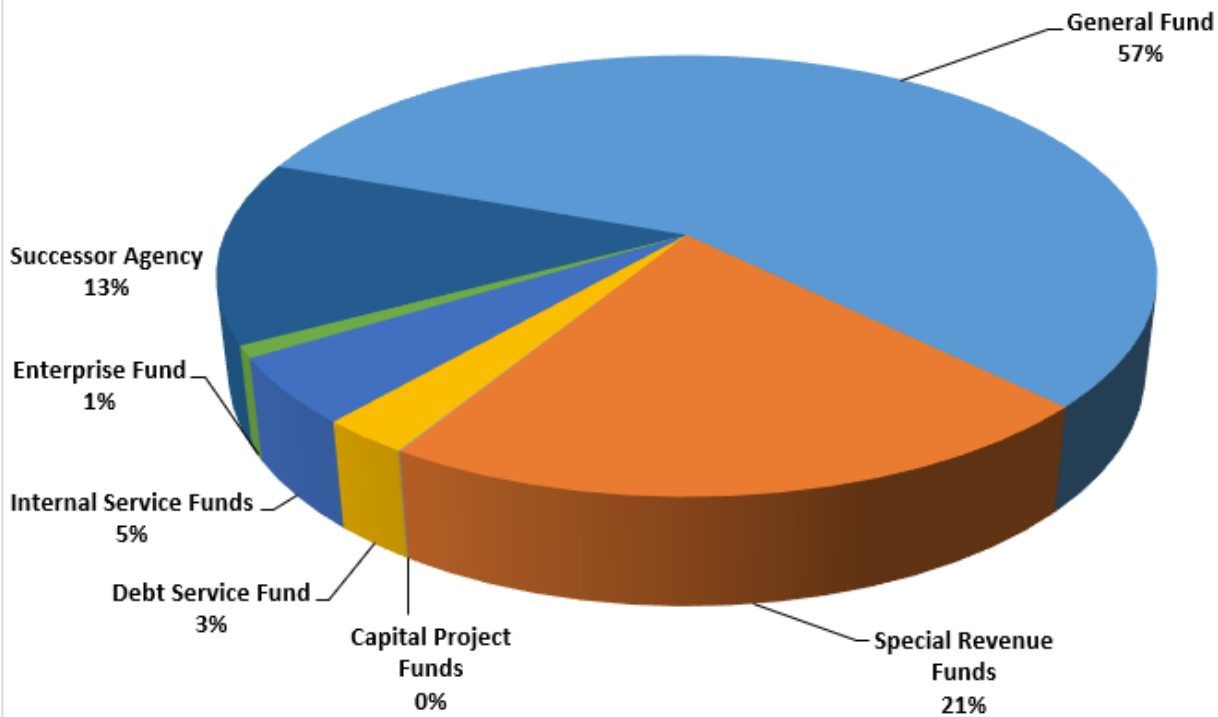
- General Fund
- Special Revenue
- Debt Service
- Capital Projects
- Proprietary
- Private Purpose Trust

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

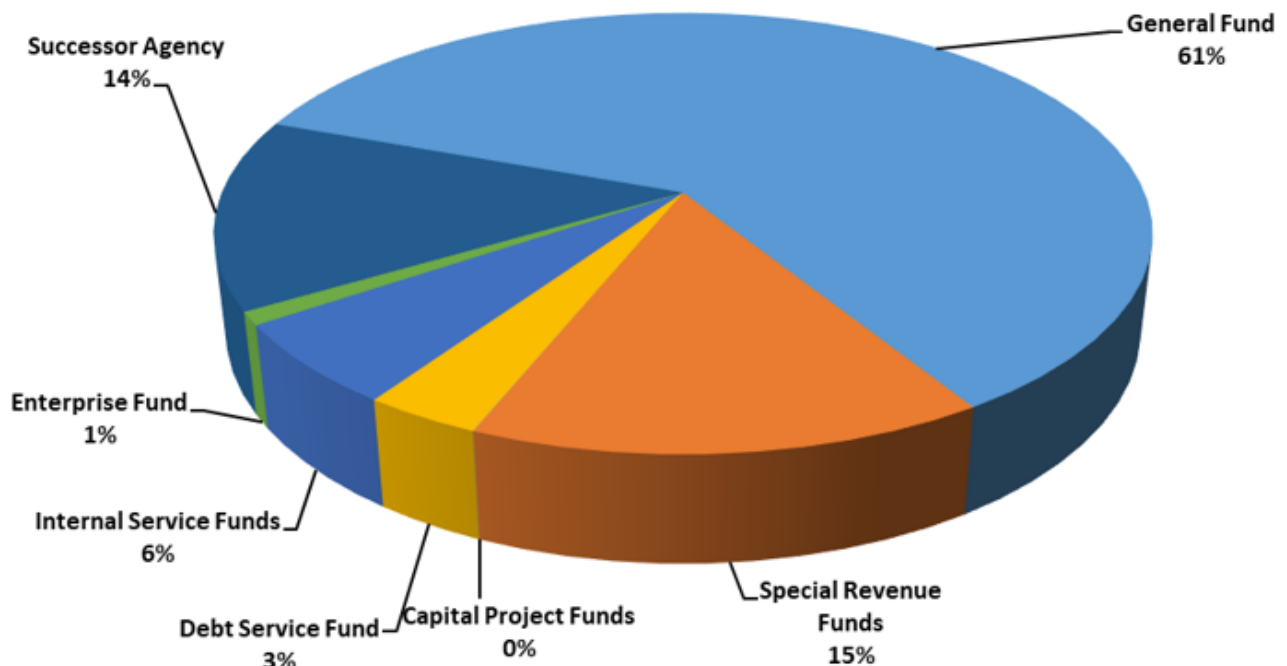
### **Proposed Budget Information**

For FY 2020-21, estimated revenues (including transfers in) on an all funds basis are \$117,301,786. Many funds make up the total budget amount, with the largest being the General Fund in the amount of \$66,672,236, or 57% of the City's total budget.

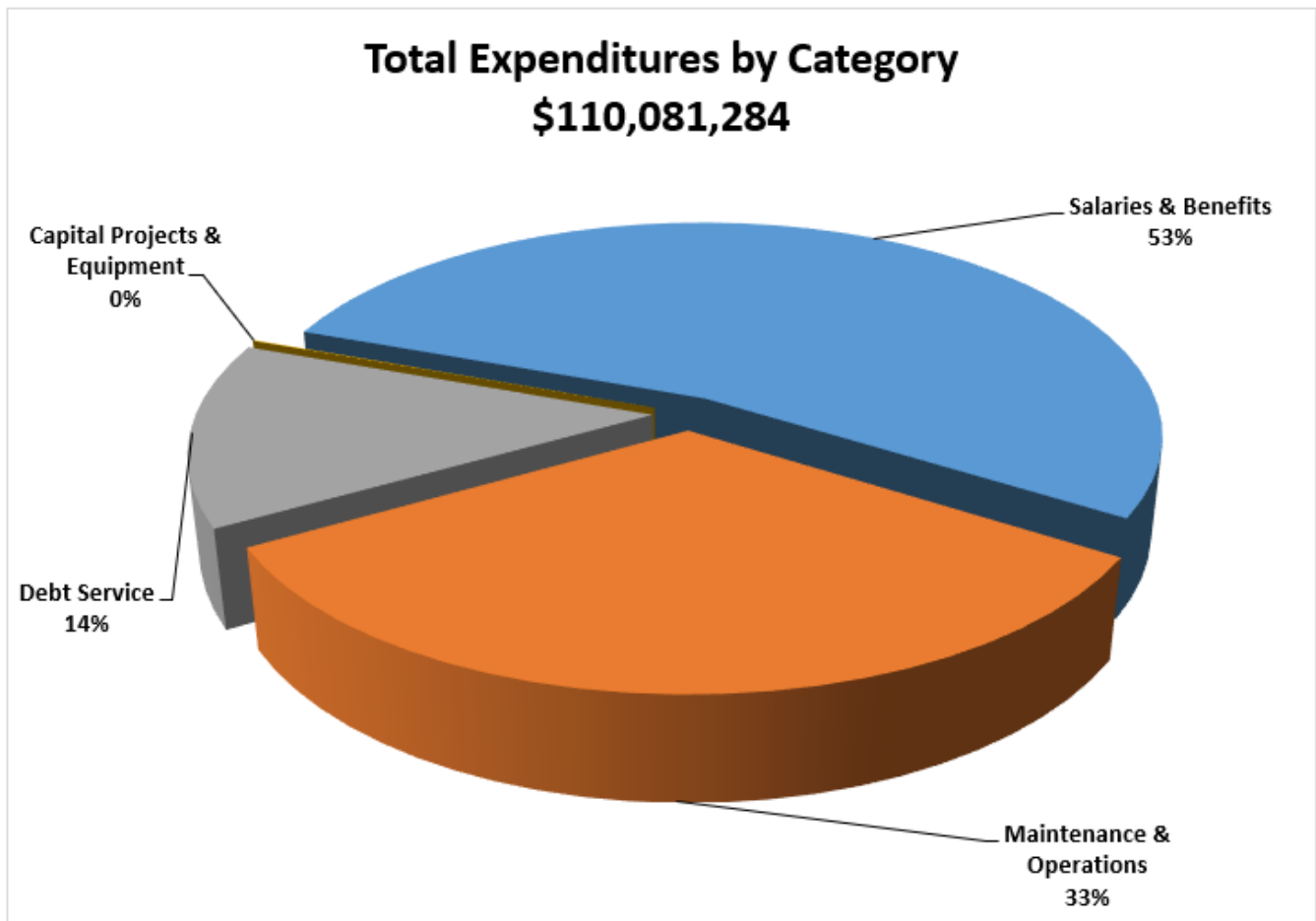
### Total Revenues by Fund Type \$117,301,786



### Total Expenditures by Fund Type \$110,081,284



Estimated expenditures (including transfers out) for all budgeted funds are estimated at \$110,081,284. The General Fund makes up 61% of the organization's total budget, or \$66,672,236.



Personnel costs inclusive of all City funds are anticipated to be \$58.7 million. Pension costs for the California Public Employment Retirement System (CalPERS) continue to increase again this year and are anticipated to rise for the next several years.

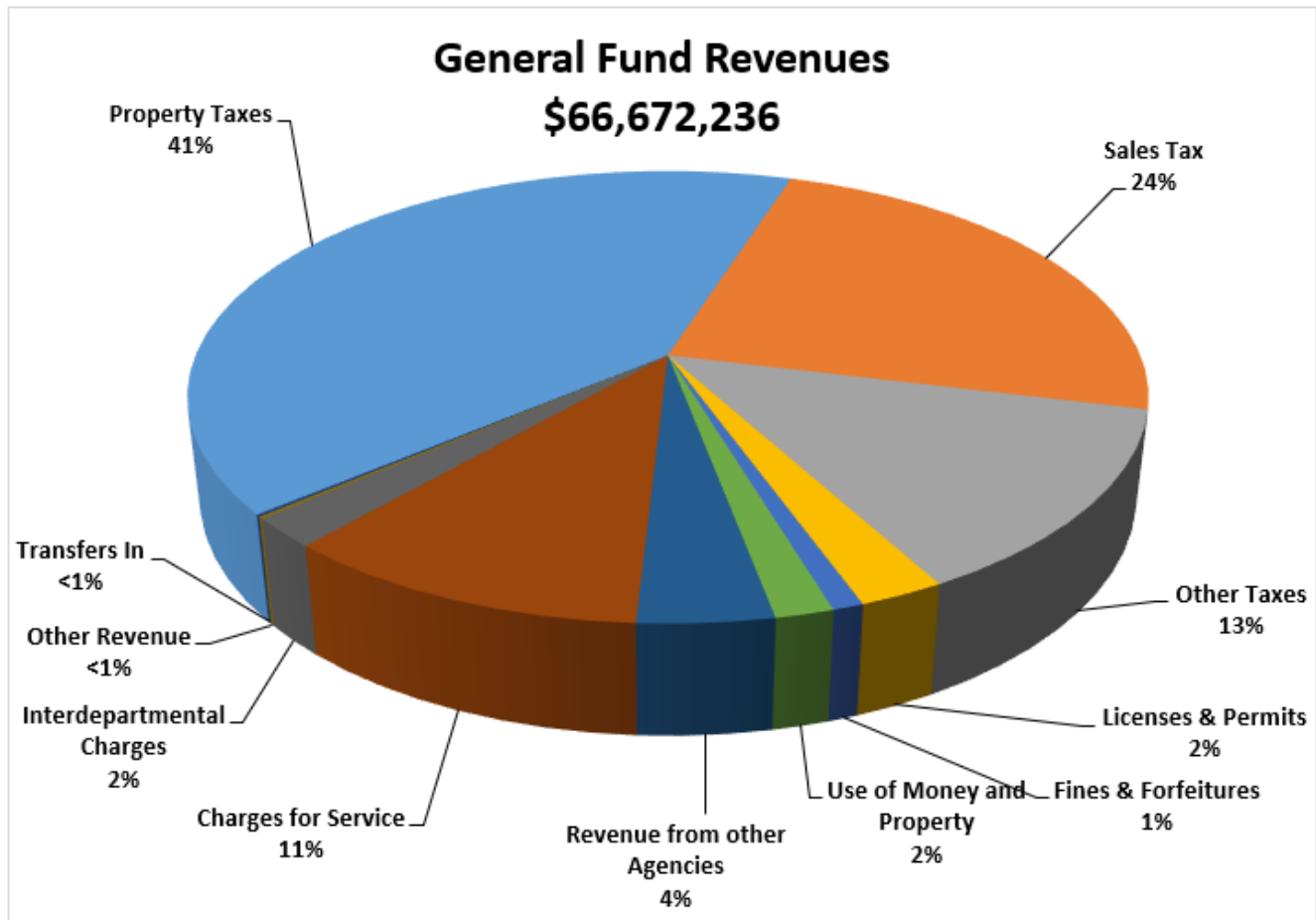
### **General Fund**

The City's primary financial goal is to provide an appropriate level of municipal services meeting the needs of the present without compromising the ability of future generations to meet their own needs. This will require that community leaders continue to take an active role in the city's efforts to think and act sustainably. The City of West Covina's General Fund continues to be negatively impacted by economic conditions, increases in pension costs, the State's elimination of redevelopment, and most recently from the COVID-19 virus (see attached article). The following chart is a comparison of General Fund Revenues and expenditures for the past 5 years.

### **General Fund Revenues:**

Total General Fund revenues are projected to be \$66,672,236, an increase of \$1,313,463 or 2% from the prior year adopted budget. Although many of the revenue sources of the City are slightly increasing, due to the COVID-19 pandemic, many of the major revenue sources are expected to decline. The numbers that are budgeted reflect a decrease in business license, transient occupancy tax, animal control & licensing, and franchise taxes. The assumptions in the 2020-21 budget for revenues are based on the economy being re-opened. The revenues will need to be monitored very closely during the year and adjustments made as revenues are being negatively impacted by the pandemic. Allocated costs are a type of expense that are clearly associated with and can be readily assigned to a certain business process, project or department. Allocated costs have been reallocated into the General Fund for Miscellaneous Reimbursements in the amount of \$1.5 million.

Property tax and sales tax continue to be the City's main source of revenue at 41% and 24%, respectively. The City is also expected to see an increase in permit fee revenue due to the fee schedule being updated during fiscal year 2019-20.

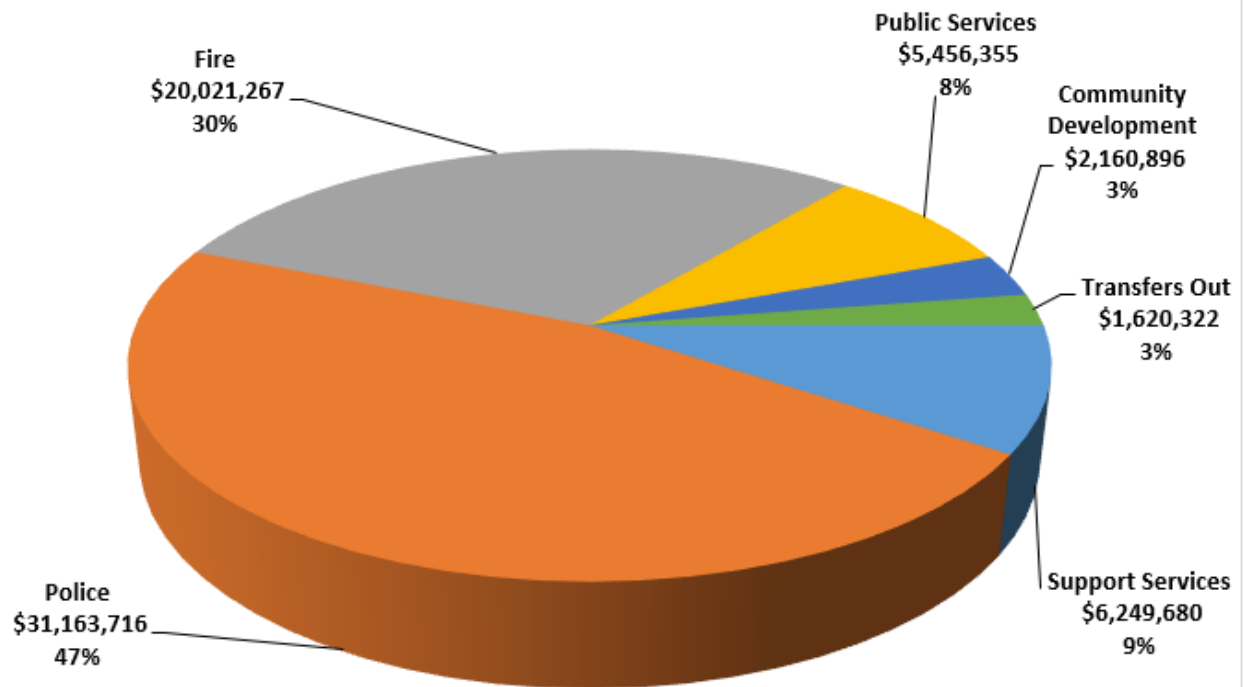


#### General Fund Expenditures:

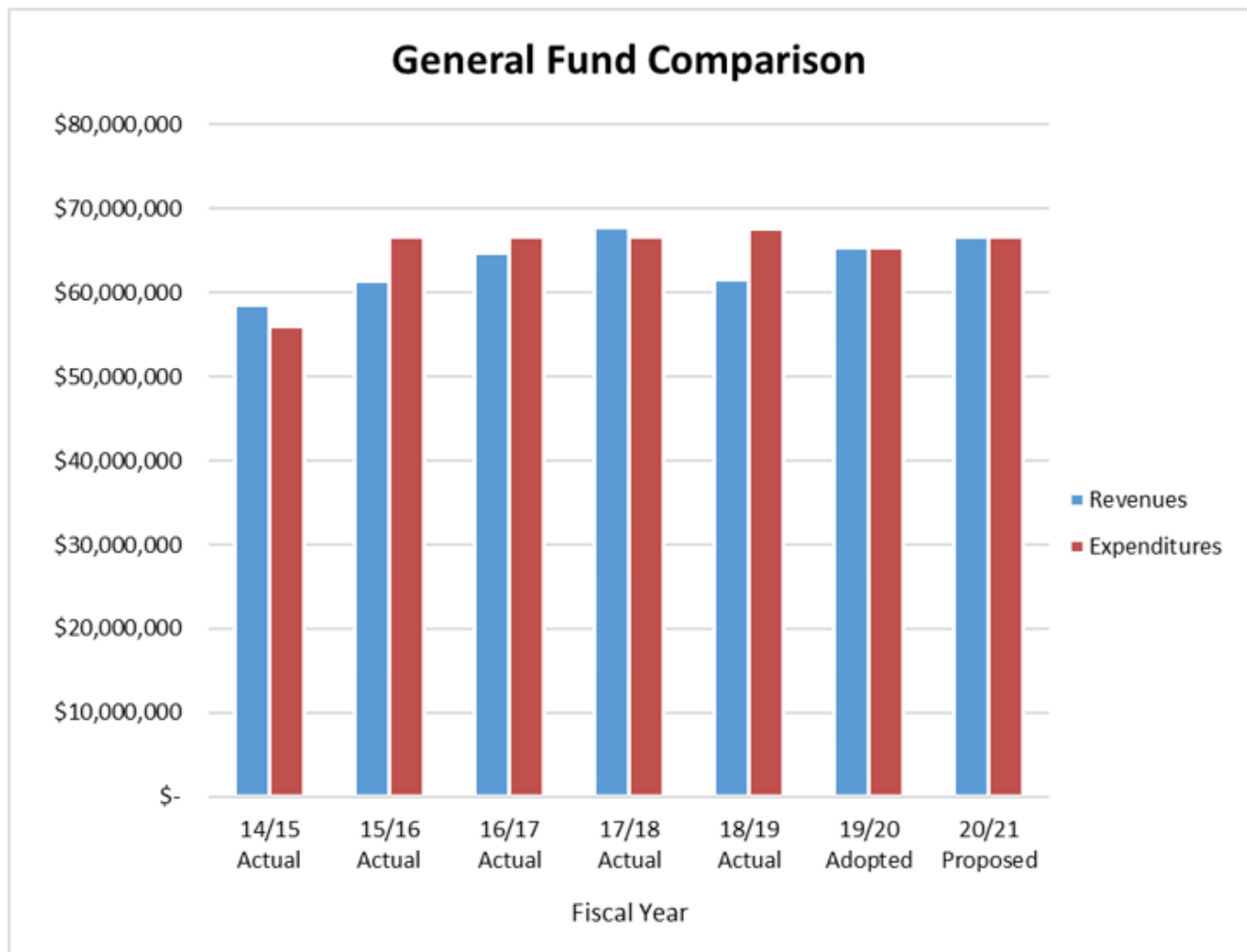
At this time, General Fund expenditures for FY 2020-21 are projected to be \$66,672,236 reflecting a balanced General Fund budget. This equates to an increase in budgeted expenditures of \$1,313,463 when compared to the adopted budget for FY 2019-20.

The chart below indicates that Support Services (which includes Administration, City Clerk, Finance and Human Resources), Community Development, and Police Department percentages remain the same as last year. Public Services and Fire both decreased by 1% and Transfers Out increased to 3% from 1% last year. The increase in the Transfers is mainly due to debt service payments for the 2018 bonds. The reduction in the Fire Department percentage is due to the overtime budget being decreased from \$2.1 million in fiscal year 2019-20 to \$782,948 in fiscal year 2020-21.

## General Fund Expenditures by Department \$66,672,236



General Fund revenues and expenditures are equal and the budget is balanced once again this year as illustrated in the chart below.



#### General Fund Reserves:

To maintain the City's credit rating and meet seasonal cash flow shortfalls, economic downturns or a local disaster, the budget provides for an anticipated fund balance for the general fund. The General Fund ending unassigned fund balance, or reserve, is equivalent to a "savings account" to cover unexpected costs or significant economic changes. The intent is to not use this for normal operating expenses. Unless changes are made to this preliminary budget, the General Fund ending unassigned fund balance is projected to be approximately \$9,593,864 million, which is 14.3% of operating expenditures, which does not meet the City's required 17% per the City's reserve policy. Another standard for unrestricted budgetary fund balance is recommended by the Government Finance Officers Association (GFOA). GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures. Per the City's policy, when reserves dip below the required 17%, a plan must be implemented to replenish the reserves within the next few years. Staff will return to the City Council with a plan to replenish the reserves at a future date.

At this time, the General Fund's estimated ending fund balance for FY 2020-21 is \$16.1 million; however, \$6.5 million is considered nonspendable. The nonspendable portion consists of unpaid loans to the former Redevelopment Agency which have been approved by the Department of Finance (DOF) and will be repaid over the next few years in the amount of \$3.3 million, approximately \$200 thousand in receivables, and land held for resale in the amount of \$3 million.

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

Staff is recommending a number of CIP projects for FY 2020-21, all of them being funded from special revenue funds. These projects are listed in the budget beginning on page 317.



---

---

### **Attachments**

Attachment No. 1 - Post Pandemic Fiscal Realities

Attachment No. 2 - Budget Survey Results as of June 9, 2020

Attachment No. 3 - Pension Obligation Bonds Presentation

Attachment No. 4 - West Covina Fire Dept Finance & Audit Committee Presentation

---

---

**CITY COUNCIL GOALS & OBJECTIVES:** Achieve Fiscal Sustainability and Financial Stability  
Enhance City Facilities and Infrastructure  
Enhance the City Image and Effectiveness  
Enhance Public Safety  
Enhance City Programs and Activities  
Engage in Proactive Economic Development

## **Local governments must plan without delay for post-pandemic fiscal realities**

*By David S. Kupetz, J.D. and Frank V. Zerunyan, J.D.*

The COVID-19 pandemic continues to devastate the national and global economies. The economic impact from the pandemic will disrupt California's fiscal condition and harm local government revenues this year and, potentially, for years into the future. In a letter addressed to the California Legislature, the State's Director of Finance predicts a recession and "significant negative effects on state revenues."

Most municipalities predominantly depend on sales tax, property tax, transient occupancy tax, documentary transfer tax, gas tax, parking user's tax as well as licenses, permits, and fees. Politico, in a recent article, estimates the loss from these sources due to the pandemic to be about \$7 billion in revenue shortfalls for California local governments over the next two fiscal years, assuming the "stay at home orders" are lifted by June 1. The article warns that this estimate can grow exponentially should the "stay at home orders" last through the summer and beyond.

The market is another critical indicator of vulnerabilities for state and local governments. Any new economic downturn may particularly exacerbate the vulnerability of California's already challenged pension system. California's Legislative Analyst's Office (LAO) estimates the State's unfunded pension liabilities to be a total of 93.1 billion (\$59.7 billion at CalPERS and \$33.4 billion at CalSTRS). Adding retiree health unfunded liabilities to this figure increases the total to nearly \$200 billion. These are significant unfunded liabilities, which continue to grow due to changing market assumptions. Even before COVID-19, these organizations decreased their rate of return by .5%. If markets further constrict, local government budgets will have to fill the gap.

There were already many local governmental entities facing significant financial challenges pre-pandemic. As identified by the California State Auditor and spotlighted on the Auditor's website, some of these pre-existing problems plaguing various municipalities include insufficient liquidity, excessive debt burdens, inadequate reserves, declining revenues, and unsustainable employee retirement and health care obligations. These problems existed during a sustained period of economic expansion. With the onset of a recession, without proactive action, many local public entities will be hammered by reduced revenue collections coupled with escalating pension and healthcare expenses.

The California League of Cities developed a study surveying its member cities in California. Roughly 170 cities responded to the survey reporting that by 2024 they will spend an average of 15.8 percent of their general fund on pensions. About 10 percent of the cities anticipated spending more than 21 percent of their general fund. All these predictions were before COVID-19. These unfunded liabilities do not include California's bonded debt.

The "silver tsunami" in the state and the decreasing birth rates pose demographic challenges to these systems by increasing the number of retirees and decreasing the number of active workers to pay for higher pension costs. Stay at home orders for California's most productive age workers

further exacerbates the problem. A recent study by MIT scholars, published in the National Bureau of Economic Research Journal, quantifies this in terms of national GDP and proposes better social and economic outcomes with more “targeted policies.” Half of the State’s employer contributions to these state retirement systems come from local governments; therefore, California’s local governments are particularly affected by demographic shifts, effective workforce, current volatility in costs and investment returns.

The consequences of the pandemic make it imperative that California’s local governments, with limited tools to raise revenues or limited capacity to spend (constrained by the “debt limit” under Article XVI, Section 18 of the California Constitution and Proposition 4 “Gann Limit”), immediately focus on economic policy for the general public good. Local governments must tap existing state and federal recovery resources, which will most likely not be sufficient to close the gap. They must engage their unions, bondholders, retiree representative, CalPERS, financial institutions, service providers, plaintiffs in lawsuits, creditors, and other stakeholders. This engagement must focus on interests, must be collaborative to achieve a win/win negotiation frame to deliver local governments’ paramount mission of serving the public, especially in more vulnerable and underserved communities. Traditional competitive negotiation frameworks in these difficult times will only mean devastation for the public that local governments serve. A local government has a substantial chance of being subjected to a crisis by failing to agree. This fragility requires a different frame than the usual competition, self-interest, and political blame.

Local governments must develop policies and implement them to deal with unprecedented circumstances. Most likely, a vaccine is 12-18 months away. Negative impacts on sales taxes, hotel taxes, user fees, and other municipal revenue sources are certain. Moreover, with a recession probably already having been triggered, and considerable uncertainty regarding the timing of recovery, future years’ property taxes are also likely to be negatively impacted.

Immediate actions are needed by local governments to protect reserves, maintain essential services, and retain their workforce intact to the extent feasible. Without early and immediate action, many local governments will soon approach insolvency and then rapidly find that they are unable to pay debts when they come due. In this scenario, local governments may be unable to repay internal borrowings before the end of the year. While financial officers generally have immunity from personal liability, this protection disappears when there are known violations of the law. Moreover, local government officials cannot allow employees to come to work if they know the municipality will be unable to pay them.

Municipal officials must recognize that fund balances do not necessarily equate to available cash. The accuracy of underlying data (existing financial, budget information, audits, and other available material) is critical. The fundamental cash flow analysis is only as good as the underlying data and assumptions. City managers and treasurers must examine the danger of structural deficits burning through reserves.

The extent of federal and state assistance accessible for local governments is an ongoing issue. As of now, the municipal bond market has essentially frozen. For local governments that do not currently have a bank line of credit, obtaining one now may be difficult. Short-term borrowings may be possible through notes in anticipation of tax or other revenues (TRANs, RANs), or by

internal borrowing from pooled cash. In both cases, the impact of COVID-19 on revenues may impede or limit these potential short-term fixes.

The pathway forward requires that local governments:

- Evaluate significant sources of revenue and expense categories to understand vulnerabilities (another factor to consider is the unemployment rate);
- Pinpoint major revenue streams at risk, identify anticipated timing of impacts, discuss available options, and focus on cash collections;
- Consider effects on General Fund (reduction of sales tax, TOT, impact fees, and facility usage, the potential reduction in assessed values, and likely CalPERS losses and increases in future unfunded liabilities), Enterprise Funds (reduction in commercial usage, no shut-off enforcement, decrease in new connections, “stay-at-home” orders and reduction in usage fees, and Successor Agencies (potential decrease in assessed value and reduction of future tax increment);
- Build consensus within governing council, commission, or board that early action is a necessity, not a choice;
- Initiate discussions with labor unions and other key creditor stakeholders, including opening the books and recognizing the impact on revenues during the pandemic and in the post-pandemic era; and
- Determine how to provide first-response services in the event of inability to fund staffing.

Upon establishing policy, identifying potential impacts, and meeting with labor groups and other key creditor groups (if any), local governments should be prepared to take early action, including:

- Placing contracts not critical to the government’s mission on hold;
- Reducing capital spending;
- Having local businesses jump in to cover the gaps in services where possible and economic; and,
- Reducing personnel costs, such as by eliminating leave cash-outs, placing planned wage increases on hold, and considering implementing furloughs and, as a final resort, layoffs of non-essential positions.

Local public entities facing severe financial straits must explore, debt restructuring, moratoriums, and adjustment as potential solutions. Such exploration takes place in the shadow of the resolution of last resort: Chapter 9 of the Bankruptcy Code. However, the initial focus should be on accomplishing the necessary restructuring outside of court. As part of attempting to successfully negotiate, resolve issues, and achieve an out-of-court restructuring, local governments must:

1. as discussed above, evaluate cash flow, finances, and availability of unrestricted funds and develop financial and operational plans;
2. commence discussions with key stakeholders (the reality of a potential Chapter 9 filing encourages negotiation and creates leverage for an agreement);
3. prepare the outlines of a possible Chapter 9 plan of debt adjustment or term sheet (to help facilitate negotiations and make use of the leverage); and
4. retain experienced professionals to provide guidance and representation.

Under constitutionally framed police powers, local governments may use fiscal emergency declarations constructively. The Contracts Clause under the U.S. and State constitutions ordinarily precludes contract impairment. However, the Contracts Clause does not bar a state or municipality from enacting its legislation impairing municipal contracts if required by a financial emergency.

The four factors required for legislative impairment of contracts include:

1. There must be an actual emergency from which the contract modification arises.
2. There must be a public interest at stake.
3. The modification must be tailored to the emergency.
4. The modification must be temporary and limited to the extent necessary to address the crisis.

The U.S. Supreme Court has said that a contract impairment may be constitutional if it is reasonable and necessary to serve an essential public purpose.

Local governments can constructively use a fiscal emergency declaration to commence, promote, and positively leverage negotiations with labor and other key stakeholders. However, any non-consensual modifications that arise out of a fiscal emergency declaration are temporary and, therefore, would not address long-term systemic problems such as unsustainable pension and retiree health care obligations.

Chapter 9 provides a framework for eligible governmental entities to restructure debt. While Chapter 9 is federal law, state law governs the gateway to Chapter 9. For example, California law (AB 506) requires municipal debtors to engage in “neutral evaluation” (mediation) before being eligible to file for Chapter 9, except in the case of a declared statutory fiscal emergency under AB 506. The likelihood that payment and other obligations will be suspended during the chapter 9 case and reduced and/or modified under a Chapter 9 plan can create significant leverage that can lead to negotiated changes that may be adequate to allow the local public entity to avoid Chapter 9.

The mediation process allows “confidential” negotiations out of court and within the exceptions of Brown Act. It provides a format for attempting to shape perceptions of liquidity and feasibility of go-forward plans. If an agreement is reached with some or all key creditors, Chapter 9 may be avoided or made more efficient if still necessary. AB 506 was enacted after the Chapter 9 filing of Vallejo, and Stockton first used the mediation process before its Chapter 9 filing. In contrast, San Bernardino discovered it was out of cash, could not negotiate with creditors, declared a fiscal emergency, and entered Chapter 9. Unlike in Chapter 9, there is no automatic stay of litigation or other creditor action as part of the AB 506 process and, accordingly, where an immediate stay is needed, the mediation process will not be a viable option.

Chapter 9 is designed to enable a municipality that is unable to pay its debts as they come due to continuing to provide essential services to residents while working out a plan to adjust its obligations. To avoid disruption of necessary services, Chapter 9 facilitates the continuance of insolvent municipalities rather than their dissolution. Not unlike Chapter 11 bankruptcy reorganization for non-governmental entities, two primary benefits of a Chapter 9 filing are (1)

breathing spell imposed by the automatic stay, and (2) the ability to adjust creditors' claims through the planning process.

To avoid the point of a fiscal emergency post COVID-19, and to address their budgetary challenges, local public entities must act proactively. If a proactive approach is not taken in time or is not sufficient, it may become necessary for a local public entity to engage in debt restructuring. Debt restructuring should be conducted outside of court if possible, with Chapter 9 lurking in the shadows and only entered as a last resort. Most importantly, in these times of fiscal distress, local governments must govern. Governance requires a different mindset with collaborative efforts to search for the common good.

*David S. Kupetz is a partner in the law firm, SulmeyerKupetz. He is an expert in municipal debt adjustment, business reorganization, restructuring, bankruptcy, and other fiscal crisis solutions and related litigation. [dkupetz@sulmeyerlaw.com](mailto:dkupetz@sulmeyerlaw.com)*

*Frank V. Zerunyan is a Professor of the Practice of Governance, Director of Executive Education, and Director of USC Reserve Officer Training Corps (ROTC) Programs at the University of Southern California Sol Price School of Public Policy. [frank.zerunyan@usc.edu](mailto:frank.zerunyan@usc.edu)*

1. [http://www.dof.ca.gov/twitterdocs/4-10-20\\_COVID-19\\_Interim\\_Fiscal\\_Update\\_JLBC\\_Letter.pdf](http://www.dof.ca.gov/twitterdocs/4-10-20_COVID-19_Interim_Fiscal_Update_JLBC_Letter.pdf)
2. <https://www.politico.com/states/california/story/2020/04/23/california-cities-expect-to-lose-at-least-7b-due-to-coronavirus-1279441>
3. <https://lao.ca.gov/Publications/Report/4106>
4. <https://www.ppic.org/publication/public-pensions-in-california/>
5. Acemoglu, D. Chernozhukov, V et al. "A Multi-Risk SIR Model with Optimally Targeted Lockdown" NBER Working Paper no. 27102 April 2020.
6. Duzert, Y. and Zerunyan, F.V. *Newnegotiation for Public Administration Professionals*, Vandepas Publishing-2019
7. *California Constitution Article XI, Section 7*
8. *Sonoma County Organization of Public Employees v. County of Sonoma*, 23 Cal. 3d 296 (1979).
9. *United States Trust Company of New York v. New Jersey*, 432 U.S. 1 (1977).
10. *California Government Code section 53760*

City of West Covina

FY 2020-2021

# BUDGET SURVEY

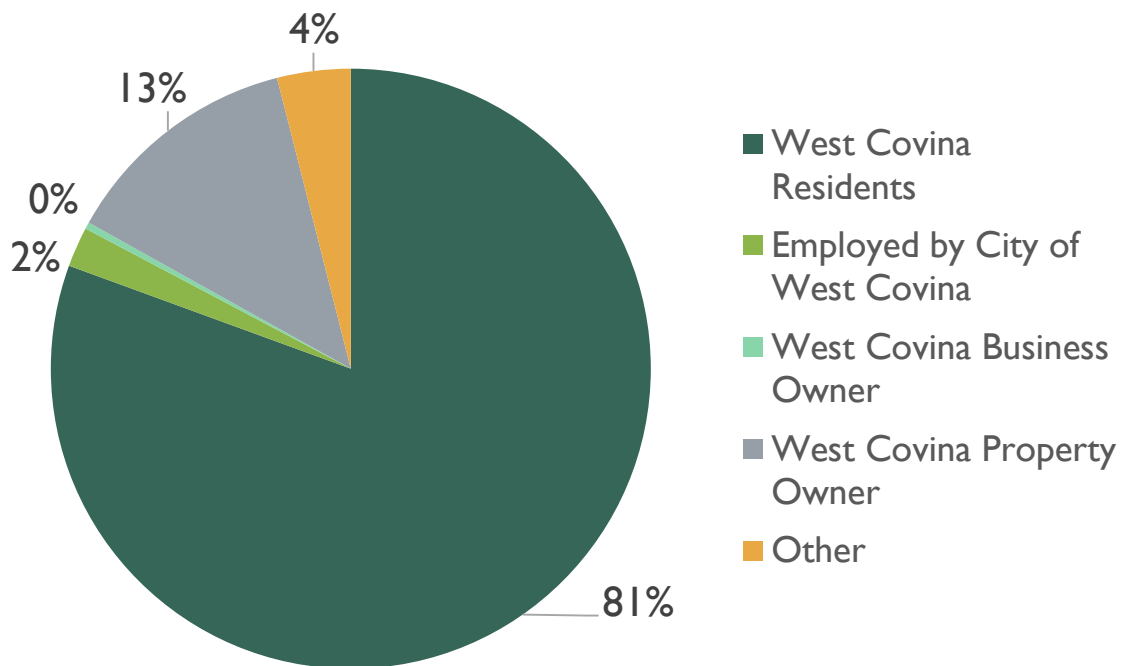
SUMMARY | 06-09-2020

*Results are as of June 9, 2020 at 9:20 am.*

*A total of 282 people participated in the budget survey. Please note that the questions were not required to be answered, therefore the results per question may not reflect the total number of responses.*



Which of the following applies to you? You may select more than one response.



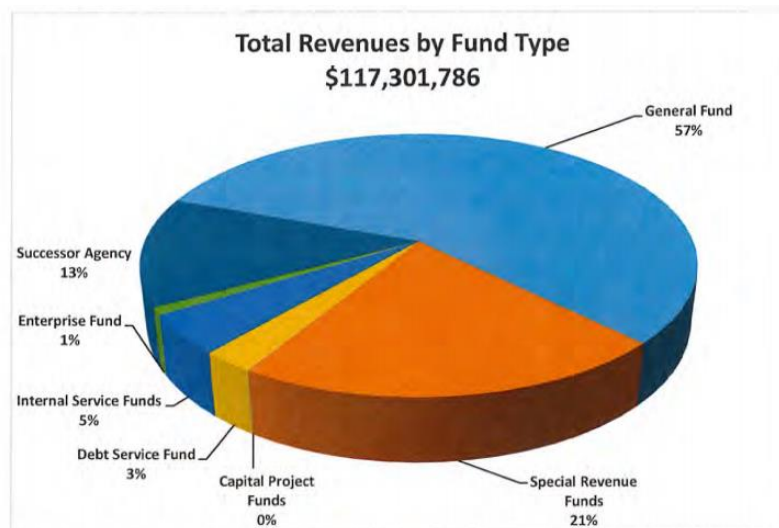


Please rate, on a scale of 1 (low) to 5 (high), your priority level for the following City Services:

	1	2	3	4	5
Community Programming (Recreational Programs, Senior Programs, Classes, City Events)	10%	9%	22%	26%	34%
Economic Development (Business Assistance, Code Enforcement, City Planning)	6%	13%	26%	28%	27%
Fire Services (Rescue and Emergency Medical Services, Fire Prevention, Arson Investigation)	4%	12%	25%	25%	33%
Fiscal Sustainability (Stable Reserve Fund)	4%	15%	30%	27%	24%
Housing (Affordable Housing, Homeless Services)	15%	11%	19%	17%	38%
Improved Infrastructure (Street Improvements, Sidewalk Repair, Traffic Signals)	5%	13%	25%	29%	29%
Police Services (Crime Prevention, Investigation, Patrol Services, Traffic Enforcement)	35%	19%	18%	8%	20%

Like many other Cities, West Covina's revenues come from property taxes, sales taxes, transient occupancy tax, franchise tax, business license tax, documentary transfer tax, among others. In addition, the City receives revenues from fees from building permit fees, city class fees, to animal licensees. These make up the City's General Fund, which is the largest portion of revenues to the City. Additional revenues include other special funds (including successor agency monies) that are restricted for specific uses.

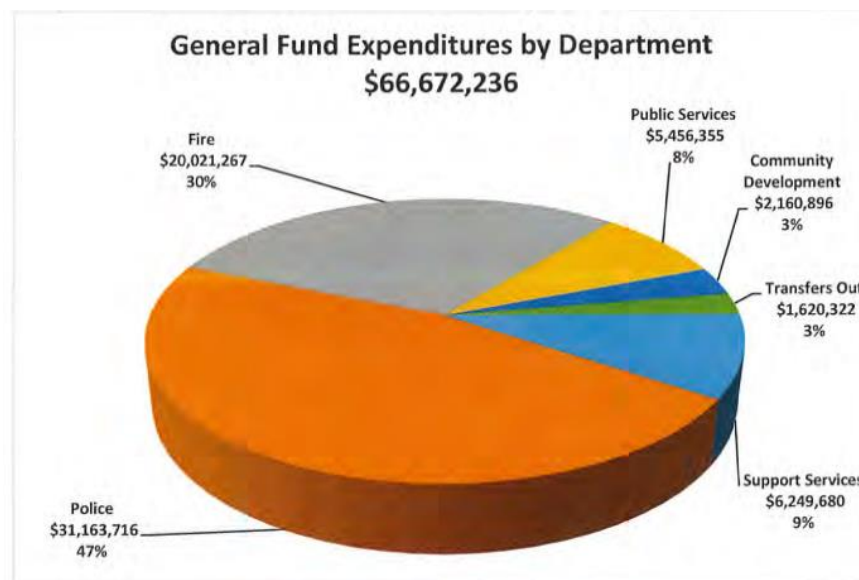
As the General Fund is the only revenues source the City can change what would you consider increasing in order to alleviate the City's budget constraints? Please note that changes to tax rates usually require a vote by the people (property & sales tax) and fees for services are usually restricted to cover material and staff time.



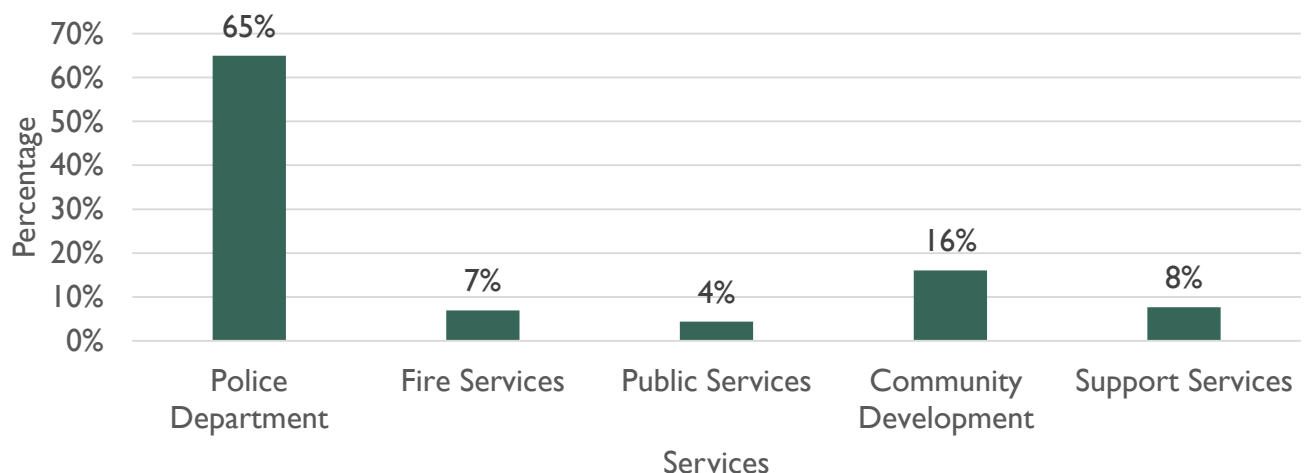
## RESULTS

	Increase Tax/Fee	Keep Tax/Fee the Same
Property Tax (41% of City's General Fund)	11%	89%
Sales Tax (24%)	21%	78%
Other Taxes (13%) (Transient Occupancy Tax, Franchise Tax, Business License Tax, Documentary Transfer Tax, Contractor's License Tax)	46%	53%
Building & Engineering Permit Fees (2%)	48%	52%
Animal Control & Licensing (1%)	34%	65%
Fines & Forfeitures (1%)	43%	56%

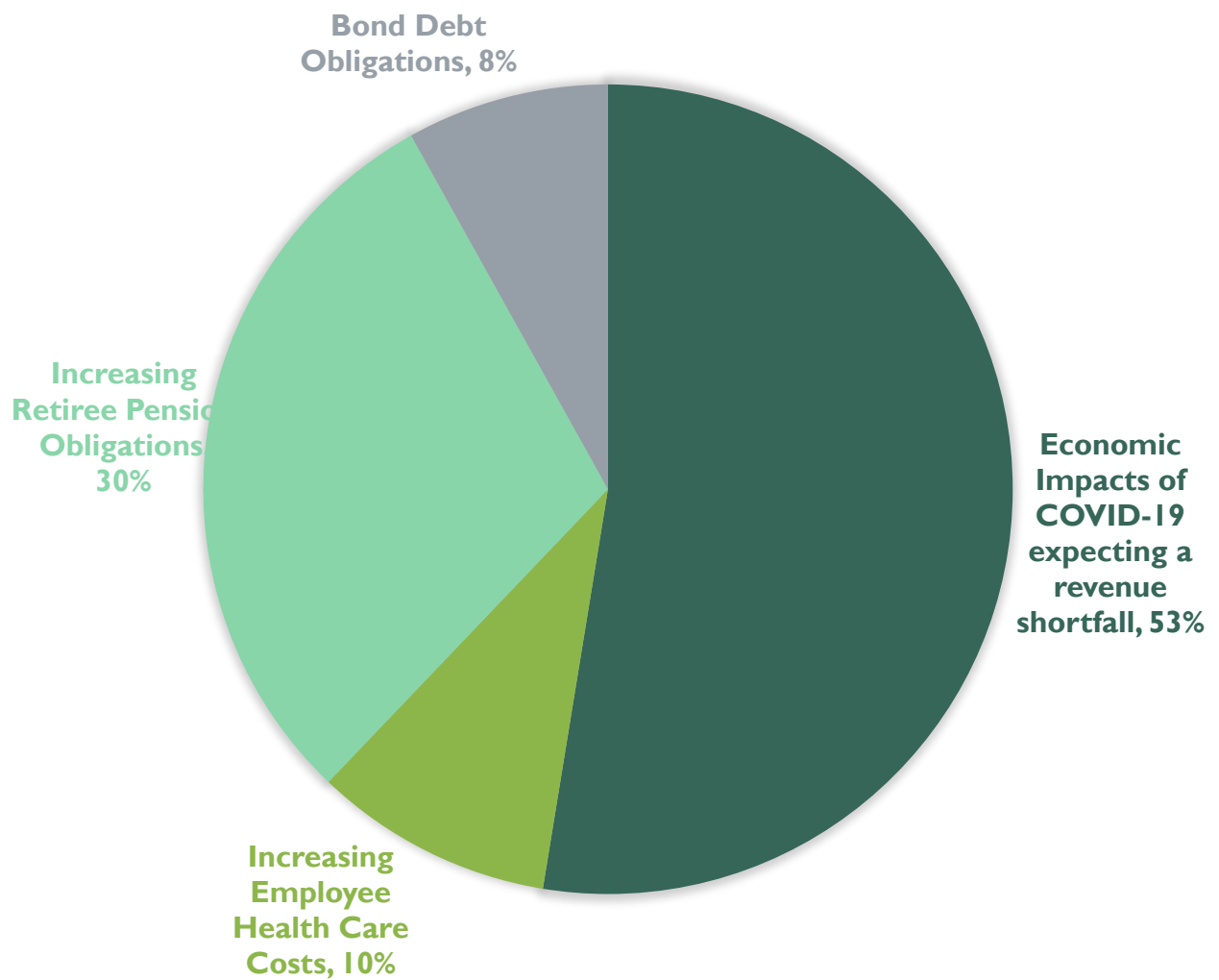
As the role of a local government is to provide services (public safety, economic & community development, recreation, elections, affordable housing, and many others) and infrastructure (roads, sewer, tree trimming) for its residents, the biggest General Fund expense is salaries and benefits. The City's General Fund expenditures of which 53% is for salaries and benefits, 33% maintenance & operations, and 14% debt service. Where would you reduce or eliminate to help to alleviate the City's budget constraints?



## RESULTS



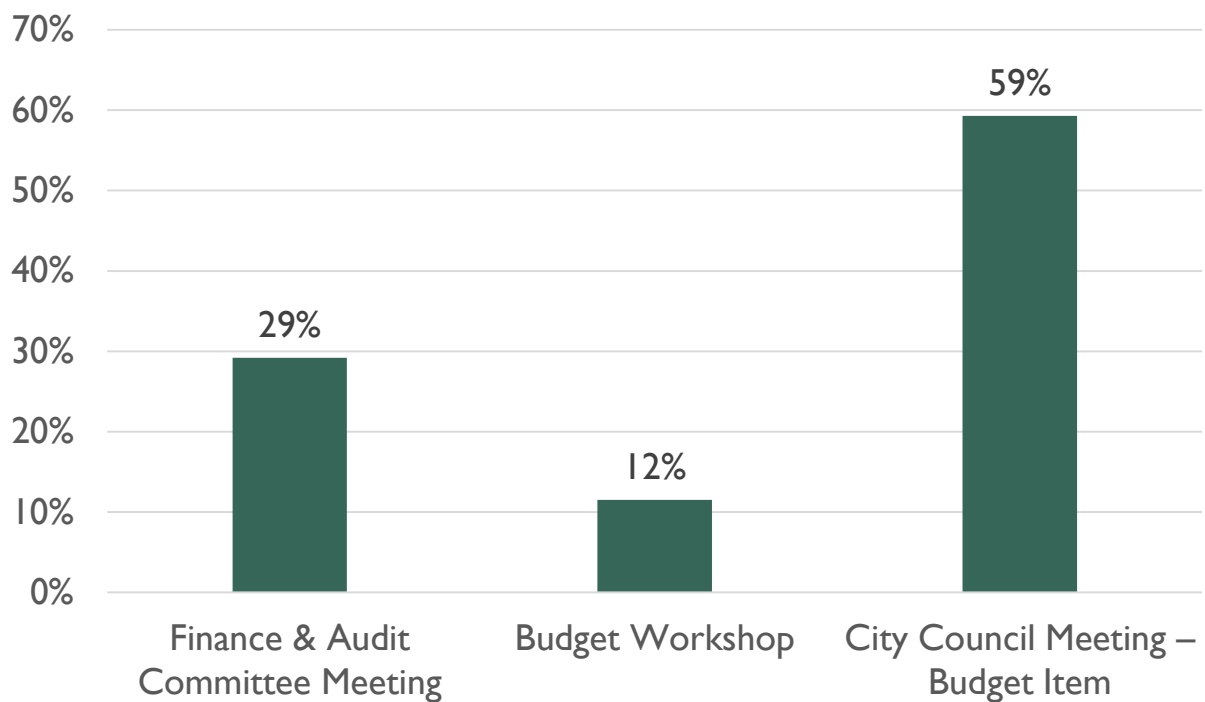
What do you think are the biggest challenges facing the City's budget? (please select one)



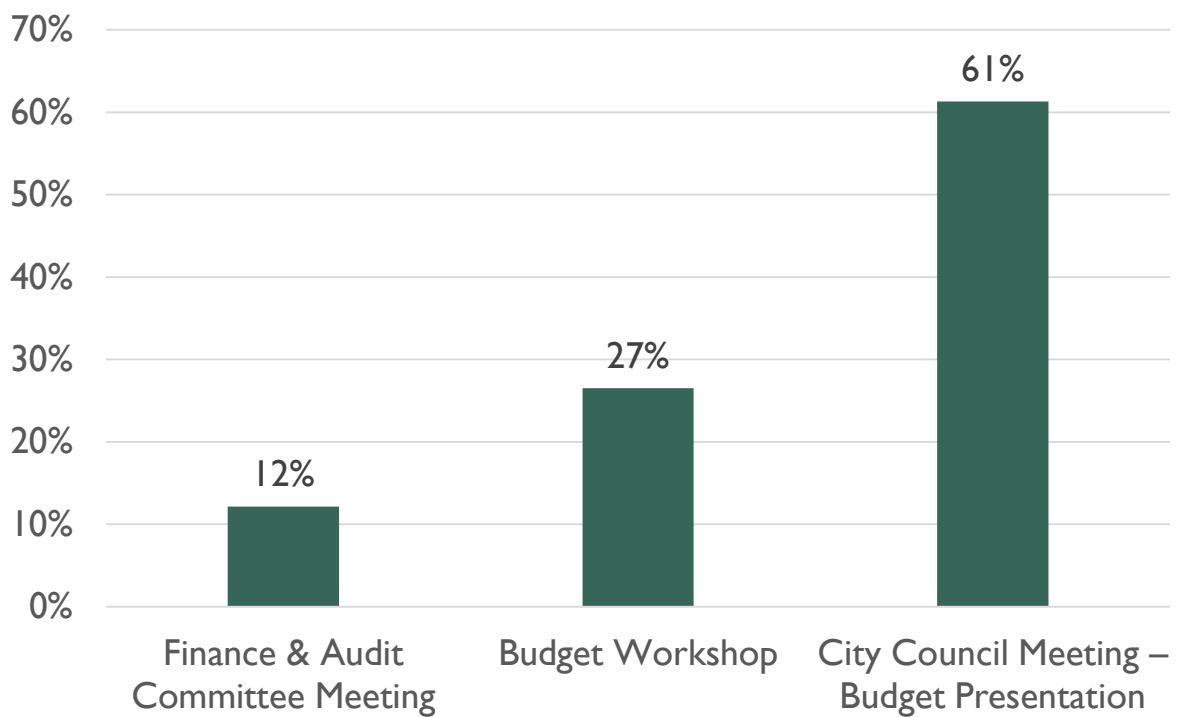
# BUDGET SURVEY SUMMARY

FY 2020-2021

In the past year, have you attended any of the following meetings pertaining to the budget?



Do you plan to attend any of the following meetings pertaining to the budget?





## **ATTACHMENT NO. 3**

### **Agenda Item No. 6 Consideration of Issuance of Pension Bonds Discussion**

---

**West Covina City Council Meeting  
February 4, 2020**

## The City's Current CalPERS Situation: Why The Unfunded Liabilities?

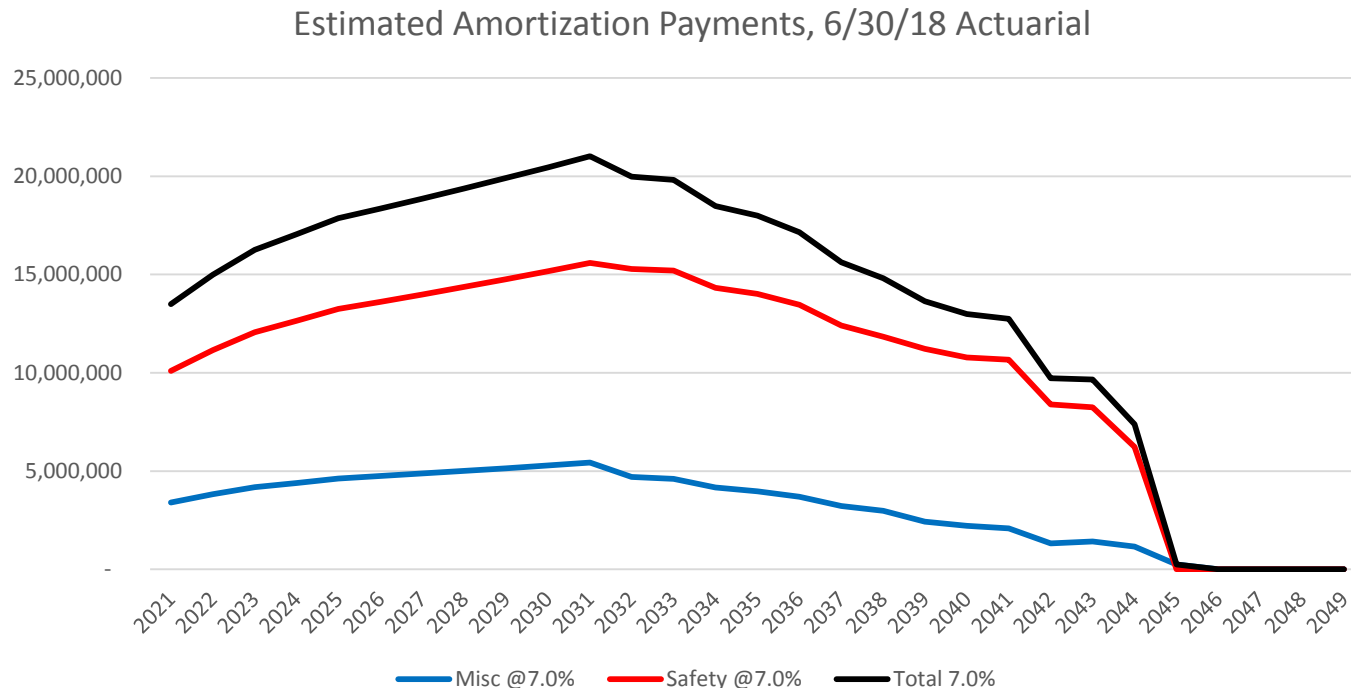
---

- CalPERS was founded in 1932 and currently has 2,890 member agencies including the State, counties, cities, school districts and special districts
- The City joined CalPERS in May 1966
- The City has always paid its required contributions to CalPERS
- Over the past few decades CalPERS system went from excess cash (“super-funded”) to being under-funded, thus creating unfunded liabilities
- In general, unfunded liabilities of CalPERS agencies are the result of:
  - Lowering the CalPERS discount rate, from as high as 8.25% in 2004 to 7.0% today
  - Investment losses, especially in 2008
  - Increased benefits offered by many employers between 1999 and 2012
  - Increased life expectancy
  - CalPERS' previous contribution policy, which eased the burden on employers after the Great Recession, but did not make faster progress in paying off unfunded liabilities



## The City's Current CalPERS Situation

- In the most recent actuarial study the combined funded ratio is 64.8% @ 7.0% Discount Rate (combined for Safety and Miscellaneous plans)
- At 6/30/20, the City is estimated to have a total unfunded liability of approximately \$200 million (\$199,686,217)
- Without POBs, CalPERS projects that future required payments toward unfunded liabilities will increase by \$8.7 million (72%) from \$12.3 million in FYE 2020 to a peak of \$21.0 million in FYE 2031.



## What is a Pension Obligation Bond (“POB”)?

---

- A bond issued by a municipality from which the proceeds are used to reduce the accrued unfunded liabilities of its pension system (in this case, CalPERS)
- Bond proceeds are typically deposited into a retirement system (in the City’s case, CalPERS), and are managed in a similar manner to existing investments
- If investment returns at a retirement system are higher than POB borrowing costs, budgetary savings to the municipality are very likely
- Unlike most municipal bonds, interest payments on POBs are generally taxable for purpose of federal income taxes

## The City's Goals for POBs

---

1. Achieve fiscal sustainability and financial stability. The City will align projected revenues/projected expenditures and adopt best management practices
2. Change the payment pattern (e.g., a smooth pattern for bond repayment, vs an irregular pattern with no bonds). A predictable payment pattern makes budgeting easier
3. Obtain higher expected investment returns on investments at retirement system (e.g., 7%) than borrowing cost (e.g., ~3.5-4.0%)
4. Leave amortization period unchanged
5. Raise the funded level of the pension plan (e.g., from 64.8% to 92.5%)
6. Establish a long-term legally sound plan well-suited to the City's needs

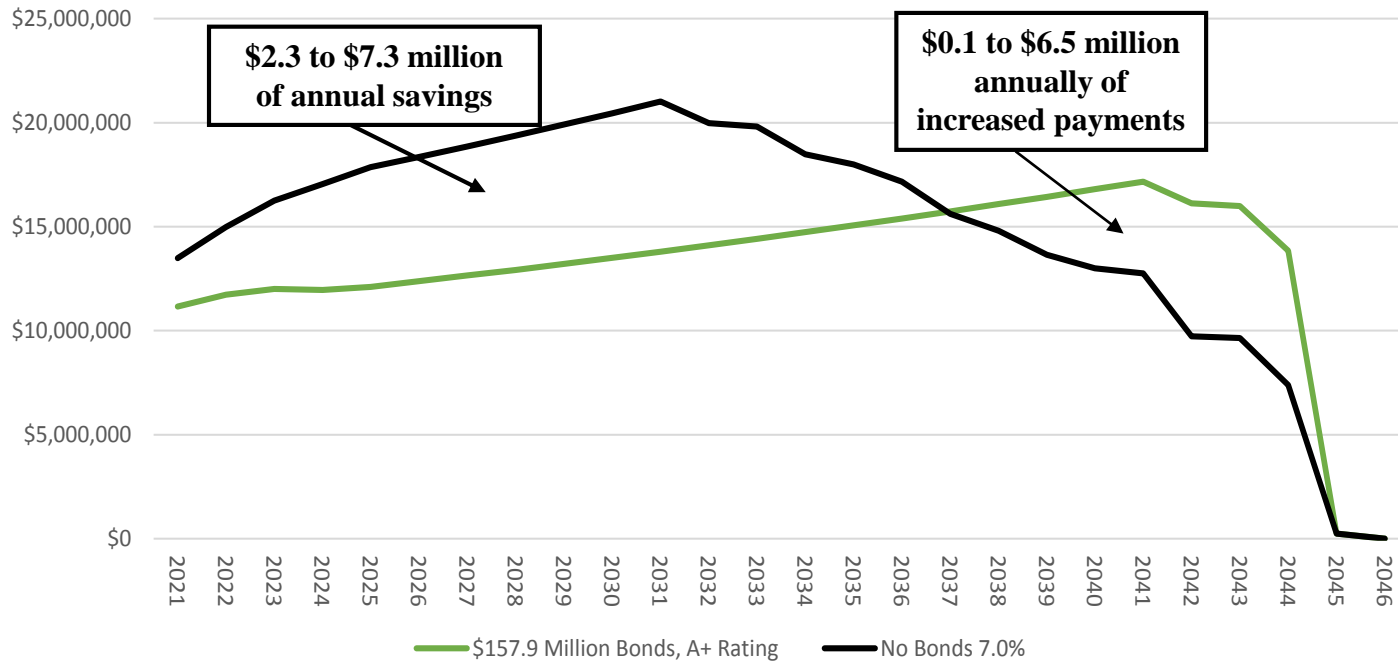
## California Judicial Validation Overview

---

- Pension Obligation Bonds are validated in California as obligations imposed by law.
- Validation is necessary because all debt issued in California absent a Constitutional exception must be voter-approved.
- Validation involves a formal court proceeding in the County's Superior Court and takes approximately 120 days, including:
  - City Council approves resolution
  - A complaint is filed in Superior Court
  - The Court orders notices published in a local newspaper
  - A deadline for responses occurs (commonly, there is no opposition)
  - Judgement is issued. Appeal period expires 30 days later
  - Bonds are issued
- Once a final validation judgement is entered, investors have assurance that the Pension Obligation Bonds are legal, valid and binding without voter approval and the terms of the Trust Agreement cannot be subject to challenge.

## POB Example: \$157.9 Million Bond

- Results in approximately 92.5% funded ratio at 7% discount rate
- Includes amortization bases up to 24 years, POB is 24 years
- Expected borrowing cost is 3.813% including all costs of issuance
- Produces large expected savings in most years (~\$2.3-7.3 million)
- Has up to \$6.5 million dissavings/additional cost in later years
- NPV Savings estimated at 22.3%, \$44.8 million



\*Bond interest rates as of \_\_\_\_/2020

## Government Finance Officers Association\* concerns regarding POBs

---

Note: Only one applies to the proposed transaction:

1. *Invested POB proceeds might earn less than the borrowing costs*
  - This is indeed possible. Instead of CalPERS expected long term earnings rate of 7.0%, lower actual investment returns could occur. The chances of returns over a 25 year horizon below the 3.5-4.0% borrowing cost are low, but they do exist.
2. *“POBs are complex instruments that carry considerable risk...and may include swaps or derivatives...”*
  - No. These are fixed rate bonds.
3. *“Issuing taxable debt to fund the pension liability increases the jurisdiction’s bonded debt burden and potentially uses up debt capacity...”*
  - No. The Validation Proceeding will exclude POBs from any debt limit.
4. *POBs are “typically issued without call options” making it more difficult to refund bonds if interest rates fall or a different debt service structure is desired in the future.*
  - No. These bonds will be issued with par calls
5. *“POBs are frequently structured in a manner that defers the principal payments...”*
  - No. These bonds will pay principal every year they are outstanding and have the same final maturity as the underlying unfunded liability amortization.
6. *“Rating agencies may not view the proposed issuance of POBs as credit positive...”*
  - We will be advocating for an upgrade from S&P due to the POBs and other changes at the City.

---

\* Source: GFOA - Pension Bond Risks Jan 2015

## POB Issuance Statistics

---

- Since 1986 approximately:
  - ❑ \$106 billion in pension bonds have been issued
  - ❑ \$28 billion issued in California, from 80 issuers
  - ❑ Recent local California pension bonds issued:
    - ❑ AAA, Glendora, \$64 million 2019
    - ❑ AA+, La Verne, \$52 million 2018
    - ❑ AA, Monrovia \$11.5 million 2017
    - ❑ AA, City of Riverside, \$32 million 2017
    - ❑ AA-, Baldwin Park, \$54 million 2019
  - ❑ Post 2012, **all** POBs have been sold as fixed rate bonds

## Finance Team

---

Members of Finance POB Team		
Underwriter: Hilltop Securities		
<p><b>Todd Smith</b> Managing Director Cardiff, California 760.632.1347 <a href="mailto:Todd.Smith@hilltopsecurities.com">Todd.Smith@hilltopsecurities.com</a></p>	<p><b>Brian Whitworth, CFA</b> Director Encino, California 310.401.8057 <a href="mailto:Brian.Whitworth@hilltopsecurities.com">Brian.Whitworth@hilltopsecurities.com</a></p>	
Municipal Advisors: Wolf & Company, NHA Advisors		
<p><b>Tammy Ofek</b> Municipal Advisor, Wolf &amp; Company Diamond Bar, California 917.913.9297 <a href="mailto:tammyo@wolfco.net">tammyo@wolfco.net</a></p>	<p><b>Eric Scriven</b> Principal, NHA Advisors San Rafael, California 415.785.2025 x2003 <a href="mailto:Eric@NHAadvisors.com">Eric@NHAadvisors.com</a></p>	<p><b>Mike Meyer</b> Vice President, NHA Advisors Carlsbad, California 415.785.2025 x2004 <a href="mailto:Mike@NHAadvisors.com">Mike@NHAadvisors.com</a></p>
Bond Counsel/Disclosure Counsel/Validation Counsel		
<p><b>Don Hunt</b> Partner Los Angeles, California 213.892.9316 <a href="mailto:Don.Hunt@nortonrosefulbright.com">Don.Hunt@nortonrosefulbright.com</a></p>	<p><b>Russ Trice</b> Partner Los Angeles, California 213.892.9317 <a href="mailto:Russ.Trice@nortonrosefulbright.com">Russ.Trice@nortonrosefulbright.com</a></p>	



## Staff Recommendation:

---

- That the City Council adopt Resolution No. 2020-08
  - Authorizing the Issuance and Delivery of Pension Obligation Bonds, approving the execution of a Trust Agreement, authorizing a validation action, approving certain professionals for the refunding and related matters.

# West Covina Fire Department Finance & Audit Committee Presentation

Presented BY:  
Fire Chief Vincent A. Capelle



# OBJECTIVES

- ❑ Fire Department overview
- ❑ Fire Department Risk Assessment/Standards of coverage/Needs Assessment
- ❑ Reorganization by use of “BROWN OUT” model without Overtime use
- ❑ Reorganization by elimination of 2 Fire Engines and 3 Paramedic Rescue Ambulances, contract patient transport with CARE ambulance service
- ❑ Contract Fee for Service with Los Angeles County Fire Protection District (Annexation of Fire & EMS Services)

# Current Deployment model (Administration)

- **Fire Administration-**

- Fire Chief (Fire Marshall)
- Assistant Fire Chief (Eliminated 2017)
- 40-hour Training/EMS Captain (unfilled 3/2020)
- Senior Administrative Assistant
- Management Analysis (unfilled 05/2019)
- Senior Accounts Clerk
- Part-Time office aide (eliminated 7/2018)

- **Fire Prevention-**

- Deputy Fire Marshall (unfilled 7/2018)
- Fire Protection Specialist (civilian)
- Fire Protection Specialist (part-time)
- Administrative assistant

# Current Deployment model (Operations)

- Station #1- Engine company (1 Captain, 1 Engineer, 1 Firefighter/Paramedic)  
Paramedic Rescue Ambulance (2 Firefighter/Paramedic)
- Station #2- Engine company (1 Captain, 1 Engineer, 1 Firefighter/Paramedic)  
Truck Company (1 Captain, 1 Engineer, 1 Firefighter, 1 Firefighter/Paramedic) (moved to station#4)  
Paramedic Rescue Ambulance (2 Firefighter/Paramedic)  
Command Vehicle (1 Assistant Fire Chief)
- Station #3- Engine company (1 Captain, 1 Engineer, 1 Firefighter)
- Station #4- Engine company (1 Captain, 1 Engineer, 1 Firefighter/Paramedic) (closed 08/2018)  
Truck Company (Quint Capable) (1 Captain, 1 Engineer, 1 Firefighter, 1 Firefighter/Paramedic) (from Station #2)  
Paramedic Rescue Ambulance (2 Firefighter/Paramedic)
- Station #5- Engine company (1 Captain, 1 Engineer, 1 Firefighter)

# Commission on Fire Accreditation

Develops “Standards of Response”: Fire, Emergency medical, Hazardous Materials, Technical rescue and other specialty responses.

- Written policies & procedures
  - Distribution of resources
  - Concentration of resources
  - Reliability of fixed and mobile response forces
- 
- Risk Assessment
- 
- Standards of Coverage
- 
- Needs Assessment

# Risk Assessment

- Fire Suppression-
  - 159 calls for service Fire (2019)
  - \$4 million in Contents and property loss (2019)
  - 4 Civilian injuries (2019) 2 fatalities (2020)
- Fire Prevention-
  - 3500 inspections (approx.) 2500 not completed
- Emergency Medical Services-
  - 6535 calls for medical related
- Brush/Wildland/Urban Interface-
  - Fuels unburned many years difficult access
- Urban Search and Rescue-
  - Large box stores
  - Malls
  - Parking structures
- Hazardous Materials-



# Standards of Coverage

Standards of coverage determines a safe and effective response force for Fire Suppression, Emergency Medical Services and other specialty services.

- Community baseline
- Based upon Risks
- What Level of Service
- Critical Task capability
- Service level objectives
- Evaluation of Reliability of Resources



# Needs Assessment

- Engine Company- Engine 4
- Fire Administration/Fire Prevention- AC, Deputy Fire Marshall, Fire Inspector
- Brush/Wildland/Urban interface- Crossed Staff apparatus/ regular staffed apparatus with capabilities
  - Type 3 Fire Engine
  - Type 6 Patrol
  - Type 1 Water Tender



# Needs Assessment

- Urban Search & Rescue- Cross Staffed apparatus/ Training & Equipment
- Hazardous Materials- Cross Staffed apparatus/ Training & Equipment
- Training location-

# Needs Assessment

- Fire Station Maintenance/Repair/Rebuild- > 27 million dollars
  - Station #1 \$5,100,000
  - Station #3 \$3,300,000
  - Station general projects \$535,000
  - Needed Station improvements \$18,950,000
- Apparatus Purchase/Replacement- \$3,488,550
  - Two Fire Engines
  - One Fire Truck (Quint Capable)
  - Two Rescue Ambulances
  - Type 1 USAR Heavy Rescue (not priced above)
  - Type 1 Haz-Mat Response apparatus (not priced above)
  - Type 3 Fire Engine (not priced above)
  - Type 6 Fire Patrol (not priced above)
  - Type Water Tender (not priced above)
- Communications Equipment- \$583,000
  - End of Service live 2008/2014 mobile & portable radios

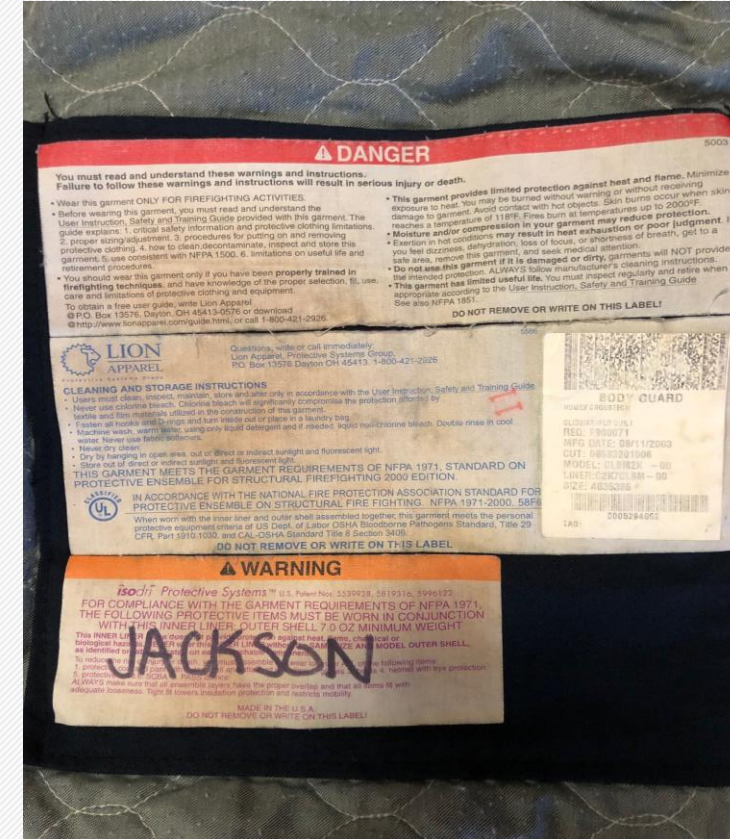
# Needs Assessment

- Fire Fighting equipment (Person Protective Equipment)- \$468,500
  - Fire Fighting Turnout Gear \$220,500
  - Self-Contained Breathing Apparatus (SCBA) 2007 end of life (received thru grant 2006) \$123,000
  - SCBA- annual testing and Maintenance (years out of testing) \$125,000





# Needs Assessment



# Local Cities Comparison

Cities without extra revenue source, (sales tax, UUT, Sewer, Trash):

City	Fire Service	Police Service	Cost per pop	Population	Sq. Miles	Population per FF
West Covina	West Covina FD	West Covina PD	\$191.92	106,311	16.04	1540.74
Manhattan Beach	Manhattan Bch FD	Manhattan Bch PD	\$423.97	35,135	3.94	1254.82
Beverly Hills	Beverly Hills FD	Beverly Hills PD	\$1,459.23	34,109	5.7	516.80
Palos Verdes Estes	LAc Fire	Palos Verde's EST PD	\$329.59	13,438	4.77	895.87

Cost per capita:  
 National- \$348.00  
 California- \$414.00  
 West Covina- \$192.92

Cities (With dual service) with extra revenue source, (sales tax, UUT, Sewer, Trash) :

City	Fire Service	Police Service	Cost per pop	Population	Sq. Miles	Population per FF
West Covina	West Covina FD	West Covina PD	\$191.92	106,311	16.04	1540.74
Alhambra	Alhambra FD	Alhambra PD	\$235.53	83,653	7.6	1349.24
Burbank	Burbank FD	Burbank PD	\$357.92	103,340	17.3	956.85
Downey	Downey FD	Downey PD	\$218.60	111,772	12.41	1643.71
Pasadena	Pasadena FD	Pasadena PD	\$364.03	137,122	23.00	811.37
Santa Monica	Santa Monica FD	Santa Monica PD	\$500.56	89,736	8.42	1031.45

Firefighters per capita:  
 National- 1000  
 Locally- 1100  
 West Covina- 1541

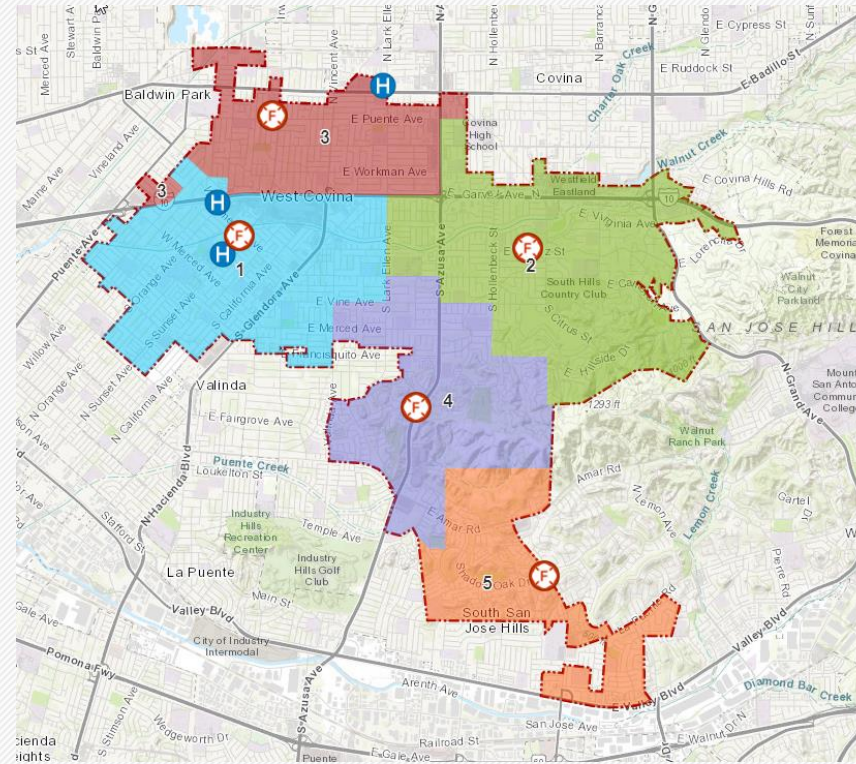
# Brown out model

- Reorganization by use of “BROWN OUT” model without Overtime use
  - When there is a vacancy by way of any leave type position not back filled
  - Members on the apparatus will be moved to another apparatus.
  - The station will be browned out during this time.
  - Potential for multiple units Browned out during any one day



100

# West Covina Fire Stations and Districts





# Brown out model

- CONS

- No resource to respond to calls for service
- Delay in response times
- Fires will be larger
- Medical patients will not get treatment
- Hazard calls will cause increased destruction
- Potential Mutual Aid will be delayed due to call lag and increased requests can not be filled
- Liability claims to the city will increase

- PROS

- Fire Department budget will not be spent on Overtime

# Brown out model

- CONS

- No resource to respond to calls for service
- Delay in response times
- Fires will be larger
- Medical patients will not get treatment
- Hazard calls will cause increased destruction
- Potential Mutual Aid will be delayed due to call lag and increased requests can not be filled
- Liability claims to the city will increase

- PROS

- Fire Department budget will not be spent on Overtime

# Brown out model

- This model will cause dangerous situations to the residents and is a danger to Fire Fighters.
- This model is not viable alternative for a municipal fire department.

# Private Ambulance Transport model

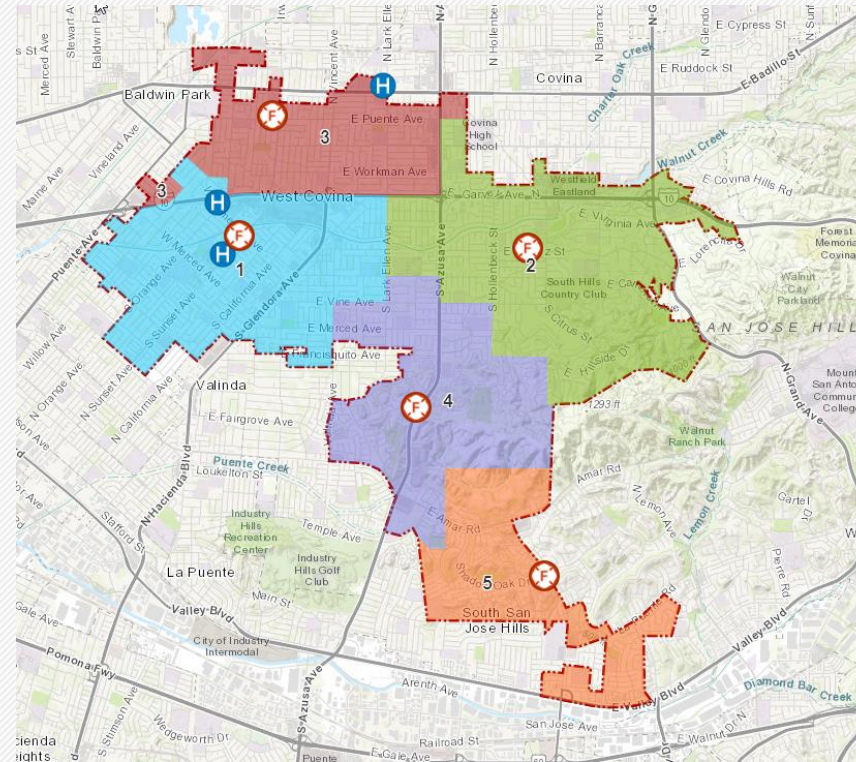
- Reorganization by elimination of 2 Fire Engines and 3 Paramedic Rescue Ambulances, contract patient transport with CARE ambulance service
  - 2 Engine Companies with 3 personnel will be staffed with 4 personnel
  - 1 Truck Company with 4 personnel will remain 4 personnel
  - 2 Engine Companies with 3 personnel will be eliminated (12 personnel)
  - 3 Rescue Ambulances with 2 personnel will be eliminated (18 personnel)

# Private Ambulance Transport model

- Total of 30 Layoffs
- Total daily staffing of 12.
- 21 Fire Personnel needed to respond to a Structure fire
- Contract Patient transport with CARE Ambulance INC.
  - Fee for service lease model
  - Pass thru model

100

# West Covina Fire Stations and Districts



# Private Ambulance Transport model

- CONS

- No resource to respond to calls for service
- Delay in response times
- Fires will be larger
- Medical patients will not get treatment
- Hazard calls will cause increased destruction
- Potential Mutual Aid will be delayed due to call lag and increased requests can not be filled
- Liability claims to the city will increase
- Loss of Patient transport revenues
- Delays in transport of critically ill patients

- PROS

- Fire Department budget will not be spent on Overtime

# Private Ambulance Transport model

- This model will cause dangerous situations to the residents and is a danger to Fire Fighters.
- This model is not viable alternative for a municipal fire department.



# Los Angeles County Fire Model

- **Contract Fee for Service with Los Angeles County Fire Protection District (Annexation of Fire & EMS Services)**
  - Los Angeles County Fire Protection District would provide apparatus, equipment, personnel, training, station maintenance at fee for service agreement.
  - All risk incidents will have immediate availability of the entire Los Angeles County resources.
  - Los Angeles County assumes all liability for fire suppression and prevention services.
  - All overtime costs will be paid by Los Angeles County
  - All current West Covina Fire Department members will be eligible to transfer
  - Los Angeles County assumes all future retirement costs

# Los Angeles County Fire Model

- ❑ Established in 1920
- ❑ 175 Fire Stations
- ❑ Over 3,000 Firefighters
- ❑ Over 7,000 Fires per year
- ❑ Over 320,000 Medical calls per year
- ❑ 59 Cities
- ❑ Providing service for over 4 million residents

- ❑ Class 1 Department
- ❑ Health & Hazmat Div.
- ❑ USAR Ready
- ❑ Wildland Div.
- ❑ Air Division (8 helicopters)
- ❑ Swift Water Rescue Teams
- ❑ Prevention/Community Outreach Teams

# Los Angeles County Fire Model

- Azusa
- Baldwin park
- Bradbury
- Claremont
- Covina
- Duarte
- Glendora
- Irwindale
- San Dimas
- Diamond Bar
- Industry
- La Puente
- Pomona
- Walnut

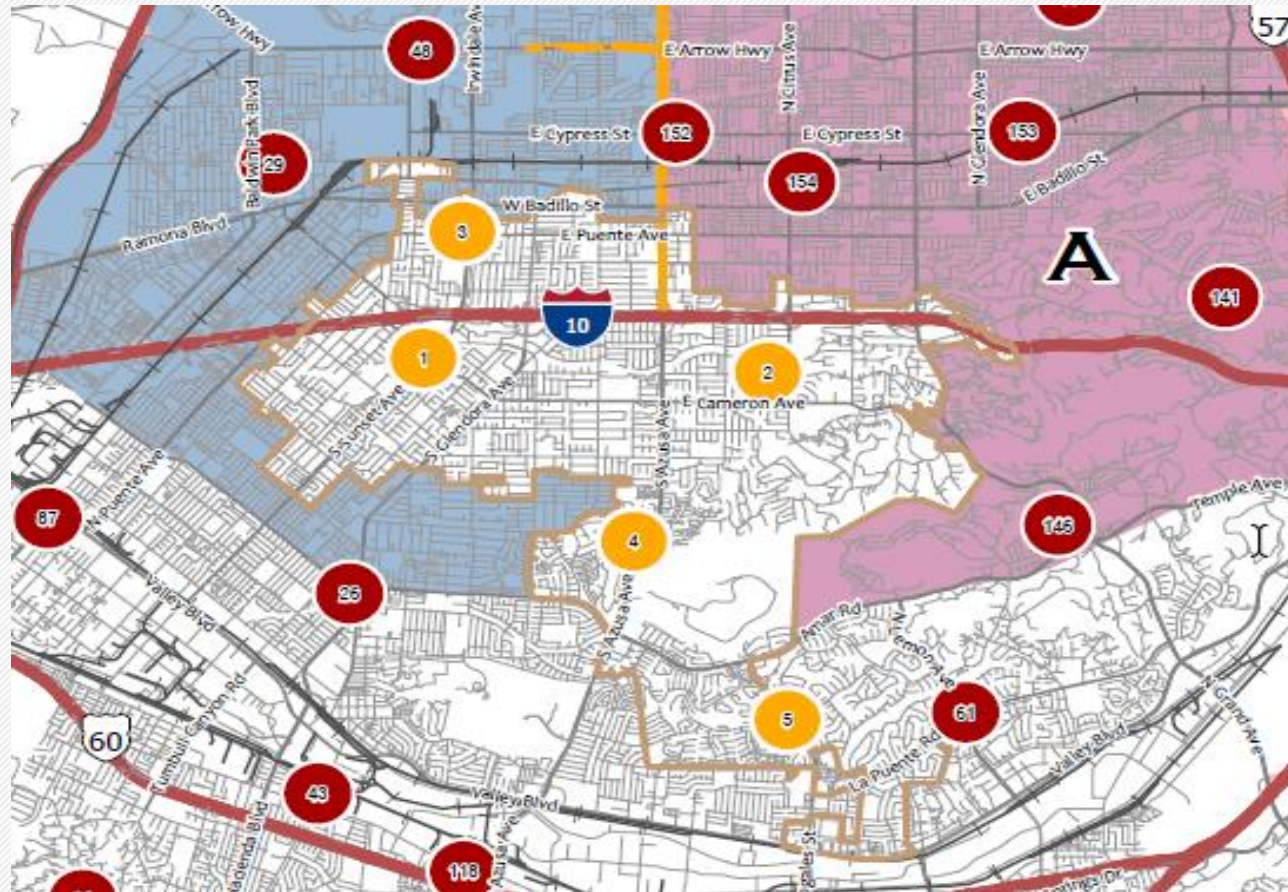
- El Monte
- Rosemead
- South El Monte
- Temple City
- Cudahy
- Huntington Park
- Inglewood
- Lynwood
- Maywood
- South Gate
- Bell
- Bell Gardens
- Commerce

\* Cities in San Gabriel Valley

# Los Angeles County Fire Model

West Covina Fire  
Stations

Los Angeles County  
Fire Stations



# Los Angeles County Fire Model

## 1<sup>st</sup> Alarm Fire Residential WCV



+4 Engines



+1 Truck/Quint



+1 Assistant Chief



+2 Rescues

## 1<sup>st</sup> Alarm Fire Residential LAC



+4 Engines



+1 Truck/Quint



+1 EST



+1 Squad



+1 Battalion Chief

# Los Angeles County Fire Model

## 2<sup>nd</sup> Alarm Fire Residential WCV



+1 Rescues

- Dependent of the availability of surrounding agencies.

## 2<sup>nd</sup> Alarm Fire Residential LAC



+3 Engines



+1 Truck/Quint



+1 HazMat  
Task Force



+1 USAR  
Task Force



+1 Mobile Air/  
Light Unit



+2 Battalion Chiefs



+1 Assistant Chief



+1 Dozer Team



+1 Emer. Support  
Unit



# Los Angeles County Fire Model

## 1<sup>st</sup> Alarm Fire Wildland WCV



+4 Engines



+1 Truck/Quint



+1 Assistant Chief



+2 Rescues

## 1<sup>st</sup> Alarm Fire Wildland LAC



+7 Engines



+1 Patrol



+3 Helicopters  
+1 w/Crew



+4 Camp Crews



+1 Dozer Team



+1 Water Tender



+3 Superintendents



+2 Super  
Scoopers  
*Seasonal*



+2 Battalion Chiefs



+1 Squad  
*PM*

# Los Angeles County Fire Model

## 2<sup>nd</sup> Alarm Fire Wildland WCV



+1 Rescue

- Dependent of the availability of surrounding agencies.

## 2<sup>nd</sup> Alarm Fire Wildland LAC



+7 Engines



+1 Patrol



+1 Dozer Team



+4 Camp Crews



+1 Heavy Equipment  
Superintendent



+1 Water Tender



+1 Helitanker



+1 Helitender



+2 Battalion Chiefs



+1 Emer. Support  
Unit





+1 Assistant Chief




# Los Angeles County Fire Model

## 1<sup>st</sup> Alarm Fire Commercial WCV


 +4 Engines


 +1 Truck/Quint

 +1 Assistant Chief


 +2 Rescues

## 1<sup>st</sup> Alarm Fire Commercial LAC

 +5 Engines

 +2 Trucks/Quints

 +1 EST

 +1 Squad

 +2 Battalion Chiefs

# Los Angeles County Fire Model

## 2<sup>nd</sup> Alarm Fire Commercial WCV



+1 Rescue

- Dependent of the availability of surrounding agencies.

## 2<sup>nd</sup> Alarm Fire Commercial LAC



+4 Engines



+2 Trucks/Quints



+1 HazMat  
Task Force



+1 USAR  
Task Force



+1 Mobile Air/  
Light Unit



+2 Battalion Chiefs



+1 Assistant Chief



+1 Dozer Team



+1 Squad



+1 Emer. Support  
Unit

# Los Angeles County Fire Model

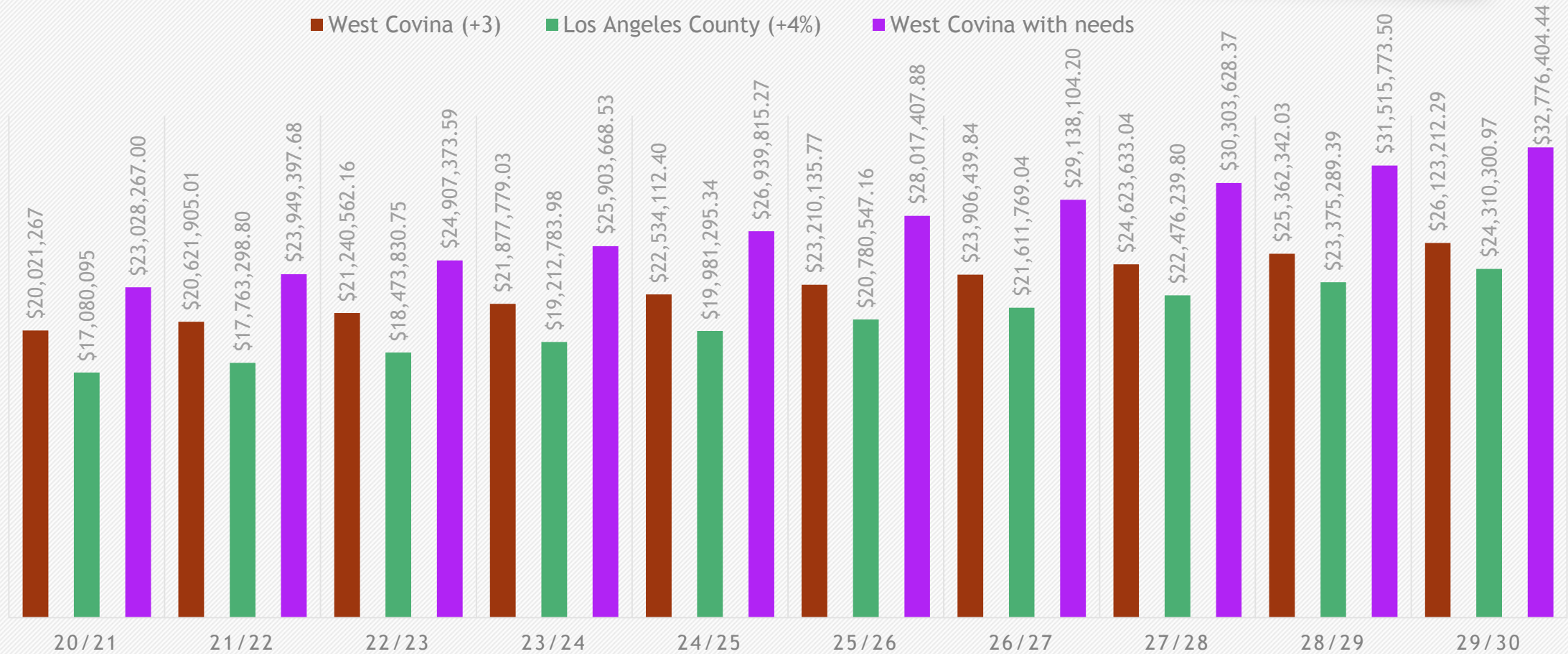
- CONS

- Disbanding of West Covina local Fire

- PROS

- Decrease redundant service giving enhanced service to the citizens of West Covina
- Increase service deployment for less cost
- Increased available resources without any delay
- Indirect cost in City budget for Fire Service is eliminated
- No further increase of UFL costs
- Potential savings, city budget of \$50+ million dollars, 10 years
- \$27 million, needed to bring FD to minimum is eliminated

# West Covina vs LACo 10-year snapshot



Questions

THANK YOU