

Cindy Segawa, Mayor
Barry Waite, Mayor Pro Tem
James Gazeley, Council Member
Bill Uphoff, Council Member
Mark A. Waronek, Council Member



LOMITA CITY HALL
COUNCIL CHAMBERS
24300 Narbonne Avenue
Lomita, CA 90717
Phone: (310) 325-7110
Fax: (310) 325-4024

Next Resolution No. 2022-34
Next Ordinance No. 841

**AGENDA
REGULAR MEETING
LOMITA CITY COUNCIL
TUESDAY, OCTOBER 18, 2022
6:00 P.M.**

**24300 NARBONNE AVENUE, LOMITA, CA 90717
UPSTAIRS ASSEMBLY ROOM/HYBRID CITY COUNCIL MEETING**

PURSUANT TO AB-361, THE PUBLIC AND COUNCIL MAY PARTICIPATE IN THIS MEETING VIA TELECONFERENCE AS SOCIAL DISTANCING MEASURES ARE RECOMMENDED BY STATE AND COUNTY OFFICIALS.

To participate in the meeting via a computer or smart device log in to ZOOM at the following link:
<https://us02web.zoom.us/j/84325195202>.

You may enter your name when prompted to do so. If you wish to provide public comment at either the beginning of the meeting or for a particular item, you may either (a) contact the City Clerk's Office before the meeting and provide your name or (b) utilize the "raise hand" option located under the participant's name. Once you click on this option you will be in the rotation to make a public comment.

Please note, if you do not have the audio feature on your device you will need to call (669) 900-6833 and enter ZOOM Meeting ID: 843 2519 5202 then press pound (#). When prompted to enter the participation ID number press pound (#) again. To make a public comment enter "*9". The Clerk's office will be notified, and you will be announced to make a public comment.

Written materials distributed to the City Council within 72 hours of the City Council meeting are available for public inspection immediately upon distribution via the City of Lomita website or by contacting the Deputy City Clerk at l.abbott@lomitacity.com.

In compliance with the Americans with Disabilities Act (ADA) if you need special assistance to participate in this meeting, you should contact the office of the City Clerk at (310) 325-7110 (voice) or the California Relay Service. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

This meeting will be conducted in compliance with CDC guidelines and applicable orders of the Los Angeles County Health Officer.

No meeting of the Lomita Public Financing Authority will be held on this date.

1. OPENING CEREMONIES

- a) Call Meeting to Order
- b) Flag Salute
- c) Invocation – Mayor Segawa
- d) Roll Call

2. APPROVAL OF AGENDA

3. PRESENTATIONS

- **INTRODUCTION OF NEW AREA G DMAC CONTACT**

4. ORAL COMMUNICATIONS

Persons wishing to speak on Consent Agenda items or subjects other than those scheduled are requested to do so at this time. In order to conduct a timely meeting, a five-minute time limit per person has been established. Government Code Section 54954.2 prohibits the Council from discussing or taking action on a specific item unless it appears on a posted agenda.

5. ORAL COMMUNICATIONS AND MEETING ATTENDANCE REPORTS FROM THE CITY COUNCIL

The City Council may discuss and act upon items described under Council comments; however, items which are not on the agenda will be limited to Council reports, announcements, requests for clarification or factual information, or placement of matters on the agenda for a future meeting.

6. CITY MANAGER’S REPORT (information only)

7. CONSENT AGENDA

All items under the Consent Agenda are considered by the Council to be routine and will be enacted by one motion in the form listed below. There may be separate discussions of these items prior to the time the Council votes on the motion. Specific items may be removed from the Consent Agenda at the request of any Council Member or staff.

RECOMMENDED ACTION: That Consent Agenda Items 7a-l be approved.

- a. Motion to Waive Full Reading of Ordinances and that They be Read in Title Only

RECOMMENDED ACTION: Approve motion.

- b. Minutes of the Regular City Council Meeting of September 6, 2022

RECOMMENDED ACTION: Approve minutes.

- c. Warrants/Payroll Register

RECOMMENDED ACTION: Approve and file Warrants/Payroll Register.

- d. Monthly Report for the Administrative Services Department

RECOMMENDED ACTION: Receive and file the report.

- e. Monthly Report for the City Manager's Department

RECOMMENDED ACTION: Receive and file the report.

- f. Monthly Report for the Community and Economic Development Department

RECOMMENDED ACTION: Receive and file the report.

- g. Monthly Report for the Recreation and Facilities Division

RECOMMENDED ACTION: Receive and file the report.

- h. Monthly Report for the Public Works Department

RECOMMENDED ACTION: Receive and file the report.

- i. August 2022 Treasury & Investment Report

RECOMMENDED ACTION: Receive and file the report.

- j. First Amendment to the Professional Services Agreement with Data Ticket to Provide Citation Management Services for Parking Enforcement and Code Enforcement

RECOMMENDED ACTION: 1) Approve the First Amendment to Agreement File No. 2017-16 to extend the term and add additional services related to administrative citation processing, and authorize the City Manager and City Clerk to execute the agreement; and 2) Authorize the City Manager to purchase associated equipment.

- k. License Agreement with the City of Lomita and Metropolitan Water District for Access and Permitting of Temporary Lane Use

RECOMMENDED ACTION: Approve the Access and Permitting Agreement and authorize the City Manager and City Clerk to execute the agreement.

- l. Fiscal Year 2021/2022 Year-End Budget Amendments

RECOMMENDED ACTION: Approve the recommendations of the Finance Committee contained in Attachment 1 and direct staff to make necessary expenditure and revenue budget amendments to implement the recommendations.

8. SCHEDULED ITEMS

- a. **DISCUSSION AND CONSIDERATION OF PROFESSIONAL SERVICES AGREEMENTS WITH NORTHSTAR CHEMICAL AND FILTRATION TECHNOLOGY, INC. FOR WATER TREATMENT CHEMICALS**

Presented by Carla Dillon, P.E., Public Works Director

RECOMMENDED ACTION: Authorize the City Manager to execute Professional Services Agreements with Northstar Chemical, Inc. and Filtration Technology, Inc. for water treatment chemicals.

9. PUBLIC HEARINGS

- a. **PUBLIC HEARING AND CONSIDERATION OF A RATE RESOLUTION RELATIVE TO WATER RATES**

Presented by Susan Kamada, Administrative Services Director

RECOMMENDED ACTION: Conduct a public hearing and receive written protests from property owners in accordance with Proposition 218 relative to the proposed water rate increase and if a majority protest is not achieved, adopt the attached rate resolution.

RESOLUTION NO. 2022-34 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, ADOPTING NEW WATER RATES AND CHARGES

10. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted not less than 72 hours prior to the meeting at the following locations: Lomita City Hall lobby and outside bulletin board, Lomita Parks and Recreation, and uploaded to the City of Lomita website <https://lomitacity.com/agendas-minutes/>.

Date Posted: October 13, 2022



Kathleen Horn Gregory, MMC, City Clerk

**MINUTES OF THE
LOMITA CITY COUNCIL
REGULAR MEETING
TUESDAY, SEPTEMBER 6, 2022**

PURSUANT TO EXECUTIVE ORDER N-08-21 ISSUED BY GOVERNOR NEWSOM AND AB361, THE PUBLIC AND COUNCIL PARTICIPATED IN THIS MEETING IN PERSON AND VIA ZOOM.

1. OPENING CEREMONIES

a. Call Meeting to Order

The regular meeting of the Lomita City Council was called to order by Mayor Segawa at 6:00 p.m. on Tuesday, September 6, 2022.

b. Flag Salute

Council Member Waronek led the salute to the flag.

c. Invocation

Council Member Uphoff gave the invocation.

d. Roll Call

PRESENT: Council Member Waronek, Mayor Pro Tem Waite, and Mayor Segawa were present in the Upstairs Assembly Room; Council Members Gazeley and Uphoff participated via Zoom

ABSENT: None

STAFF PRESENT: City Manager Smoot and City Attorney Rusin were present in the Upstairs Assembly Room; Assistant City Manager Sugano, Administrative Services Director Kamada, Public Works Director Dillon, Administrative Analyst Ibarra, Senior Management Analyst Hernandez, and City Clerk Gregory participated via Zoom

2. APPROVAL OF AGENDA

Council Member Waronek made a motion, seconded by Council Member Uphoff to approve the agenda.

MOTION CARRIED by the following vote:

AYES: Council Members: Gazeley, Uphoff, Waronek, Mayor Pro Tem Waite, and Mayor Segawa

NOES: None

ABSENT: None

3. PRESENTATIONS

Public Works Director Dillon provided background on the Metropolitan Water District of Los Angeles (MWD) second lower feeder rehabilitation project, which involves pipe replacements throughout Southern California. She stated that during construction Lomita residents will be on a different feeder at a lower pressure, employing booster pumps, as has been done in the past when needed. Christian Ovalle, MWD Team Manager, Pipeline Rehab PM Team, introduced Jose Aldrete, Engineer, and Lizeth Martinez, Public Affairs Representative. Mr. Aldrete gave background on the MWD distribution system, project overview, work within Lomita, schedule, and project needs. He responded to Council questions relative to efforts to reduce construction noise and potential impacts on certain residents.

4. ORAL COMMUNICATIONS

Mayor Segawa announced the time for public comments on Consent Agenda items or subjects other than those scheduled.

Mindy Bossler, a Lomita resident, spoke in opposition to a sober living/group home in her neighborhood, and stated that the operators are giving conflicting information relative to the inhabitants of the house to concerned residents.

At the request of the Mayor, City Manager Smoot stated that the City has made contact with the operators to try to get clarification. The City has been given a point of contact should problems arise, and is working with the operators to mitigate the potential for any negative impacts to the neighborhood. In recent years, the City's ability to regulate certain types of facilities has been diminished.

Lisa Jennings, a Lomita resident, stated that neighbors have been given little information about the home so they have been researching regulations and policies relative to this type of operation on their own. She urged the Council to reach out to other cities to see how they have dealt with such facilities in residential neighborhoods.

Kevin Jankowski, a Lomita resident, expressed concerns about the lack of outreach from the operators and the potential for criminal activity in the neighborhood.

Janice Sivard, a Lomita resident, asked about planning restrictions for such a facility in Lomita, and stated that the operators are making building improvements without permits.

Charmaine Highland, a Lomita resident, expressed concerns about the lack of communication between the City and residents near the site.

Lisa McKnight, a Lomita resident, stated that the site is zoned as single-family residence, and has no licensing nor approvals. She added that the house is too small to house so many people and that it is a negative as far as property values in the neighborhood.

Bill Smith, a Lomita resident, expressed concerns relative to the operators' changing stories and suggested that City staff look into this.

Erin Nazary, a Lomita resident, stated that the operators' story changes all the time and that they have no answers for many concerns from neighbors. She also had concerns about secondary crime and property values.

It was the consensus of the Council to place a general discussion of the laws related to the City's ability to regulate similar uses on a future agenda.

Michael Mackavoy, Lomita Library Manager, announced upcoming events and programs.

5. ORAL COMMUNICATIONS AND MEETING ATTENDANCE REPORTS FROM THE CITY COUNCIL

Council Member Waronek reported on the following:

- 8th Annual Fire and Sheriff's Dinner
- Announced that he will be attending Cal Cities 2022 Expo September 7-9

Council Member Uphoff had nothing to report.

Council Member Gazeley reported on the following:

- September 1 – Southern California Association of Governments (SCAG) Meeting

Mayor Pro Tem Waite reported on the following:

- September 1 – Lunch with two new Torrance City Council Members
- September 25 – South Bay Cities Council of Governments Board Meeting
- September 27 – Family Day at the Lomita Railroad Museum

Mayor Segawa had reported on the following:

- August 30 – Lemmy Awards

6. CITY MANAGER'S REPORT (information only)

City Manager Smoot announced the 14th Annual City of Lomita Golf Classic & Mayor's Cup will take place on Monday, October 3, 2022. For more information on sponsorships or participation, please visit www.charitygolftoday.com/citylomita.

7. CONSENT AGENDA

RECOMMENDED ACTION: That Consent Agenda Items 7a-j be approved.

Council Member Waronek/ made a motion, seconded by /Mayor Pro Tem Waite to approve the recommended action.

MOTION CARRIED by the following vote:

AYES: Council Members: Gazeley, Uphoff, Waronek, Mayor Pro Tem Waite, and Mayor Segawa
NOES: None
ABSENT: None

Approved the following Consent Agenda items:

- a. Motion to Waive Full Reading of Ordinances and that They be Read in Title Only

RECOMMENDED ACTION: Approve motion.

- b. Minutes of the Regular City Council Meeting of July 5, 2022

RECOMMENDED ACTION: Approve minutes.

- c. Warrants/Payroll Register

RECOMMENDED ACTION: Approve and file Warrants/Payroll Register.

- d. Memoranda of Understanding (MOUs) with the Lomita City Employees Association (LCEA) Administrative and Field Services Units and Amendment to the Non-Represented Comp Plan Relative to Salary and Benefits

RECOMMENDED ACTION: Adopt resolutions amending the authorized positions and salary schedule for full-time employees for fiscal year commencing on the first full pay period following July 1, 2022, and ending June 30, 2024; and approve the attached MOUs with the Administrative and Field Service Units of the LCEA providing for an agreement through June 30, 2025; and approve a Revised Compensation and Benefits Plan for the Non-Represented Employees.

RESOLUTION NO. 2022-31 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, ESTABLISHING A SALARY SCHEDULE AND AUTHORIZED POSITIONS FOR EMPLOYEES FOR THE FISCAL YEAR COMMENCING JULY 1, 2022, AND ENDING JUNE 30, 2023

RESOLUTION NO. 2022-32 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, APPROVING MEMORANDA OF UNDERSTANDING BETWEEN THE CITY OF LOMITA AND THE ADMINISTRATIVE AND FIELD SERVICES UNITS OF THE LOMITA CITY EMPLOYEES ASSOCIATION (LCEA)

RESOLUTION NO. 2022-33 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, APPROVING A COMPENSATION PLAN FOR NONREPRESENTED EMPLOYEES FOR FISCAL YEARS 2022-23 THROUGH 2024-25 AND RESCINDING RESOLUTION NO. 2022-27

- e. Amendment No. 2 with Willdan Financial Services (WFS) to Extend the Term of Agreement - Water Rate Study

RECOMMENDED ACTION: 1) Approve Amendment No. 2 with Willdan Financial Services; 2) Authorize the City Manager and City Clerk to execute the amendment; and 3) Authorize a budget appropriation of \$11,126.

- f. Agreement with Tyler Technologies for Software as a Service Enterprise Resource Planning (ERP) System

RECOMMENDED ACTION: Authorize the City Manager to enter into an agreement with Tyler Technologies to provide Software as a Service (SaaS) for the City's Enterprise Resource Planning (ERP) system in an amount not to exceed \$70,000.

- g. Agreement with OpenGov Inc. for Budget and Planning Software and Support Services

RECOMMENDED ACTION: Authorize the City Manager to enter into an agreement with OpenGov Inc. (OpenGov) to provide Budget and Planning software set-up, training, implementation for a one-time not to exceed fee of \$40,330; and enter into an agreement for annual licensing and maintenance for five years at a cost of \$16,500 for the first year and \$20,000 annually with a 5% increase for each year.

- h. Second Reading and Adoption of Ordinance No. 838 Pertaining to Amending the City's Regulations for Accessory and Junior Accessory Dwelling Units to Comply with State Law

RECOMMENDED ACTION: Adopt Ordinance.

ORDINANCE NO. 838 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, AMENDING LOMITA MUNICIPAL CODE TITLE XI (PLANNING AND ZONING, CHAPTER 1 ZONING), REVISING THE CITY'S REGULATIONS FOR ACCESSORY AND JUNIOR ACCESSORY DWELLING UNITS AND A DETERMINATION THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

- i. Second Reading and Adoption of Ordinance No. 839 Pertaining to Amending and Revising the City's Regulations for Article 15 – Definitions, Article 30- Residential Zones, Article 49 D-C (Downtown Commercial), Article 58 – Mixed Use Overlay District, Article 66 Off-Street Parking, Storage and Loading, Article 70 – Zoning Ordinance Administration

RECOMMENDED ACTION: Adopt Ordinance.

ORDINANCE NO. 839 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, AMENDING LOMITA MUNICIPAL CODE TITLE XI (PLANNING AND ZONING, CHAPTER 1 (ZONING), AMENDING AND REVISING THE CITY'S REGULATIONS FOR ARTICLE 15 - DEFINITIONS, ARTICLE 30 - RESIDENTIAL ZONES, ARTICLE 49 D-C (DOWNTOWN COMMERCIAL), ARTICLE 58 - MIXED OVERLAY DISTRICT, ARTICLE 66 OFF-STREET PARKING, STORAGE AND LOADING, ARTICLE 70 - ZONING ORDINANCE ADMINISTRATION AND A DETERMINATION THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

- j. Virtual City Council Meetings as Well as Virtual Meetings for All Other City Commissions and Committees Pursuant to AB 361

RECOMMENDED ACTION: Authorize remote teleconference/virtual meetings of all City of Lomita legislative bodies, including all City commissions and committees, in accordance with Assembly Bill 361 ("AB 361"), by finding that: (1) a statewide state of emergency is currently in place; and (2) state and local officials have imposed or recommended measures to promote social distancing in connection with COVID-19.

SCHEDULED ITEMS

8. DISCUSSION AND CONSIDERATION TO APPROVE APPLICATIONS UNDER THE CITY'S ARPA BUSINESS ASSISTANCE PROGRAM AND DISCUSSION AND CONSIDERATION OF AMENDMENTS TO THE PROGRAM'S GUIDELINES

RECOMMENDED ACTION: 1) Approve three (3) applications under the City's ARPA Business Assistance Program; and 2) Adopt amendments to the City of Lomita ARPA-Business Assistance Program guidelines.

Council Member Waronek recused himself from discussion of this item and left the Upstairs Assembly Room.

Administrative Analyst Ibarra presented the staff report as per the agenda material.

Mayor Segawa asked if there were any requests from the public to speak on this item. There being no requests, she brought the item back to Council for discussion or a motion.

Council Member Uphoff clarified that the total allocations of ARPA funding to the various categories can be changed in the future should the Council desire to do so.

City Attorney Rusin stated that staff recommends adding the following language to the motion: "Authorize the City Manager and City Attorney to make any changes required to comply with the ARPA to ensure that funds are properly used."

Council Member Uphoff made a motion, seconded by Mayor Pro Tem Waite to approve the recommended action.

MOTION CARRIED by the following vote:

AYES: Council Members: Gazeley, Uphoff, Mayor Pro Tem Waite, and Mayor Segawa
NOES: None
ABSENT: None
RECUSED: Waronek

Council Member Waronek returned to the room.

PUBLIC HEARINGS

9. PUBLIC HEARING #2 TO RECEIVE PUBLIC COMMENTS ON TRANSITION TO DISTRICT-BASED ELECTIONS UNDER THE CALIFORNIA VOTING RIGHTS ACT (CVRA)

RECOMMENDED ACTION: Open the public hearing, receive input and questions regarding the process and composition of the districts, and close the public hearing.

Mayor Segawa opened the public hearing at 6:31 p.m.

City Attorney Rusin introduced Andrew Westfall, Principal, Bear Demographics & Research, who stated that information relative to districting may be found on the City's website at www.lomitacity.com/districting. A public workshop on the matter is to be held at 7:00 p.m., Thursday, September 15, 2022, via Zoom.

Council Members Waronek and Gazeley expressed opposition to districting because of Lomita's small size and population.

City Clerk Gregory stated she had received three comments via the website and would distribute them to Council.

The Council received and filed the comments.

As there were no additional requests to speak on this item, she closed the public hearing at 6:41 p.m.

10. DISCUSSION AND CONSIDERATION OF AN ORDINANCE AMENDING THE LOMITA MUNICIPAL CODE TO CHANGE THE ALLOTTED TIME A MEMBER OF THE AUDIENCE MAY ADDRESS THE CITY COUNCIL DURING A PUBLIC MEETING FROM FIVE (5) MINUTES TO THREE (3) MINUTES (first reading)

RECOMMENDED ACTION: Conduct public hearing and after City Attorney reads the title of the ordinance, introduce on first reading an ordinance amending the allotted time for oral communications to three (3) minutes per speaker.

Senior Management Analyst Hernandez presented the staff report as per the agenda material.

Mayor Segawa opened the public hearing at 7:35 p.m. As there were no requests to speak on this item, she closed the public hearing at 7:35 p.m. and brought the item back to Council for a motion.

City Attorney Rusin noted a minor edit to the ordinance in section 2-1.18(a). Instead of "Each person desiring to address the Council *shall* step up to the microphone, state his name and address for the record..." it will state "*Each person desiring to address the Council shall be requested to step up to the microphone, state his name and address for the record...*" as speakers cannot be required to share their name or address. He then read the title of the ordinance to be introduced.

Council Member Waronek made a motion, seconded by Mayor Pro Tem Waite approve the recommended action with the edits as noted above.

MOTION CARRIED by the following vote:

AYES: Council Members: Gazeley, Uphoff, Waronek, Mayor Pro Tem Waite, and Mayor Segawa

NOES: None

ABSENT: None

Introduced the following ordinance:

ORDINANCE NO. 840 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, AMENDING SECTION 2-1.18(a) OF THE LOMITA MUNICIPAL CODE CHANGING THE ALLOTTED TIME A MEMBER OF THE AUDIENCE MAY ADDRESS THE CITY COUNCIL DURING A PUBLIC MEETING FROM FIVE (5) MINUTES TO THREE (3) MINUTES AND FINDING THE SAME EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

11. ADJOURNMENT

There being no further business to discuss, Mayor Segawa adjourned the meeting at 7:43 p.m.

Respectfully submitted,

Kathleen Horn Gregory, MMC, City Clerk
Adopted:

DRAFT

TO: Honorable Mayor and City Council
FROM: Administrative Services Department
DATE: October 18, 2022
SUBJECT: WARRANT REGISTER
PAYROLL REGISTER

October 18, 2022	TOTAL WARRANTS ISSUED:	\$484,672.55
	Wires Transfers:	10723-10730
	Prepay:	N/A
	Check Numbers:	529514-529593
	Total Pages of Register:	13

October 7, 2022	TOTAL PAYROLL ISSUED:	\$119,783.62
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I hereby certify that the demands or claims covered by the checks listed on pages 1 to 13 inclusive of the check register are accurate and funds are available for payment thereof:



Susan Kamada
Administrative Services Director



Lomita, CA

Warrant Register

By Vendor Name

Payment Dates 10/5/2022 - 10/18/2022

Payment Number	Payment Date	Vendor Name	Payable Number	Description (Item)	Amount
Vendor: 7228 - #1 All Safe & Secure					
529514	10/18/2022	#1 All Safe & Secure	09-22	Pre-Emp Physical Exam	40.00
				Vendor 7228 - #1 All Safe & Secure	Total: 40.00
Vendor: 6948 - A1 Lawnmower Shop					
529515	10/18/2022	A1 Lawnmower Shop	01271	2-Cycle Engine Oil	66.15
529515	10/18/2022	A1 Lawnmower Shop	01271	Topper	19.84
529515	10/18/2022	A1 Lawnmower Shop	01272	Pruner Sharpening	15.00
529515	10/18/2022	A1 Lawnmower Shop	01274	Fertilizer	42.99
529515	10/18/2022	A1 Lawnmower Shop	01969	Line for Edger	44.10
529515	10/18/2022	A1 Lawnmower Shop	01969	Pruning Saw	35.28
				Vendor 6948 - A1 Lawnmower Shop	Total: 223.36
Vendor: 7460 - ACE Business Machines, Inc.					
529516	10/18/2022	ACE Business Machines, Inc.	52996	Stamp Machine Annual Service ...	75.00
529516	10/18/2022	ACE Business Machines, Inc.	52996	Stamp Machine Annual Service ...	75.00
				Vendor 7460 - ACE Business Machines, Inc.	Total: 150.00
Vendor: 7353 - ACE Whatever It Takes					
529517	10/18/2022	ACE Whatever It Takes	5479	Wheel 10 X 2.75 Narrow Hub	37.46
529517	10/18/2022	ACE Whatever It Takes	5486	Gorilla Epoxy .85 oz	7.27
529517	10/18/2022	ACE Whatever It Takes	5488	Safety Glasses	29.75
529517	10/18/2022	ACE Whatever It Takes	5488	Gloves	16.53
529517	10/18/2022	ACE Whatever It Takes	5492	M18 Fuel Impact Wrench	330.74
529517	10/18/2022	ACE Whatever It Takes	5492	Returning Impact Wrench	-253.56
				Vendor 7353 - ACE Whatever It Takes	Total: 168.19
Vendor: 7445 - All City Management Services, Inc.					
529518	10/18/2022	All City Management Services, I...	79836	Crossing Guard Services	4,804.92
				Vendor 7445 - All City Management Services, Inc. Total:	4,804.92
Vendor: 12155 - Amazon Capital Services					
529519	10/18/2022	Amazon Capital Services	13Y3-6H96-1WNNM	Covid-19 Tests	148.80
529519	10/18/2022	Amazon Capital Services	1HLJ-YCVN-7T71	Halloween Pumpkins Decoratio...	131.11
529519	10/18/2022	Amazon Capital Services	1J64-J7RV-NCNX	Colombian Supreme Coffee	20.68
529519	10/18/2022	Amazon Capital Services	1J7D-KMN6-QL9J	Light Bulbs for Outdoor Hallow...	47.30
529519	10/18/2022	Amazon Capital Services	1J7D-KMN6-QL9J	Holiday Decorative Bulbs	79.27
529519	10/18/2022	Amazon Capital Services	1J7D-KMN6-QL9J	Light Bulbs	859.37
529519	10/18/2022	Amazon Capital Services	1JJM-FQMP-Q1VN	Tassel Garland	13.22
529519	10/18/2022	Amazon Capital Services	1JJM-FQMP-Q1VN	Triangle Flag Fabric Banner	16.53
529519	10/18/2022	Amazon Capital Services	1NF6-PGV3-944H	SanDisk 128GB Memory Card	18.30
529519	10/18/2022	Amazon Capital Services	1NF6-PGV3-944H	Wireless Mouse	33.06
529519	10/18/2022	Amazon Capital Services	1NF6-PGV3-944H	DanDisk 256GB USB 3.0 Flash Dr..	28.10
529519	10/18/2022	Amazon Capital Services	1NKY-XGXJ-YGCV	Halloween Drawstring Bags 108...	39.66
529519	10/18/2022	Amazon Capital Services	1NKY-XGXJ-YGCV	Crayons Bulk Pack, Regular Size	44.09
529519	10/18/2022	Amazon Capital Services	1R1D-C9VC-6DQD	12" Galvanized Garden Landsc...	14.32
529519	10/18/2022	Amazon Capital Services	1R1Q-T6V3-1PM7	50 Pack Led Christmas Light Bul...	37.36
529519	10/18/2022	Amazon Capital Services	1W4F-K7Y1-Q6KV	Expandable Traffic Cone Bar	120.17
529519	10/18/2022	Amazon Capital Services	1W4F-K7Y1-Q6KV	No Dumping Sign	74.96
529519	10/18/2022	Amazon Capital Services	1W4F-K7Y1-Q6KV	Traffic Cone Sign (Sidewalk Clos...	40.64
				Vendor 12155 - Amazon Capital Services Total:	1,766.94
Vendor: 4673 - Angel Castillo					
529520	10/18/2022	Angel Castillo	092822	Wellness Reimbursement	150.00
				Vendor 4673 - Angel Castillo	Total: 150.00
Vendor: 4020 - Automatic Data Processing					
10725	10/07/2022	Automatic Data Processing	616099569	Workforce Time and Attendance	678.73
10725	10/07/2022	Automatic Data Processing	616099569	Workforce Time and Attendance	226.24

Warrant Register

Payment Dates: 10/5/2022 - 10/18/2022

Payment Number	Payment Date	Vendor Name	Payable Number	Description (Item)	Amount
10726	10/07/2022	Automatic Data Processing	616100699	Workforce HCM	563.36
10726	10/07/2022	Automatic Data Processing	616100699	Workforce HCM	187.79
10727	10/07/2022	Automatic Data Processing	616099884	Payroll Processing-P/End 9/2/22	1,190.68
10727	10/07/2022	Automatic Data Processing	616099884	Payroll Processing-P/End 9/2/22	396.90
				Vendor 4020 - Automatic Data Processing	Total: 3,243.70
Vendor: 3334 - Autozone, Inc.					
529521	10/18/2022	Autozone, Inc.	2859407309	Synthetic Refrigerant	46.94
529521	10/18/2022	Autozone, Inc.	2859427597	Vaper Airline Inflator Gauge	21.82
529521	10/18/2022	Autozone, Inc.	2859429529	Sea Foam Motor Treatment	11.79
529521	10/18/2022	Autozone, Inc.	2859429529	Endurance 6 to 4 Hopkins	26.17
529521	10/18/2022	Autozone, Inc.	2859429529	Pyroil Starting Fluid 11oz	5.28
				Vendor 3334 - Autozone, Inc.	Total: 112.00
Vendor: 7477 - Best Best & Krieger, LLP					
529522	10/18/2022	Best Best & Krieger, LLP	945965	Prosecution/Code Enforcement...	5,006.00
529522	10/18/2022	Best Best & Krieger, LLP	945966	Legal Services August 22	4,595.00
529522	10/18/2022	Best Best & Krieger, LLP	945966	Legal Services August 22	4,595.00
				Vendor 7477 - Best Best & Krieger, LLP	Total: 14,196.00
Vendor: 3168 - California Banner & Sign Co.					
529523	10/18/2022	California Banner & Sign Co.	19748	Banner 2ft X 8ft, 13 oz	127.60
				Vendor 3168 - California Banner & Sign Co.	Total: 127.60
Vendor: 7524 - California Consulting, Inc.					
529524	10/18/2022	California Consulting, Inc.	5407	Grant Writing Services-Local Ro...	4,000.00
				Vendor 7524 - California Consulting, Inc. Total:	4,000.00
Vendor: 0685 - California Pro Sports					
529525	10/18/2022	California Pro Sports	14-16145	Ameri-Stripe White Athletic Aer...	564.39
529525	10/18/2022	California Pro Sports	14-16145	Hammock Ball Cart	440.98
529525	10/18/2022	California Pro Sports	14-16145	Champro Football Mouth Guards	192.94
				Vendor 0685 - California Pro Sports Total:	1,198.31
Vendor: 7319 - California State Disbursement Unit					
529526	10/18/2022	California State Disbursement ...	102122-1622	Employee Garnishment P/Date ...	230.76
				Vendor 7319 - California State Disbursement Unit	Total: 230.76
Vendor: 0655 - California Water Service					
529527	10/18/2022	California Water Service	6984422222-092722	PV Dr. N. Rolling Vista Medians	357.22
529527	10/18/2022	California Water Service	8594422222-092722	Landscape Maint. District #1	808.43
				Vendor 0655 - California Water Service Total:	1,165.65
Vendor: 12726 - Christopher Moya					
529528	10/18/2022	Christopher Moya	092322	Reimbursement for Work Boots	200.00
				Vendor 12726 - Christopher Moya Total:	200.00
Vendor: 3561 - CivicPlus, LLC					
529529	10/18/2022	CivicPlus, LLC	227629	Municode Electronic Updates	1,215.00
				Vendor 3561 - CivicPlus, LLC	Total: 1,215.00
Vendor: 6934 - Clinical Laboratory of San Bernardino, Inc.					
529530	10/18/2022	Clinical Laboratory of San Berna...	2201395	Water quality Report August 22	1,842.50
				Vendor 6934 - Clinical Laboratory of San Bernardino, Inc. Total:	1,842.50
Vendor: 6751 - Conico Roro, Inc.					
529531	10/18/2022	Conico Roro, Inc.	093022	Parking Enforcement	219.45
529531	10/18/2022	Conico Roro, Inc.	093022	Facilities	80.03
529531	10/18/2022	Conico Roro, Inc.	093022	Park	269.13
529531	10/18/2022	Conico Roro, Inc.	093022	PW-Street	936.83
529531	10/18/2022	Conico Roro, Inc.	093022	Water	1,218.32
				Vendor 6751 - Conico Roro, Inc.	Total: 2,723.76
Vendor: 0915 - Copy Rite Printing					
529532	10/18/2022	Copy Rite Printing	39413	Business Cards-C. Zedler, C. Dill...	120.29
529532	10/18/2022	Copy Rite Printing	39414	2-Boxes 10 Regular Envelopes	117.06
				Vendor 0915 - Copy Rite Printing	Total: 237.35

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Payment Number	Payment Date	Vendor Name	Payable Number	Description (Item)	Amount	
Vendor: 7371 - Corporate Payment Systems						
529533	10/18/2022	Corporate Payment Systems	C. Dillon 092622	Cisco Meet Plan	7.50	
529533	10/18/2022	Corporate Payment Systems	C. Dillon 092622	Cisco Meet Plan	7.50	
529533	10/18/2022	Corporate Payment Systems	D. Dixon 092622	Supplies for Health & Benefits F...	16.54	
529533	10/18/2022	Corporate Payment Systems	D. Dixon 092622	August Birthday Celebration	20.48	
529533	10/18/2022	Corporate Payment Systems	D. Dixon 092622	Supplies for Health & Benefits F...	19.44	
529533	10/18/2022	Corporate Payment Systems	D. Dixon 092622	Bilingual Testing	110.00	
529533	10/18/2022	Corporate Payment Systems	D. Dixon 092622	Supplies for Health & Benefits F...	140.63	
529533	10/18/2022	Corporate Payment Systems	D. Dixon 092622	Recruitment/Advertising	330.00	
529533	10/18/2022	Corporate Payment Systems	D. Dixon 092622	Rater Lunch	64.17	
529533	10/18/2022	Corporate Payment Systems	D. Dixon 092622	Supplies for Health & Benefits F...	383.12	
529533	10/18/2022	Corporate Payment Systems	G. Sugano 092622	Zoom Video	14.99	
529533	10/18/2022	Corporate Payment Systems	G. Sugano 092622	Office 365 Subscription August ...	854.14	
529533	10/18/2022	Corporate Payment Systems	G. Sugano 092622	Azure Active Directory	228.90	
529533	10/18/2022	Corporate Payment Systems	G. Sugano 092622	Office 365 Subscription August ...	147.01	
529533	10/18/2022	Corporate Payment Systems	G. Sugano 092622	Adobe Acrobat	441.74	
529533	10/18/2022	Corporate Payment Systems	G. Sugano 092622	Handheld Commercial Radio w...	2,930.67	
529533	10/18/2022	Corporate Payment Systems	G. Sugano 092622	Returning-Handheld Commercia...	-2,910.47	
529533	10/18/2022	Corporate Payment Systems	G. Sugano 092622	Azure Active Directory	76.30	
529533	10/18/2022	Corporate Payment Systems	G. Sugano 092622	Office 365 Subscription August ...	284.72	
529533	10/18/2022	Corporate Payment Systems	G. Sugano 092622	Office 365 Subscription August ...	49.01	
529533	10/18/2022	Corporate Payment Systems	H. Edwards 092622	Mass Mobile Apps	99.00	
529533	10/18/2022	Corporate Payment Systems	H. Edwards 092622	Games Rental for Halloween	111.50	
529533	10/18/2022	Corporate Payment Systems	H. Edwards 092622	Sponsor Sleeve	180.00	
529533	10/18/2022	Corporate Payment Systems	H. Edwards 092622	Food for Golf Mayor's Golf	78.43	
529533	10/18/2022	Corporate Payment Systems	H. Edwards 092622	Sport Supplies	20.81	
529533	10/18/2022	Corporate Payment Systems	H. Flores 092622	Bottle Water	149.76	
529533	10/18/2022	Corporate Payment Systems	H. Flores 092622	Insulated Water Bottle	38.58	
529533	10/18/2022	Corporate Payment Systems	H. Flores 092622	Landscape Supplies	451.87	
529533	10/18/2022	Corporate Payment Systems	H. Flores 092622	Landscape Supplies	561.37	
529533	10/18/2022	Corporate Payment Systems	H. Flores 092622	Trash Can Lids	662.88	
529533	10/18/2022	Corporate Payment Systems	H. Flores 092622	Lawn Mower Supplies	162.45	
529533	10/18/2022	Corporate Payment Systems	H. Flores 092622	Bottle Water	149.76	
529533	10/18/2022	Corporate Payment Systems	H. Flores 092622	Expandable Traffic Cone Bars	49.50	
529533	10/18/2022	Corporate Payment Systems	H. Flores 092622	PVC Threaded Stem Swivel Cast...	33.06	
529533	10/18/2022	Corporate Payment Systems	H. Flores 092622	Plastic Traffic Cone	65.54	
529533	10/18/2022	Corporate Payment Systems	H. Flores 092622	Protective Gear for Tree Cutting	526.88	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	Vinyl for State of the City Sign	2.74	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	Canva Subscription	12.99	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	Daily Breeze Subscription	10.00	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	NRPA Membership	175.00	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	CA Park & Rec. Society Member...	185.00	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	Water for Meeting	24.94	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	Advertising Email Blast to Paren...	86.28	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	Teen Program Games	39.60	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	Candy for Halloween	13.79	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	Ice for Lemmy Day Dinner	2.50	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	Halloween Supplies	68.72	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	Decor for Halloween	103.80	
529533	10/18/2022	Corporate Payment Systems	Lomita Park 092622	Lunch for Staff Working Comm...	47.41	
529533	10/18/2022	Corporate Payment Systems	M. Sansbury 092622	Plants	73.53	
529533	10/18/2022	Corporate Payment Systems	R. Smoot 092622	Annual Conference Lunch-M. W...	50.00	
529533	10/18/2022	Corporate Payment Systems	R. Smoot 092622	Parking	34.00	
529533	10/18/2022	Corporate Payment Systems	S. Kamada 092622	13 oz Vinyl Banner 30" X 71"	143.33	
529533	10/18/2022	Corporate Payment Systems	S. Kamada 092622	13 oz Vinyl Banner 30" X 71"	143.33	
529533	10/18/2022	Corporate Payment Systems	W. Lawson 092622	Property Report	50.00	
529533	10/18/2022	Corporate Payment Systems	W. Lawson 092622	Gas	60.00	
Vendor 7371 - Corporate Payment Systems					Total:	7,884.74

Vendor: 12721 - Cory Zedler

529534	10/18/2022	Cory Zedler	092222	Mileage Reimbursement	8.07
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Payment Number	Payment Date	Vendor Name	Payable Number	Description (Item)	Amount
529534	10/18/2022	Cory Zedler	092822	Wellness Reimbursement	150.00
				Vendor 12721 - Cory Zedler Total:	158.07
Vendor: 6828 - Creative Software Solutions					
529535	10/18/2022	Creative Software Solutions	CINV-023281	DAR September 22	441.67
				Vendor 6828 - Creative Software Solutions Total:	441.67
Vendor: 6757 - Dataprose, Inc.					
529536	10/18/2022	Dataprose, Inc.	DP2203711	Water Bills	2,538.73
				Vendor 6757 - Dataprose, Inc. Total:	2,538.73
Vendor: 7340 - Division of the State Architect					
529537	10/18/2022	Division of the State Architect	100422	July 22-September 22	108.80
				Vendor 7340 - Division of the State Architect Total:	108.80
Vendor: 12595 - Emmanuel Spindola					
529538	10/18/2022	Emmanuel Spindola	092922	Reimbursement for Work Boots	200.00
				Vendor 12595 - Emmanuel Spindola Total:	200.00
Vendor: 12001 - Evangelina Hernandez					
529539	10/18/2022	Evangelina Hernandez	092822	Mileage Reimbursement for JPL...	167.31
				Vendor 12001 - Evangelina Hernandez Total:	167.31
Vendor: 2095 - Ewing Irrigation Products					
529540	10/18/2022	Ewing Irrigation Products	17855622	Repair kit	28.08
529540	10/18/2022	Ewing Irrigation Products	17909440	2-inch Slip PVC Utility Ball Valve	80.48
				Vendor 2095 - Ewing Irrigation Products Total:	108.56
Vendor: 4663 - Florencio Ochoa					
529541	10/18/2022	Florencio Ochoa	100322	Reimbursement for Work Boots	131.39
529541	10/18/2022	Florencio Ochoa	100322	Reimbursement for 3 Pairs of ...	198.42
				Vendor 4663 - Florencio Ochoa Total:	329.81
Vendor: 12238 - George Soares					
529542	10/18/2022	George Soares	100322	Reimbursement for Work Boots	200.00
529542	10/18/2022	George Soares	100322	Reimbursement for 3 Pairs of ...	82.09
				Vendor 12238 - George Soares Total:	282.09
Vendor: 12624 - Global Rental Co. Inc.					
529543	10/18/2022	Global Rental Co. Inc.	3870429	Aerial Device Truck Rental 7/27...	3,969.00
529543	10/18/2022	Global Rental Co. Inc.	3916314	Aerial Device Truck Rental 8/24...	3,969.00
529543	10/18/2022	Global Rental Co. Inc.	3931720	Aerial Device Truck Rental 9/21...	3,969.00
				Vendor 12624 - Global Rental Co. Inc. Total:	11,907.00
Vendor: 6718 - Graffiti Protective Coatings Inc.					
529544	10/18/2022	Graffiti Protective Coatings Inc.	7031-0922	Graffiti Removal September 22	900.00
				Vendor 6718 - Graffiti Protective Coatings Inc. Total:	900.00
Vendor: 3036 - Harbor Freight Tools USA, Inc.					
529545	10/18/2022	Harbor Freight Tools USA, Inc.	994449	Color Snap Blade Utility Knife	2.28
529545	10/18/2022	Harbor Freight Tools USA, Inc.	994449	Inflation Kit, 6 Piece	5.50
529545	10/18/2022	Harbor Freight Tools USA, Inc.	994449	Star Folding Hex Key Set, 3 Piece	7.71
529545	10/18/2022	Harbor Freight Tools USA, Inc.	994449	All Purpose Spy Bar	24.23
529545	10/18/2022	Harbor Freight Tools USA, Inc.	994449	1/2 in. Magnetic Socket Rail - Bl...	24.24
529545	10/18/2022	Harbor Freight Tools USA, Inc.	994449	12 Ton Hydraulic Bottle Jack	49.78
529545	10/18/2022	Harbor Freight Tools USA, Inc.	994449	Tire Chuck with Lock-On Lever	6.60
529545	10/18/2022	Harbor Freight Tools USA, Inc.	994449	Bucket	10.80
529545	10/18/2022	Harbor Freight Tools USA, Inc.	994449	Bucket Lid	5.47
529545	10/18/2022	Harbor Freight Tools USA, Inc.	994449	31 in. EPDM Tie Down Set, 20 P...	17.63
				Vendor 3036 - Harbor Freight Tools USA, Inc. Total:	154.24
Vendor: 7144 - Hazen and Sawyer, P.C.					
529546	10/18/2022	Hazen and Sawyer, P.C.	20007-010-0000023	Consulting Services-CWPF	11,029.50
				Vendor 7144 - Hazen and Sawyer, P.C. Total:	11,029.50
Vendor: 3052 - Home Depot Credit Services					
529547	10/18/2022	Home Depot Credit Services	5090075	4" Sherlock Roller Frame	8.36
529547	10/18/2022	Home Depot Credit Services	5090075	Bird Spike 1ft X 5"	99.13
529547	10/18/2022	Home Depot Credit Services	5090075	Multi-Surface Painter's Tape 6-...	42.08

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Payment Number	Payment Date	Vendor Name	Payable Number	Description (Item)	Amount
529547	10/18/2022	Home Depot Credit Services	5090075	Philips Modified Truss-Head W...	37.30
529547	10/18/2022	Home Depot Credit Services	5090075	Paint Roller Cover 3-Pack	28.62
529547	10/18/2022	Home Depot Credit Services	5090075	Multi-Purpose Microfiber Cloth ...	19.82
529547	10/18/2022	Home Depot Credit Services	5090075	Lysol All Purpose	11.33
529547	10/18/2022	Home Depot Credit Services	5090075	Pain Brush	10.99
529547	10/18/2022	Home Depot Credit Services	5090075	High-Density Pro Woven Roller ...	10.52
529547	10/18/2022	Home Depot Credit Services	5090075	Sharp Lines Painter's Tape	8.03
529547	10/18/2022	Home Depot Credit Services	5090075	16 oz. Red Plastic Paint Cup	3.27
529547	10/18/2022	Home Depot Credit Services	5090075	12" Squeegee	7.68
529547	10/18/2022	Home Depot Credit Services	5090075	32 oz. E-Z Fill Spray Bottle	5.49
529547	10/18/2022	Home Depot Credit Services	5092411	12V Lithium-Ion Cordless Grease..	184.31
529547	10/18/2022	Home Depot Credit Services	5092411	Lithium Battery Pack 4.0 & Char...	109.15
529547	10/18/2022	Home Depot Credit Services	8012405	Bottle Water	24.90
529547	10/18/2022	Home Depot Credit Services	8012405	Water Bottle Deposit	6.00
529547	10/18/2022	Home Depot Credit Services	8012405	Stop Rust Gloss	91.43
529547	10/18/2022	Home Depot Credit Services	8012405	Clorox Wipes	13.85
529547	10/18/2022	Home Depot Credit Services	8012405	Deluxe Cuts Wiping Cloth 55-Co...	27.96
529547	10/18/2022	Home Depot Credit Services	8371922	2.5" X3.5" 96 Prime Stud	16.41
				Vendor 3052 - Home Depot Credit Services Total:	766.63
Vendor: 12505 - Integrated Media Systems					
529548	10/18/2022	Integrated Media Systems	46681	City Council Chambers Audio/Vi...	4,492.00
				Vendor 12505 - Integrated Media Systems Total:	4,492.00
Vendor: 12728 - Jasmin Espinoza					
529549	10/18/2022	Jasmin Espinoza	2003878.001	Refund -Tom Rico Center Depos...	200.00
				Vendor 12728 - Jasmin Espinoza Total:	200.00
Vendor: 4675 - Jason Filbern					
529550	10/18/2022	Jason Filbern	100422	Reimbursement for 5 Pairs of ...	223.71
				Vendor 4675 - Jason Filbern Total:	223.71
Vendor: 7420 - JFS Care					
529551	10/18/2022	JFS Care	September 22	Services-Lifeline	702.00
				Vendor 7420 - JFS Care Total:	702.00
Vendor: 12635 - Kiley & Associates, LLC					
529552	10/18/2022	Kiley & Associates, LLC	LO 220930	Consulting Services, Legislative ...	3,333.33
				Vendor 12635 - Kiley & Associates, LLC Total:	3,333.33
Vendor: 3048 - L.A. County Sheriff's Department					
529553	10/18/2022	L.A. County Sheriff's Department	230546LL	Traffic Enforcement 8/22/22-8/...	477.52
				Vendor 3048 - L.A. County Sheriff's Department Total:	477.52
Vendor: 4659 - Laura MacMorran					
529554	10/18/2022	Laura MacMorran	10072022	APA Conference Fee & Luncheo...	743.09
529554	10/18/2022	Laura MacMorran	100722	Mileage and Parking Reimburs...	187.19
				Vendor 4659 - Laura MacMorran Total:	930.28
Vendor: 3331 - Lee's Tires					
529555	10/18/2022	Lee's Tires	73090	2006 Ford F350 Tires (4) & Fees	1,446.14
529555	10/18/2022	Lee's Tires	73090	2006 Ford F350 Tires-Labor	83.96
				Vendor 3331 - Lee's Tires Total:	1,530.10
Vendor: 3054 - Linde Gas & Equipment Inc.					
529556	10/18/2022	Linde Gas & Equipment Inc.	31381557	Acetylene Torch Rental	61.34
				Vendor 3054 - Linde Gas & Equipment Inc. Total:	61.34
Vendor: 5010 - Lomita Chamber of Commerce					
529557	10/18/2022	Lomita Chamber of Commerce	2022	State of the City Breakfast-Regis..	40.00
529557	10/18/2022	Lomita Chamber of Commerce	2022	State of the City Breakfast-Regis..	20.00
529557	10/18/2022	Lomita Chamber of Commerce	2022	State of the City Breakfast-Regis..	20.00
529557	10/18/2022	Lomita Chamber of Commerce	2022	State of the City Breakfast-Regis..	20.00
529557	10/18/2022	Lomita Chamber of Commerce	2022	State of the City Breakfast-Regis..	20.00
				Vendor 5010 - Lomita Chamber of Commerce Total:	120.00

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Payment Number	Payment Date	Vendor Name	Payable Number	Description (Item)	Amount
Vendor: 3903 - Lomita City Employees Association					
529558	10/18/2022	Lomita City Employees Associat...	100122	October 22	620.00
Vendor 3903 - Lomita City Employees Association Total:					620.00
Vendor: 3317 - Lomita Obedience Training Club					
529559	10/18/2022	Lomita Obedience Training Club	100622	Dog Obedience Instructor	4,382.00
Vendor 3317 - Lomita Obedience Training Club Total:					4,382.00
Vendor: 6859 - Los Altos Trophy					
529560	10/18/2022	Los Altos Trophy	90724	Golf Tournament Gold Cup	74.97
Vendor 6859 - Los Altos Trophy Total:					74.97
Vendor: 6020 - Mark Waronek					
529561	10/18/2022	Mark Waronek	092722	Reimbursement for CCCA Milea...	887.81
529561	10/18/2022	Mark Waronek	100422	Reimbursement for CCCA Milea...	958.13
Vendor 6020 - Mark Waronek Total:					1,845.94
Vendor: 3085 - Mark's Lock & Safe, Inc.					
529562	10/18/2022	Mark's Lock & Safe, Inc.	0000036045	Check the Camera System	280.00
Vendor 3085 - Mark's Lock & Safe, Inc. Total:					280.00
Vendor: 12730 - Mary Carrera					
529563	10/18/2022	Mary Carrera	2003882.001	Refund-Tom Rico Center Deposi...	100.00
Vendor 12730 - Mary Carrera Total:					100.00
Vendor: 7247 - Michael Baker International, Inc.					
529564	10/18/2022	Michael Baker International, Inc.	1159771	Consulting Services-CDBG Reha...	4,312.50
529564	10/18/2022	Michael Baker International, Inc.	1159771	Consulting Services-CDBG Lifeli...	4,237.50
529564	10/18/2022	Michael Baker International, Inc.	CM1159647	CDBG Program Refund	-3,442.50
Vendor 7247 - Michael Baker International, Inc. Total:					5,107.50
Vendor: 12014 - Nexustek Denver					
529565	10/18/2022	Nexustek Denver	279126	Mitel Server Upgrade and Migra..	67.50
Vendor 12014 - Nexustek Denver Total:					67.50
Vendor: 7496 - Numa Networks					
529566	10/18/2022	Numa Networks	33040	VOIP Server Upgrade	1,203.12
529566	10/18/2022	Numa Networks	33040	VOIP Server Upgrade	1,203.13
529566	10/18/2022	Numa Networks	33046	Large Printer Setup	260.38
529566	10/18/2022	Numa Networks	33046	Large Printer Setup	260.37
529566	10/18/2022	Numa Networks	33076	IT Services October 22	3,919.66
529566	10/18/2022	Numa Networks	33076	IT Services October 22	3,919.67
Vendor 7496 - Numa Networks Total:					10,766.33
Vendor: 12004 - Occupational Health Centers of CA, A Medical Grp					
529567	10/18/2022	Occupational Health Centers of...	76718223	Pre-Emp Physical Exam	59.00
Vendor 12004 - Occupational Health Centers of CA, A Medical Grp Total:					59.00
Vendor: 4690 - Octavio Becerra					
529568	10/18/2022	Octavio Becerra	092722	Reimbursement for Work Boots	200.00
529568	10/18/2022	Octavio Becerra	092722	Reimbursement for 5 Pairs of ...	250.00
Vendor 4690 - Octavio Becerra Total:					450.00
Vendor: 6594 - Office Depot Business Solutions, LLC					
529569	10/18/2022	Office Depot Business Solutions,..	265731850001	Rubber Bands	13.44
529569	10/18/2022	Office Depot Business Solutions,..	265731850001	Copy Paper	65.41
Vendor 6594 - Office Depot Business Solutions, LLC Total:					78.85
Vendor: 4105 - Pacific Western Bank					
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	2,261.53
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	16,269.56
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	9.55
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	232.45
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	96.04
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	114.25
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	27.72
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	38.38
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	19.92

Warrant Register

Payment Dates: 10/5/2022 - 10/18/2022

Payment Number	Payment Date	Vendor Name	Payable Number	Description (Item)	Amount
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	47.58
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	118.28
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	69.00
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	11.08
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	90.98
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	84.93
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	19.07
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	91.88
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	126.19
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	135.94
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	9.59
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	88.14
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	22.84
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	10.47
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	84.67
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	22.45
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	4.12
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	1.15
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	55.50
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	21.29
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	117.66
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	28.20
10729	10/06/2022	Pacific Western Bank	093022	Emp Fed & FICA Taxes-P/End 9/...	462.20
10730	10/06/2022	Pacific Western Bank	093022A	Emp State Taxes P/End 9/30/22	6,306.77
				Vendor 4105 - Pacific Western Bank	Total: 27,099.38
Vendor: 4597 - Pio Nunez					
529570	10/18/2022	Pio Nunez	092622	Reimbursement for 5 Pairs of ...	228.00
				Vendor 4597 - Pio Nunez	Total: 228.00
Vendor: 7206 - Pitney Bowes					
529571	10/18/2022	Pitney Bowes	100522	Reserve Postage Account	3,000.00
				Vendor 7206 - Pitney Bowes	Total: 3,000.00
Vendor: 12474 - Project Partners					
529572	10/18/2022	Project Partners	10846	Engineering Services	840.00
529572	10/18/2022	Project Partners	10846	Engineering Services	2,520.00
529572	10/18/2022	Project Partners	10846	Engineering Services	1,320.00
529572	10/18/2022	Project Partners	10846	Engineering Services	1,080.00
529572	10/18/2022	Project Partners	10846	Engineering Services	1,920.00
529572	10/18/2022	Project Partners	10846	Engineering Services	720.00
				Vendor 12474 - Project Partners Total:	8,400.00
Vendor: 6377 - R.F. Dickson Co. Inc.					
529573	10/18/2022	R.F. Dickson Co. Inc.	2511560DS	Street Sweeping September 22	6,683.23
529573	10/18/2022	R.F. Dickson Co. Inc.	2511560DS	Street Sweeping September 22	1,250.00
				Vendor 6377 - R.F. Dickson Co. Inc.	Total: 7,933.23
Vendor: 12173 - Race Communications					
529574	10/18/2022	Race Communications	RC756990	Internet Access SBCOG October...	1,530.00
529574	10/18/2022	Race Communications	RC756990	Internet Access SBCOG October...	1,530.00
				Vendor 12173 - Race Communications Total:	3,060.00
Vendor: 4532 - Rafael Mendoza					
529575	10/18/2022	Rafael Mendoza	092722	Wellness Reimbursement	150.00
				Vendor 4532 - Rafael Mendoza	Total: 150.00
Vendor: 12729 - Sarah Ponce					
529576	10/18/2022	Sarah Ponce	2003879.001	Refund-Picnic Shelter Deposit-...	75.00
				Vendor 12729 - Sarah Ponce Total:	75.00
Vendor: 12731 - Shannon M Valladares					
529577	10/18/2022	Shannon M Valladares	1-090822	Face Painting Services for Oct 2...	375.00
				Vendor 12731 - Shannon M Valladares Total:	375.00

Warrant Register

Payment Dates: 10/5/2022 - 10/18/2022

Payment Number	Payment Date	Vendor Name	Payable Number	Description (Item)	Amount
Vendor: 7394 - Sharmone P. La Rose					
529578	10/18/2022	Sharmone P. La Rose	092822	Gentle Yoga Instructor	933.10
				Vendor 7394 - Sharmone P. La Rose Total:	933.10
Vendor: 7233 - Siteone Landscape Supply, LLC					
529579	10/18/2022	Siteone Landscape Supply, LLC	123888331-001	Sch 40 PVC Coupling 1" FIPT	1.92
529579	10/18/2022	Siteone Landscape Supply, LLC	123888331-001	Sch 40 PVC Reducing Bushing 1"...	2.56
529579	10/18/2022	Siteone Landscape Supply, LLC	123888331-001	Weld-On P-70 Purple Primer	13.16
529579	10/18/2022	Siteone Landscape Supply, LLC	123888331-001	Sch 80 PVC 90 Degree Elbow 2" ...	17.61
529579	10/18/2022	Siteone Landscape Supply, LLC	123888331-001	Sch 80 PVC Nipple 3/4" x Close...	0.50
529579	10/18/2022	Siteone Landscape Supply, LLC	123888331-001	Weld-On 711 Gray PVC Cement	35.48
				Vendor 7233 - Siteone Landscape Supply, LLC Total:	71.23
Vendor: 3544 - South Bay Cities Council of Governments					
529580	10/18/2022	South Bay Cities Council of Gov...	October 22	Monthly City Manager's Meetin...	40.00
				Vendor 3544 - South Bay Cities Council of Governments Total:	40.00
Vendor: 12625 - South Bay Workforce Investment Board					
529581	10/18/2022	South Bay Workforce Investme...	LOM June22	Business Owner Outreach and T...	21,139.50
				Vendor 12625 - South Bay Workforce Investment Board Total:	21,139.50
Vendor: 5050 - Southern California Edison Co.					
529582	10/18/2022	Southern California Edison Co.	700006214310-100322	Park	1,025.90
529582	10/18/2022	Southern California Edison Co.	700006214310-100322	Street Lights	27.08
529582	10/18/2022	Southern California Edison Co.	700006214310-100322	Traffic Lights	30.00
529582	10/18/2022	Southern California Edison Co.	700006910888-100722	Railroad Museum	164.73
529582	10/18/2022	Southern California Edison Co.	700008444906-100722	Traffic Signals	469.78
529582	10/18/2022	Southern California Edison Co.	700016714053-100722	Lomita Park	2,803.50
529582	10/18/2022	Southern California Edison Co.	700016714053-100722	Western Ped. Crosswalk	-40.65
529582	10/18/2022	Southern California Edison Co.	700016714053-100722	Appian Way	45.97
529582	10/18/2022	Southern California Edison Co.	700025877624-100322	Street Lights	489.00
529582	10/18/2022	Southern California Edison Co.	700025957042-100322	Street Lights	217.75
529582	10/18/2022	Southern California Edison Co.	700315793648-100322	Street Lights	155.36
529582	10/18/2022	Southern California Edison Co.	700420008832-100722	Cypress Reservoir	465.70
				Vendor 5050 - Southern California Edison Co. Total:	5,854.12
Vendor: 4100 - Southland Credit Union					
10723	10/05/2022	Southland Credit Union	093022	Payroll Deductions/P-End 9/30/...	1,305.00
				Vendor 4100 - Southland Credit Union Total:	1,305.00
Vendor: 6393 - Sully-Miller Contracting Co.					
529583	10/18/2022	Sully-Miller Contracting Co.	2927193	Asphalt	262.35
				Vendor 6393 - Sully-Miller Contracting Co. Total:	262.35
Vendor: 6085 - Thompson Building Materials					
529584	10/18/2022	Thompson Building Materials	IV-138427	Plaster Sand Scoop	260.69
529584	10/18/2022	Thompson Building Materials	IV-138427	3% Fuel Surcharge	7.82
529584	10/18/2022	Thompson Building Materials	IV-138428	Misc Base Skip	130.72
529584	10/18/2022	Thompson Building Materials	IV-138428	3% Fuel Surcharge	3.92
				Vendor 6085 - Thompson Building Materials Total:	403.15
Vendor: 12170 - T-Mobile					
529585	10/18/2022	T-Mobile	092122	City Mobile Internet-Recreation...	29.40
529585	10/18/2022	T-Mobile	092122	City Mobile Internet-Park 6594	24.77
529585	10/18/2022	T-Mobile	092122	City Mobile Internet-Cypress 40...	29.40
				Vendor 12170 - T-Mobile Total:	83.57
Vendor: 12671 - Torrance Auto Repair					
529586	10/18/2022	Torrance Auto Repair	0176279	2006 Ford F350 Repair-Labor	294.00
529586	10/18/2022	Torrance Auto Repair	0176279	2006 Ford F350 Repair-Blower ...	157.92
				Vendor 12671 - Torrance Auto Repair Total:	451.92
Vendor: 12228 - Toshiba					
529587	10/18/2022	Toshiba	32542779	Copier Lease September 22	562.42
				Vendor 12228 - Toshiba Total:	562.42
Vendor: 9100 - Tripepi Smith and Associates					
529588	10/18/2022	Tripepi Smith and Associates	8762	Citywide Communication & Eng...	102.38

Warrant Register

Payment Dates: 10/5/2022 - 10/18/2022

Payment Number	Payment Date	Vendor Name	Payable Number	Description (Item)	Amount
529588	10/18/2022	Tripepi Smith and Associates	8762	Citywide Communication & Eng...	1,347.99
				Vendor 9100 - Tripepi Smith and Associates	Total: 1,450.37
Vendor: 3123 - Underground Service Alert/SC					
529589	10/18/2022	Underground Service Alert/SC	22-2300246	California State Fee	27.83
529589	10/18/2022	Underground Service Alert/SC	22-2301070	California State Fee	27.83
529589	10/18/2022	Underground Service Alert/SC	720220406	30 Dig Alerts and Monthly Main...	62.50
529589	10/18/2022	Underground Service Alert/SC	920220418	29 Dig Alerts and Monthly Main...	60.75
				Vendor 3123 - Underground Service Alert/SC	Total: 178.91
Vendor: 12017 - United Pet Care					
529590	10/18/2022	United Pet Care	30015491	Emp Pet Ins. October 22	12.50
				Vendor 12017 - United Pet Care Total:	12.50
Vendor: 4050 - Vantagepoint Transfer Agents					
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	11,924.36
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	336.80
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	284.15
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	23.09
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	145.31
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	301.39
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	163.67
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	183.43
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	478.93
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	197.15
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	145.04
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	305.72
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	47.84
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	9.78
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	12.00
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	58.60
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	93.53
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	145.31
10724	10/05/2022	Vantagepoint Transfer Agents	100722	Emp Def/Comp-P/Date 10/7/22	929.00
				Vendor 4050 - Vantagepoint Transfer Agents	Total: 15,785.10
Vendor: 7373 - Wells Fargo Vendor Financial Services					
529591	10/18/2022	Wells Fargo Vendor Financial Se...	5022038655	C304W Printer Lease October 22	95.31
529591	10/18/2022	Wells Fargo Vendor Financial Se...	5022058569	MX-5070V Copier Lease October...	444.02
				Vendor 7373 - Wells Fargo Vendor Financial Services	Total: 539.33
Vendor: 3044 - West Basin Municipal Water District					
10728	10/07/2022	West Basin Municipal Water Dis...	WB5960	August 22	273,846.00
				Vendor 3044 - West Basin Municipal Water District	Total: 273,846.00
Vendor: 12250 - William D. Uphoff					
529592	10/18/2022	William D. Uphoff	100222	Reimbursement for CCCA Milea...	560.80
				Vendor 12250 - William D. Uphoff Total:	560.80
Vendor: 7282 - Williams Data Management					
529593	10/18/2022	Williams Data Management	0593085	Planning-File Storage Septembe...	197.01
				Vendor 7282 - Williams Data Management	Total: 197.01
					Grand Total: 484,672.55

Report Summary

Fund Summary

Fund	Payment Amount
100 - General Fund	138,063.49
205 - State Gas Tax	13,077.10
207 - Measure R Local Return	2,520.00
215 - Community Development Block Grant	9,252.00
220 - Proposition A Local Return	511.96
225 - Proposition C Local Return	2,400.00
230 - Transportation Development Act Article 3	1,920.00
235 - South Coast AQMD	1,250.00
245 - Landscape Maintenance District #1	808.43
255 - Park Athletic	1,233.02
311 - Street Improvement	4,000.00
510 - Water Operations	297,887.05
520 - Water Capital	11,749.50
Grand Total:	484,672.55

Account Summary

Account Number	Account Name	Payment Amount
100-000-2107.000	Accrued Expenses	17,697.00
100-000-2285.000	Employee Association Du...	620.00
100-000-2295.000	Military Banner Program	286.66
100-000-2508.000	Garnishment	230.76
100-000-2520.000	Credit Union	1,305.00
100-000-2524.000	Other Employee Deductio...	12.50
100-000-2550.000	Federal Withholding	18,531.09
100-000-2555.000	State Withholding	6,306.77
100-000-2560.000	Deferred Compensation	11,924.36
100-000-4510.000	Park Rentals	375.00
100-000-4616.000	CASP Fee	108.80
100-110-5207.000	Medicare	9.55
100-110-5430.000	Conferences and Meetings	2,456.74
100-120-5305.000	Legal Services	9,601.00
100-125-5205.000	Health Insurance	336.80
100-125-5207.000	Medicare	232.45
100-125-5345.000	Contractual Services	3,435.71
100-125-5430.000	Conferences and Meetings	281.31
100-125-5755.000	Special Department Suppl...	15.73
100-130-5205.000	Health Insurance	284.15
100-130-5207.000	Medicare	96.04
100-130-5430.000	Conferences and Meetings	20.00
100-130-5505.000	Office Supplies and Expen...	3,216.59
100-130-5755.000	Special Department Suppl...	1,215.00
100-210-5205.000	Health Insurance	23.09
100-210-5207.000	Medicare	114.25
100-210-5345.000	Contractual Services	2,432.77
100-210-5430.000	Conferences and Meetings	20.00
100-210-5710.000	Equipment Maintenance	75.00
100-230-5205.000	Health Insurance	145.31
100-230-5207.000	Medicare	66.10
100-230-5345.000	Contractual Services	99.00
100-230-5430.000	Conferences and Meetings	20.00
100-230-5755.000	Special Department Suppl...	1,534.38
100-330-5320.000	Sheriff Contract	477.52
100-333-5340.139	Professional Services	14.99
100-333-5520.139	Supplies	148.80
100-335-5207.000	Medicare	67.50
100-335-5345.000	Contractual Services	4,804.92
100-335-5720.000	Fuel	219.45

Account Summary

Account Number	Account Name	Payment Amount
100-410-5205.000	Health Insurance	301.39
100-410-5207.000	Medicare	187.28
100-410-5340.000	Professional Services	50.00
100-410-5345.000	Contractual Services	1,097.01
100-410-5430.000	Conferences and Meetings	930.28
100-410-5720.000	Fuel	60.00
100-440-5345.000	Contractual Services	8,584.95
100-440-5415.000	Communications	67.50
100-440-5525.000	Equipment Under \$5k	99.66
100-440-5605.000	Rents and Leases	1,101.75
100-440-5825.000	Equipment Over \$5k	4,492.00
100-605-5205.000	Health Insurance	163.67
100-605-5207.000	Medicare	102.06
100-605-5345.000	Contractual Services	847.50
100-605-5420.000	Mileage Reimbursement	8.07
100-605-5425.000	Dues and Memberships	20.00
100-605-5505.000	Office Supplies and Expen...	120.29
100-610-5205.000	Health Insurance	183.43
100-610-5207.000	Medicare	84.93
100-710-5205.000	Health Insurance	478.93
100-710-5207.000	Medicare	110.95
100-710-5515.000	Uniform Expense	839.90
100-710-5705.000	General Maintenance	646.15
100-710-5720.000	Fuel	80.03
100-730-5205.000	Health Insurance	197.15
100-730-5207.000	Medicare	262.13
100-730-5345.000	Contractual Services	5,315.10
100-730-5410.000	Advertising	10.00
100-730-5415.000	Communications	29.40
100-730-5425.000	Dues and Memberships	360.00
100-730-5755.000	Special Department Suppl...	210.22
100-735-5345.000	Contractual Services	486.50
100-735-5754.339	Teen Program	39.60
100-735-5755.000	Special Department Suppl...	1,471.04
100-735-5755.331	Mayor's Golf Classic	461.00
100-740-5205.000	Health Insurance	145.04
100-740-5207.000	Medicare	97.73
100-740-5345.000	Contractual Services	11,907.00
100-740-5405.000	Utilities	3,829.40
100-740-5415.000	Communications	24.77
100-740-5505.000	Office Supplies and Expen...	149.76
100-740-5515.000	Uniform Expense	400.00
100-740-5705.000	General Maintenance	2,172.81
100-740-5710.000	Equipment Maintenance	470.91
100-740-5720.000	Fuel	269.13
100-750-5207.000	Medicare	22.84
100-750-5405.000	Utilities	164.73
100-750-5755.000	Special Department Suppl...	47.41
205-610-5205.000	Health Insurance	305.72
205-610-5207.000	Medicare	95.14
205-610-5346.000	Street Sweeping Contract	6,683.23
205-610-5405.000	Utilities	1,705.54
205-610-5505.000	Office Supplies and Expen...	149.76
205-610-5515.000	Uniform Expense	223.71
205-610-5705.000	General Maintenance	421.33
205-610-5710.000	Equipment Maintenance	2,028.96
205-610-5720.000	Fuel	936.83
205-620-5705.000	General Maintenance	526.88

Account Summary

Account Number	Account Name	Payment Amount
207-810-5806.366	ADA Projects	2,520.00
215-540-5340.000	Professional Services	4,312.50
215-550-5340.000	Professional Services	4,237.50
215-550-5345.000	Contractual Services	702.00
220-340-5205.000	Health Insurance	47.84
220-340-5207.000	Medicare	22.45
220-340-5345.000	Contractual Services	441.67
225-810-5806.366	ADA Projects	1,320.00
225-810-5806.370	CIP Master Plan	1,080.00
230-348-5345.000	Contractual Services	1,920.00
235-350-5345.000	Contractual Services	1,250.00
245-720-5405.000	Utilities	808.43
255-760-5205.000	Health Insurance	9.78
255-760-5207.000	Medicare	4.12
255-760-5506.000	Sport Supplies	1,219.12
311-610-5345.000	Contractual Services	4,000.00
510-110-5207.000	Medicare	1.15
510-120-5305.000	Legal Services	4,595.00
510-125-5205.000	Health Insurance	12.00
510-125-5207.000	Medicare	55.50
510-130-5205.000	Health Insurance	58.60
510-130-5207.000	Medicare	21.29
510-220-5205.000	Health Insurance	93.53
510-220-5207.000	Medicare	117.66
510-220-5345.000	Contractual Services	810.93
510-220-5505.000	Office Supplies and Expen...	2,538.73
510-220-5710.000	Equipment Maintenance -...	75.00
510-230-5205.000	Health Insurance	145.31
510-230-5207.000	Medicare	28.20
510-440-5345.000	Contractual Services	7,323.20
510-630-5205.000	Health Insurance	929.00
510-630-5207.000	Medicare	462.20
510-630-5338.000	Underground Service Alert	178.91
510-630-5339.000	Water Quality - Clinical Lab	1,842.50
510-630-5340.000	Professional Services	1,347.99
510-630-5345.000	Contractual Services	7.50
510-630-5405.000	Utilities	511.67
510-630-5415.000	Communications	29.40
510-630-5440.000	Water Purchases - MWD	273,846.00
510-630-5505.000	Office Supplies and Expen...	30.90
510-630-5510.000	Small Tools	197.52
510-630-5515.000	Uniform Expense	450.00
510-630-5705.000	General Maintenance	915.80
510-630-5710.000	Equipment Maintenance	43.24
510-630-5720.000	Fuel	1,218.32
520-840-5340.370	Professional Services	720.00
520-840-5821.365	CWPF Upgrades Project	11,029.50
	Grand Total:	484,672.55

Project Account Summary

Project Account Key	Payment Amount
None	468,003.05
207.336	2,520.00
225.336	1,320.00
225.370	1,080.00
520.370	720.00

Project Account Summary

Project Account Key	Payment Amount
Cypress Water Production	11,029.50
Grand Total:	484,672.55



CITY OF LOMITA CITY COUNCIL REPORT

TO: City Council **Item No. 7d**
FROM: Ryan Smoot, City Manager
PREPARED BY: Susan Kamada, Administrative Services Director
MEETING DATE: October 18, 2022
SUBJECT: Monthly Report for the Administrative Services Department

RECOMMENDATION

Receive and file the monthly report for the Administrative Services Department.

BACKGROUND

Accounting Activities:

- Staff participated in CSMFO's Leadership Webinar – 3 Week Course
- Staff participated in CSMFO's "Interpreting and Communicating the New CalPERS Actuarial Report" Webinar
- Staff participated GIOA's "Quarterly State of Rates-Inflation vs. Recession" Webinar
- Staff participated in MissionSquare's "Secure 2.0 – What it Means for Governmental Plans" Webinar
- Staff participated in OpenGov's "Transforming Business Licensing & Contractor Registration" Webinar

Department activity levels for the month of September 2022 are provided below:

<i>Journal Entries/Adjustments</i>	3
<i>Payroll Updates/Maintenance Changes</i>	49
<i>Purchase Orders Issued</i>	7
<i>Purchase Orders Paid</i>	27
<i>Invoices Processed for Payment</i>	226
<i>Checks Processed (Demands & Manual)</i>	171
<i>Payroll Checks Processed</i>	162
<i>Business Licenses Issued (New / Renewals)</i>	33/51
<i>Water Utility Bills Mailed/Late Notices Issued</i>	<i>Water Bills Mailed 3969</i>
<i>Service Orders Issued (for Water Accounts)</i>	40

OPTIONS:

None. Information only. Receive and file.

FISCAL IMPACT

None. Information only. Receive and file.

Reviewed by:



Gary Y. Sugano
Assistant City Manager

Approved by:



Ryan Smoot
City Manager

Prepared by:



Susan Kamada
Administrative Services Director



CITY OF LOMITA CITY COUNCIL REPORT

TO: City Council **Item No. 7e**
FROM: Ryan Smoot, City Manager
PREPARED BY: Gary Y. Sugano, Assistant City Manager
MEETING DATE: October 18, 2022
SUBJECT: Monthly Report for the City Manager's Department

RECOMMENDATION

Receive and file the monthly report for the City Manager's Department.

BACKGROUND

Information Technology

Numa Networks has temporarily scaled back on-site assistance to one day per week to provide as-needed IT support. During the month of August, Numa Networks assisted with a total of 1,298 trouble tickets.

The Council Chambers Audio Visual Upgrade project is on-going and is expected to be completed in October.

Human Resources/Risk Management

The City currently has four (4) recruitments open: Assistant Planner and Planning Intern in the Community and Economic Development Department, Water Service Technician I in the Public Works Department, and Part-time Maintenance Aide in the Public Works Department. The most qualified candidates will be invited to participate in an interview process.

Brianna Rindge accepted the position of Community and Economic Development Director in the Community and Economic Development Department and is scheduled to start work on November 14, 2022. Jorge Calderon, Maintenance Worker I in the Public Works Department was promoted to Maintenance Worker II and will begin his new position on October 17, 2022. Christopher Moya, Part-time Maintenance Aide in the Public Works Department was promoted to Full-time Maintenance Worker I and will begin his new position on October 17, 2022. Julio Garcia and William Ibarra accepted

positions as Fulltime Maintenance Worker II in the Public Works Department and will begin work on October 31, 2022.

The City's Employee Health and Benefits Fair took place on Tuesday, September 27, 2022. 11 vendors participated and the event was well attended. Employees were able to enroll or make changes to their benefits as well as receive information about other City benefits.

Training: Lina Hernandez, Senior Management Analyst, attended the JPIA Management Academy in Indian Wells from September 20th through September 23rd. Two more employees are scheduled to attend next month.

Emergency Management

In response to the COVID-19 pandemic, the City Council ratified the Director of Emergency Services' proclamation of a local emergency in the City of Lomita on March 17, 2020, and the Emergency Operations Center was activated virtually at the lowest level (functions are being coordinated away from the EOC to comply with physical distancing orders). The City Council approved reopening City Hall and City facilities to the public effective July 1, 2021, in accordance with public health guidelines. Most recently the City Council has extended the emergency measures for the 11th time since the declaration to assist and protect the Lomita community. On June 21, the City Council adopted a resolution to resume late fees and water shut offs on delinquent accounts beginning with the August 2022 billing. All other emergency measures extended by the City Council on March 15, 2022, will remain in place and be brought back to the City Council until the City can proclaim termination of the local emergency or as necessary should there be a significant setback in the containment of the virus and the State and County impose restrictions or changes to their Health Officer Orders that do not align with the City's emergency measures. Staff purchased additional COVID-19 home test kits and reviewed inventory of face masks and hand sanitizer for an anticipated winter surge.

The City was awarded a FEMA Hazard Mitigation Assistance Grant in the amount of \$63,525.65 and an agreement was executed with Dudek to provide consultant services for the preparation of a comprehensive Safety Element update. The City Council adopted the Safety Element Update on December 21, 2021. Staff submitted all grant close-out documentation to CalOES on June 3, 2022. As of June 21, 2022, the closeout package has been reviewed and signed by CalOES and sent to FEMA for processing. It can take 3-4 months to receive the final notice of closure, however FEMA appears to be very far behind in processing out grants and a new quarterly report was submitted on October 4, 2022 indicating that the work is 100% complete.

The City was awarded a FEMA Hazard Mitigation Assistance Grant in the amount of \$1,124,884.50 for the 247th Street Area Water Main Replacement Project. Staff submitted an updated Quarterly Report and the Reimbursement Request Form for this project to CalOES on October 4. Staff also submitted a letter requesting a time extension to complete the project. Plans were submitted to the City of Los Angeles and CalTrans for review in early 2022. Review from both external agencies has taken much

longer than anticipated significantly putting the project behind schedule. Staff will be submitting a revised project schedule and budget to confirm our progress on the grant so far.

Staff submitted a Notice of Interest (NOI) to update the City's Local Hazard Mitigation Plan (LHMP) to the California Governor's Office of Emergency Services (Cal OES) under the Hazard Mitigation Grant Program (HMPG). The NOI was approved and the City was invited to submit a full subapplication. Staff worked with a grant writer to submit the subapplication on April 8. Cal OES sent a Request for Information (RFI) and the information was provided.

Brandy Villanueva has been selected as the new Area G DMAC and will attend the October 18 City Council meeting to introduce herself. City staff will provide an update on Lomita's emergency management efforts.

October 20 is the California Great ShakeOut, an annual drill encouraging everyone to be earthquake prepared. Information was included in the most recent e-newsletter to the community and an invitation will be sent to all City staff to participate.

Lomita Manor

The Lomita Manor property management company, HumanGood, has continued CDC-recommended physical distancing protocols. Some social activities and classes have resumed with limited participants following safety guidelines and protocols. The property management team including the maintenance manager and property manager continue to serve the community on site while all practice physical distancing and additional sanitization precautions.

Community Development Block Grant Programs

Residential Rehabilitation: For Fiscal Year 2022-23, a total of two projects are scheduled to be completed before June 30. Contract walk-throughs and inspections occurred in late August. Projects are scheduled to be completed by December 31st.

Lifeline: The Lifeline program provides emergency response service for a total of 18 subscribers now currently enrolled. The program is accepting applications from Lomita residents who are at least 55 years old or disabled.

Small Business Grant Program: The Small Business Grant Program open application period was February 28 - March 4, 2022. The grant program will assist local businesses that have been economically impacted by the COVID-19 pandemic by providing grants of \$10,000. The program is managed by Los Angeles County Development Authority (LACDA). During the initial application period, a significantly larger number of applications were received relative to available funding. Since the City has not received interest in the current Job Creation and Business Incentive (JCBI) loan program (with potential funds lapsing on June 30, 2022, if unused), the \$82,807 original JCBI allocation will be reallocated to the Small Business Grant Program so that an additional 8 businesses can be awarded the grant. A total of 26 grants are expected to be

awarded through this program. LACDA has awarded 23 grants to Lomita businesses and is currently in the process of awarding to the remainder of Lomita businesses selected for the grant program.

City Clerk’s Office

- Continued work with Granicus, Swagit, and Rock Solid staff to migrate archived Council meeting videos, agendas, and minutes and build agenda templates
- Attended virtual City Clerk Summit sponsored by the LA County Clerk Recorder’s Office

Administrative staff continues to provide customer service and support related to processing water payments, parking tickets, Dial-a-Ride, business licenses, and COVID-19 updates.

City Clerk activity for the month of August

Council Meeting Agenda & Minutes Prepared	2/3
Council Resolutions Adopted & Processed	3
Housing Authority Agenda & Minutes Prepared	1/1
Contracts/Agreements Processed	8
Ordinances Adopted & Published	4
Certificates Prepared	13
Public Records Requests Processed	5
Dial-a-Ride New Cards Issued	1
Dial-a-Ride Payments Processed	34
Dial-a-Ride Assistance-Phone/Counter	49
Administrative Parking Appeals Reviewed & Processed	50
Parking Citations Issued & Processed	1117
Parking Citations Assistance – Phone/Counter	79
Planning Commission Meeting Agenda & Minutes Prepared	0/0
Planning Commission Resolutions Processed	0
Public Safety & Traffic Commission Agenda & Minutes Prepared	0/0
Technical Traffic Advisory Committee Agenda & Minutes Prepared	0/1
Scanned & Indexed Documents	17
Water Billing Payments and Assistance- Phone/Counter	110

OPTIONS:

None. Information only. Receive and file.

FISCAL IMPACT

None. Information only. Receive and file.

ATTACHMENTS

None.

Prepared by:



Gary Sugano
Assistant City Manager

Approved by:



Ryan Smoot
City Manager



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CITY OF LOMITA CITY COUNCIL REPORT

TO: City Council **Item No. 7f**
FROM: Ryan Smoot, City Manager
PREPARED BY: Sheri Repp Loadsman, Temporary Planning Manager
MEETING DATE: October 18, 2022
SUBJECT: Monthly Report for the Community and Economic Development Department

RECOMMENDATION

Receive and file the Community and Economic Development Department monthly report.

DISCUSSION

Planning

The Planning Commission held a meeting on October 10, 2022.

The following items were presented/considered:

1. **CONDITIONAL USE PERMIT NO. 320**, a request to allow an existing 2,000 square-foot restaurant located at 24218 Crenshaw Boulevard in the Light Manufacturing and Commercial (MC) Zone to sell beer and wine for on-site consumption on the premises. The project is categorically exempt from the California Environmental Quality Act (CEQA) per Section 15301 (Existing Facilities).

APPLICANT: Steve Kim, 800 West First Street, Suite 1907, Los Angeles, CA 90012

ACTION: The Planning Commission continued the public hearing to November 14, 2022 at the request of the applicant.

2. **CONDITIONAL USE PERMIT NO. 321**, a request to allow an existing 6,214 square-foot restaurant located at 2065 Palos Verdes Drive North in the Commercial Planned Development (C-P-D) Zone to sell beer and wine for on-site consumption on the premises. The project is categorically exempt from the California Environmental Quality Act (CEQA) per Section 15301 (Existing Facilities).

APPLICANT: Looma Space, Inc./Gloria Lee, 3414 West 228th Street, Torrance, CA 90505

ACTION: The Planning Commission adopted a resolution of approval with an amendment to Condition No. 13 to expand the hours of operation for sale of beer and wine from 11:00 a.m. to 7:00 p.m. to 11:00 a.m. to 9:00 p.m. The modification facilitates the applicant request to provide the restaurant location to a broader range of uses, including paint and sip events and fundraisers.

3. REVIEW OF 2022 LEGISLATIVE CYCLE - SUMMARY PROVIDED BY LEAGUE OF CALIFORNIA CITIES (OCTOBER 5, 2022)

[Cities fare well in final days of the 2022 legislative cycle | Cal Cities](#)

[Cities fare well in final days of the 2022 legislative cycle](#)

AB 2440 (Irwin) Responsible Battery Recycling Act of 2022. Cal Cities Position: Requested Signature; Signed . SB 54 (Allen) Solid waste: reporting, packaging, and plastic food service ware. Cal Cities Position: Requested Signature; Signed . Public Safety . Cities notched several wins in the final days before the Governor’s constitutionally mandated deadline to sign or veto hundreds of bills.

www.calcities.org

Housing Element Update

On August 15, 2022, the City transmitted a Revised Final Housing Element responsive to the comment letter received by HCD on March 11, 2022. Staff met with HCD on September 14, 2022, to review preliminary comments from HCD’s first review of the Revised Final Housing Element. A subsequent meeting was held on October 5, 2022. HCD transmitted their recommended amendments and advised that any substantive changes would require further review and discussion past the October 15, 2022 deadline. As such, HCD indicated that acceptance of the changes would allow HCD to issue a determination of compliance by October 15, 2022.

SB 197, which was signed into law on June 30, 2022, changed the rezoning deadlines for jurisdictions with statutory housing element deadlines in 2021. Now, jurisdictions with 2021 housing element deadlines may maintain the approximate three-year rezoning deadline if their adopted housing element is found in compliance by October 15, 2022. A housing element that is adopted and found in compliance means HCD has completed its review of the adopted element and has issued a review letter finding the element in compliance with Housing Element Law.

While the HCD changes were somewhat forced upon Lomita, the ability to have a certified housing element has value, especially the allowance of three years versus the one year for completing rezoning to meet the RHNA mandate for housing production. These last changes to the housing element will require further amendment to ordinances, processes and procedures. A review session will be scheduled with the City Council in November or December. A joint meeting with the Planning Commission will likely be recommended in order to provide an inclusive briefing and discuss the housing element programs and obligated schedule for achieving identified benchmarks.

Code Enforcement

1. Code enforcement staff have 96 open cases as of September 30, 2022. There were 25 cases closed and 26 new cases in September.
2. There were 6 cases of graffiti removal and 31 reports of illegal dumping.

OPTIONS

None. Information only. Receive and file.

FISCAL IMPACT

None. Information only. Receive and file.

Reviewed by:



Gary Y. Sugano
Assistant City Manager

Approved by:



Ryan Smoot
City Manager

Prepared by:



Sheri Repp Loadsman
Temporary Planning Manager



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CITY OF LOMITA CITY COUNCIL REPORT

TO: City Council **Item No. 7g**

FROM: Ryan Smoot, City Manager

PREPARED BY: Michael M. Sansbury, Recreation & Facilities Manager
Emma Kelley, Recreation Manager

MEETING DATE: October 18, 2022

SUBJECT: Monthly Report for the Recreation and Facilities Division

RECOMMENDATION

Receive and file the monthly report for the Recreation and Facilities Division.

RECREATION SERVICES

- Administrative Clerk updated Recreation and Facilities monthly finances
- Staff is working on the Winter Newsletter 2022/2023
- Fall classes began the week of September 6th
- Staff is continuing to work with the Lomita Chamber of Commerce during Farmers Market every Sunday
- Staff began working with Public Works in September to remove the rocks on the Irene Lewis field and replace it with DG
- Staff has begun to plan State of the City with the Lomita Chamber of Commerce
- Staff is preparing an item for discussion by the City Council related to bringing Pickleball to the City of Lomita
- Staff is preparing for Halloween at Lomita Park on Oct 29th 12pm – 3pm
- Staff is planning for The Lomita Tree Lighting on December 2nd at 5:30pm
- Staff is preparing and moving classes around to accommodate the Tom Rico Center to be used for November Early Elections in Lomita

YOUTH SPORTS

- Fall youth football and volleyball have begun
- Preplanning for our Winter youth sports to be put in the winter newsletter
- Working with part time staff to prepare for supervision and staffing leagues for the Fall of 2022

ADULT SPORTS

- Concluded Wednesday and Thursday (40 and over) adult basketball leagues for the Summer 2022
- Preparing and organizing the upcoming Winter adult leagues for January 2023

PROJECTS

- Restocked inventory of our youth volleyball and football supplies
- Updating Recreation App to reflect current programming
- Concluded a successful 14th Annual Mayor's Golf Classic
Assisting in the planning of our Annual Halloween event Oct 29th at Lomita Park

MAINTENANCE AND FACILITIES

- Coordinating with staff, Lomita Chambers and VenaVer Events in all aspects of the Farmers Market located at City Hall
- Installed new HVAC system in the room adjacent to the Council Chambers
- Repaired the HVAC system at City Hall
- Serviced HVAC systems at Lomita Park
 - Tom Rico Center – 2 units
 - Stephenson Center – 2 units (new thermostat & lock box)
 - City Yard – 1 unit
- Tinted the glass on front doors of City Hall
- Replaced the graffiti film on the windows of the Stephenson Center office (1st floor) at Lomita Park
- Installed a card reader to the main door of the Tom Rico Center for key card access
- Staff installed bird deterrents to the roof of City Hall
- Staff prepped and painted the southwest stairwell at City Hall
- Repaired toilet in public women's restroom Stephenson Center

PROJECTS COMPLETED:

- Developed strategy to complete upcoming Capital Improvement Projects with Public Works Department
- Completed status report for Proposition Prop 68 Per Capita grant project
- Completed and filed CEQA Notice of Exemption and Property Deed Restriction for Proposition Prop 68 Per Capita grant project with the LA County Registrar

PROJECTS IN PROGRESS:

- Working with Public Works on preparations for conceptual improvements to Irene Lewis Park
- Researching project options for Stephenson Center restroom renovation

- Developing scope of work for roofing projects at Appian Way, Museum and Stephenson Center
- Monitoring information regarding updates and meetings pertaining to the City's allotment from LA County Measure A.

OPTIONS:

None. Information only. Receive and file.

FISCAL IMPACT

None. Information only. Receive and file.

Reviewed by:



Gary Y. Sugano
Assistant City Manager

Approved by:



Ryan Smoot
City Manager

Prepared by:



Michael M. Sansbury
Recreation & Facilities Manager

Prepared by:



Emma Kelley
Recreation Manager





CITY OF LOMITA CITY COUNCIL REPORT

TO: City Council **Item No. 7h**
FROM: Ryan Smoot, City Manager
PREPARED BY: Carla Dillon, P.E., Director of Public Works
MEETING DATE: October 18, 2022
SUBJECT: Monthly Report for the Public Works Department

RECOMMENDATION:

Receive and file the monthly report for the Public Works Department.

BACKGROUND:

Water Division Updates

Cypress Water Production Facility (CWPF) and Distribution System Update

Well No. 5 remains offline due to the detection of benzene and the construction project to upgrade the CWPF. The State's Division of Drinking Water (DDW) and the Los Angeles Regional Water Quality Control Board (RWQCB) have been investigating possible sources of benzene, and information is available at <https://www.lomitawater.com/news/>.

In September 2022, the City pumped 0.0 acre-feet of groundwater from Well No. 5. All drinking water was supplied with imported water from West Basin MWD. In September 2022, the City imported 160 acre-feet from West Basin MWD. Monthly water reports can be found at www.lomitawater.com/oversight/water-quality-reports/.

To protect the water system, all backflow devices within the service area are required to be tested once per year. In Lomita's water system there are 150 backflow devices, and in July letters and backflow test forms were sent to these customers requiring the devices be tested by August 15. The City has received 71% of the test results. Second notification letters are to be sent out.

In July, the City resumed water tours at the Cypress Water Production Facility after a two year hiatus. The tour on September 27 had one resident attend.

Water Division Performance Measures:

Main Breaks/Leak Repairs	2
Service Connection Breaks/Leaks	2
Water Outages	2
Water Service Requests	38
USA Dig-Alert Tickets	106
Dead-end Fire Hydrant Flushing	2
Meter Maintenance	13
Inspection of Water Facilities	Daily
Water Quality Complaints	0

Engineering/PW Administration Division Updates

Cypress Water Production Facility (CWPF) Upgrade Project

The City's contractor RC Foster, with the oversight of the contract manager, AKM Consulting Engineers, is progressing on construction. Hazen and Sawyer continues to provide submittal and request for information (RFI) review as needed, as well as support in start-up and permitting with the State Division of Drinking Water. Full project completion is expected in February 2023.

Progress	As of September 30, 2022
Percent Project completion	96%
Overall Project, invoiced/approved	\$3,508,239
Overall Project budget	\$3,000,000

The City shares project updates on <https://www.lomitawater.com/> as new information is available. In addition, a short video describing the GAC project and treatment process is available here: <https://www.lomitawater.com/infrastructure/granular-activated-carbon/>.

Street Reconstruction – Zone C & F Project

This project consists of overlaying and reconstructing certain streets in Zones C & F (just north and south of Lomita Blvd and west of Eshelman Ave), as detailed in the Pavement Management Program (PMP). This project includes significant repairs and resurfacing of streets where slurry seal would not be sufficient to extend the life of the street.

Construction was awarded to Sequel Contractors in March 2022 and construction activity began in April 2022. Construction of the Project was completed in August 2022 and the contractor is finishing items on the punch list. It is anticipated that project closure will occur in November.

Progress	As of September 30, 2022
Percent Project completion	97%
Overall Project, invoiced/approved	\$2,522,441
Overall Project budget	\$3,192,672

Street Reconstruction – Zone G

This project consists of overlaying and reconstructing certain streets in Zones G (just north and south of Lomita Blvd and east of Eshelman Ave), as detailed in the Pavement Management Program (PMP). This project includes significant repairs and resurfacing of streets where slurry seal would not be sufficient to extend the life of the street.

Design of the project was awarded to David Evans and Associates in July 2022 and is scheduled to be completed in November 2022. Construction of the project is programmed to begin in Spring 2024 and continuing into Summer of 2024.

Progress	As of September 30, 2022
Percent Project completion	2%
Overall Project, invoiced/approved	\$0
Overall Project budget	\$1,200,000

247th Street Area Watermain Project

This project consists of abandoning a watermain that runs north and south within private properties crossing 246th Street, 247th Street, 247th Place, and 248th Street. The age of the water main makes it particularly at risk for main breaks and leaks, especially as a result of an earthquake. The proposed new water main will extend from 246th Street beyond the City boundaries, looping within the City of Los Angeles right of way and along Western Avenue (which is Caltrans right of way), and connecting back to the City of Lomita along 247th Street, 247th Place, 248th Street and Lomita Blvd. This project consists of constructing approximately 3,300 linear feet of 6-inch PVC water pipeline and appurtenances (fire hydrants, valves, services, and fittings). The existing pipeline located in private property will be abandoned.

Design of the project was awarded to Onward Engineering in November 2021. Design is currently underway but obtaining the necessary permits from the City of Los Angeles is taking longer than expected. The permit from Caltrans was approved in September. The design of the project will be completed in December 2022.

Progress	As of September 30, 2022
Percent Project completion	20%
Overall Project, invoiced/approved	\$99,126
Overall Project budget	\$1,499,916

Harbor Hills Metering Project

The Harbor Hills Housing Development (HHHD) is the City's largest water customer. The water system in the area was originally built in the early 1940s, and in the 1980s a metering setup was installed on Western Avenue to indirectly measure the water consumption of HHHD. In 2014, it was determined that direct metering should be implemented, which required the installation of water meters and additional piping at the property locations for HHHD. Meter installation was completed in 2019 by City Water staff.

The City hired MBF Consulting to conduct a field survey of the existing water lines, laterals and appurtenances of the Harbor Hills Water system and prepare water utility easement legal descriptions. The easement is needed to allow the Public Works Department, Water Division legal access to the meters, water lines, laterals and appurtenances for operations and maintenance purposes. MBF completed their survey with the legal descriptions in June 2021. The City attorney reviewed the documents and Staff will be routing the legal descriptions and easement documents to Los Angeles County (property owner) for review.

Emergency Generator

This project consists of the selection and design of an emergency generator that will be capable of servicing the Appian Way Pump Station as needed. The design of this project was awarded to AEPC Group in July 2022 and is scheduled to be completed in late 2022. Construction of the project is scheduled for Spring 2023.

AEPC Group has reviewed the Appian Way Pump Station as-builts and performed a field investigation to determine the selection and location of the emergency generator. A preliminary report with recommendations has been submitted to the City for review.

Progress	As of September 30, 2022
Percent Project completion	15%
Overall Project, invoiced/approved	\$0
Overall Project budget	\$76,365

Encroachment Permit Review/Approval

For the month of September 2022, staff received and reviewed 16 encroachment permit applications from various utility companies and contractors. 9 encroachment permits were issued.

Public Safety and Traffic

Public Safety and Traffic Commission (PS&TC) did not meet in September 2022. The Public Works Department received 7 new traffic investigation requests in September 2022, and a total of 11 requests were being evaluated by the Technical Traffic Advisory Committee.

Sidewalk Inspections

In November 2021, the Council approved a sidewalk inspection program. Public Works staff has inspected 100% of City sidewalks, and in September 2022, 165 locations were repaired.

Streets

In September, staff had two meetings with a Japanese company, Geo Search, to discuss a demonstration project of a novel technology to assess below grade soil conditions. Tentatively, the company will demonstrate the technology in Lomita in November and provide results to the City at no cost. The Japanese Consulate initiated contact with the City to consider the demonstration project, which may provide valuable information in a faster, more comprehensive, less invasive method than previously available.

Public Works Field Operations Division (Parks/Street/Trees) Updates

Streets and Trees Division:

Trees Trimmed (by Crew)	36
Graffiti Locations Cleaned	93
Sidewalk Maintenance	165
Curb/Gutter Maintenance	10
Street Signs Replaced or Repaired	7
Potholes Filled / Patches	65
New work order requests	7

Parks Division:

Mowed Park Grounds, number of times	20
Playground Safety Inspections	10
Raised Median/Planter Weeding	7
Park Grounds Fertilize	3
Museum/City Hall Grounds Maintenance	8
Sprinkler Repair/Replacement	10
Trimmed Hedges/Trees (City grounds)	9

Reviewed by:



Gary Y. Sugano
Assistant City Manager

Approved by:



Ryan Smoot
City Manager

Prepared by:



Carla Dillon, PE
Public Works Director



CITY OF LOMITA CITY COUNCIL REPORT

TO: City Council **Item No. 7i**
FROM: Ryan Smoot, City Manager
PREPARED BY: Susan Kamada, Administrative Services Director
MEETING DATE: October 18, 2022
SUBJECT: August 2022 Treasury and Investment Report

RECOMMENDATION

Receive and file the Treasury and Investment Report.

BACKGROUND

Pursuant to Section 41004 of the Government Code of the State of California, the City Treasurer is required to submit a monthly report of all receipts, disbursements and fund balances. The first page of the report provides a summary of the beginning balance, total receipts, total disbursements, ending balance for all funds, and a listing, by fund, of all month end fund balances. The second page of the report summarizes the investment activity for the month and distribution by type of investment, held by the City. The third page lists all investments with original maturities exceeding one year as of the month ended August 31, 2022.

In summary, all investments of the City of Lomita are in compliance with both the Government Code and our Investment Policy. In addition, the City has sufficient liquidity to meet its expenditure requirements for the ensuing six months.

17.98% of the City's funds are with the State of California Local Agency Investment Fund (LAIF). The remaining funds of the City of Lomita are in active checking accounts, money market funds, Federal Agency Securities, Corporate Bonds, and FDIC-insured Negotiable Certificates of Deposit that are in compliance with the California Government Code and the City's Investment Policy. The current value of each account is obtained from actual monthly statements for the period ending August 31, 2022.

OPTIONS:

None, information only.

FISCAL IMPACT

None.

ATTACHMENT

1. Treasury and Investment Report for August 2022

Reviewed by:



Gary Y. Sugano
Assistant City Manager

Approved by:



Ryan Smoot
City Manager

Prepared by:



Susan Kamada
Administrative Services Director



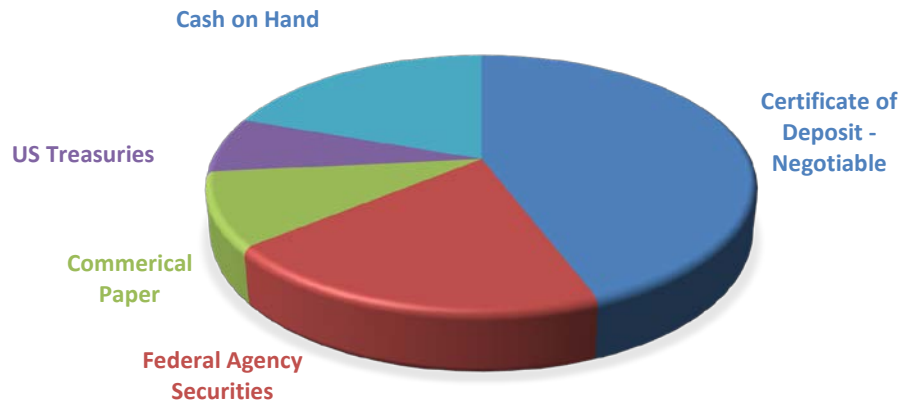
City of Lomita Investment Portfolio Report August 31, 2022

<u>Summary of Investments</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Interest Earned</u>	<u>Gain (Loss) on Investment</u>
Local Agency Investment Fund (LAIF)	4,694,051.01	4,694,051.01	0.00	0.00
Certificate of Deposit - Negotiable	9,470,000.00	8,991,649.92	14,613.87	0.00
Federal Agency Securities	4,250,000.00	4,002,067.50	0.00	0.00
Commerical Paper	2,000,000.00	1,765,310.00	2,875.00	0.00
US Treasuries	1,500,000.00	1,478,880.00	6,250.00	0.00
Total Pooled Investments	21,914,051.01	20,931,958.43	23,738.87	0.00
City of Lomita General Account DDA	4,197,033.78	4,197,033.78	0.00	0.00
Total Cash	4,197,033.78	4,197,033.78	0.00	0.00
Total Cash & Investments	26,111,084.79	25,128,992.21	23,738.87	0.00

City of Lomita

<u>Distribution of Pooled Cash</u>	<u>Book Value</u>	<u>% Split</u>
Local Agency Investment Fund (LAIF)	4,694,051.01	17.98%
Certificate of Deposit - Negotiable	9,470,000.00	36.27%
Federal Agency Securities	4,250,000.00	16.28%
Commerical Paper	2,000,000.00	7.66%
US Treasuries	1,500,000.00	5.74%
Cash on Hand	4,197,033.78	16.07%
Total Cash & Investments	26,111,084.79	82.02%

<u>Month to Date & Fiscal Year to Date</u>		
<u>Interest Earned/ Gain (Loss) on Total Investments</u>	<u>MTD</u>	<u>YTD</u>
Jul-22	9,063.33	9,063.33
Aug-22	23,738.87	32,802.20
Sep-22	-	32,802.20
Oct-22	-	32,802.20
Nov-22	-	32,802.20
Dec-22	-	32,802.20
Jan-23	-	32,802.20
Feb-23	-	32,802.20
Mar-23	-	32,802.20
Apr-23	-	32,802.20
May-23	-	32,802.20
Jun-23	-	32,802.20
	32,802.20	32,802.20





City of Lomita
Investment Portfolio Report August 31, 2022

Account/ Investment Title & Description	Account # CUSIP	Settlement Date	Maturity Date	Yield to Maturity	Beginning Face Amount/Shares	Beginning Market Value	Buy Principal	Sell Principal	Change in Market Value	Ending Market Value	Ending Face Amount/Shares	Interest Earned / (Accrued)	Realized Gain /(Loss) On Investment
Local Agency Investment Fund (LAIF)													
City of Lomita	XX-XX-469		N/A	1.276%	4,685,279.19	4,694,051.01	-	-	-	4,694,051.01	4,694,051.01	-	-
Sub Total / Average				1.276%	4,685,279.19	4,694,051.01	-	-	-	4,694,051.01	4,694,051.01	-	-
Certificate of Deposit - Negotiable													
PCSB Bank	69324MAL9	02/21/20	02/21/24	1.650%	248,000.00	242,040.56	-	-	198.40	242,238.96	248,000.00	347.54	
Third Federal S & L Assn	88413QDA3	08/13/21	08/13/24	0.500%	249,000.00	235,088.37	-	-	420.81	235,509.18	249,000.00	617.38	
Raymond James Bank NA	75472RBB6	02/14/20	02/14/25	1.750%	248,000.00	238,077.52	-	-	235.60	238,313.12	248,000.00	2,152.16	
Lafayette FCU	50625LAY9	03/31/22	03/31/25	2.200%	249,000.00	241,271.04	-	-	209.16	241,480.20	249,000.00	465.25	
JPMorgan Chase Bank NA	48128WCJ2	12/03/21	05/16/25	0.800%	248,000.00	230,682.16	-	-	535.68	231,217.84	248,000.00		
Institution for Savings Newburyport MA	45780PBL8	05/20/22	05/20/25	3.100%	247,000.00	244,828.87	-	-	64.22	244,893.09	247,000.00	650.32	
Axiom Bank Maitland FL	05464LBR1	11/30/21	06/13/25	0.700%	249,000.00	230,349.90	-	-	565.23	230,915.13	249,000.00	148.04	
Bank of Princeton	064520BE8	06/26/20	06/26/25	0.600%	210,000.00	193,496.10	-	-	504.00	194,000.10	210,000.00	107.01	
Bankunitied NA	066519RX9	12/08/21	12/08/25	1.250%	248,000.00	230,612.72	-	-	629.92	231,242.64	248,000.00		
USAlliance FCU	90352RCD5	01/28/22	01/28/26	1.350%	249,000.00	234,059.25	-	-	355.57	234,414.83	249,000.00	572.23	
Pentagon FCU	70962LBK7	03/28/22	03/30/26	2.050%	249,000.00	236,714.34	-	-	642.42	237,356.76	249,000.00	433.53	
Kansas State Bank	50116CCV9	03/31/22	03/31/26	2.300%	249,000.00	238,855.74	-	-	597.60	239,453.34	249,000.00	486.40	
Netnet Bank	64034KAC5	04/15/21	04/15/26	0.700%	248,000.00	224,110.16	-	-	927.52	225,037.68	248,000.00		
Community West Bank NA	20415QHQ5	04/23/21	04/23/26	0.700%	248,000.00	223,822.48	-	-	932.48	224,754.96	248,000.00	147.44	
State BK India New York NY	866285V57	05/19/21	05/19/26	1.000%	247,000.00	225,209.66	-	-	923.78	226,133.44	247,000.00		
Toyota Financial Savings Bank	89235MLD1	07/22/21	07/22/26	0.950%	248,000.00	224,638.40	-	-	1,046.56	225,684.96	248,000.00		
Medallion BK Salt Lake City	58404DL1	07/30/21	07/30/26	0.800%	248,000.00	223,190.08	-	-	1,026.72	224,216.80	248,000.00		
Sallie Mae Bank	795451AK9	08/11/21	08/11/26	1.100%	248,000.00	225,761.84	-	-	999.44	226,761.28	248,000.00	1,352.79	
Metro Credit Union	59161YAN6	02/18/22	08/18/26	1.600%	249,000.00	231,111.84	-	-	981.06	232,092.90	249,000.00	338.37	
Texas Exchange Bank	88241TML1	11/26/21	11/27/26	1.200%	249,000.00	225,875.37	-	-	1,030.86	226,906.23	249,000.00	253.78	
Beal Bank USA	07371CH69	03/02/22	02/24/27	2.050%	248,000.00	232,601.68	-	-	830.80	233,432.48	248,000.00		
Capital One Bank USA NA	14042TFP7	04/27/22	04/27/27	2.900%	248,000.00	241,137.84	-	-	634.88	241,772.72	248,000.00		
Morgan Stanley Bank	61773TDN0	04/29/22	04/29/27	3.000%	246,000.00	240,287.88	-	-	607.62	240,895.50	246,000.00		
Discover Bank	254673G83	06/14/22	06/14/27	3.150%	246,000.00	241,682.70	-	-	551.04	242,233.74	246,000.00		
The Dart Bank	237412AN1	06/08/22	06/15/27	3.250%	249,000.00	245,772.96	-	-	537.84	246,310.80	249,000.00	687.31	
Goldman Sachs Bank USA	38148PN52	05/30/18	05/30/23	3.250%	245,000.00	245,732.55	-	-	(249.90)	245,482.65	245,000.00		
Austin TelCo FCU	052392BK2		08/11/23	3.200%			249,000.00		199.20	249,199.20	249,000.00		
Wells Fargo Bank	949763ZA7	04/18/19	04/10/24	2.850%	245,000.00	243,321.75	-	-	(36.75)	243,285.00	245,000.00	593.03	
Live Oak Bkg Co	538036HY3	02/12/20	08/12/24	1.700%	245,000.00	237,025.25	-	-	227.85	237,253.10	245,000.00	353.74	
Capital One Natl Assn	14042RNE7	08/23/19	08/21/24	2.000%	245,000.00	238,424.20	-	-	124.95	238,549.15	245,000.00	2,429.86	
Morgan Stanley Private Bk Natl Assn	61760AX53	09/05/19	09/05/24	1.900%	100,000.00	97,054.00	-	-	67.00	97,121.00	100,000.00		
Synchrony Bank	87165FF58	11/30/21	11/29/24	0.850%	245,000.00	231,088.90	-	-	416.50	231,505.40	245,000.00		
Enerbank USA Salt	29278TMZ0	02/14/20	02/14/25	1.650%	245,000.00	234,536.05	-	-	286.65	234,822.70	245,000.00	343.34	
Merrick Bank	59013KQE9	11/30/21	05/30/25	0.900%	245,000.00	228,249.35	-	-	490.00	228,739.35	245,000.00	368.50	
Eaglemark Savings Bank	27004PBD4	04/07/21	04/07/26	0.700%	245,000.00	221,541.25	-	-	904.05	222,445.30	245,000.00		
Greenstate Credit Union	39573LBL1	06/16/21	06/16/26	0.900%	249,000.00	225,576.57	-	-	991.02	226,567.59	249,000.00	190.33	
UBS Bk USA Salt Lake	90348JQ29	07/14/21	07/14/26	0.900%	249,000.00	225,103.47	-	-	1,043.31	226,146.78	249,000.00	190.33	
Dept of Commerce Federal Credit Union	24951TAT2	05/13/22	05/13/27	3.250%	249,000.00	245,875.05	-	-	560.25	246,435.30	249,000.00	687.31	
BMO Harris Bank NA	05600XFW5	06/15/22	06/15/27	3.300%	249,000.00	246,295.86	-	-	532.86	246,828.72	249,000.00	697.88	
Sub Total / Average				1.709%	9,221,000.00	8,721,103.71	249,000.00	-	21,546.20	8,991,649.92	9,470,000.00	14,613.87	-
Federal Agency Securities													
Federal Home LN BKS	3130APXC4	12/10/21	12/10/24	1.100%	1,000,000.00	953,340.00	-	-	(10,970.00)	942,370.00	1,000,000.00	-	-
Federal Home LN BKS	3130ALMM3	03/30/21	03/30/26	1.000%	250,000.00	234,705.00	-	-	(7,542.50)	227,162.50	250,000.00	-	-
Federal Home LN BKS	3130AR2B6	03/08/22	03/08/27	2.375%	500,000.00	484,690.00	-	-	(15,140.00)	469,550.00	500,000.00	-	-
Federal Home LN BKS	3130ARDY4	03/29/22	03/29/27	2.500%	500,000.00	487,585.00	-	-	(16,300.00)	471,285.00	500,000.00	-	-
Federal Home LN BKS	3130ARGQ8	04/14/22	04/14/27	2.875%	250,000.00	246,122.50	-	-	(7,697.50)	238,425.00	250,000.00	-	-
Federal Home LN BKS	3130ASD22	06/29/22	06/29/27	3.590%	250,000.00	249,627.50	-	-	(6,767.50)	242,860.00	250,000.00	-	-
Federal Home LN MTG	3134GXL28		08/17/27	4.150%			250,000.00		(1,660.00)	248,340.00			



**City of Lomita
Investment Portfolio Report August 31, 2022**

Account/ Investment Title & Description	Account # CUSIP	Settlement Date	Maturity Date	Yield to Maturity	Beginning Face Amount/Shares	Beginning Market Value	Buy Principal	Sell Principal	Change in Market Value	Ending Market Value	Ending Face Amount/Shares	Interest Earned / (Accrued)	Realized Gain /(Loss) On Investment
Federal Home LN MTG	3134GXQ23		08/25/27	4.250%			250,000.00		(715.00)	249,285.00	250,000.00		
Federal Farm Credit Bank	3133ENC00	11/30/21	10/27/25	1.040%	500,000.00	471,285.00	-	-	(11,095.00)	460,190.00	500,000.00		
Federal Farm Credit Bank	3133EMB76	05/26/21	05/26/26	0.950%	500,000.00	461,535.00	-	-	(8,935.00)	452,600.00	500,000.00	-	-
Sub Total / Average				2.383%	3,750,000.00	3,588,890.00	500,000.00	-	(86,822.50)	4,002,067.50	4,250,000.00	-	-
Commerical Paper													
Bank of America Corp A2	06048WM31	05/28/21	05/28/26	1.250%	1,000,000.00	891,810.00	-	-	(16,890.00)	874,920.00	1,000,000.00	-	
Goldman Sachs Corp A2	38150AFK6	04/30/21	04/30/26	1.550%	500,000.00	464,170.00	-	-	(8,965.00)	455,205.00	500,000.00		
JPMorgan Chase & Co	48128G4R8	08/17/21	08/17/26	1.150%	500,000.00	443,455.00	-	-	(8,270.00)	435,185.00	500,000.00	2,875.00	
Sub Total / Average				1.317%	2,000,000.00	1,799,435.00	-	-	(34,125.00)	1,765,310.00	2,000,000.00	2,875.00	-
U.S. Treasuries													
US Treasury Note	06048WM31	07/28/22	07/31/23	1.250%	1,000,000.00	983,280.00	-	-	(3,050.00)	980,230.00	1,000,000.00	6,250.00	
US Treasury Note	9128284D9	07/28/22	03/31/23	2.500%	500,000.00	498,495.00	-	-	155.00	498,650.00	500,000.00		
Sub Total / Average				1.875%	1,500,000.00	1,481,775.00	-	-	(2,895.00)	1,478,880.00	1,500,000.00	6,250.00	-
Total / Average - Investments				1.67%	21,156,279.19	20,285,254.72	749,000.00	-	(102,296.30)	20,931,958.43	21,914,051.01	23,738.87	-
Demand Deposit Account (DDA)													
Pacific Western - General Account	XXXX259	N/A	N/A	0.000%	4,250,514.12	N/A	N/A	N/A	N/A	4,250,514.12	4,250,514.12	N/A	N/A
(Outstanding Checks)		N/A	N/A		(53,480.34)	N/A	N/A	N/A	N/A	(53,480.34)	(53,480.34)	N/A	N/A
Sub Total / Average				0.000%	4,197,033.78					4,197,033.78	4,197,033.78	-	-
Total /Cash & Investments					25,353,312.97	20,285,254.72	749,000.00	-	(102,296.30)	25,128,992.21	26,111,084.79	23,738.87	-



City of Lomita Investment Portfolio Report August 31, 2022

Previous Balance	\$	4,978,601.44
Deposits		2,210,544.98
Disbursements		(3,168,415.68)
Adjustments		229,783.38
Current Balance		4,250,514.12

GENERAL LEDGER CASH BALANCES		
General Fund - City Operations		
General Fund - City Operations including LAIF and Investments	100	7,070,074.16
Sub Total - General Fund - City Operations including LAIF and Investments		7,070,074.16
Special Revenue Funds		
OPEB Trust Fund - Retiree Health Care	201	251,296.06
Pension Stabilization Fund	202	889,077.98
Economic Development	203	746,506.98
General Plan Update	204	200,000.00
Gas Tax Fund - Street Maintenance	205	749,404.63
Measure R Local Fund - Street Projects	207	499,547.05
Measure R Highway Fund - Street Projects	208	(106,536.84)
Measure M Fund - Street Projects	209	508,162.84
Measure W Fund - Safe Clean Water Program	211	106,877.95
American Rescue Plan	212	3,421,464.00
CDBG Fund - Housing Programs	215	(12,995.71)
Lomita Housing Authority - Housing Programs	217	-
Proposition A Fund - Transportation Projects	220	1,239,805.56
Proposition C Fund - Transportation Projects	225	2,031,230.69
Transportation Development Act Article 3- Transportation Projects	230	(5,977.51)
Air Quality Fund - Air Quality Projects	235	46,329.24
Landscape Maintenance Fund - Landscape Maintenance District	245	4,320.69
Park Facilities Fee Fund - Quimby Funds	250	452,093.07
Park Athletic Fund - Park Athlete Programs	255	81,633.13
Park Grant Fund - Park Improvement Programs	257	(36,914.06)
Lomita Manor Fund - Federal Housing Program	260	197,505.04
CA Law Enf. Equip. Program (CLEEP) Fund - Public Safety Equip.	276	6,221.38
Sub Total - Special Revenue Funds		11,269,052.17
Capital Improvement Funds		
Capital Improvement Fund - Capital Improvement Projects	310	184,572.79
Street Improvement Fund - Street Improvement Projects	311	868,265.22
Facilities Improvement Fund - Facilities Improvement Projects	312	317,744.23
Stephenson Center Fund - Facilities Improvement Projects	313	85,744.47
Sub Total - Capital Improvement Funds		1,456,326.71



City of Lomita Investment Portfolio Report August 31, 2022

Previous Balance	\$	4,978,601.44
Deposits		2,210,544.98
Disbursements		(3,168,415.68)
Adjustments		229,783.38
Current Balance		4,250,514.12

Proprietary Funds		
Water Operations Fund - Water Operations	510	3,393,785.95
Water Capital Fund - Water Capital Projects	520	839,359.77
Rate Stabilization - Cypress Reservoir Bond	530	125,000.00
Internal Service Fund - Equipment Replacement	610	755,275.47
PK Equipment Replacement Fund	611	680,338.02
Sewer Replacement Fund	612	500,000.00
Sub Total - Proprietary Funds		6,293,759.21
Trust and Agency Funds		
Museum Foundation Fund - Railroad Museum Programs	720	22,282.29
Tom Rico Memorial Fund - Park Program Scholarships	730	(409.75)
Sub Total - Trust & Agency Funds		21,872.54
Total		26,111,084.79
Pooled Cash	999	(21,860,570.67)
Grand Total		4,250,514.12



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CITY OF LOMITA CITY COUNCIL REPORT

TO: Mayor and City Council **Item No. 7j**

FROM: Ryan Smoot, City Manager

PREPARED BY: Lina Hernandez, Senior Management Analyst

MEETING DATE: October 18, 2022

SUBJECT: First Amendment to the Professional Services Agreement with Data Ticket to Provide Citation Management Services for Parking Enforcement and Code Enforcement

RECOMMENDATION

1) Approve the First Amendment to Agreement File No. 2017-16 to extend the term and add additional services related to administrative citation processing, and authorize the City Manager and City Clerk to execute the agreement; and 2) Authorize the City Manager to purchase associated equipment

BACKGROUND

On August 15, 2017, the City Council approved an agreement with Data Ticket to provide citation management services for parking tickets for five years (attached as Exhibit A). The services include citation processing and adjudication services, payment processing, delinquent collections, online access, reporting, noticing services, customer service, and administrative support among other things. The proposed amendment to that agreement extends the term, maintains these services and adds additional services related to Code Enforcement (attached as Exhibit B).

The current agreement with Data Ticket expires October 31, 2022 with the option to automatically renew for additional one (1) year periods. Data Ticket has agreed to extend the agreement for an additional five (5) years and include one (1) year auto renewals at the 2017 pricing with the 2018 addendum per AB 503, except for postage increases as necessary (attached as Exhibit C).

DISCUSSION

Parking Enforcement

The city's parking enforcement team focuses primarily on enforcing street sweeping and parking violations which create safety hazards. Officers are given the discretion to issue warnings as appropriate and seek compliance first if there is a licensed driver in the vehicle. The agreement with Data Ticket allows the city's limited staff to focus on assistance to the public, and program implementation while the administrative processes are managed externally.

Data Ticket provides city staff with access to the online system to view citations, photos, officer notes, vehicle citation history, run reports, and see mailed notices and payments to assist the public, however the actual payments and appeals need to be made with Data Ticket by mail or online.

Code Enforcement

In recent years, the City Council has increased its efforts to enforce the city's municipal standards by adding dedicated and professional Code Enforcement to its team. The goal of the city's Code Enforcement programs is compliance with the city's established standards. While citations can serve as a punitive measure, when necessary, they are far more importantly a means to achieve compliance and often are an encouragement to make corrections. Currently, the Code Enforcement division does not use an administrative citation processing service and instead manages citation payments, appeals, and processing in house. The city only has one Code Enforcement Officer to investigate complaints, conduct field inspections, research, prepare and issue notices of violation and citations, conduct follow up of abatement procedures, among other responsibilities. Staff is recommending that the Data Ticket agreement be modified to incorporate administrative citation processing in the same manner and through the same system as other city citations. This would allow the Code Enforcement officer to focus on customer service and other duties and would provide the public with a clear path to process a citation. It would also allow for the city's management to actively monitor administrative citations and compliance on a regular basis in the same manner as parking citations.

Currently Code Enforcement issues 8-10 administrative citations a month, but with increased enforcement efforts and seasonal increases in citations (such as fireworks enforcement, massage establishment enforcement and other-directed enforcement efforts), we expect to see an increase in citation activity.

Data Ticket provided the cost proposal (attached as Exhibit D) for administrative citation processing. Of the payment options presented, staff recommends initiating with Model 1. Although it has a higher up-front cost to the city, it allows for full-service citation processing in the same manner as other city issued citations to provide clarity for the public and minimize staffing burdens on the city. Should the city's needs change over

time, the agreement allows the city to also modify its payment model as it may fit the city's interests.

Equipment

The Parking Enforcement Division currently consists of five officers sharing two ticketing devices purchased at the beginning of the city's agreement with Data Ticket five years ago. Staff recommends upgrading the two ticketing devices and keeping one of the current devices as a back-up. Should the City Council approve the amendment, the Code Enforcement Officer will also need one citation device. The devices consist of a specialized cell phone with the Data Ticket app and integrated printer for parking enforcement and separate printer for Code Enforcement. Quotes for the devices and ticket rolls/books are attached to this report as Exhibit E.

FISCAL IMPACT

Data Ticket has agreed to maintain its current pricing structure for parking citation processing at the rates established under the 2017 agreement and the 2018 addendum without increase, except for postage increases as necessary. The current bail schedule for parking violations was approved by the City Council through Resolution 2011-16.

The actual cost of including administrative citation processing services into the Data Ticket agreement is dependent upon the number of administrative citations issued and the duration of the process for each citation. If the City were to issue an estimated 120 citations per year, we could expect an additional annual cost of approximately \$3,000 which would be recovered through the citation amount itself. No increases in citation amounts are recommended at this time.

OPTIONS

1. Approve the recommended actions listed above, or
2. Provide further direction.

ATTACHMENTS

1. Exhibit A - 2017 Agreement for Parking Enforcement Citation Processing
2. Exhibit B - Draft Amendment with updated Scope of Services
3. Exhibit C - 2017 Parking Enforcement Cost Sheet
4. Exhibit D - Code Enforcement Citation Processing Proposal and Cost Models
5. Exhibit E - Equipment quotes

Reviewed by:

Gary Sugano

Gary Y. Sugano
Assistant City Manager

Approved by:

Ryan Smoot

Ryan Smoot
City Manager

Prepared by:

Lina Hernandez

Lina Hernandez
Senior Management Analyst



**CONTRACT FOR PROFESSIONAL SERVICES
BETWEEN
THE CITY OF LOMITA AND
DATA TICKET INC.**

This AGREEMENT is entered into this 15 day of August, 2017, by and between the CITY OF LOMITA, a general law city a municipal corporation ("CITY") and Data Ticket Inc., a limited liability company ("CONSULTANT").

RECITALS

- A. The City does not have the personnel able and/or available to perform the services required under this agreement.
- B. Therefore, the City desires to contract out for services for parking citation processing and collections.
- C. The Consultant warrants to the City that it has the qualifications, experience and facilities to perform properly and timely the services under this Agreement.
- D. The City desires to contract with the Consultant to perform the services as described in Exhibit A of this Agreement.

NOW, THEREFORE, based on the foregoing recitals, the City and the Consultant agree as follows:

CONSIDERATION AND COMPENSATION

As partial consideration, CONSULTANT agrees to perform the work listed in the SCOPE OF SERVICES, attached as EXHIBIT A;

As additional consideration, CONSULTANT and CITY agree to abide by the terms and conditions contained in this Agreement;

As additional consideration, CITY agrees to pay CONSULTANT an amount not to exceed \$35,000.00 per year, for CONSULTANT's services, unless otherwise specified by written amendment to this Agreement. CONSULTANT shall invoice CITY per the rates specified in EXHIBIT A. The rates detailed in EXHIBIT A may be adjusted with the written approval of the City Manager.

No additional compensation shall be paid for any other expenses incurred, unless first approved by the City Manager or his designee.

CONSULTANT shall submit to CITY, by not later than the 10th day of each month, its bill for services itemizing the fees and costs incurred during the previous month. The City shall pay the Consultant all uncontested amounts set forth in the Consultant's bill within 30 days after it is received.

SCOPE OF SERVICES.

CONSULTANT will perform the services and activities set forth in the SCOPE OF SERVICE attached hereto as Exhibit A and incorporated herein by this reference. If any part of Exhibit A is inconsistent with the terms of this Agreement, the terms of this Agreement shall control.

Except as herein otherwise expressly specified to be furnished by CITY, CONSULTANT will, in a professional manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space, and facilities necessary or proper to perform and complete the work and provide the professional services required of CONSULTANT by this Agreement.

PAYMENTS. For CITY to pay CONSULTANT as specified by this Agreement, CONSULTANT must submit an invoice to CITY which lists the reimbursable costs, the specific tasks performed, and, for work that includes deliverables, the percentage of the task completed during the billing period.

TIME OF PERFORMANCE. The services of the CONSULTANT are to commence upon receipt of a notice to proceed from the CITY and shall continue until all authorized work is completed to the CITY's reasonable satisfaction, in accordance with the "Exhibit A," or the Agreement is terminated or expires per below.

FAMILIARITY WITH WORK. By executing this Agreement, CONSULTANT represents that CONSULTANT has (a) thoroughly investigated and considered the scope of services to be performed; (b) carefully considered how the services should be performed; and (c) understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement.

KEY PERSONNEL. CONSULTANT's key person assigned to perform work under this Agreement is Brook Westcott CONSULTANT shall not assign another person to be in charge of the work contemplated by this Agreement without the prior written authorization of the City.

TERM OF AGREEMENT. The term of this Agreement shall commence upon execution by both parties and shall expire on November 1, 2022, unless earlier termination occurs under Section 11 of this Agreement, or extended in writing in advance by both parties.

CHANGES. CITY may order changes in the services within the general scope of this Agreement, consisting of additions, deletions, or other revisions, and the contract sum and the contract time will be adjusted accordingly. All such changes must be authorized in writing, executed by CONSULTANT and CITY. The cost or credit to CITY resulting from changes in the services will be determined in accordance with written agreement between the parties.

TAXPAYER IDENTIFICATION NUMBER. CONSULTANT will provide CITY with a Taxpayer Identification Number.

PERMITS AND LICENSES. CONSULTANT will obtain and maintain during the term of this Agreement all necessary permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.

TERMINATION.

Except as otherwise provided, CITY may terminate this Agreement at any time with or without cause. Notice of termination shall be in writing.

CONSULTANT may terminate this Agreement upon providing notice in writing at least 30 days before the effective termination date.

In the event of such termination, the CONSULTANT shall cease services as of the date of termination, all finished or unfinished documents, data, drawings, maps, and other materials prepared by CONSULTANT shall, at CITY's option, become CITY's property, and CONSULTANT will receive just and equitable compensation for any work satisfactorily completed up to the effective date of notice of termination.

Should the Agreement be terminated pursuant to this Section, CITY may procure on its own terms services similar to those terminated.

INDEMNIFICATION.

CONSULTANT shall indemnify, defend with counsel approved by CITY, and hold harmless CITY, its officers, officials, employees and volunteers from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with CONSULTANT's performance of work hereunder or its failure to comply with any of its obligations contained in this AGREEMENT, regardless of CITY'S passive negligence, but excepting such loss or damage which is caused by the sole active negligence or willful misconduct of the CITY. Should CITY in its sole discretion find CONSULTANT'S legal counsel unacceptable, then CONSULTANT shall reimburse the CITY its costs of defense, including without limitation reasonable attorneys fees, expert fees and all other costs and fees of litigation. The CONSULTANT shall promptly pay any final judgment rendered against the CITY (and its officers, officials, employees and volunteers) covered by this indemnity obligation. It is expressly understood and agreed that the

foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

The requirements as to the types and limits of insurance coverage to be maintained by CONSULTANT as required by Section 17, and any approval of said insurance by CITY, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

ASSIGNABILITY. This Agreement is for CONSULTANT's professional services. CONSULTANT's attempts to assign the benefits or burdens of this Agreement without CITY's written approval are prohibited and will be null and void.

INDEPENDENT CONTRACTOR. CITY and CONSULTANT agree that CONSULTANT will act as an independent contractor and will have control of all work and the manner in which is it performed. CONSULTANT will be free to contract for similar service to be performed for other employers while under contract with CITY. CONSULTANT is not an agent or employee of CITY and is not entitled to participate in any pension plan, insurance, bonus or similar benefits CITY provides for its employees. Any provision in this Agreement that may appear to give CITY the right to direct CONSULTANT as to the details of doing the work or to exercise a measure of control over the work means that CONSULTANT will follow the direction of the CITY as to end results of the work only.

AUDIT OF RECORDS.

CONSULTANT agrees that CITY, or designee, has the right to review, obtain, and copy all records pertaining to the performance of this Agreement. CONSULTANT agrees to provide CITY, or designee, with any relevant information requested and will permit CITY, or designee, access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this Agreement. CONSULTANT further agrees to maintain such records for a period of three (3) years following final payment under this Agreement.

CONSULTANT will keep all books, records, accounts and documents pertaining to this Agreement separate from other activities unrelated to this Agreement.

CORRECTIVE MEASURES. CONSULTANT will promptly implement any corrective measures required by CITY regarding the requirements and obligations of this Agreement. CONSULTANT will be given a reasonable amount of time as determined by the City to implement said corrective measures. Failure of CONSULTANT to implement required corrective measures shall result in immediate termination of this Agreement.

INSURANCE REQUIREMENTS.

A. The CONSULTANT, at the CONSULTANT's own cost and expense, shall procure and

maintain, for the duration of the contract, the following insurance policies:

1. Workers Compensation Insurance as required by law. The CONSULTANT shall require all subcontractors similarly to provide such compensation insurance for their respective employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the CITY at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against the CITY, its officers, agents, employees, and volunteers for losses arising from work performed by the CONSULTANT for City.
 2. General Liability Coverage. The CONSULTANT shall maintain commercial general liability insurance in an amount of not less than one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury, and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.
 3. Automobile Liability Coverage. The CONSULTANT shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the CONSULTANT arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired, and non-owned vehicles, in an amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence.
 4. Professional Liability Coverage. The CONSULTANT shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors, or omissions which may arise from the CONSULTANT'S operations under this Agreement, whether such operations be by the CONSULTANT or by its employees, subcontractors, or subconsultants. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single-limit-per-occurrence basis. When coverage is provided on a "claims made basis," CONSULTANT will continue to renew the insurance for a period of three (3) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement, and will cover CONSULTANT for all claims made by CITY arising out of any errors or omissions of CONSULTANT, or its officers, employees or agents during the time this Agreement was in effect.
- B. Endorsements. Each general liability, automobile liability and professional liability insurance policy shall be issued by a financially responsible insurance company or companies admitted and authorized to do business in the State of California, or which is approved in writing by City, and shall be endorsed as follows. CONSULTANT also agrees to require all contractors, and subcontractors to do likewise.
1. "The CITY, its elected or appointed officers, officials, employees, agents, and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the CONSULTANT, including materials, parts,

or equipment furnished in connection with such work or operations.”

2. This policy shall be considered primary insurance as respects the CITY, its elected or appointed officers, officials, employees, agents, and volunteers. Any insurance maintained by the CITY, including any self-insured retention the CITY may have, shall be considered excess insurance only and shall not contribute with this policy.
 3. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.
 4. The insurer waives all rights of subrogation against the CITY, its elected or appointed officers, officials, employees, or agents.
 5. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents, or volunteers.
 6. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days' written notice has been received by the CITY.
- C. CONSULTANT agrees to provide immediate notice to CITY of any claim or loss against CONSULTANT arising out of the work performed under this agreement. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.
- D. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the CITY's option, the CONSULTANT shall demonstrate financial capability for payment of such deductibles or self-insured retentions.
- E. The CONSULTANT shall provide certificates of insurance with original endorsements to the CITY as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the CITY on or before commencement of performance of this Agreement. Current certification of insurance shall be kept on file with the CITY at all times during the term of this Agreement.
- F. Failure on the part of the CONSULTANT to procure or maintain required insurance shall constitute a material breach of contract under which the CITY may terminate this Agreement pursuant to Section 11 above.
- G. The commercial general and automobile liability policies required by this Agreement shall allow City, as additional insured, to satisfy the self-insured retention (“SIR”) and/or deductible of the policy in lieu of the Consultant (as the named insured) should Consultant fail to pay the SIR or deductible requirements. The amount of the SIR or deductible shall be subject to the approval of the City Attorney and the Finance Director. Consultant understands and agrees that satisfaction of this requirement is an express condition precedent to the effectiveness of this Agreement. Failure by Consultant as primary insured to pay its SIR or

deductible constitutes a material breach of this Agreement. Should City pay the SIR or deductible on Consultant's behalf upon the Consultant's failure or refusal to do so in order to secure defense and indemnification as an additional insured under the policy, City may include such amounts as damages in any action against Consultant for breach of this Agreement in addition to any other damages incurred by City due to the breach.

USE OF OTHER CONSULTANTS. CONSULTANT must obtain CITY's prior written approval to use any consultants while performing any portion of this Agreement. Such approval must include approval of the proposed consultant and the terms of compensation.

FINAL PAYMENT ACCEPTANCE CONSTITUTES RELEASE. The acceptance by the CONSULTANT of the final payment made under this Agreement shall operate as and be a release of the CITY from all claims and liabilities for compensation to the CONSULTANT for anything done, furnished or relating to the CONSULTANT'S work or services. Acceptance of payment shall be any negotiation of the CITY'S check or the failure to make a written extra compensation claim within ten (10) calendar days of the receipt of that check. However, approval or payment by the CITY shall not constitute, nor be deemed, a release of the responsibility and liability of the CONSULTANT, its employees, sub-consultants and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by the CITY for any defect or error in the work prepared by the Consultant, its employees, sub-consultants and agents.

CORRECTIONS. In addition to the above indemnification obligations, the CONSULTANT shall correct, at its expense, all errors in the work which may be disclosed during the City's review of the Consultant's report or plans. Should the Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by the CITY, and the cost thereof shall be charged to the CONSULTANT. In addition to all other available remedies, the City may deduct the cost of such correction from any retention amount held by the City or may withhold payment otherwise owed CONSULTANT under this Agreement up to the amount of the cost of correction.

NON-APPROPRIATION OF FUNDS. Payments to be made to CONSULTANT by CITY for services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted fund. In the event that CITY does not appropriate sufficient funds for payment of CONSULTANT'S services beyond the current fiscal year, the Agreement shall cover payment for CONSULTANT'S services only to the conclusion of the last fiscal year in which CITY appropriates sufficient funds and shall automatically terminate at the conclusion of such fiscal year.

NOTICES. All communications to either party by the other party will be deemed made when received by such party at its respective name and address as follows:

CITY	CONSULTANT
<u>City of Lomita</u> <u>24300 Narbonne Avenue</u> <u>Lomita, CA 90717</u>	<u>Data Ticket Inc.</u> <u>2603 Main St., Suite 300</u> <u>Irvine, CA 92614</u>
<u>ATTN: City Manger</u>	<u>ATTN: Brook Westcott</u>

Any such written communications by mail will be conclusively deemed to have been received by the addressee upon deposit thereof in the United States Mail, postage prepaid and properly addressed as noted above. In all other instances, notices will be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph. Courtesy copies of notices may be sent via electronic mail, provided that the original notice is deposited in the U.S. mail or personally delivered as specified in this Section.

2. SOLICITATION. CONSULTANT maintains and warrants that it has not employed nor retained any company or person, other than CONSULTANT's bona fide employee, to solicit or secure this Agreement. Further, CONSULTANT warrants that it has not paid nor has it agreed to pay any company or person, other than CONSULTANT's bona fide employee, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Should CONSULTANT breach or violate this warranty, CITY may rescind this Agreement without liability.

3. THIRD PARTY BENEFICIARIES. This Agreement and every provision herein is generally for the exclusive benefit of CONSULTANT and CITY and not for the benefit of any other party. There will be no incidental or other beneficiaries of any of CONSULTANT's or CITY's obligations under this Agreement.

4. INTERPRETATION. This Agreement was drafted in, and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this agreement will be in Los Angeles County.

5. ENTIRE AGREEMENT. This Agreement, and its Attachments, sets forth the entire understanding of the parties. There are no other understandings, terms or other agreements expressed or implied, oral or written.

6. RULES OF CONSTRUCTION. Each Party had the opportunity to independently review this Agreement with legal counsel. Accordingly, this Agreement will be construed simply, as a whole, and in accordance with its fair meaning; it will not be interpreted strictly for or against either Party.

7. AUTHORITY/MODIFICATION. The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and to engage in the actions described herein. This Agreement may be modified by written amendment with signatures of all parties to this Agreement. CITY's city administrator, or designee, may execute any such amendment on behalf of CITY.

ACCEPTANCE OF FACSIMILE OR ELECTRONIC SIGNATURES. The Parties agree that this Contract, agreements ancillary to this Contract, and related documents to be entered into in connection with this Contract will be considered signed when the signature of a party is delivered by facsimile transmission or scanned and delivered via electronic mail. Such facsimile or electronic mail copies will be treated in all respects as having the same effect as an original signature.

8. FORCE MAJEURE. Should performance of this Agreement be impossible due to fire, flood, explosion, war, embargo, government action, civil or military authority, the natural elements, or other similar causes beyond the Parties' control, then the Agreement will immediately terminate without obligation of either party to the other.

TIME IS OF ESSENCE. Time is of the essence to comply with dates and schedules to be provided.

9. ATTORNEY'S FEES. The parties hereto acknowledge and agree that each will bear his or its own costs, expenses and attorneys' fees arising out of and/or connected with the negotiation, drafting and execution of the Agreement, and all matters arising out of or connected therewith except that, in the event any action is brought by any party hereto to enforce this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees and costs in addition to all other relief to which that party or those parties may be entitled.

STATEMENT OF EXPERIENCE. By executing this Agreement, CONSULTANT represents that it has demonstrated trustworthiness and possesses the quality, fitness and capacity to perform the Agreement in a manner satisfactory to CITY. CONSULTANT represents that its financial resources, surety and insurance experience, service experience, completion ability, personnel, current workload, experience in dealing with private consultants, and experience in dealing with public agencies all suggest that CONSULTANT is capable of performing the proposed contract and has a demonstrated capacity to deal fairly and effectively with and to satisfy a public agency.

DISCLOSURE REQUIRED. (City and Consultant initials required at one of the following paragraphs)

By their respective initials next to this paragraph, City and Consultant hereby acknowledge that Consultant is a "consultant" for the purposes of the California Political Reform Act because Consultant's duties would require him or her to make one or more of the governmental decisions set forth in Fair Political Practices Commission Regulation 18701(a)(2) or otherwise serves in a staff capacity for which disclosure would otherwise be required were Consultant employed by the City. Consultant hereby acknowledges his or her assuming-office, annual, and leaving-office financial reporting obligations under the California Political Reform Act and the City's Conflict of Interest Code and agrees to comply with those obligations at his or her expense. Prior to consultant commencing services hereunder, the City's Manager shall prepare and deliver to consultant a memorandum detailing the extent of Consultant's disclosure obligations in accordance with the City's Conflict of Interest Code.

City Initials _____

Consultant Initials _____

OR

By their initials next to this paragraph, City and Consultant hereby acknowledge that Consultant is not a "consultant" for the purpose of the California Political Reform Act because Consultant's duties and responsibilities are not within the scope of the definition of consultant in Fair Political Practice Commission Regulation 18701(a)(2)(A) and is otherwise not serving in staff capacity in accordance with the City's Conflict of Interest Code.

City Initials RB

Consultant Initials BW

IN WITNESS WHEREOF the parties hereto have executed this contract the day and year first hereinabove written.

CITY OF LOMITA



City Manager

CONSULTANT

Brook Westcott

Digitally signed by Brook Westcott
DN: cn=Brook Westcott, o=Data Ticket,
email=bwestcott@dataticket.com, c=US
Date: 2017.08.10 11:32:33 -0700

By: TITLE Chief Operating Officer

ATTEST:



City Clerk

931010811

Taxpayer ID No.

APPROVED AS TO FORM:



CHRISTI HOGIN, City Attorney



4600 Campus Drive, Suite 200
Newport Beach, CA 92660
888-752-0512
Sales@DataTicket.com

SCOPE OF SERVICE AND PERFORMANCE AGREEMENT

Data Ticket, Inc.
4600 Campus Drive, Suite 200
Newport Beach, California 92660
(here-in-after sometimes referred to as "Company")

AND

City of Lomita
24300 Narbonne Avenue
Lomita, California 90717
(here-in-after sometimes referred to as "Agency")

The Company intends to provide for the processing of fines, bail and forfeiture thereof, in connection with the issuance of citations for illegal parking pursuant to the laws of the California.

ARTICLE I - CITATION PROCESSING

1.1 Referral and Reconciliation: COMPANY shall receive and process parking citations which COMPANY shall receive from AGENCY. COMPANY will provide a reconciliation of the number of citations received from AGENCY.

1.2 Determination of Processable Citations: COMPANY shall screen the parking citations referred to it by AGENCY to determine if the citation is processable. If the citation is determined by COMPANY to be unprocessable (e.g., essential processing information is missing), COMPANY shall return the citation to AGENCY within seven (7) days of receipt, by COMPANY'S office, for clarification. COMPANY will be paid the contractual rate hereinafter provided, for citations properly returned to the AGENCY as unprocessable.

1.3 Collection and deposit of funds: A "direct deposit" system shall be employed for all funds received in payment of citations. The AGENCY shall own the account and deposits shall be made directly into the account by the COMPANY for the collecting AGENCY. The COMPANY will invoice the AGENCY for services rendered. Payment in full shall be due within thirty (30) days after which interest shall be accrued at the rate of 6%, (or lower if any statutes, rules or regulations prohibit this rate). If the COMPANY deposits into an account held jointly between the AGENCY and the COMPANY, the COMPANY shall reconcile the account the month following



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the banking activity, disburse all revenue due the AGENCY, the COMPANY, any tax or surcharge liability and all refunds and provide all supporting documentation for the AGENCY records.

1.4 Identification of Registered Vehicle Owners: COMPANY shall exert best efforts and attempt to obtain the name and address of the registered vehicle owner from the State Department of Motor Vehicles (DMV) for each vehicle for which a parking citation has been issued but payment for which has not been received within the required time period. COMPANY shall follow all procedures specified by the DMV, and be consistent with the Vehicle Code when identifying registered vehicle owners.

1.5 Verification of Ownership: COMPANY will take reasonable measures to identify and verify registered vehicle owners. Such measures will take into consideration factors such as issuance of new license plates; address changes; license plate transfers to other vehicles; name changes; and the validity of plates and registration during specific time periods applicable to individual cases.

1.6 Delinquency Notices: In accordance with State law, COMPANY will generate and mail (presorted, first-class postage) no sooner than allowable by law, a delinquency notice to all identified registered owners of vehicles who fail to pay their parking citation fines or to post bail in the required manner. The mailed notice will include all information required by the State Vehicle Code, including, but not limited to the following:

- A. The parking citation issuance date and number;
- B. The consequences of nonpayment (i.e., a hold on the vehicle registration and the imposition of penalties, towing, or issuance of a possible warrant for arrest);
- C. The amount of fines and fees due and payable;
- D. Affidavit of Non-Ownership.

1.7 Registration Holds: The COMPANY will provide the system and procedures and will interface with the State Department of Motor Vehicles to place a hold on vehicle registration having unpaid parking fines and fees due against those vehicles in accordance with the Vehicle Code and any other applicable State and local laws. The notification will be given within a reasonable period of time after issuance of a delinquency notice. The period of time will not exceed the time limits provided by state and local law.

1.8 Removal of Registration Holds: COMPANY will provide the system and procedures and will interface with the State Department of Motor Vehicles to remove registration holds when a registered vehicle owner satisfies the entire amount of parking citation fines, penalties, and fees due against the vehicle and establishes such payment to the satisfaction of COMPANY.

1.9 Contested Citations: In the event a registered vehicle owner disputes the



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liability for the outstanding parking citation, COMPANY will advise the registered vehicle owner of his/her right to request an appeal according to the laws in the state of citation issue. All contested citations will be forwarded to the appeals administrator or AGENCY within the prescribed time period so that the matter can be adjudicated.

1.10 Appeals: If requested by AGENCY, the COMPANY will schedule and conduct appeals in accordance with state law, to respond to parking violators wishing to contest their citations. The COMPANY will provide a toll-free number for contestants to call, correspond with contestants and notify them of decisions; maintain records of dispositions and appeal paperwork and refer all paperwork to Court if required. The COMPANY shall not be responsible for the AGENCY'S failure to provide correct or timely infraction information. The AGENCY shall be responsible to pay any court filing fees due, if appeals are sent to Court and earlier decisions are overturned by the Court.

1.11 Citations Disposed of by Hearing/Court: The COMPANY may be required, as a result of court action, to reduce or cancel, on an individual basis, parking citations which have been referred to it. COMPANY shall be paid the contractual rate hereinafter provided for processing the citation regardless of the outcome of court action. COMPANY will maintain records indicating any reduction or cancellations of parking citations as a result of hearing/ court action. Parking citations that are dismissed as a result of hearing/court action, will have the dismissal processed by the COMPANY promptly after receipt from the Hearing/Court.

1.12 Suspension of Processing: COMPANY will suspend processing on any citation referred to it for processing upon written notice to do so by an authorized officer of the AGENCY. COMPANY will promptly return any citation or facsimile properly requested by the AGENCY. COMPANY will maintain records indicating any suspension of citation as a result of AGENCY'S request. COMPANY shall be paid the contractual rate hereinafter provided for processing the citations suspended by the AGENCY.

1.13 Payments by U.S. Mail: It is the citizen's responsibility to ensure that payments are received on or before the date due. The date received by the COMPANY will be the criteria to establish any delinquent fees due.

1.14 Parking Citation System Master File Update: COMPANY will regularly, on a daily basis, update the parking citation database with new citations, payments, reductions, cancellations, dismissals and any other pertinent data.

ARTICLE II - PAYMENT PROCESSING

2.1 Disposition Processing: COMPANY will maintain all citation dispositions for a minimum of two (2) years. Closed citations will remain on-line for at least one (1) year, for research and



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statistical purposes.

2.2 Payments Processing: COMPANY shall process citation payments within twenty-four (24) hours of receipt. Payments shall be immediately posted in one (1) of three (3) following categories:

"Regular Payments" are payments with the correct bail, paid on or before the due date. (This includes payments properly complying with prior Notices-of-Intent).

"Partial Payments" are payments paid for less than the amount of bail due. A notice or additional correspondence may advise defendant of late charges and/or incorrect bail.

"Court/Hearing Requests" are all requests for administrative/court hearings by defendants. These requests are sorted so that bail submitted is immediately posted, and if needed the original citations are retrieved.

2.3 Miscellaneous Letters Processing: COMPANY will receive and review all miscellaneous correspondence. These are generally letters requesting meter checks, refunds, voids, or otherwise setting forth complaints. These letters will be researched by COMPANY for proper follow-up either by AGENCY or by COMPANY.

2.4 Batching Procedures: COMPANY shall maintain an effective method of internal control procedures. Such procedures shall involve reconciliation of all payments received using generally accepted accounting principles. After proper reconciliation, deposit slips shall be prepared for and deposits made at the appropriate bank, including an itemized listing of all batch numbers included in the deposit. The batch of citation payment documentation shall then be scanned and stored electronically on the network for a minimum period of three (3) years.

2.5 Cash Payments: COMPANY shall maintain an effective method of handling cash payments. All cash received through the mail, shall be logged in a cash journal. Thereafter, effective internal control procedures shall be implemented to reconcile such payments, using generally accepted accounting principles.

2.6 Deposits: All deposits shall be made daily, subject to regular banking hours. Deposits shall be itemized and detailed information will be captured regarding submitted funds. Deposit slips shall be prepared in triplicate. If a joint account between COMPANY and AGENCY is opened, all deposits shall be directly deposited and COMPANY shall perform all reconciliation and check generation along with monthly invoicing. If only the AGENCY'S designated bank account is used, COMPANY will deposit directly into the designated account, but will have no authorization to perform any other duties. Monthly

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invoicing will be generated by the parking management system and AGENCY will be responsible to reconcile the account and cut all checks. In that case, AGENCY will supply deposit slips and endorsement stamp to COMPANY.

2.7 Revenue Report: A monthly revenue report will list all revenues received during a given month. This report will also provide information regarding the AGENCY'S responsibility for any taxes on collected funds.

ARTICLE III – WEB SITE

3.1 Citation Management Web Site: The COMPANY offers a web site for AGENCY review and interface of its database, including all citations and information relating to changes in status.

3.2 Patron Web Site Access: When the AGENCY has web site access, the citizens who receive citations will be able to access the web site to review their individual citations, pay on-line and appeal on-line.

3.3 Web Site Interaction: The web site may be “view only” or “interactive,” for AGENCY staff depending on requirements of the AGENCY.

3.4 Web Site Reports: Web site reports are available to the AGENCY on a daily 24/7 schedule and export into Excel for easy flexible reporting.

3.5 Web Site Cost: User ID's and passwords will be assigned to the AGENCY at no cost.

ARTICLE IV – ADDITIONAL SERVICES

4.1 CVC 40215: Services provided include accepting, scheduling, reviewing and hearing of first and second level administrative appeals, interfacing and providing backup for Court appearances and notifying AGENCY contestants by phone and in writing of decisions. The AGENCY shall be responsible to pay the \$25.00 Court filing fee if the review and administrative hearing decisions are overturned by the Court.

4.2 Other Collections: COMPANY shall retain a percent of payments collected on delinquent citations which have been processed in accordance with the current Agreement, and meet the following criteria:

- A. Delinquent citations; those for which the California State Department of Motor Vehicles have been placed on a registration hold and/or dropped from the registration hold due to a transfer of ownership or non-renewal of



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registration or a registration hold has not been placed, but the normal daily processing cycle is complete.

- B. Citations with out-of-state license plates.
- C. Any other problem or special citations that AGENCY so designates and refers to COMPANY under this Agreement.

4.3 Postal Rate Increase: The COMPANY will maintain auditable records to document the COMPANY'S actual postage costs associated with the mailing of delinquency notices for unpaid citations and for other mailings related to the processing of correspondence. If there is a postal increase, that increase will be invoiced effective on the date that the postal rate increase goes into effect.

ARTICLE V - GENERAL

5.1 Public Inquiries: The COMPANY will respond to reasonable inquiry by telephone or letter of a nonjudicial nature. Inquiries of a judicial nature will be referred to the AGENCY for determination, unless the COMPANY has been designated to handle appeals.

5.2 COMPANY Limitations: COMPANY will not take legal action or threaten legal action in any specific case without AGENCY'S prior approval.

5.3 Use of Approved Forms: AGENCY shall have the right to reasonable approval of all forms, delinquency notices, and correspondence sent by the COMPANY. These must conform to State and local law.

5.4 Books and Records: COMPANY will maintain adequate books or records for parking citations issued within the AGENCY'S jurisdiction and referred to COMPANY for processing. Such books or records, and related computer processing data, shall be available for reasonable inspection and audit by AGENCY at the COMPANY'S location at reasonable times upon adequate prior notice to COMPANY.

5.5 Ownership: All reports, information, and data, including but not limited to computer tapes or discs, files, and tapes furnished or prepared by the AGENCY, (collectively the "Materials"), are and shall remain exclusively the sole property of AGENCY, and the COMPANY shall acquire no right or title to said Materials. All computer software and systems, related automated and manual procedures, instructions, computer programs, and data storage media containing same, and written procedures performed hereunder (collectively the "System") are and shall remain exclusively the sole property of COMPANY, and the AGENCY shall acquire no right or title to said Systems.

5.6 Property of AGENCY: All documents, records and tapes supplied by AGENCY to COMPANY



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in performance of this contract are agreed to be and shall remain the sole property of AGENCY. COMPANY agrees to return same promptly to AGENCY no later than forty-five (45) days following notice to the COMPANY. The AGENCY shall make arrangements with COMPANY for the transmission of such data to the AGENCY upon payment to COMPANY of the cost of copy and delivery of such tape from COMPANY'S computer facilities to AGENCY'S designated point of delivery, plus any open invoices.

5.7 Confidentiality: In order to enable COMPANY to carry out its work hereunder, to some extent it will have to impart to the AGENCY'S employees information contained in the Materials and Systems (collectively the "CONFIDENTIAL DATA"). The AGENCY agrees that information contained in the data that was marked in writing as "CONFIDENTIAL", "PROPRIETARY" or similarly, so as to give notice of its confidential nature, when submitted to the AGENCY by COMPANY shall be retained by AGENCY in the strictest confidence and shall not be used or disclosed in any form except in accordance with paragraph 5.8 hereinbelow or as required by law. The PUBLIC AGENCY recognizes that irreparable harm could be occasioned to COMPANY by disclosure of CONFIDENTIAL DATA that is related to its business and that COMPANY may accordingly seek to protect such CONFIDENTIAL DATA by enjoining disclosure.

5.8 Consent for Disclosure: No report, information, data, files, or tapes furnished or prepared by COMPANY or its subcontractors, successors, officers, employees, servants, or agents shall be made available to any individual or organization without the prior written approval of AGENCY other than individuals or organizations that are necessary to properly effectuate the terms and conditions of this agreement. This Non-Disclosure obligation shall survive the Termination of this Agreement.

5.9 COMPANY Files: COMPANY shall maintain master files on parking citations referred to it for processing under the scope of services. Such files will contain records of payments, dispositions, and any other pertinent information required to provide a reasonable audit trail.

5.10 Storage for AGENCY:

- A. COMPANY agrees to store original citations, manually scanned or received electronically, on the network for a minimum of three (3) years. AGENCY relieves COMPANY of all liability costs associated with data released by AGENCY to any other person or entity using such data.
- B. Subsequent to the termination of the contract, COMPANY will return all hard copies to the AGENCY or shred them. If requested, an electronic file, diskette or CD of all processed data will be available to the AGENCY.

ARTICLE VI - REPORTS



4600 Campus Drive, Suite 200
Newport Beach, CA 92660
888-752-0512
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6.1 Periodic Reports: COMPANY will submit reports to AGENCY each month. The reports will provide activities relating to performance under this Scope of Services. Among the reports, which COMPANY will generate, are the following:

- A. Report of Revenue Collected for Period
- B. Report for Parking Citations Issued for Period
- C. A balanced summary report for issuing AGENCY providing the status of all parking citations at the beginning of the period, current period and at the end of the period.
- D. A report for issuing Agency identifying registered vehicle owners with multiple outstanding parking citations.
- E. A report for issuing Agency identifying the parking citations issued, location, and violation by officer.

6.2 PCI Compliance Reports/Certificates: Quarterly and Ad Hoc certificates will be sent to the Agency.

6.3 Annual Reports: Annually, COMPANY shall comply with existing state laws.

ARTICLE VII – TERM OF CONTRACT AND COSTS

7.1 Terms and Renewals: This Agreement shall be for five (5) years commencing as of the last date of signature. Unless notice of termination, is made in writing by either party to the other no less than ninety (90) days prior to the end of the scheduled term, this Agreement shall automatically renew for additional one (1) year periods. In conjunction with the automatic extension of the terms of this Agreement, COMPANY may give notice of reasonable price adjustments for its processing services. The AGENCY will have thirty (30) days to respond in writing to the purposed increase. Unless AGENCY gives notice in writing of its rejection of these price adjustments, the term shall be extended with these price adjustments as stated. If the AGENCY gives notice of its rejection of these price adjustments, unless there is a further written Agreement between the parties, the term of the Agreement shall not be extended and the Agreement shall terminate.

7.2 Cancellation: Upon a material breach or upon ninety (90) days written notice to the COMPANY, the AGENCY may cancel or terminate this Agreement. The COMPANY shall have thirty (30) days to cure any material breach or defect set forth in the written termination notice provided by the AGENCY.

7.3 Exclusivity: AGENCY agrees to utilize only the services of the COMPANY during the term of the Agreement for the processing of the citations referred to above. AGENCY agrees during the term of the Agreement, to not directly or indirectly engage a competitor of the COMPANY for the performance of the services provided by the COMPANY under this Agreement.



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7.4 Costs: Please see Cost Proposal for all associated costs.

ARTICLE VIII – CLAIMS AND ACTIONS

8.1 AGENCY Cooperation: in the event any claim or action is brought against COMPANY relating to COMPANY'S performance or services rendered under this Agreement, COMPANY shall notify the AGENCY, in writing, within five (5) days, of said claim or action.

8.2 Hold Harmless: COMPANY and AGENCY agree to the following hold harmless Clauses:

- A. COMPANY agrees to indemnify, defend, and hold harmless the AGENCY and its officers and employees against all claims, demands, damages, costs, and liabilities arising out of, or in connection with the performance by COMPANY or AGENCY or any of their officers, employees or agency under this AGREEMENT, excepting only loss, injury or damage caused solely by the negligent acts or omissions of AGENCY or any of its officers or employees.
- B. AGENCY agrees to indemnify, defend and hold harmless the COMPANY and its officers and employees against all claims, demands, damages, costs and liabilities for loss, injury or damage caused solely by the negligent acts or omissions of AGENCY or any of its officers or employees arising out of or in connection with the performance by the AGENCY or any of its officers or employees under this AGREEMENT.

ARTICLE IX – SUBCONTRACTORS AND ASSIGNMENTS

9.1 Subcontracting: COMPANY is authorized to engage subcontracts as permitted by law at COMPANY'S own expense, subcontracts shall be deemed agents of COMPANY.

9.2 Assignments: This contract may not be assigned without the prior consent of the AGENCY. It is understood and acknowledged by the parties that the COMPANY is uniquely qualified to perform the services in this Agreement.

ARTICLE X - INDEPENDENT COMPANY

10.1 COMPANY'S Relationship: COMPANY'S relationship to the AGENCY in the performance of this Agreement is that of an independent COMPANY. Personnel performing services under this Agreement shall at all times be under COMPANY'S exclusive direction and control and shall be employees of COMPANY and not employees of the AGENCY. COMPANY shall pay all wages and salaries and shall not be responsible for all reports and obligations respecting them relating to social security, income tax withholding, unemployment compensation, worker's



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compensation, and similar matters. Neither COMPANY nor any officer, agent, or employee of COMPANY shall obtain any right to retirement benefits or other benefits which accrue to employees of AGENCY, and COMPANY hereby expressly waives any claim it might have to such rights.

ARTICLE XI – INSURANCE

11.1 Insurance Provisions: COMPANY shall provide and maintain at its own expense during the term of this Agreement, the following policy or policies of insurance covering its operations hereunder. Such insurance shall be provided by insurer(s) satisfactory to the AGENCY and certificates of such insurance shall be delivered to the AGENCY on or before the effective date of this Agreement. Such certificates shall specifically identify this Agreement and shall not be cancelled, reduced in coverage or limits or non-renewed except after thirty (30) days written notice has been given to the AGENCY.

- A) Comprehensive general liability insurance covering bodily and personal injury and property damage. Limits shall be in an amount of not less than two million (\$2,000,000) dollars per occurrence. Such insurance policies shall name the AGENCY, its officers, agents and employees, individually and collectively, as additionally insured. Such coverage for additional insured shall apply as primary insurance and any other insurance or self-insured retention maintained by the AGENCY, its officers, agents and employees shall be excess only and not contributing with insurance provided under said policy.
- B) Comprehensive automobile liability, owned, non-owned and hired vehicles with not less than one million (\$1,000,000) dollars combined single limit, per occurrence for property damage and for bodily injury or death of persons. Such insurance shall include the same additional-insured and cancellation notice provisions as specified above and may be combined with the comprehensive general liability coverage required above.
- C) Throughout the period of the Agreement, COMPANY, at its sole cost, shall maintain in full force and effect a policy of worker's compensation insurance covering all of its employees as required by the labor code of the State of California.

ARTICLE XII – ENTIRE AGREEMENT

12.1 Integrated Agreement: This contract is intended by the parties as a final expression of their Agreement and also as a complete and exclusive statement of the terms thereof, any prior oral or written Agreement regarding the same subject matter notwithstanding. This Agreement may not be modified or terminated orally and no modification or any claim or waiver of any of the provisions shall be effective unless in writing and signed by both parties.

12.2 Law Applicable: This Agreement shall be construed in accordance with the Laws of the State of California.



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12.3 Notice to Parties: Any notice required under this Agreement to be given to either party may be given by depositing in the United States mail, postage prepaid, first-class, addressed to the following:



2603 Main Street, Suite 300
Irvine, CA 92614
949-428-7241
ClientServices@DataTicket.com

Scope of Service and Performance Agreement

These services are provided by:

Data Ticket, Inc.
A California Corporation
2603 Main Street, Suite 300
Irvine, California 92614
(here-in-after sometimes referred to as "COMPANY")

For the:

City of Lomita
24300 Narbonne Avenue
Lomita, California 90717
(here-in-after sometimes referred to as "AGENCY")

Data Ticket, Inc. intends to provide for the processing of bails, fines and forfeiture thereof, in connection with the issuance of administrative citations pursuant to AGENCY municipal code, other debts as specified by the AGENCY and for the issuance of parking citations pursuant to the laws of the State of California.

ARTICLE I - CITATION PROCESSING

1.1 Referral and Reconciliation: COMPANY shall receive and process citations from AGENCY. COMPANY will provide a reconciliation of the number of citations received from AGENCY.

1.2 Determination of Processable Citations: COMPANY shall screen each citation referred to it by the AGENCY to determine if the citation is processable. If the citation is determined by COMPANY to be unprocessable (e.g., essential processing information is missing), COMPANY shall return the citation to AGENCY for clarification. COMPANY will be paid the contractual rate hereinafter provided, for citations properly returned to the AGENCY as unprocessable.

1.3 Collection and deposit of funds: A direct deposit system shall be employed for all



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funds received for payment of citations. The AGENCY shall have the choice of jointly owning a bank account with the COMPANY or directing the COMPANY to deposit into an AGENCY account. Deposits shall be made directly into the account by the COMPANY for the collecting AGENCY, with the exception of credit card payments made using VISA, MasterCard, Discover and American Express cards belonging to the COMPANY. These payments will be directly deposited into an account held by the COMPANY. Credit card payments are reconciled and remitted on a monthly basis to the AGENCY, but tracked on the citation management software on a daily basis. Citations paid by credit card are marked "paid" real-time immediately upon authorization, thus affording the citizen the opportunity to make payment at any time and have the payment recognized immediately.

1.4 PAYMENT: If the COMPANY deposits into an AGENCY account, the COMPANY will invoice the AGENCY for services rendered. Payment in full shall be due within thirty (30) days after which interest shall be accrued at the rate of 7% (or lower if any statutes, rules or regulations prohibit this rate). If the COMPANY deposits into an account held jointly between the AGENCY and the COMPANY, the COMPANY shall reconcile the account the month following the banking activity, disperse all revenue due the AGENCY, the COMPANY, any tax liability and all refunds and send all supporting documentation to the AGENCY for its records.

1.5 Identification of Registered Vehicle Owners: COMPANY shall exert best efforts to obtain the name and address of the registered vehicle owner from the California State Department of Motor Vehicles (DMV) and DMV'S nationwide, for each vehicle for which a parking citation has been issued. COMPANY shall follow all procedures specified by the DMV, and be consistent with the California Vehicle Code and DMV'S nationwide, when identifying registered vehicle owners.

1.6 Verification of Ownership: COMPANY shall take reasonable measures to identify and verify registered vehicle owners. Such measures will take into consideration factors such as issuance of new license plates; address changes; license plate transfers to other vehicles; name changes; and the validity of plates and registration during specific time periods applicable to individual cases.

1.7 Delinquency Notices for Administrative Citations: In accordance with AGENCY ordinance, delinquency notices will be sent to patrons who are not in compliance and have not paid the fines in full. These notices will indicate future actions to be taken in order to collect the fines owed the Agency.



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1.8 Franchise Tax Board Interface: The Franchise Tax Board Interagency Intercept Program will be used as the next collection step in the process. A notice merging all debts owed the AGENCY will be sent to the patron showing the total amount due the AGENCY for Administrative and/or Parking Citations and demanding payment. If payment is not received in full, social security numbers will be attached to each debt and the debt will be placed with the Franchise Tax Board for collections.

1.9 Delinquency Notices for Parking Citations: In accordance with State law, COMPANY will generate and mail (presorted, first-class postage) a delinquency notice to all identified registered owners of vehicles who fail to pay their parking citation fines or to post bail in the required manner. The mailed notice will include all information required by the California Vehicle Code, including, but not limited to, the following:

- A. The parking citation issuance date and number;
- B. The consequences of nonpayment (i.e., a hold on the vehicle registration and the imposition of penalties, towing, or issuance of a possible warrant for their arrest; and
- C. The amount of fines and fees due and payable
- D. Affidavit of Non-Ownership

1.10 Registration Holds: The COMPANY will provide the system and procedures and will interface with the California State Department of Motor Vehicles to place a hold on vehicle registrations having unpaid parking fines and fees due against those vehicles in accordance with the California Vehicle Code and any other applicable State and local laws. The notification will be given within a reasonable period of time after issuance of a delinquency notice. The period of time will not exceed the time limits provided by state and local law.

1.11 Removal of Registration Holds: COMPANY will provide the system and procedures and will interface with the California State Department of Motor Vehicles to remove registration holds when a registered vehicle owner satisfies the entire amount of parking citation fines, penalties, and fees due against the vehicle and establishes such payment to the satisfaction of COMPANY.

1.12 Contested Citations: In the event a vehicle registered owner disputes the liability for the outstanding parking citation, COMPANY will advise the registered vehicle owner of his/her right to request an administrative review/hearing/court appearance. All contested citations will be forwarded to the reviewing agency, hearing administrator or



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Court within the prescribed time period so that the matter can be adjudicated. (CVC 40200.7 & 40215 or Municipal Code).

1.13 Administrative Review and Hearing: The COMPANY may schedule administrative reviews/hearings to respond to citizens wishing to contest their citations and offers the option to perform and administer those reviews and hearings. The COMPANY will provide a web site for appeal and toll-free numbers for contestants, correspond with contestants and notify them of decisions; maintain records of dispositions and appeal paperwork and refer all paperwork to Court as required. The COMPANY shall not be responsible for the AGENCY'S failure to provide correct or timely infraction information. The AGENCY shall be responsible to pay the \$25.00 court-filing fee if the review and administrative hearing decisions are overturned by the court.

1.14 Citations Disposed of by Hearing/Court: The COMPANY may be required, as a result of court action, to reduce or cancel, on an individual basis, citations which have been referred to it. COMPANY shall be paid the contractual rate hereinafter provided for processing the citation regardless of the outcome of court action. COMPANY will maintain records indicating any reduction or cancellation of parking citations as a result of review/hearing/court action. Citations that are dismissed as a result of review/hearing/court decision will have the dismissal processed by the COMPANY promptly after receipt from the review/hearing/court.

1.15 Suspension of Processing: COMPANY will suspend processing on any citation referred to it for processing upon written notice to do so by an authorized officer of the AGENCY. COMPANY will promptly return any citation or facsimile properly requested by the AGENCY. COMPANY will maintain records indicating any suspension of citation as a result of AGENCY'S request. COMPANY shall be paid the contractual rate hereinafter provided for processing the citations suspended by the AGENCY.

1.16 Payments by U.S. Mail: It is the citizen's responsibility to ensure that payments are received on or before the date due. The date received by the COMPANY will be the criteria to establish any delinquent fees due.

1.17 Citation System Master File Update: COMPANY will regularly update the citation master file for new citations, payments, reductions, cancellations, dismissals and any other pertinent data.



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ARTICLE II - PAYMENT PROCESSING

2.1 Disposition Processing: COMPANY will maintain all citation dispositions electronically. Closed citations will remain on-line for as long as AGENCY is a Client.

2.2 Payments Processing: COMPANY shall process citation payments on a regular basis. Payments shall be immediately posted in one (1) of three (3) following categories:

"Regular Payments" are citations with the correct amount due, paid on or before the due date. This includes payments properly complying with the first Courtesy Notice.

"Partial Payments" are citations paid after the due date or those where payment is less than the total amount of due. .

"Appeal Requests" including payment are all requests for administrative/court hearings. These requests are sorted so that the payment submitted is immediately posted, an appeal hold is placed on the citation and if needed the original citations and backup documents are retrieved for the appeal to be heard.

2.3 Miscellaneous Letters Processing: COMPANY will receive and review all miscellaneous correspondence. These are generally letters requesting meter checks, refunds, voids, or otherwise setting forth complaints. These letters will be researched by COMPANY and may be forwarded to the AGENCY for proper follow-up.

2.4 Batching Procedures: COMPANY shall maintain effective procedures of internal control. Such procedures shall involve reconciliation of all payments received using generally accepted accounting principles. After proper reconciliation, deposit slips shall be prepared for and deposits made at the appropriate bank, including an itemized listing of all batch numbers included in the deposit. The batch of citation payment documentation shall then be stored in a file room, for a period of two (2) years.

2.5 Cash Payments: COMPANY shall maintain an effective method of handling cash payments. All cash received through the mail, shall be logged in a cash journal. Thereafter, effective internal control procedures shall be implemented to reconcile such payments using generally accepted accounting principles.

2.6 Deposits: All deposits shall be made daily, subject to regular banking hours.



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Deposits shall be itemized and detailed information will be captured regarding submitted funds. Deposit slips shall be prepared in duplicate, allowing one (1) copy for the bank and one (1) copy for the COMPANY. If the bank account is held jointly, COMPANY shall perform all reconciliation, refunds and cut all checks. This information shall be available for AGENCY review. Deposits shall be directly deposited into the AGENCY'S designated bank account, either jointly held with the COMPANY or individually held by the AGENCY. If the AGENCY holds the account individually, it will supply deposit slips and an endorsement stamp to COMPANY. In this case, COMPANY shall only have the capability to make deposits on behalf of the AGENCY.

2.7 Revenue Report: A monthly revenue report will list all revenues received during the preceding month. This report will also provide information regarding the AGENCY'S responsibility to the County for the Jail and Court fund as required by Sections 40200.3 (a) of the California Vehicle Code and any other relevant taxes due.

ARTICLE III – WEB SITE

3.1 Citation Management Web Site: The COMPANY offers a web site for AGENCY review of its database, including all citations and information relating to changes in status.

3.2 Citizen Web Site Access: When the AGENCY has web site access, citizens who receive citations will be able to access the web site to review their individual citations, pay on-line and appeal on-line.

3.3 Web Site Interaction: The web site may be “view only” or “interactive”, for the AGENCY depending on requirements of the AGENCY.

3.4 Web Site Reports: Web site reports are available to the AGENCY on a daily, (24/7) schedule.

3.5 Web Site Use: User ID's and passwords will be assigned to the AGENCY.

ARTICLE IV - GENERAL

4.1 Public Inquiries: The COMPANY will respond to reasonable inquiry by telephone or letter of a non-judicial nature. Inquiries of a judicial nature will be referred to the AGENCY for determination.



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4.2 COMPANY Limitations: COMPANY will not take legal action or threaten legal action in any specific case without AGENCY'S prior approval.

4.3 Use of Approved Forms: AGENCY shall have the right to reasonable approval of all forms, delinquency notices, and correspondence sent by the COMPANY. These must conform to State and local law.

4.4 Books and Records: COMPANY will maintain adequate books or records for parking citations issued within the AGENCY'S jurisdiction and referred to COMPANY for processing. Such books or records, and related computer processing data, shall be available for reasonable inspection and audit by AGENCY at the COMPANY'S location at reasonable times upon adequate prior notice to COMPANY.

4.5 Ownership: All reports, information, and data, including but not limited to computer tapes, discs, or files furnished or prepared by the COMPANY or its subcontractor (collectively the "Materials") are and shall remain exclusively the sole property of COMPANY, and the AGENCY shall acquire no right or title to said Materials. All computer software and systems, related automated and manual procedures, instructions, computer programs, and data storage media containing same, and written procedures performed hereunder (collectively the "System") are and shall remain exclusively the sole property of COMPANY, and the AGENCY shall acquire no right or title to said Systems.

4.6 Property of AGENCY: All documents, records, discs, files and tapes supplied by AGENCY to COMPANY in performance of this contract are agreed to be and shall remain the sole property of AGENCY. COMPANY agrees to return same promptly to AGENCY no later than sixty (60) days following notice to the COMPANY. The AGENCY shall make arrangements with COMPANY for the transmission of such data to the AGENCY upon payment to COMPANY of any open invoices and the cost of copy and delivery of such information from COMPANY'S computer facilities to AGENCY'S designated point of delivery.

4.7 Confidentiality: In order to enable COMPANY to carry out its work hereunder, to some extent it will have to impart to the AGENCY'S employees information contained in the Materials and Systems (collectively the "CONFIDENTIAL DATA"). The AGENCY agrees that information contained in the data that was marked in writing as "CONFIDENTIAL", "PROPRIETARY" or similarly, so as to give notice of its confidential



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nature, when submitted to the AGENCY by COMPANY shall be retained by AGENCY in the strictest confidence and shall not be used or disclosed in any form except in accordance with paragraph 4.8 herein below. The AGENCY recognizes that irreparable harm could be occasioned to COMPANY by disclosure of CONFIDENTIAL DATA, which is related to its business, and that COMPANY may accordingly seek to protect such CONFIDENTIAL DATA by enjoining disclosure.

4.8 Consent For Disclosure: No report, information, data, files, or tapes furnished or prepared by COMPANY or its subcontractors, successors, officers, employees, servants, or agents shall be made available to any individual or organization without the prior written approval of AGENCY other than individuals or organization who are reasonably necessary to properly effectuate the terms and conditions of this agreement. This Non-Disclosure obligation shall survive the Termination of this Agreement.

4.9 COMPANY Files: COMPANY shall maintain master files on citations referred to it for processing under this Agreement. Such files will contain records of payments, dispositions, and any other pertinent information required to provide a reasonable audit trail.

4.10 Storage for AGENCY:

- A. COMPANY agrees to store original citations for the current year, plus two (2) years, at which time they will be returned or to AGENCY or shredded. COMPANY will have such information available on the citation management system for a reasonable time period to permit AGENCY retrieval of such information. AGENCY relieves COMPANY of all liability costs associated with data released by AGENCY to any other person or entity using such data.
- B. Subsequent to the termination of the contract, COMPANY will return a file containing all data belonging to the AGENCY.

ARTICLE V – ADDITIONAL SERVICES

5.1 Other Collections: COMPANY shall retain a percent of payments for delinquent citations that have been processed in accordance with the current Agreement, and meet the following criteria:

- A. Delinquent parking citations: those citations so designated by the AGENCY, for which the California State Department of Motor Vehicles



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- registration hold has been placed or dropped because of a transfer of ownership or non-renewal of registration or a registration hold has not been placed, but the normal daily processing cycle is complete.
- B. Citations with out-of-state license plates that have gone through the first courtesy notice process without payment.
 - C. Any other problem or special citations that the AGENCY so designates and refers to COMPANY under this Agreement.

5.2 Postal Rate Increase: The COMPANY will maintain auditable records to document the COMPANY'S actual postage costs associated with the mailing of delinquency notices for unpaid citations and for other mailings related to the processing of correspondence. If there is a postal increase, that increase will be invoiced effective on the date that the postal rate increase goes into effect.

ARTICLE VI - REPORTS

6.1 Periodic Reports: COMPANY will submit reports to AGENCY the month following the month in which activity has been reported. The reports will track activities relating to performance under this Agreement. Among the reports which COMPANY may/will generate are the following:

- A. Report of Revenue Collected for Period
- B. Report for Citations Issued for Period
- C. A balanced summary report for issuing AGENCY providing the status of all citations at the beginning of the period, current period activity, and at the end of the period.
- D. A report for issuing AGENCY identifying registered vehicle owners with five (5) or more outstanding parking citations.
- E. A report for issuing AGENCY identifying the citations issued, location, violation by each officer.

6.2 Annual Reports: Annually, COMPANY shall comply with CVC 40200.3 (b)

ARTICLE VII - TERM OF CONTRACT AND ADDITIONAL SERVICES

7.1 Term and Renewals: This Agreement shall be for an initial period of five (5) years, commencing as of the last date of signature. Unless notice of termination is made in writing by either party to the other no less than ninety (90) days prior to the end of the scheduled term, this Agreement shall automatically renew for subsequent one (1) year



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periods. In conjunction with this automatic extension of the terms of this Agreement, COMPANY may give notice of reasonable price adjustments for its processing services. The AGENCY has thirty days to respond in writing to the purposed increase. Unless AGENCY gives notice in writing of its rejection of these price adjustments, the term shall be extended with these price adjustments as stated. If the AGENCY gives notice of its rejection of these price adjustments, unless there is a further written Agreement between the parties, the term of the Agreement shall not be extended and the Agreement shall terminate.

7.2 Cancellation: Upon a material breach or upon ninety (90) days written notice to COMPANY, the AGENCY may cancel or terminate this Agreement. The COMPANY shall have thirty (30) days to cure any material breach or defect set forth in the written termination notice provided by AGENCY.

7.3 Exclusivity: AGENCY agrees to utilize only the services of COMPANY during the term of this Agreement for the processing of the citations referred to above. AGENCY agrees during the term of the Agreement to not directly or indirectly assist a competitor of COMPANY in the performance of the services provided by COMPANY under this Agreement.

7.4 Cost: Please see Cost Proposals for all associated costs.

ARTICLE VIII - CLAIMS AND ACTIONS

8.1 AGENCY Cooperation: In the event any claim or action is brought against COMPANY relating to COMPANY'S performance or services rendered under this Agreement, COMPANY shall notify the AGENCY, in writing, within ten (10) days, of said claim or action.

8.2 Hold Harmless: COMPANY AND AGENCY agree to the following hold harmless clauses.

- A. COMPANY agrees to indemnify, defend and hold harmless the AGENCY and its officers and employees against all claims, demands, damages, costs, and liabilities arising out of, or in connection with the performance by COMPANY or AGENCY or any of their officers or employees under this Agreement, excepting only loss, injury or damage caused solely by the negligent acts or omissions of AGENCY or any of its officers or employees.

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- B. AGENCY agrees to indemnify, defend and hold harmless the COMPANY and its officers and employees against all claims, demands, damages, costs and liabilities arising out of, or in connection with the performance by AGENCY or COMPANY or any of their officers or employees under this Agreement, excepting only loss, injury or damage caused solely by the negligent acts or omissions of COMPANY or any of its officers or employees.

ARTICLE IX - SUBCONTRACTORS AND ASSIGNMENTS

9.1 Subcontracting: COMPANY is authorized to engage subcontractors, as permitted by law at COMPANY'S own expense, subcontractors shall be deemed agents of COMPANY.

9.2 Assignments: This contract may not be assigned without the prior written consent of the AGENCY. It is understood and acknowledged by the parties that the COMPANY is uniquely qualified to perform the services in this agreement.

ARTICLE X - INDEPENDENT COMPANY

10.1 COMPANY'S Relationship: COMPANY'S relationship to AGENCY in the performance of this Agreement is that of an independent COMPANY. Personnel performing services under this Agreement shall at all times be under COMPANY'S exclusive direction and control and shall be employees of COMPANY and not employees of the AGENCY. COMPANY shall pay all wages and salaries and shall be responsible for all reports and obligations respecting them relating to social security, income tax withholding, unemployment compensation, worker's compensation, and similar matters. Neither COMPANY nor any officer, agent, or employee of COMPANY shall obtain any right to retirement benefits or other benefits which accrue to employees of AGENCY, and COMPANY hereby expressly waives any claim it might have to such rights.

ARTICLE XI - INSURANCE

11.1 Insurance Provisions: COMPANY shall provide and maintain at its own expense during the term of this Agreement, the following policy or policies of insurance covering its operations hereunder. Such insurance shall be provided by insurer(s) satisfactory to the AGENCY and certificates of such insurance shall be delivered to the AGENCY on or



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before the effective date of this Agreement. Such certificates shall specifically identify this Agreement and shall not be canceled, reduced in coverage or limits or non-renewed except after thirty (30) days written notice has been given to the AGENCY.

- A) Comprehensive general liability insurance covering bodily and personal injury and property damage. Limits shall be in an amount of not less than one million (\$2,000,000) dollars per occurrence. Such insurance policies shall name the AGENCY, its officers, agents and employees, individually and collectively, as additionally insured. Such coverage for additional insured shall apply as primary insurance and any other insurance or self-insured retention maintained by the AGENCY its officers, agents and employees shall be excess only and not contributing with insurance provided under said policy.
- B) Comprehensive automobile liability owned, non-owned and hired vehicles with not less than one million (\$1,000,000) dollars combined single limit, per occurrence for property damage and for bodily injury or death of persons. Such insurance shall include the same additional insured and cancellation notice provisions as specified above and may be combined with the comprehensive general liability coverage required above.
- C) Throughout the period of Agreement, COMPANY, at its sole cost, shall maintain in full force and affect a policy of workers' compensation insurance covering all of its employees as required by the labor code of the State of California.

ARTICLE XII – SECURITY PROVISIONS

12.1 Security Provisions: AGENCY agrees to follow all defined security requirements including but not limited to:

- A) All AGENCY employees who are provided access to services provided by COMPANY must complete a background check and must complete annual security awareness trainings.
- B) All AGENCY employees must sign security agreement documents subject to the source state of the information being obtained by DMV entities.

- 12 -

08/16/2022



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- C) AGENCY must inform COMPANY within 24 hours of an AGENCY employee with access to COMPANY services leaving their role.
- D) AGENCY must inform COMPANY of any breach of information within 24 hours, so the appropriate government agencies can be notified of the breach.
- E) AGENCY understands and agrees that security requirements may change and be updated to reflect the most current security requirements of the government agencies we work with to obtain vehicle registered information.
- F) AGENCY understands that evidence of the security requirements may be requested to comply with COMPANY audit requirements of the governmental agencies we work with.
- G) AGENCY understands and agrees that access to confidential registered owner information may be immediately restricted or terminated if any of the mandatory provisions above are found to be violated or abused.

12.2 Permissible Use Provisions: AGENCY agrees to follow all defined permissible use requirements including but not limited to:

- A) All AGENCY employees who are provided access to services provided by CONTRACTOR must receive annual training on permissible use of state agency information.
- B) All AGENCY employees must sign permissible use agreement documents subject to the source state or government agency where the vehicle registered owner information is being obtained.
- C) All AGENCY employees will be instructed of the confidentiality of information obtained from a government agency and the proper use of that information based on job responsibility, which must not involve immigration purposes.



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- D) AGENCY must inform CONTRACTOR within 24 hours if data has been misused in such a manner that might constitute data misuse or a data breach.
- E) AGENCY must inform CONTRACTOR of any breach of information within 24 hours, so the appropriate government agencies can be notified of the breach.
- F) AGENCY understands and agrees that permissible use requirements may change and be updated to reflect the most current permissible use requirements of the government agencies CONTRACTOR works with to obtain vehicle registered information.
- G) AGENCY understands that evidence of the permissible use requirements may be requested to comply with CONTRACTOR audit requirements of the governmental agencies CONTRACTOR works with.
- H) AGENCY understands that tracking of activity will occur for annual reviews to be conducted by CONTRACTOR to ensure the confidentiality and privacy required for government agency provided information.
- I) AGENCY understands that all information obtained through government agencies is considered subject to the Drivers Privacy Protection Act (DPPA) and agrees that no disclosures of information will be made that would constitute a violation of this act.
- J) AGENCY understands and agrees that access to confidential registered owner information may be immediately restricted or terminated if any of the mandatory provisions above are found to be violated or abused.

ARTICLE XIII – ENTIRE AGREEMENT

13.1 Integrated Agreement: This contract is intended by the parties as a final expression of their Agreement and also as a complete and exclusive statement of the terms thereof, any prior oral or written Agreement regarding the same subject matter notwithstanding. This Agreement may not be modified or terminated orally and no modification or any claim



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or waiver of any of the provisions shall be effective unless in writing and signed by both parties.

13.2 Law Applicable: This Agreement shall be construed in accordance with the Laws of the State of California.

13.3 Notice to Parties: Any notice required under this Agreement to be given to either party may be given by depositing in the United States mail, postage prepaid, first-class, addressed to the following:



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AS TO THE AGENCY:

**City of Lomita
24300 Narbonne Avenue
Lomita, California 90717**

AS TO THE COMPANY:

**Data Ticket, Inc.
A California Corporation
2603 Main Street, Suite 300
Irvine, California 92614**

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year last written below.

AGENCY:

COMPANY:

CITY OF LOMITA

DATA TICKET, INC.

Signature

Signature

Print Name and Title

Print Name and Title

Date

Date

Exhibit A



Please note that the costing samples are just that. Proposers will have to input Unit Cost, Per/Cite charges and Fee Percentages for their cost proposal as appropriate. The %/citations are assumed and all proposers shall use those numbers for comparison and evaluation purposes.

Typical Yearly Total # of Citations Issued 5000

Item	Description	%/Citations	Estimated Qty	Base Parking Citation Services Cost		Total Yearly Cost
				Per Unit Cost	Percent/Fee	
1	Parking Citation Processing - Handwritten (Assume 10%)	10%	500	\$ 0.42		\$ 210.00
2	Parking Citation Processing - Electronic	90%	4500	\$ 0.42		\$ 1,890.00
3	1st Courtesy Notices (Assume 65%)	65%	3250	\$ 0.65		\$ 2,112.50
4	2nd Courtesy Notice (Assume 40%)	40%	2000	\$ -		\$ -
5	1st Level Review Preparation (Assume 25%)	25%	1250	\$ 0.50		\$ 625.00
6	1st Level Adjudication letters	25%	1250	\$ 0.75		\$ 937.50
7	Hearing Officer Fee (per Hour Rate) (Assume .004%)	0.4%	20	\$ 22.50		\$ 450.00
8	2nd Level Hearing Preparation)(Assume 10%)	10%	500	\$ 0.50		\$ 250.00
9	2nd Level Schedule & Disposition Letters (Assume 10%)	10%	500	\$ 0.75		\$ 375.00
10	Adjudication Letters (Assume 25%)	25%	1250	\$ -		\$ -
11	Delinquent Collections (Assume 10% of cites @ \$_____ per cite)	\$ 90.00	500	\$ 45,000.00	23%	\$ 10,350.00
12	FTB Letters (Assume 5%)	5%	250	\$ -		\$ -
13	SSN Request (Assume 7%)	7%	350	\$ 2.45		\$ 857.50
14	FTB Collections (Assume 5% of Cites @ _____ per cite)	\$ 90.00	250	\$ 22,500.00	15%	\$ 3,375.00
15	Out of State Collections (Assume 10% issued @ \$_____ per cite)	\$ 50.00	500	\$ 25,000.00	23%	\$ 5,750.00
						\$ 27,182.50

	Equipment Description	Unit	Qty	Per Unit Cost	Total
14	Handheld Device	EA	1	\$ 1,050.00	\$ 1,050.00
15	Printer	EA	1	\$ 310.00	\$ 310.00
16	Combination Handheld Device with built in printer	EA	1	\$ 1,800.00	\$ 1,800.00
17	Electronic Ticket Stock	EA	1	\$ 1,000.00	\$ 1,000.00
18	Manual Ticket Stock	EA	1	\$ 600.00	\$ 600.00
19	Miscellaneous/Additional Fees i.e.. Support	EA	1	\$ 500.00	\$ 500.00
20	Miscellaneous/Additional Fees i.e.. Support, License etc.	EA	1	\$ 22.00	\$ 22.00
					\$ 4,762.00



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**CITY OF LOMITA
ADDENDUM TO THE AGREEMENT
DATED AUGUST 15, 2017**

**ADDENDUM TO THE AGREEMENT
BETWEEN
THE CITY OF LOMITA and DATA TICKET, INC.**

This addendum to the Agreement between The City of Lomita (AGENCY) and Data Ticket, Inc. (COMPANY) is to amend and include the addition of AB 503 Services/Fees:

**Acceptance and Scanning of Indigent Payment Plan Requests
(Approval/Denial by Data Ticket) \$5.00 per request**

- This new process includes the acceptance of documentation via the web and US Mail, the review of this documentation and the scanning of all the documentation and attachment to the citation to which it applies. Based on each Agency's unique business rules, Data Ticket will either accept or deny each request and then proceed to setup the payment plan or issue a letter of denial with a reason for the denial.

Indigent Payment Plan Letters \$0.85 per letter

All other terms and conditions of the Agreement remain as originally written.

ACCEPTED:

City of Lomita

Ryan Smoot
Signature

RYAN SMOOT - City Manager
Print Name and Title

12/18/18
Date

ACCEPTED:

Data Ticket, Inc.

Brook Westcott
Signature

Brook Westcott, COO
Print Name and Title

12-18-2018
Date



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EXECUTIVE SUMMARY

Data Ticket, Inc. is a California Corporation that provides administrative citation processing and collection services, administrative hearing coordination, accounting services, customer service and a web-based solution that manages the entire process. Data Ticket has been providing these services for California Agencies for over 17 years. Data Ticket was incorporated in California in 1989. We provide expertise to ensure that citations get processed and collected in a timely manner for over 350 Agencies, nationwide.

Data Ticket is located in Irvine, California and employs 52 full time individuals. Our offices are always open to our clients and we encourage in-person communication on a regular basis. Data Ticket, Inc. is a California certified Small Business Enterprise and a California certified Woman-Owned Business Enterprise.

Data Ticket fully understands we are in a service industry that we consider our Client's acceptance of our software and services paramount to our success. When we partner with each Client, the goal is to ensure that each Client is treated as a unique entity, that our Client's Patrons are treated with respect and care, and that our Clients gain compliance and realize increased revenue collection through our comprehensive administrative citation management program.

We attribute much of our success to the fact that our Clients and their Patrons are always treated politely and professionally. Providing easy, clear access for our Clients and their Patrons is of primary importance because it encourages communication between all interested parties, transparency in the data processing for our Clients and prompt payment by Patrons.

Our web-based Solution provides patrons with access to lookup their citation(s), pay for their citation(s), get specific information about their citation(s), appeal their citations and attach supporting documentation and print a receipt; all online, all via real-time data. In addition, the Agency's Patrons will have access to a toll-free, bi-lingual customer service department who will answer general and specific questions about each citation and will accept payment over the phone via a real-time interface. Finally, patrons will also be able to submit payment and appeals to the Agency or to Data Ticket via mail or in person at the Agency's preferred location. All of the types of access we allow are intended to make the process simple for the Agency's patrons so they pay their citations in a timely manner.

Access to the data for Agency Staff is equally as important as is access for the Agency's Patrons. Our Solution provides online access to our Clients to lookup citations, enter notes on citations, process voids, dismissals, reductions, refunds, refund requests, view online reports, print receipts and process and review the adjudication process. Each capability is provided based on the level of access each person is granted.

Data Ticket allows for real-time processing of payments via VISA, MasterCard, Discover, and American Express. Credit/debit card payments are accepted online, via phone with a customer service representative or using our state of the art IVR system or via paper. Website payments are updated in the system real-time, as soon as they are authorized



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EXECUTIVE SUMMARY

and accepted by the bank. Payments are immediately updated to the citation records and receipts can be printed verifying payment for the payer.

Data Ticket's Solution is Payment Card Industry (PCI) certified and our Solution is subjected to both quarterly, scheduled scans of our database as well as unscheduled scans, thus providing the ultimate security for our Clients as well as their patrons.

Our Solution offers all adjudication services via our online appeals website. This sets us apart from other vendors as we actually allow patrons to place their citations on hold and submit their full explanation and attach backup documentation via the web. This allows patrons to appeal their citation(s) online only if they are eligible to appeal based on the rules set forth by each Agency and the State of California. Once the appeal is submitted, either online or via U.S. Mail, our Solution processes the request and makes it immediately available for an Administrative Hearing with a certified, independent hearing officer. These individuals review or hear the cases and enter judgments that automatically mark the citation and generate written notification of the results. This notification informs the appellant of the decision and provides additional information if the individual wishes to continue his/her appeal and/or refund information and/or court filing instructions, depending on the appeal decision.

Our Solution provides an Online Reporting capability that allows our Clients to generate and print real-time and month-end reports via the web. These reports can be saved to a network, PC or external drive, copied into Excel for additional manipulation as the Agency wishes or they can simply be viewed. These reports are available to the Agency as long as the Agency is a Client. In addition, when the Agency needs ad hoc reports or additional data, Data Ticket will provide those at no cost.

Data Ticket is experienced at working backlog and delinquent citations, which all agencies seem to have. We have years of experience collecting from "old databases and citations", and we do it carefully and professionally, with the utmost care given to the agency image and collection attitude. Since 2002, Data Ticket, Inc. has been offering additional collections through the Franchise Tax Board's Interagency Intercept Program on behalf of our Clients in order to provide an additional opportunity for collection of delinquent California debts. Many of our agencies have been participating in this program since we began offering this interface and they have all been impressed with the return-rate on collections from this submission.

And finally, we offer Advanced Collections by partnering with a local Los Angeles collections agency. For those hard-to-collect debts that have not responded or are not eligible for DMV holds, Delinquent Collections or FTB Collections, Advanced Collections provides a final effort to collect on behalf of our Agencies, while our Solution remains the system of record and provides a full audit trail from issue date to final collection effort!



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PROPOSAL FOR THE CITY OF LOMITA

Data Ticket offers two Cost Models for our Administrative Citation Processing Clients that allow our Clients to select the Cost Model that best suits their individual situation. Model 1 represents an all-inclusive option that has a higher upfront citation processing fee than Model 2 and includes full-service from Data Ticket’s staff. This option is typically selected by Agencies whose Patrons pay their citations on an inconsistent basis. Model 2 is often selected by Clients who has a thorough understanding of their collection rates or collections occur within the first 30 days of a citation being issued.

Regardless of the Model selected, you have the option to change Models at any point during a contract period. This provides our Clients with the maximum amount of flexibility so they may experience the maximum return on citations issued.

Description of Service	Cost Model 1	Cost Model 2
Manual Administrative Citation Processing Services for the above-mentioned items include: <ul style="list-style-type: none"> • On-site data entry of manually written citations performed within 48 hours of receipt • On-site quality assurance verification of manually entered citations • Scanning of all manually written citations onto our network for storage and ease of retrieval • Bi-monthly shredding of manually written citations 	**\$13.00 per citation	\$6.00 per citation
Electronic Administrative Citation Processing: Services for the above-mentioned items include: <ul style="list-style-type: none"> • Automated citation transmission into Data Ticket’s Citation Management Solution 24/7 • Automated confirmation email detailing successfully transmitted citations • Automated transmission of photos attached to citations 	\$11.00 per citation	\$4.00 per citation
Semi-Custom Noticing: Services for the above-mentioned items include: <ul style="list-style-type: none"> • A single Courtesy Notice printed on an 8 ½ x 11” piece of paper and provided in a window envelope will be sent to the responsible party • All notices are attached to the citation online and are viewable via the web • All notices sent via 1st Class Mail • All notices include a return envelope in which the responsible party may submit payment • This cost will increase as the US Postal Service increases the 1st Class postage rate • Notices will be sent daily, Monday - Friday 	Included	\$0.80 per notice



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PROPOSAL FOR THE CITY OF LOMITA

Description of Service	Cost Model 1	Cost Model 2
Additional Correspondence Services for the above-mentioned items include: <ul style="list-style-type: none"> Courtesy Notice per the City's requirements 	\$1.25 per letter	\$1.25 per letter
Delinquent Collections Services for the above-mentioned items include: <ul style="list-style-type: none"> In addition to the 1st Courtesy Notice, two additional notices will be sent to the responsible party, at a time frame to be defined by the Agency Notices will include a return envelope in which the responsible party may submit payment Notices will be sent via 1st Class Mail, for which Data Ticket will be responsible A citation is considered delinquent at Cite Date plus 31 days All notices are sent via First Class mail and all notices are printed on an 8 ½ x 11" sheet of paper and folded into a window envelope; in addition, a window envelope is provided for the recipient to return payment All notices are attached to the citation online and are viewable via the web Notices will be sent via 1st Class Mail, and Data Ticket will be responsible for the cost incurred Notices will be sent daily, Monday - Friday If Data Ticket does not collect on a citation that is delinquent, the Agency does not owe this fee 	Included	26% of revenue collected
Adjudication Holds and Scanning Services for the above-mentioned item include: <ul style="list-style-type: none"> Data Ticket will accept Hearing Requests on behalf of the Agency Dependent on the Agency's choice, Data Ticket will either review and approve the Hearing Request or provide the documentation received to the Agency for its decision If the Request is accepted, Data Ticket's Adjudication Department will place the citation on an Administrative Hearing Request Hold and scan all received documentation into the Solution so it is displayed on the web for the Agency's Staff and the Hearing Officer 	Included	\$.50 per hold



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PROPOSAL FOR THE CITY OF LOMITA

Description of Service	Cost Model 1	Cost Model 2
Disposition Entry <ul style="list-style-type: none"> Entry of the hearing disposition into the web based Solution for future reference and tracking 	Included	\$1.00 per entry
Adjudication Letters Services for the above-mentioned item include: <ul style="list-style-type: none"> For each request received, Data Ticket will send a semi-custom Hearing Approval Letter and a Schedule letter or it will send a Semi-Custom Denial Letter Once the Hearing has been held, Data Ticket will send a semi-custom disposition letter to the Appellant detailing the Hearing Officer's findings All Letters are sent via First Class mail and all Letters are printed on an 8 ½ x 11" sheet of paper and folded into a window envelope; in addition, a window envelope is provided for the recipient to return payment All Letters are attached to the citation online and are viewable via the web Letters will be sent via 1st Class Mail, and Data Ticket will be responsible for the cost incurred Should the Agency request Letters to be sent via Certified Mail, Data Ticket will arrange this at a cost of \$5.00 per Letter Letters will be sent daily, Monday - Friday 	Included	\$1.25 per letter
Administrative Hearings Services for the above-mentioned item include: <ul style="list-style-type: none"> Data Ticket's independent, certified, insured hearing officers will be provided to perform in-person, phone, and written hearings, as required by the Agency Each hearing request will be reviewed, heard or read, and all required research will be performed The Hearing Officer will enter a judgment into the Citation Processing System for viewing by the Agency, Appellant and Data Ticket The City will incur costs associated with mileage Data Ticket will work with the Agency to arrange for the use of a conference room at a Agency location or the Agency may elect to have citations heard at a centralized location within the County 	\$85.00 per hour	\$85.00 per hour
Certified Letters – Optional <ul style="list-style-type: none"> Per certified mailing 	\$5.00 per letter	\$5.00 per letter
Franchise Tax Board SSN Look-up Services for the above-mentioned item include: <ul style="list-style-type: none"> This fee will be assessed to lookup a social security number associated with a particular registered owner and address This charge is charged per unique SSN, not per citation 	\$2.45 per unique SSN	\$2.45 per unique SSN



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PROPOSAL FOR THE CITY OF LOMITA

Description of Service	Cost Model 1	Cost Model 2
<p>FTB Collections Services for the above-mentioned item include:</p> <ul style="list-style-type: none"> • This fee is charged if a citation is paid at the Franchise Tax Board • This charge is not combined with any other charge; for example if a citation is rolled to delinquent status and paid at FTB, only the 15% of revenue collected will be charged • Data Ticket will send a custom FTB Notice to the Patron as required by the Interagency Intercept Program; this notice will be sent via 1st Class Mail • All notices are attached to the citation online and are viewable via the web • Data Ticket will pay for the Agency’s cost to participate in the FTB program; annually, FTB will send an invoice to the Agency for the number of debts placed at FTB; the Agency will simply provide this invoice to Data Ticket and Data Ticket will pay it in full • If Data Ticket does not collect on a citation that is at FTB, the Agency does not owe the collection fee • Data Ticket will send an FTB Notice to the Patron as required by the Interagency Intercept Program; this notice will be sent via 1st Class Mail 	<p>15% of revenue collected</p>	<p>15% of revenue collected</p>
<p>Advanced Collections Legal Action Not Required Services for the above-mentioned item include:</p> <ul style="list-style-type: none"> • This fee is charged if a citation is paid at Advanced Reporting Collections • This charge is not combined with any other charge; for example if a citation is rolled to delinquent status and paid at Collections, only the 30% of revenue collected will be charged 	<p>30% of revenue collected</p>	<p>30% of revenue collected</p>
<p>Joint / Escrow Banking Services Services for the above-mentioned item include:</p> <ul style="list-style-type: none"> • Daily deposits of funds to the Agency’s escrow account • Online, real-time reconciliation reports that tie directly to the bank statement • Processing of all credit card charge-backs and Insufficient Funds • Month-end reconciliation of all funds collected • Payment of Data Ticket’s invoice • Disbursement of the net remittance to the Agency • Scanning of all payments directly to joint bank account daily using remote check deposit • The Agency will be responsible for the purchase of banking supplies, including checks and endorsement stamps; these fees typically run \$200.00 per year 	<p>\$100.00 per month</p>	<p>\$100.00 per month</p>



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PROPOSAL FOR THE CITY OF LOMITA

Description of Service	Cost Model 1	Cost Model 2
Charge-backs and NSF's – Joint Escrow Only Services for the above-mentioned item include: <ul style="list-style-type: none"> • Data Ticket will process credit card charge-backs and NSFs when notified of each occurrence • Once processed, Data Ticket will send a custom letter to the individual detailing the returned item and the amount due on the citation 	Included	Included
Refunds – Joint Escrow Only Services for the above-mentioned item include: <ul style="list-style-type: none"> • Data Ticket will process refunds when notified of each need • In the event the utilizes Joint Banking Data Ticket will verify, generate and send each refund due • Refunds will be issued weekly • Refunds will be sent weekly via 1st Class Mail 	Included	Included
Monthly Minimum <ul style="list-style-type: none"> • A minimum fee of \$200.00 will be charged on a monthly basis if services do not reach this level 	\$200.00	\$200.00



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PROPOSAL FOR THE CITY OF LOMITA – SERVICES INCLUDED AT NO ADDITIONAL COST

Online Access for the Agency’s Patrons: **Included**

The Agency’s Patrons will have the ability to perform the following functions online:

- View real-time citation(s) data
- Pay for a single or many citation(s)
- Request an Administrative Hearing and attach up to three documents supporting their position (optional)
- Print a receipt
- View pictures of the citation taken by the issuing officer (if the Agency allows)

Online Access for the Agency’s Staff: **Included**

Access to the Agency’s data is based on unique usernames and passwords assigned to each individual who requires access to the system. Data Ticket does not limit the number of individuals who have access to the system and the number and types of access can change at any point with a simple email request to Data Ticket.

Our Solution is setup to maintain a complete audit trail for each and every transaction in the system so that the username is displayed next to every transaction in the system, indicating who performed the transaction and when.

Dependent on the access rights provided to each Agency Staff member, the following capabilities are available:

- View real-time citation(s) data, including pictures taken by the Issuing Officer
- Accept payment via VISA, MasterCard, Discover and American Express credit/debit cards
- Accept payment via Cash, Check or Money Order
- Process NSF’s and Refunds
- Reduce or increase violation amounts, dismiss citations, void citations and place a citation on hold
- Change citation data, including violations, date, time, location, comments, and others
- View the complete reason for a Hearing Request and supporting documentation provided by the Appellant directly online
- Edit Appellant information
- Upload disposition documents sent to the Agency via US Mail
- Add a note to a citation and see all comments added to the citation
- Print a receipt

Conversion: **Included**

- Data Ticket will convert the citations currently with the Agency’s existing vendor at no cost to the Agency



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PROPOSAL FOR THE CITY OF LOMITA – SERVICES INCLUDED AT NO ADDITIONAL COST

Reporting: **Included**

- Data Ticket offers 23 reports online for our Clients to generate, print and re-print 24/7. We provide real-time reports that can be generated for any timeframe required and we provide pre-processed/month-end reports that reflect the month-end view of data.
- All reports are available online and because we do not purge data unless specifically requested to do so by a Client, the data is available as long as the Agency is a Client.
- All reports are generated in HTML so our Clients can copy and paste the data into Excel for data manipulation purposes.
- If the Agency were to request a report that was not already available, Data Ticket would work with the Agency to design the report and provide it to the Agency at no cost.

Manual Payment Processing: **Included**

- Manually received payments (checks, cash, money orders and credit card payments sent via US Mail) are received at our PO Box in Newport Beach where a bonded and insured courier picks up the mail daily and delivers it to our Newport Beach office
- On-site Mail Department opens, sorts and batches the payments before providing them to our on-site Data Entry Department
- After double-blind entry of each payment, the citations are updated by our Quality Assurance team
- Payments are then provided to our Accounting Department where daily deposit slips are completed and provided to a bonded, insured courier who takes them to the bank

Customer Service: **Included**

- Data Ticket provides a live, bi-lingual, on-site Customer Service Department that is fully trained to answer questions related to citation issuance, payment, adjudication, fix-it tickets, sign-offs, FTB, advanced credit reporting collections and more
- All calls are recorded to quality assurance and recordings can be sent to the Agency at any time for review.
- Data Ticket's IVR is bi-lingual and accessible via several toll-free numbers; the IVR provides real-time information to the caller regarding current status, including the amount due
- The IVR accepts VISA, MasterCard, Discover, and American Express

Web Presence: **Included**

- Data Ticket's Solution is 100% web-based and Section 508 Compliant and is provided at: www.CitationProcessingCenter.com; this is a generic website in the sense that it is not Agency branded. This website allows for the Agency and the Agency's Patrons to access citations online
- If the Agency prefers to have an Agency branded website, one in which the look and feel mimics that of the Agency's website, Data Ticket can and will provide this feature to the Agency.



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PROPOSAL FOR THE CITY OF LOMITA - FEES ASSESSED TO THE PATRON

Credit / Debit Card Processing **\$3.50 per transaction**

- Data Ticket is PCI Compliant and provides for the ability to pay via Visa, MasterCard, Discover, and American Express on our website, www.CitationProcessingCenter.com, via our toll-free, bi-lingual Customer Service Representatives, and via our toll-free, bi-lingual IVR Solution
- There is no charge to the Agency for credit / debit card processing; however, the Patron is charged \$3.50 per transaction; this means the Patron can pay for a single or many citations at once and incur a single \$3.50 fee

Payment Plan Processing **variable cost**

- An administrative fee will be assessed to Patrons or the City (if they wish to pay in lieu of the Patron paying) who wish to participate in a payment plan
- This fee will cover the cost of the payment plan initiation, and the cost of a confirmation letter that is sent to the Patron confirming the details of the payment plan
- The Agency will have the ability to determine whether Payment Plans are accepted and, if so, what the parameters for payment will be

Credit Card Chargeback Processing **\$33.50 per transaction**

- If a chargeback occurs, a fee will be charged to the Patron for the processing of the chargeback
- No fee will be charged to the Agency

Cost Increases:

Postal Rate Increase Offset – If postal rates increase during the term of the agreement, fees to DTI shall be raised immediately to offset the effect of the actual postal rate increase.

CPI Increases – *There will be NO CPI increases for the duration of the agreement*



Exhibit E Product Quote

Date	Quote #
9/29/2022	LMTp092922

Bill To:

City of Lomita
24300 Narbonne Ave.
Lomita, CA 90717

Ship To

City of Lomita
24300 Narbonne Ave.
Lomita, CA 90717

Terms	Rep
Net 30	SS

Description	Qty	Rate	Total
XF1R2- PRINTER, POD, BATTERY.	2	3,000.00	6,000.00T
Note 20 5G included in above package	2	0.00	0.00
XF Single Dock Base Kit w/Power Supply included in above cost	2	0.00	0.00
XF- SPARE BATTERY	2	0.00	0.00
XF Handstrap	2	0.00	0.00
Included in above pricing			
1st Year License Fee Per Unit- One Time Software Fee Due at Inception of Purchase \$500.00/unit	2	500.00	1,000.00
Annual License Fee Per Handheld Unit to Receive Software Updates. Start of 2nd Year of Handheld Use. \$150.00/unit per year	0	150.00	0.00
Software Maintenance/Support/ Troubleshooting– Includes phone support M-F during regular business hours, remote repair, and updates. \$20.00/unit per month	2	20.00	40.00
Replacement for Lost/Stolen/Damaged Handheld Unit– (\$175.00 deductible charged for each lost/stolen or damaged unit) \$15.00/unit per month	2	15.00	30.00
Data plans can be provided by Data Ticket on Verizon or AT&T Shipping charged at actual cost			
Los Angeles County - Lomita Sales Tax		10.25%	615.00

Approval Signature	Total	\$7,685.00
By signing above, you have confirmed the "Ship To" address is correct as written.	When the order is received, please spot check all items for any inconsistencies and report them to ClientServices@DataTicket.com within 60 days of receipt.	
Data Ticket will pass through any additional charges incurred for incorrect or incomplete shipping addresses to your agency.		



Product Quote

Date	Quote #
9/27/2022	LMTA092722

Bill To:

City of Lomita
 24300 Narbonne Ave.
 Lomita, CA 90717

Ship To

City of Lomita
 Attn: Lina Hernandez
 24300 Narbonne Ave.
 Lomita, CA 90717

Terms	Rep
Net 30	SS

Description	Qty	Rate	Total
N5/N5z1/XF Ticket Stock 3.125" x 7" 250 rolls - 75 tickets per roll, 18,750 Total Tickets Specifications: 44' Roll Length 1/1 Print Core ID: 0.50"	1	2,550.00	2,550.00T
Plate Fee- charged when changes are made to a previously printed proof or on new print; one plate per side/color	0	45.00	0.00
Shipping charged at actual cost			
Los Angeles County - Lomita Sales Tax		10.25%	261.38

Approval Signature	Total	\$2,811.38
By signing above, you have confirmed the "Ship To" address is correct as written.	When the order is received, please spot check all items for any inconsistencies and report them to ClientServices@DataTicket.com within 60 days of receipt.	
Data Ticket will pass through any additional charges incurred for incorrect or incomplete shipping addresses to your agency.		



Product Quote

Date	Quote #
9/29/2022	LMTc092922

Bill To:

City of Lomita Code
 24300 Narbonne Ave.
 Lomita, CA 90717

Ship To

City of Lomita Code
 24300 Narbonne Ave.
 Lomita, CA 90717

Terms	Rep
Due on receipt	SS

Description	Qty	Rate	Total
City to provide Android Device			
Zebra ZQ521A 4 inch Printer	1	1,400.00	1,400.00T
Zebra ZQ520 Soft Case	1	80.00	80.00T
Zebra Printer, US AC Power Adapter Kit	0	0.00	0.00T
Included in above costs			
1st Year License Fee Per Unit- One Time Software Fee Due at Inception of Purchase \$500.00/unit	1	500.00	500.00
Annual License Fee Per Handheld Unit to Receive Software Updates. Start of 2nd Year of Handheld Use. \$150.00/unit	0	150.00	0.00
Maintenance / Support- Includes phone support M-F during regular business hours, remote repair, and updates. \$20.00/month per unit	1	20.00	20.00
(Optional) Replacement for Lost/Stolen/Damaged Printer Unit- (\$175.00 deductible charged for each lost/stolen or damaged unit); only valid for printer unit, androids purchased by City not covered. \$10.00/unit per month	1	10.00	10.00
Data Plans- hosted by Data Ticket on AT&T or Verizon at actual cost, or by City Shipping charged at actual cost			
Los Angeles County - Lomita Sales Tax		10.25%	151.70

Approval Signature	Total	\$2,161.70
By signing above, you have confirmed the "Ship To" address is correct as written.	When the order is received, please spot check all items for any inconsistencies and report them to ClientServices@DataTicket.com within 60 days of receipt.	
Data Ticket will pass through any additional charges incurred for incorrect or incomplete shipping addresses to your agency.		



Product Quote

Date	Quote #
9/27/2022	LMTAc092722

Bill To:

City of Lomita
 24300 Narbonne Ave.
 Lomita, CA 90717

Ship To

City of Lomita Code
 Attn: Lina Hernandez
 24300 Narbonne Ave.
 Lomita, CA 90717

Terms	Rep
Net 30	SS

Description	Qty	Rate	Total
Zebra ZQ520 Citation Roll 250 rolls 4" 3/4" ID Continuous, no perforation 79' length Blank rolls Shipping charged at actual cost.	1	3,150.00	3,150.00T
Los Angeles County - Lomita Sales Tax		10.25%	322.88

Approval Signature	Total	\$3,472.88
By signing above, you have confirmed the "Ship To" address is correct as written.	When the order is received, please spot check all items for any inconsistencies and report them to ClientServices@DataTicket.com within 60 days of receipt.	
Data Ticket will pass through any additional charges incurred for incorrect or incomplete shipping addresses to your agency.		



Product Quote

Date	Quote #
9/27/2022	LMTAm092722

Bill To:
City of Lomita-Sheriff Attn: Jessica Luy 24300 Narbonne Ave Lomita, CA 90717

Ship To
City of Lomita-Sheriff Attn: Lina Hernandez 24300 Narbonne Ave Lomita, CA 90717

Terms	Rep
Net 30	SS

Description	Qty	Rate	Total
Manual Parking Citation Books 4.25" X 8.25" 2PT no envelope - white, canary 1/1 50 sets/wrap around book 5k total citations	1	1,650.00	1,650.00T
Ticket Stock Overage Printing Fee		10.00%	165.00T
Shipping will be charged at actual cost			
Los Angeles County - Lomita Sales Tax		10.25%	186.04

Approval Signature	Total	\$2,001.04
By signing above, you have confirmed the "Ship To" address is correct as written.	When the order is received, please spot check all items for any inconsistencies and report them to ClientServices@DataTicket.com within 60 days of receipt.	
Data Ticket will pass through any additional charges incurred for incorrect or incomplete shipping addresses to your agency.		



CITY OF LOMITA CITY COUNCIL REPORT

TO: City Council **Item No. 7k**

FROM: Ryan Smoot, City Manager

PREPARED BY: Carla Dillon, P.E., Public Works Director

MEETING DATE: October 18, 2022

SUBJECT: Agreement with the City of Lomita and Metropolitan Water District for Access and Permitting of Temporary Lane Use

RECOMMENDATION

Approve the Access and Permitting Agreement and authorize the City Manager and City Clerk to execute the agreement.

Background

On September 6, 2022, staff from the Metropolitan Water District (Metropolitan), presented to the City Council about their Second Lower Feeder Rehabilitation project ("Project"). This project is expected to be completed by the second quarter of 2025.

During the construction period, usage of lanes in certain areas within the City of Lomita may be required at various times for construction related activities; those locations are described in more detail below. As the City has done in the past with other larger scale and lengthy projects, this agreement enables an extended permit period and allows for an expedited permitting process specifically for this usage while also maintaining the City's ability to require separate permits for other work in the public right of way.

As described by MWD on Sept. 6th, the Project consists of relining approximately 25,000 feet of pipe with new 95-inch diameter steel liner, replacing or upgrading ancillary components (valves, flow meters). The overall project duration will be approximately 31 months, from 2023 through mid-2025. A pipe access shaft will be used on 262nd Street between Cayuga Avenue and Western Avenue. This will block the westbound lane and private property driveways. There will also be a pipe access shaft on Western Ave, just outside Lomita boundaries; however, traffic control may have impacts within the City boundaries.

During the beginning and end of each shutdown, dewatering will be necessary, which can be a 24/7 operation located at a manhole at 262nd and Eshelman Ave for up to 7 days, though shorter time frames are often seen.

While much of the work is below ground, the project will impact Lomita city streets, including, Western Avenue, 262nd Street and Cayuga Ave, Eshelman Ave, and Oak Street. Due to the impact on its water customers, Metropolitan plans to conduct the work during two consecutive water years during periods of lowest water demand.

In order to complete the work within the expected window of time and minimize the duration of impacts to residents, Metropolitan has requested to work outside the normal construction hours from 7 am to 7 pm Monday through Saturday. It is expected that active Project work will occur from December 2023 to March 2024 then again from January to April 2025. Metropolitan have requested a variance from the City's standard requirements and a longer duration permit prior to awarding their contract for construction. The proposed agreement provides early assurance of conditions to Metropolitan and allows the City to adequately plan for construction related activities while reducing the City's administrative burden by reissuing permits for each phase of the project in 6-month increments.

OPTIONS:

1. Approve the Agreement
2. Do not approve the License Agreement
3. Provide further direction

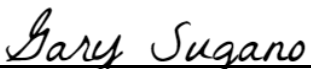
FISCAL IMPACT

The fee is \$284,617.15 for the twenty-month term of the Agreement. Additional fees would be incurred with an optional extension, and for any work outside the scope of this agreement.

ATTACHMENTS:

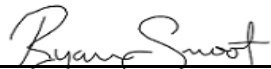
1. Agreement

Reviewed by:



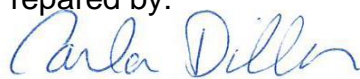
Gary Y. Sugano
Assistant City Manager

Approved by:



Ryan Smoot
City Manager

Prepared by:



Carla Dillon, P.E.
Public Works Director / City Engineer

ACCESS AND PERMITTING AGREEMENT

This Access and Permitting Agreement ("Agreement") is effective as of _____ and is made between The Metropolitan Water District of Southern California ("Metropolitan"), on the one hand, and the City of Lomita ("Lomita" or "City"), on the other hand. Both Metropolitan and Lomita are also referred to herein individually as "Party" and collectively as "Parties."

BACKGROUND

- A. Metropolitan is undertaking a large pipe rehabilitation project ("Project") that spans several cities. Within the City, the work below ground will take place within Western Avenue, 262nd Street, and Oak Street. Above ground activity, with access points, will be located along Western Avenue, 262nd Street, and Oak Street. In addition, Metro Park (owned by Metropolitan and licensed to the City) will be utilized for a laydown area and unavailable for City use. The Project work in Lomita is anticipated to take approximately twenty (20) months for completion.
- B. Due to the Project duration and work hours, the Parties desire to enter into an agreement to help increase the efficiency and efficacy of the construction of the Project—specifically as it relates to an encroachment permit allowing Metropolitan to utilize the public right of way on Western Avenue, 262nd Street, and Oak Street so as to minimize impacts on the public.
- C. To expedite the encroachment permitting process over the course of the Project, Metropolitan has requested this comprehensive permitting agreement, rather than submission of a series of individual encroachment permits for six (6) months each, and to provide advance assurance to its contractor on work hours for construction activities. Separate permits will be required for activities outside the scope of the Encroachment Permit (as defined below) and this Agreement that require an encroachment permit.
- D. The City allows construction activity from 7 AM to 6 PM Monday through Friday. Due to the Project scope and potential impacts on regional water supply, Metropolitan is requesting to work outside those days and times.
- E. Generally, the City's encroachment permits are valid for six months with a maximum number of days for certain activities (i.e. lane closures). Therefore, Metropolitan seeks various entitlements herein, including an extension of the term of the encroachment permit, an expedition of the permitting process, and a reduction of fees due to the repetitive nature of the permits which are for one scope of work in the same locations.
- F. In return, the City obtains the benefit of a reduction in administrative processing and costs, reduction in construction delays, water reliability, and a more efficient and effective construction project, which will benefit the community at large.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and in reliance upon the representations and covenants made by Metropolitan and the City hereunder, the sufficiency of which are acknowledged, the parties covenant and agree as follows:

1. **Permitting Process.** The Parties acknowledge that the kind of work proposed in the Agreement would typically require a six-month Public Works permit approval by the City with fees for each day of usage of the lane/right-of-way for the Project. Instead of this process Metropolitan shall complete a Public Works permit application in the form attached hereto as Exhibit “A” and submit all required documents, including traffic control plans and site plan with laydown areas for each site location, but instead of being valid for a six month term, the permit issued pursuant to this Agreement shall be valid for a period of twenty (20) months (“Encroachment Permit”), and may be renewed for an additional term of up to one year. In addition, the Public Works Director shall approve lane closures from 7 AM to 6 PM for up to five days per week. Specific conditions related to these closures shall be detailed in the terms of the Encroachment Permit. This Agreement is and shall be construed as supplemental to the Encroachment Permit and every clause thereof shall continue to be in full force and effect and binding on the parties thereto save as expressly amended and/or supplemented by this Agreement.
2. **Term.** This Agreement will become effective on December 1, 2023, and will remain in effect for a period of twenty (20) months from said date unless otherwise expressly extended and agreed to by both parties or terminated by either party as provided herein. Notwithstanding anything to the contrary in the Encroachment Permit, Metropolitan and its contractors will have the right to perform work Monday through Saturday from 7 AM to 7 PM during the periods January 8, 2024 through April 26, 2024 (“First Shutdown Period”) and December 2, 2024 through April 25, 2025 (“Second Shutdown Period”). This Agreement also authorizes Metropolitan and its contractors to perform work 24 hours per day for up to seven (7) days at the start and end of each of the two (2) Shutdown Periods. All noise level requirements in the City’s Municipal Code remain in effect.
3. **Extensions.** The Public Works Director, in her discretion, may extend the termination date of the Encroachment Permit issued pursuant to this Agreement for an additional period of at least six months and up to one year by upon Metropolitan’s submission of a request in writing to the Public Works Director in advance of the expiration of the Encroachment Permit. Metropolitan shall provide any information requested by the Public Works Director as part of her standard review process and detail the proposed work to be done. The Public Works Director may include additional conditions to any permit whose termination date is extended as a condition of the extension of the termination date. No permit issued under this Agreement shall be valid after July 31, 2025 without an extension of this Agreement. Upon expiration of any permit (including any extensions thereof), Metropolitan must complete and submit a new permit application in accordance with the terms of this Agreement and pay any fees due.

4. **Permit Fees.** All relevant encroachment permit fees are required to be fully paid for this Agreement to be in effect. Metropolitan shall be responsible for paying a fee of \$284,617.15 for the Encroachment Permit issued pursuant to this Agreement. After the initial term (twenty months) of this Agreement, if Metropolitan's request for an extension pursuant to Paragraph 3 above is for a period of less than one year, Metropolitan shall deposit a fee of \$16,506.44 per month for the extended term with the request for the extension; provided, however that such deposit shall be refunded by the City within 30 days of its denial of any extension request. Such extension shall be for a minimum of six months. Payment shall be due with submittal of an application for such permit, or for a request for an extension as applicable. No refunds shall be issued if work is completed before the expiration of such permit.
5. **Coordination During Implementation.** Metropolitan representatives will coordinate with appropriate City personnel to ensure that construction activities related to the Project are conducted in a manner to the extent practicable that minimizes disruption to the citizens of the City.
6. **Compliance With Law.** During the term of this Agreement and the Encroachment Permit, Metropolitan agrees that it shall not violate any applicable City or County ordinance or federal or state law. Noncompliance with any such laws or regulations shall be grounds for the City to terminate this Agreement.
7. **Non-Liability of the City.** The City shall not be liable for any injury of any kind whatsoever to any person caused by the actions of Metropolitan or their representatives, employees, contractors, or agents under this Agreement arising from any cause whatsoever except to the extent arising from the City's negligence or willful misconduct.
8. **Insurance.** Metropolitan shall, during the term of this Agreement and at all times during which access is available to it, require all contractors and subcontractors performing the Activities work to maintain insurance with the following minimum coverage levels:
 - (i) Workers Compensation with statutory limits;
 - (ii) Automobile Liability with \$1,000,000 single limit or equivalent; and,
 - (iii) Commercial General Liability, with \$2,000,000 aggregate limit/\$1,000,000 per occurrence (\$4,000,000 excess) limits.

Metropolitan confirms that it is a local government entity created under the laws of the State of California and is self-insured for \$25 million dollars against any third-party loss and maintains \$75 million dollars of commercial liability insurance in excess of the self-insurance retention, as set forth in the letter attached as Exhibit "B". Metropolitan must maintain its self-insurance program in full force during the term of this Agreement.

9. **Notification for Commencement of Work.** Metropolitan shall notify the City at least 24-hours prior to each mobilization effort providing information on type of work, duration, and field contact information.

10. **Restoration of City Property.** After completion of activities, disturbed areas, if any, will be restored by Metropolitan to the conditions existing at the beginning of the work, and will comply with the Encroachment Permit, as determined by the Director of Public Works in her reasonable discretion.
11. **Substitute Contractors.** In the event that Metropolitan is required to retain a substitute contractor for the work governed by a Public Works permit issued pursuant to this Agreement, Metropolitan shall inform the City, in writing, prior to commencement or continuation of the work, and the substitute contractor shall be considered one of Metropolitan's agents for the purposes of this Agreement and shall be responsible for maintaining all insurance coverage set forth herein.
12. **Choice of Law.** The terms of this Agreement shall be construed pursuant to the laws of the State of California.
13. **Venue.** Venue for any action involving this Agreement will be exclusively in Los Angeles County.
14. **Further Acts.** For the duration of this Agreement, the Parties will, whenever requested to do so by another party to this Agreement, execute, acknowledge and deliver, or cause to be executed, acknowledged or delivered, any and all such further instruments, documents and do any and all other acts as may be reasonably necessary to accomplish the intent of this Agreement.
15. **Entire Agreement.** This Agreement, including any exhibits attached hereto, and the Encroachment Permit constitute the entire agreement and understanding between the Parties pertaining to this subject matter and supersede all prior agreements and understanding, both written and oral, pertaining to the subject matter hereof.
16. **Interpretation.** This Agreement will be interpreted according to the fair meaning of its terms and not strictly for or against any particular Party.
17. **Modification.** The provisions of this Agreement may only be amended, modified or waived by written agreement executed by all Parties.
18. **Severability.** If any provision of this Agreement is held to be invalid or unenforceable for any reason, the remaining provisions shall continue in full force and effect without being impaired or invalidated in any way.
19. **Notice.** All notices or other documents (collectively "Notices") given hereunder shall be in writing and shall be addressed to the recipient and sent by electronic mail, personal delivery or United States certified mail, postage prepaid. Unless and until otherwise notified, the address of each of the parties for the giving of Notices shall be:

TO CITY OF LOMITA:

City of Lomita
24300 Narbonne Ave.,
Lomita, CA 90717
Attention: Public Works Director
Email: PublicWorks@LomitaCity.com

TO Metropolitan:

The Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, CA 90054-0153
Attention: _____
Email: _____

Notices will be deemed given as of the date when emailed (provided a copy thereof is concurrently sent by nationally recognized overnight courier), personally delivered to the addressee, or upon the third day after being deposited in the United States mail in accordance with the foregoing.

20. **Electronic Signatures; Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together will constitute the same instrument. Electronic signatures will be deemed original signatures for the purposes of this Agreement.

IT IS SO AGREED

CITY OF LOMITA

Dated: _____

by: _____

its: _____

The Metropolitan Water District of Southern California

Dated: _____

by: _____

its: _____

Approved as to Form:

Trevor Rusin, City Attorney



PUBLIC WORKS PERMIT APPLICATION

FOR CITY USE ONLY

Encroachment Permit No.:	Date of Issuance:
Permit Extension No.:	Date of Issuance:

Site Address: _____

Owner/Applicant Information

Name: _____	State/Zip: _____
Address: _____	Telephone: _____
City: _____	Email: _____

Contractor Information

Name: _____	Telephone: _____
Company: _____	Email: _____
Street: _____	CA Contractor License No.: _____
City: _____	City Business License No.: _____
State/Zip: _____	Email: _____

Description of Work

U.S.A. (1-800-422-4133) Reference No.: _____	Work Order Number (for utility companies): _____
Estimated Construction Cost: \$ _____	Construction Duration: _____

Approvals

Additional Notes: _____

APPROVED BY: _____ (Not valid unless approved by Department)	EXPIRATION DATE: _____
EXTENSION EXPIRATION DATE: _____	
INSPECTION: INSPECTOR: _____ DATE PROJECT COMPLETED: _____	SIGN OFF: (DEPOSIT REFUND) _____ ISSUE REFUND HOLD DEPOSIT



Detailed Description of Work

DESCRIPTION	LENGTH (FT)	AREA (SQ. FT)	NO. OF SEGMENTS/ PHASES	QUANTITY	OTHER INFORMATION
Water Connection					
Water Meter					
Sewer Connection					
Sidewalk Replacement					
Driveway Apron Replacement					
Curb and/or Gutter Replacement					
Trenching					
Paving					
Pole Replacement					
Aerial Cable Work					
Other					



STANDARD REQUIREMENTS

Anyone working in the City of Lomita right-of-way, such as streets, alleys, sidewalks, parkways, public easements, and utility easements, is required to obtain an Encroachment Permit from the Public Works Department prior to starting work.

1. The Encroachment Permit, regardless of when dated shall not be in effect until the fees are paid, Commercial Liability Insurance and a copy of contractor license are submitted along with the permit application and applicant has obtained all appropriate licenses including City Business License and other permits required by law.
2. A current **City of Lomita Business License** is required.
3. Permit should be present on construction site at all times.
4. All changes in the Scope of Work must have prior approval by the City Engineer.
5. This permit is declared **null and void** if work has not commenced and completed within six (6) months from the date of permit issuance.
6. Construction activities are restricted to Monday through Friday (City holidays excepted) between the hours of 8:00 AM and 5:00 PM Monday through Friday, and 9:00 am to 5:00 pm on Saturdays with prior approval from Public Works Director/ City Engineer. Permitted construction is prohibited on Sundays and national holidays.
7. All work done within the public right-of-way shall be done by a licensed contractor possessing a Class A, C-12 or C-34 License for all trenching and paving, a Class C-08 License for all concrete work, and a Class B License for minor curb, gutter, and sidewalk. (See Table on page 5)
8. Applicant must carry adequate insurance to work in the public right of way and name the City of Lomita as additional insured. Applicant agrees to keep insurance active for the duration of the project in the amount of one million dollars (\$1,000,000) minimum.
9. Any damages to existing facilities and improvements above ground or below ground, shall be promptly repaired or replaced at the permittee's expense, and claims for damage to City property must be promptly paid.
10. All Construction, unless otherwise specified shall be done in accordance with the latest Standard Specifications for Public Works Construction latest edition and/or LA County Standards and "Highway Permit Ordinance Division 1 Title 16".
11. **NOTIFICATION REQUIREMENT:** The contractor shall notify the adjacent property owners and all affected residents of any work that will impact them. This includes all street or lane closures and any work that will generate extreme noise (i.e., demolition).
12. **Permittee shall notify the Public Works Office at least 24 hours prior to commencement of work.** The number and type of inspections required, and any tests that may be required will be as directed by the Public Works Engineer. The Public Works Engineering staff may be contacted by email at publicworks@lomitacity.com
13. Applicant is responsible for determining exact locations and or depths of existing utilities or other facilities. Call **Underground Service Alert (USA)** at 1-800-422-4133 a minimum of 72 hours or as early as 14 days prior to performing work.
14. Pedestrian walkway must be maintained with safety fencing or barrier separation from adjacent excavation when left unattended. All trench plates used in the public right of way must have a non-skid surface.
15. Excavations over five (5) feet in depth shall conform to Occupational Safety & Health Administration (OSHA) requirements and regulations.
16. Where excavation tunnels under curb and gutter or sidewalk, or other improvements, which are to remain in place, or crosses an intersection, backfill shall be cement slurry consisting of one (1) sack of cement per cubic yard of slurry. The slurry shall be placed in a method satisfactory to the inspector to assure the elimination of any cavities.
17. Utility mainline projects are required to slurry seal the full street width where excavation is made in street less than five (5) years old. Permittee is responsible for replacing all traffic stripping and pavement markings.
18. Permanent pavement repairs shall be made within fourteen (14) days but no less than 10 days after excavation work is completed or as directed by the City Engineer. Inspector's approval is required before permanent repairs are made.
19. **Sewer Lateral:** When installing a new sewer lateral, existing lateral must be plugged at the property line, sewer lateral connection to the City sewer must be done with a wye connection or a mechanical saddle.



20. Traffic Control plans must be submitted for approval prior to issuance of an encroachment permit.
21. A Traffic Control Plan is required for work on arterial streets. Traffic control for work on local and residential streets shall comply with **Manual on Uniform Traffic Control Devices (MUTCD)** or **“Work Area Traffic Control Handbook” (WATCH)**; **permittee shall provide and maintain all such signs lights and devices.**
22. The Traffic Control Plan as attached must be adhered to at all times. **Note that the Traffic Control Plan may have restricted working hours for working in the public right of way, which supersedes the standard encroachment permit working hours.**
23. One lane of traffic in each direction shall be maintained at all times on all major and secondary streets and highways.
24. The use of City property by permittee shall be limited to the purposes set forth by this permit and no structures of any kind, except those expressly permitted shall be erected or placed thereon.
25. Dumpsters (Debris boxes)/pods, storage containers shall have reflectors so that they can be seen at night. The permit must be taped to the outside of these boxes in a visible location.
26. All graffiti must be removed within 24 hours of notification including utility markings (USA).
27. All erosion control measures, stormwater BMPs (Stormwater Pollution Prevention Plans-SWPPP) must be in place or as directed by the Public Works Engineer or Inspector.
28. A faithful performance bond or a cash deposit for restoration of the streets is required. The City Engineer shall determine the bond amount based on the estimated cost of restoring the streets.
29. Bond(s) will be refunded in full after the Public Works Inspector has signed off on the permit as being complete.
30. **BACKFILL:** The material used for backfill shall have a sand equivalent of not less than 30% as determined by tests from a qualified soils laboratory. Material encountered in excavation that will meet this requirement may be used for backfill. If excavated materials fail to meet this requirement the contractor shall use sand or crushed aggregate as backfill. If cement slurry used, no compaction tests will be required. Compaction shall be done by mechanical means. Jetting is not allowed. The maximum lift shall be 0.64’ when handheld compaction equipment is used. Free falling weight compaction equipment shall not be allowed. Relative compaction required shall be 90% except for the final 0.5’, which shall be 95%. Costs of the compaction test to be borne by the permittee. The frequency of such testing will be determined by the inspector and will be sufficient to ensure that requirements have been met. Determination of frequency will be based on variables such as the nature of the material or the efficiency of the contractor’s method.
31. All Survey Monuments destroyed as a result of the contractor’s work shall be reset “in kind” at the contractor’s expense by a licensed Surveyor and recorded with the County Recorder’s Office. Copies of all ties to reset monuments will be supplied to the City prior to release of work guarantee deposit or sign off by the City.
32. This grant of permission does not constitute a deed or grant of easement by the City, is not transferable or assignable and is revocable at any time upon violations of the Permit.
33. Additional conditions if any, are attached to this permit and shall be followed accordingly.

I hereby acknowledge that I have read this permit and the attached conditions that the information given by me is correct, that I am the owner or the duly authorized agent of the owner, and that I agree to comply with the conditions and all applicable provisions of state laws, city ordinances, and the rules of any governmental agency involved.

PRINT NAME: _____ **E-MAIL ADDRESS:** _____

CONTACT NO.: _____

SIGNATURE: _____ **DATE:** _____



Contractor License Requirements			
Curb/Gutter	A (General Engineering) C8 (Concrete Contractor)	Under Ground Utilities (Water, Gas, or Oil)	A (General Engineering) C34 (Pipeline Contractor)
Driveways	A (General Engineering) C8 (Concrete Contractor)	Under Ground Electrical	A (General Engineering) C8 (Concrete Contractor) C12 (Earth and Paving Contractor)
Sidewalks	A (General Engineering) B (General Building) C8 (Concrete Contractor)	Sewer Later/ Mainline	A (General Engineering) C34 (Pipeline Contractor) C42 (Sanitation Contractor)
Street/ Alley	A (General Engineering) C8 (Concrete Contractor) C12 (Earth and Paving Contractor)	Storm Drain Lateral/ Mainline	A (General Engineering) C34 (Pipeline Contractor) C42 (Sanitation Contractor)

APPLICATION FOR BOND RELEASE

PROJECT ADDRESS:	PERMIT #	DATE:
COMPANY NAME:	CONTACT PERSON:	PHONE #
MAILING ADDRESS:	ORIGINAL RECEIPT ATTACHED: <input type="checkbox"/> Yes <input type="checkbox"/> No* *IF NO, ATTACH ALTERNATE PROOF OF PAYMENT	
REASON FOR REFUND: (CHECK ONE) <input type="checkbox"/> COMPLETION BOND <input type="checkbox"/> STREET OPENING BOND		
BOND RELEASE REQUEST AMOUNT:		
APPLICANT SIGNATURE:		
NOTE: ALL REFUNDS WILL BE REFUNDED TO THE ORIGINAL FEE PAYEE.		
REFUND REVIEWED AND APPROVED BY:		DATE:
REFUND PROCESSED BY:		DATE STATUS LETTER MAILED:



FOR CITY USE ONLY		
CHECKLIST / SUBMITTAL		DATE
1	Permit Application Form	
2	Plans (Construction, Site Lay-out, Sections)	
3	Traffic Control Plan (Stamped for Arterial Streets)	
4	Contractor's License	
5	Business License	
6	Liability Insurance	
7	Other:	



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CITY OF LOMITA CITY COUNCIL REPORT

TO: City Council **Item No. 71**

FROM: Ryan Smoot, City Manager

PREPARED BY: Susan Kamada, Administrative Services Director

MEETING DATE: October 18, 2022

SUBJECT: Fiscal Year 2021/2022 Year-End Budget Amendments

RECOMMENDATION

Approve the recommendations of the Finance Committee contained in Attachment 1 and direct staff to make necessary expenditure and revenue budget amendments to implement the recommendations.

BACKGROUND

Fiscal Year 2021/2022 Adopted Budget

In June 2021 the City Council adopted the annual operating and capital improvement budgets. The adopted budget at Mid-Year contains general fund expenditures of \$12,151,567 and revenues of \$11,851,067, reflecting a surplus of \$300,500. Attachment 1 is a summary of all fund's expenditure and revenue amendments, which are described in more detail below.

The City completed its fiscal year 2021/2022 year-end review on October 3, 2022. After inclusion of the transfers and adjustments recommended by the City's Administrative Services department and the Finance Committee, the General Fund is estimated to end the fiscal year with \$14,278,080 in revenues and \$14,046,559 in expenditures.

Recommended Year-End Adjustments Summary

The adjustments to the city's budget at year end include transfers to specific funds established by the City Council to fund future projects and programs. The Finance Committee has reviewed and recommended the following adjustments and transfers:

- Transfer \$500,000 to the Street Improvement Fund to provide additional funding for the street section on Narbonne Ave. South of PCH (to coordinate with the replacement of the water lines in the area).

- Transfer \$430,000 to the Equipment Replacement Fund to accelerate the City’s planned replacement of aging equipment and vehicles.
- Transfer \$430,000 to the Pension Stabilization Fund to prepare for future increases to pension obligation payments associated with investment losses (adjustments will be realized with FY 2024 CalPERS actuarial).
- Create an Economic Stabilization Fund to buffer the City’s finances against future swings in annual funding sources or economic downturns and transfer \$500,000 into the fund.
- Increase the City’s General Fund Reserve from \$4,000,000 to \$5,000,000 and establish a goal to increase it to \$6,000,000 in FY 22/23.

These recommendations are included along with recommendations for revenue and expenditure adjustments to specific city funds described below.

Detailed Revenue Amendments

Staff reviewed the status of the City’s major revenue sources to identify variances between budgeted and actual revenues, and to make recommendations for revenue budget amendments. The City’s primary revenue sources include property, sales, and motor vehicle in lieu taxes. The other major revenue source is development related revenue. Each of these sources has seen better than expected revenues over the fiscal year, and as a result staff amendments are necessary to reflect those revenues. Other special revenue funds have also seen better than anticipated revenues during the fiscal year that require an amendment. The following revenue account amendments are being recommended:

Other Funds:

Fund 100 General Fund	\$ 21,140
Fund 202 Pension Stabilization	430,000
Fund 205 State Gas Tax	41,324
Fund 210 Economic Stabilization	500,000
Fund 215 CDBG	10,786
Fund 257 Park Grant	36,914
Fund 311 Street Improvement	500,000
Fund 610 Equipment Replacement	430,000
Total Budget Amendments	<u>\$ 1,970,164</u>

Detailed Expenditure Amendments

Staff also reviewed the status of the City’s expenditures to identify potential variances between budgeted and actual expenditures, and to make recommendations for expenditure budget amendments. A review of the General Fund expenditures found several areas where actual year-end expenditures were less than anticipated in the adopted budget. Some special revenues funds have seen an increase in costs during the fiscal year that also require amendment. As a result, the following expenditure account amendments are being recommended:

General Fund:

City Council	\$ 11,617
City Attorney	(70,000)
City Manager	(7,848)
City Clerk	22,769
Administrative Services	(11,432)
Human Resources	(33,647)
Public Safety	28,703
Emergency Operations	(54,027)
Safety Enforcement	54,631
Animal Care & Control	(13,000)
Planning	1,976
Economic Development	(24,000)
Information Technology	(38,000)
Parks & Recreation	51,075
Parks Maintenance	29,065
Transfers to Other Funds	1,912,110
	<u>\$ 1,859,992</u>

Other Funds:

Fund 203 Economic Development	\$ 2,500
Fund 207 Measure R Local Return	(281,662)
Fund 209 Measure M	(280,000)
Fund 211 Measure W	2,662
Fund 212 American Rescue Plan	21,140
Fund 220 Prop A Local Return	(572,052)
Fund 225 Prop C Local Return	(653,780)
Fund 245 Landscape Maint Dist #1	6,958
Fund 260 Lomita Manor	116,073
	<u>\$ (1,638,161)</u>

OPTIONS

1. Approve the recommendations of the Finance Committee.
2. Amend the recommendations.
3. Provide further direction.

FISCAL IMPACT

The adjustments identified will increase revenues by \$1,970,164 and expenditures by \$221,831.

ATTACHMENTS

1. Fiscal Year 2021/2022 Budget Amendments

Reviewed by:



Gary Y. Sugano
Assistant City Manager

Approved by:



Ryan Smoot
City Manager

Prepared by:



Susan Kamada
Administrative Services Director



Fiscal Year 2021-2022 Year-End Budget Amendments
City of Lomita

Revenues	Budget	Year to Date	Budget Balance	Percent Remaining	Budget Adjustment	Revised Budget
Fund: 100 - General Fund						
100-000-4952.000 Transfer from ARPA	0	170,000	170,000	0%	21,140	21,140
General Fund Revenue Total:	12,151,567	14,278,080	(2,126,513)	117%	21,140	12,172,707
202-000-4951.000 Transfer from General Fund	0	0	0	0%	430,000	430,000
Pension Stabilization Fund Revenue Total:	5,000	2,039	(2,961)	41%	430,000	435,000
205-000-4951.000 Transfer from General Fund	0	0	0	0%	41,324	41,324
State Gas Tax Fund Revenue Total:	976,806	909,858	66,949	93%	41,324	1,018,130
210-000-4951.000 Transfer from General Fund	0	0	0	0%	500,000	500,000
Economic Stabilization Fund Revenue Total:	0	0	0	0%	500,000	500,000
215-000-4951.000 Transfer from General Fund	0	0	0	0%	10,786	10,786
Community Development Block Grant Fund Revenue Total:	271,540	61,320	210,220	77%	10,786	282,326
215-000-4951.000 Transfer from General Fund	0	0	0	0%	36,914	36,914
Park Grant Fund Revenue Total:	0	0	0	0%	36,914	36,914
Fund: 311 - Street Improvement						
311-000-4951.000 Transfer from General Fund	200,000	200,000	0	0%	500,000	700,000
Street Improvement Fund Revenue Total:	215,000	202,830	12,170	6%	500,000	715,000
610-000-4951.000 Transfer from General Fund	182,930	182,930	0	0%	430,000	612,930
Equipment Replacement Fund Revenue Total:	183,430	184,352	(922)	-1%	430,000	613,430
Total Fiscal Year 2021-2022 Year-End Budget Amendments					1,970,164	



Fiscal Year 2021-2022 Year-End Budget Amendments City of Lomita

Expenditures	Budget	Year to Date	Budget Balance	Percent Remaining	Budget Amendments	Revised Budget	
Fund: 100 - General Fund							
100-110-5430.000	Conferences and Meetings	17,000	28,217	(11,217)	-66%	11,217	28,217
100-110-5755.000	Special Department Supplies & Expen:	600	2,356	(1,756)	-293%	400	1,000
100-120-5305.000	Legal Services	255,000	178,767	76,233	30%	(70,000)	185,000
100-125-5345.000	Contractual Services	136,000	146,709	(10,709)	-8%	14,152	150,152
100-125-5460.000	Insurance - Liability and Vehicle	44,237	37,978	6,259	14%	(6,200)	38,037
100-125-5755.000	Special Department Supplies & Expen:	21,500	5,649	15,851	74%	(15,800)	5,700
100-130-5105.000	Regular Salaries	144,106	166,875	(22,769)	-16%	22,769	166,875
100-210-5310.000	Auditors	17,000	14,515	2,485	15%	(2,400)	14,600
100-210-5340.000	Professional Services	11,000	7,024	3,976	36%	(3,900)	7,100
100-210-5345.000	Contractual Services	41,000	39,868	1,132	3%	(1,132)	39,868
100-210-5460.000	Insurance - Liability and Vehicle	28,866	24,782	4,084	14%	(4,000)	24,866
100-230-5220.000	State Unemployment Insurance	5,747	0	5,747	100%	(5,747)	0
100-230-5222.000	PERS Tier 1 Unfunded Liability	341,025	329,682	11,343	3%	(11,000)	330,025
100-230-5305.000	Legal Services	25,000	8,074	16,926	68%	(16,900)	8,100
100-330-5320.000	Sheriff Contract	3,131,488	3,287,191	(155,703)	-5%	155,703	3,287,191
100-330-5321.000	Core Deputy	332,504	204,616	127,888	38%	(127,000)	205,504
100-330-5323.000	Liability Trust Fund	383,597	378,129	5,468	1%	(4,430)	379,167
100-330-5825.000	Equipment Over \$5k	3,500	7,930	(4,430)	-127%	4,430	7,930
100-333-5340.000	Professional Services	51,000	15,741	35,260	69%	(35,000)	16,000
100-333-5340.139	Professional Services - Covid 19	20,000	15,771	4,229	0%	(4,000)	16,000
100-333-5520.139	Supplies - Covid 19	20,000	6,914	13,086	0%	(13,000)	7,000
100-333-5755.000	Special Department Supplies & Expen:	4,000	362	3,638	91%	(2,027)	1,973
100-335-5110.000	Part-Time Salaries	53,304	40,569	12,735	24%	(12,000)	41,304
100-335-5345.000	Contractual Services	110,000	122,604	(12,604)	-11%	12,604	122,604
100-335-5465.000	Court Fees	105,000	159,027	(54,027)	-51%	54,027	159,027
100-336-5325.000	Animal Care and Control	90,000	76,698	13,302	15%	(13,000)	77,000
100-410-5105.000	Regular Salaries	389,591	317,598	71,993	18%	(71,000)	318,591
100-410-5110.000	Part-Time Salaries	56,960	80,933	(23,973)	-42%	23,974	80,934
100-410-5345.000	Contractual Services	225,000	274,002	(49,002)	-22%	49,002	274,002
100-430-5416.000	Economic Development Incentive Proj	20,000	21,140	(1,140)	-6%	(20,000)	0
100-430-5425.000	Dues and Memberships	4,000	0	4,000	100%	(4,000)	0
100-440-5345.000	Contractual Services	166,960	128,516	38,444	23%	(38,000)	128,960
100-710-5115.000	Overtime	1,300	9,945	(8,645)	-665%	8,645	9,945
100-710-5405.000	Utilities	65,000	79,528	(14,528)	-22%	14,528	79,528
100-710-5415.000	Communications	550	1,088	(538)	-98%	538	1,088



Fiscal Year 2021-2022 Year-End Budget Amendments
City of Lomita

Expenditures	Budget	Year to Date	Budget Balance	Percent Remaining	Budget Amendments	Revised Budget
100-710-5525.000 Equipment Under \$5k	500	2,418	(1,918)	-384%	1,918	2,418
100-710-5705.000 General Maintenance	110,000	127,150	(17,150)	-16%	17,150	127,150
100-710-5710.000 Equipment Maintenance	450	4,170	(3,720)	-827%	3,720	4,170
100-730-5105.000 Regular Salaries	247,623	253,820	(6,197)	-3%	6,197	253,820
100-730-5110.000 Part-Time Salaries	175,321	108,140	67,181	38%	(12,843)	162,478
100-730-5205.000 Health Insurance	44,723	37,137	7,586	17%	(7,366)	37,357
100-730-5215.000 PERS Tier 1 (2.5%@55)	22,546	23,394	(848)	-4%	848	23,394
100-730-5217.000 PERS Tier 3 (2%@62)	4,721	4,781	(60)	-1%	60	4,781
100-730-5345.000 Contractual Services	125,700	93,055	32,645	26%	(30,000)	95,700
100-730-5410.000 Advertising	35,000	37,144	(2,144)	-6%	2,144	37,144
100-730-5415.000 Communications	300	2,069	(1,769)	-590%	1,769	2,069
100-730-5430.000 Conferences and Meetings	8,000	8,002	(2)	0%	2	8,002
100-730-5460.000 Insurance - Liability and Vehicle	50,596	43,437	7,159	14%	(7,100)	43,496
100-730-5505.000 Office Supplies and Expense	800	1,404	(604)	-76%	604	1,404
100-735-5110.000 Part-Time Salaries	4,513	5,371	(858)	-19%	858	5,371
100-735-5115.000 Overtime	1,000	5,887	(4,887)	-489%	4,887	5,887
100-735-5754.339 Teen Program	8,000	0	8,000	100%	(8,000)	0
100-735-5754.340 Basketball Camp Scholarship	3,500	4,750	(1,250)	-36%	1,250	4,750
100-735-5755.000 Special Department Supplies & Expen:	5,000	9,266	(4,266)	-85%	4,266	9,266
100-735-5755.118 Founder's Day	50,000	108,923	(58,923)	-118%	59,000	109,000
100-735-5755.331 Mayor's Golf Classic	15,000	3,000	12,000	80%	(12,000)	3,000
100-740-5105.000 Regular Salaries	243,331	149,924	93,407	38%	(19,711)	223,620
100-740-5115.000 Overtime	8,000	14,282	(6,282)	-79%	6,169	14,169
100-740-5205.000 Health Insurance	64,800	36,889	27,911	43%	(27,000)	37,800
100-740-5345.000 Contractual Services	15,000	0	15,000	100%	(5,735)	9,265
100-740-5405.000 Utilities	9,500	32,253	(22,753)	-240%	22,753	32,253
100-740-5415.000 Communications	500	1,165	(665)	-133%	665	1,165
100-740-5425.000 Dues and Memberships	800	805	(5)	-1%	5	805
100-740-5505.000 Office Supplies and Expense	400	432	(32)	-8%	32	432
100-740-5510.000 Small Tools	1,100	1,366	(266)	-24%	266	1,366
100-740-5605.000 Rents and Leases	0	3,361	(3,361)	0%	3,361	3,361
100-740-5705.000 General Maintenance	25,000	60,611	(35,611)	-142%	35,486	60,486
100-740-5710.000 Equipment Maintenance	15,000	24,233	(9,233)	-62%	9,233	24,233
100-740-5720.000 Fuel	8,600	12,141	(3,541)	-41%	3,541	12,141
100-990-5991.000 Transfer to Special Revenue	482,930	482,930	0	0%	1,912,110	2,395,040
General Fund Expense Total:	12,186,567	11,412,911	773,656	6%	1,859,992	14,046,559



Fiscal Year 2021-2022 Year-End Budget Amendments City of Lomita

Expenditures	Budget	Year to Date	Budget Balance	Percent Remaining	Budget Amendments	Revised Budget
Fund: 203 - Economic Development						
203-430-5345.000 Contractual Services	0	2,500	(2,500)	0%	2,500	2,500
Economic Development Fund Expense Total:	0	2,500	(2,500)	0%	2,500	2,500
Fund: 207 - Measure R Local Return						
Department: 610 - Street Maintenance						
207-610-5345.000 Contractual Services	5,680	5,680	0	0%	0	5,680
207-610-5705.000 General Maintenance	10,000	0	10,000	100%	(10,000)	0
207-610-5706.000 Street Repairs	40,000	11,672	28,328	71%	(28,000)	12,000
207-810-5806.366 ADA Projects	30,000	6,720	23,280	78%	(21,000)	9,000
207-810-5806.367 Street Reconstruction Zone C&F	719,000	516,338	202,662	28%	(202,662)	516,338
207-810-5806.369 Lomita/Narbonne Intersection	20,000	0	20,000	100%	(20,000)	0
Measure R Local Return Fund Expense Total:	824,680	540,411	284,269	34%	(281,662)	543,018
Fund: 209 - Measure M						
209-810-5806.367 Street Reconstruction Zone C&F	791,833	558,513	233,320	29%	(280,000)	511,833
Measure M Fund Expense Total:	791,833	558,513	233,320	29%	(280,000)	511,833
Fund: 211 - Measure W						
211-347-5772.000 P2 - Stormwater Runoff Program	0	10,136	(10,136)	0%	2,662	2,662
Measure W Fund Expense Total:	225,000	227,662	(2,662)	-1%	2,662	227,662
Fund: 212 - American Rescue Plan						
212-990-5990.000 Transfer to General Fund	170,000	170,000	0	0%	21,140	191,140
American Rescue Plan Fund Expense Total:	1,439,512	1,439,512	0	0%	21,140	1,460,652
Fund: 220 - Proposition A Local Return						
220-340-5105.000 Regular Salaries	40,877	16,462	24,415	60%	(24,395)	16,482
220-340-5205.000 Health Insurance	8,009	0	8,009	100%	(8,009)	0
220-340-5207.000 Medicare	613	0	613	100%	(613)	0
220-340-5210.000 Workers' Compensation	1,177	0	1,177	100%	(1,177)	0
220-340-5215.000 PERS Tier 1 (2.5%@55)	2,093	1,919	174	8%	(173)	1,920
220-340-5216.000 PERS Tier 2 (2%@60)	648	0	648	100%	(648)	0
220-340-5217.000 PERS Tier 3 (2%@62)	1,219	0	1,219	100%	(1,219)	0
220-340-5222.000 PERS Tier 1 Unfunded Liability	2,423	2,100	323	13%	(323)	2,100
220-340-5223.000 PERS Tier 2 Unfunded Liability	69	0	69	100%	(69)	0



Fiscal Year 2021-2022 Year-End Budget Amendments
City of Lomita

Expenditures	Budget	Year to Date	Budget Balance	Percent Remaining	Budget Amendments	Revised Budget
220-340-5224.000 PERS Tier 3 Unfunded Liability	36	0	36	100%	(36)	0
220-340-5345.000 Contractual Services	330,000	103,635	226,365	69%	(226,365)	103,635
220-340-5345.339 Teen Program - Bus	3,000	0	3,000	100%	(3,000)	0
220-340-5460.000 Insurance - Liability and Vehicle	3,925	0	3,925	100%	(3,925)	0
220-810-5806.369 Lomita/Narbonne Intersection	302,100	0	302,100	100%	(302,100)	0
Proposition A Local Return Fund Expense Total:	696,189	124,116	572,073	82%	(572,052)	124,137
 Fund: 225 - Proposition C Local Return						
225-810-5806.326 Pavement Mangement Plan	0	6,220	(6,220)	0%	6,220	6,220
225-810-5806.369 Lomita/Narbonne Intersection-ADA	650,000	0	650,000	0%	(650,000)	0
225-810-5806.370 CIP Master Plan	20,000	11,568	8,432	0%	(10,000)	10,000
Proposition C Local Return Fund Expense Total:	695,000	35,980	652,212	0%	(653,780)	41,220
 Fund: 245 - Landscape Maintenance District #1						
245-720-5405.000 Utilities	8,574	15,107	(6,533)	-76%	6,533	15,107
245-720-5755.000 Special Department Supplies & Expen:	1,000	1,509	(509)	-51%	425	1,425
Landscape Maintenance District #1 Fund Expense Total:	10,202	17,160	(6,958)	-68%	6,958	17,160
 Fund: 260 - Lomita Manor Development						
260-518-5750.000 Contributions to Agencies	446,230	562,303	(116,073)	-26%	116,073	562,303
Lomita Manor Development Fund Expense Total:	446,230	562,303	(116,073)	-26%	116,073	562,303
 Total Fiscal Year 2021-2022 Year-End Budget Amendments					 221,831	





CITY OF LOMITA CITY COUNCIL REPORT

TO: City Council **Item No. SCH 8a**

FROM: Ryan Smoot, City Manager

PREPARED BY: Carla Dillon, P.E., Public Works Director

MEETING DATE: October 18, 2022

SUBJECT: Discussion and Consideration of Professional Services Agreements with Northstar Chemical and Filtration Technology, Inc. for Water Treatment Chemicals

RECOMMENDATION

Authorize the City Manager to execute Professional Services Agreements with Northstar Chemical, Inc. and Filtration Technology, Inc. for water treatment chemicals.

BACKGROUND

The Cypress Water Production Facility (CWPF) Upgrades projects began in March 2021. The upgrades are nearly complete and CWPF is scheduled to begin start-up procedures in November 2022 pending approval from the State Division of Drinking Water. When the facility is returned to full operation and the Granular Activate Carbon (GAC) system is brought online, the CWPF will require chemicals to operate, including sodium hypochlorite, ammonium hydroxide and blended polyphosphate. Since CWPF was taken offline in 2019, the City does not have a supplier for these water treatment chemicals. An RFP was released on September 15, 2022, and was sent to multiple chemical suppliers, as well as posting on the City's website.

In response to the RFP, the City received a proposal from Northstar Chemical, Inc. to supply sodium hypochlorite and a proposal from Filtration Technology, Inc. to supply blended polyphosphate. After reviewing the proposals, staff recommends awarding an agreement to each firm for their respective proposed supplies as requested. The City is in direct contact with multiple chemical suppliers regarding ammonium hydroxide, and if necessary, a separate contract will be brought to Council. In the interim, staff will procure ammonium hydroxide deliveries on a per-load basis so as to not impede the start-up process for the CWPF.

The proposed agreements are for supply and delivery of water treatment chemicals to CWPF. The agreements have a term of three years, with the option to extend the agreements for two one-year periods at the City's discretion.

Northstar Chemical, Inc. has two distribution locations within California and intends to provide sodium hypochlorite within 24-48 hours for expedited delivery. Northstar Chemical has proposed fixed pricing for one year, with 60-day notice at the end of one year for any price changes.

Filtration Technology, Inc. has one distribution location in Idaho and intends to provide blended polyphosphate within 72 hours for expedited delivery. Filtration Technology has proposed fixed pricing for one year, with 2-week notice at the end of one year for any price changes.

OPTIONS:

1. Authorize the City Manager to execute the agreements.
2. Do not authorize the City Manager to execute the agreements.
3. Give staff alternative direction.

FISCAL IMPACT

The annual expenditures on water treatment chemicals vary from year to year according to the City's needs. The City's proposed FY 22-23 budget includes \$271,822 in account 510-630-5443.000 for Water Supply Production, Reservoir. The estimated annual expenditures for sodium hypochlorite and blended polyphosphate for FY 22-23 are approximately \$150,000.

ATTACHMENTS

1. Professional Services Agreement Northstar Chemical, Inc. with Exhibits A and B
2. Professional Services Agreement Filtration Technology, Inc. with Exhibits A and B

Reviewed by:



Gary Y. Sugano
Assistant City Manager

Reviewed by:



Carla Dillon, P.E.
Public Works Director

Approved by:



Ryan Smoot
City Manager

Prepared by:



Rachel Bucklew
Administrative Analyst



**CONTRACT FOR PROFESSIONAL SERVICES
BETWEEN
THE CITY OF LOMITA AND NORTHSTAR CHEMICAL, INC.**

This AGREEMENT for WATER TREATMENT CHEMICALS is entered into this 18th day of October 2022, by and between the CITY OF LOMITA, a general law city and municipal corporation (“CITY”) and NORTHSTAR CHEMICAL, INC. (“CONSULTANT”).

RECITALS

- A. CITY does not have the personnel able and/or available to perform the services required under this agreement.
- B. Therefore, CITY desires to contract out for WATER TREATMENT CHEMICALS.
- C. CONSULTANT warrants to CITY that it has the qualifications, experience and facilities to perform properly and timely the services under this Agreement.
- D. CITY desires to contract with CONSULTANT to perform the services as described in **Exhibit A** of this Agreement.

NOW, THEREFORE, based on the foregoing recitals, CITY and CONSULTANT agree as follows:

1. CONSIDERATION AND COMPENSATION.

- A. As partial consideration, CONSULTANT agrees to perform the work listed in the SCOPE OF SERVICES, attached as **Exhibit A**.
- B. As additional consideration, CONSULTANT and CITY agree to abide by the terms and conditions contained in this Agreement.
- C. CONSULTANT shall bill the CITY in accordance with the cost proposal attached as **Exhibit B**.
- D. No additional compensation shall be paid for any other expenses incurred, unless first approved by the City Manager or his designee.
- E. CONSULTANT shall submit to CITY, by not later than the 10th day of each month, its bill for services itemizing the fees and costs incurred during the previous month. CITY shall pay CONSULTANT all uncontested amounts set forth in the CONSULTANT'S bill within 30 days after it is received.

2. **SCOPE OF SERVICES.**

A. CONSULTANT will perform the services and activities set forth in the SCOPE OF SERVICES attached hereto as **Exhibit A** and incorporated herein by this reference. If any part of **Exhibit A** is inconsistent with the terms of this Agreement, the terms of this Agreement shall control.

B. Except as herein otherwise expressly specified to be furnished by CITY, CONSULTANT will, in a professional manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space, and facilities necessary or proper to perform and complete the work and provide the professional services required of CONSULTANT by this Agreement.

3. **PAYMENTS.** For CITY to pay CONSULTANT as specified by this Agreement, CONSULTANT must submit an invoice to CITY which lists the reimbursable costs, the specific tasks performed, and, for work that includes deliverables, the percentage of the task completed during the billing period.

4. **TIME OF PERFORMANCE.** The services of CONSULTANT are to commence upon receipt of a notice to proceed from CITY and shall continue until all authorized work is completed to CITY's reasonable satisfaction, in accordance with the schedule incorporated in "**Exhibit A,**" unless extended in writing by CITY.

5. **FAMILIARITY WITH WORK.** By executing this Agreement, CONSULTANT represents that CONSULTANT has (a) thoroughly investigated and considered the scope of services to be performed; (b) carefully considered how the services should be performed; and (c) understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement.

6. **KEY PERSONNEL.** CONSULTANT's key person assigned to perform work under this Agreement is Matt Werger. CONSULTANT shall not assign another person to be in charge of the work contemplated by this Agreement without the prior written authorization of CITY.

7. **TERM OF AGREEMENT.** The term of this Agreement shall commence upon execution by both parties and shall expire on October 30, 2025, unless earlier termination occurs under Section 11 of this Agreement, or extended in writing in advance by both parties.

8. **CHANGES.** CITY may order changes in the services within the general scope of this Agreement, consisting of additions, deletions, or other revisions, and the contract sum and the contract time will be adjusted accordingly. All such changes must be authorized in writing, executed by CONSULTANT and CITY. The cost or credit to CITY resulting from changes in the services will be determined in accordance with written agreement between the parties.

9. **TAXPAYER IDENTIFICATION NUMBER.** CONSULTANT will provide CITY with a Taxpayer Identification Number.
10. **PERMITS AND LICENSES.** CONSULTANT will obtain and maintain during the term of this Agreement all necessary permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.
11. **TERMINATION.**
- A. Except as otherwise provided, CITY may terminate this Agreement at any time with or without cause. Notice of termination shall be in writing.
 - B. CONSULTANT may terminate this Agreement. Notice will be in writing at least 30 days before the effective termination date.
 - C. In the event of such termination, CONSULTANT shall cease services as of the date of termination, all finished or unfinished documents, data, drawings, maps, and other materials prepared by CONSULTANT shall, at CITY's option, become CITY's property, and CONSULTANT will receive just and equitable compensation for any work satisfactorily completed up to the effective date of notice of termination.
 - D. Should the Agreement be terminated pursuant to this Section, CITY may procure on its own terms services similar to those terminated.
12. **INDEMNIFICATION.**
- A. CONSULTANT shall indemnify, defend with counsel approved by CITY, and hold harmless CITY, its officers, officials, employees and volunteers from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with CONSULTANT's performance of work hereunder or its failure to comply with any of its obligations contained in this AGREEMENT, regardless of CITY'S passive negligence, but excepting such loss or damage which is caused by the sole active negligence or willful misconduct of CITY. Should CITY in its sole discretion find CONSULTANT'S legal counsel unacceptable, then CONSULTANT shall reimburse CITY its costs of defense, including without limitation reasonable attorneys fees, expert fees and all other costs and fees of litigation. CONSULTANT shall promptly pay any final judgment rendered against CITY (and its officers, officials, employees and volunteers) covered by this indemnity obligation. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.
 - B. The requirements as to the types and limits of insurance coverage to be maintained by CONSULTANT as required by Section 17, and any approval of

said insurance by CITY, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

13. **ASSIGNABILITY.** This Agreement is for CONSULTANT's professional services. CONSULTANT's attempts to assign the benefits or burdens of this Agreement without CITY's written approval are prohibited and will be null and void.
14. **INDEPENDENT CONSULTANT.** CITY and CONSULTANT agree that CONSULTANT will act as an independent CONSULTANT and will have control of all work and the manner in which is it performed. CONSULTANT will be free to contract for similar service to be performed for other employers while under contract with CITY. CONSULTANT is not an agent or employee of CITY and is not entitled to participate in any pension plan, insurance, bonus or similar benefits CITY provides for its employees. Any provision in this Agreement that may appear to give CITY the right to direct CONSULTANT as to the details of doing the work or to exercise a measure of control over the work means that CONSULTANT will follow the direction of the CITY as to end results of the work only.
15. **AUDIT OF RECORDS.**
 - A. CONSULTANT agrees that CITY, or designee, has the right to review, obtain, and copy all records pertaining to the performance of this Agreement. CONSULTANT agrees to provide CITY, or designee, with any relevant information requested and will permit CITY, or designee, access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this Agreement. CONSULTANT further agrees to maintain such records for a period of three (3) years following final payment under this Agreement.
 - B. CONSULTANT will keep all books, records, accounts and documents pertaining to this Agreement separate from other activities unrelated to this Agreement.
16. **CORRECTIVE MEASURES.** CONSULTANT will promptly implement any corrective measures required by CITY regarding the requirements and obligations of this Agreement. CONSULTANT will be given a reasonable amount of time as determined by CITY to implement said corrective measures. Failure of CONSULTANT to implement required corrective measures shall result in immediate termination of this Agreement.

17. INSURANCE REQUIREMENTS.

A. CONSULTANT, at CONSULTANT's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies:

1. Workers Compensation Insurance as required by law. CONSULTANT shall require all subconsultants similarly to provide such compensation insurance for their respective employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by CITY at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against CITY, its officers, agents, employees, and volunteers for losses arising from work performed by CONSULTANT for CITY.
2. General Liability Coverage. CONSULTANT shall maintain commercial general liability insurance in an amount of not less than one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury, and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.
3. Automobile Liability Coverage. CONSULTANT shall maintain automobile liability insurance covering bodily injury and property damage for all activities of CONSULTANT arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired, and non-owned vehicles, in an amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence.
4. Professional Liability Coverage. CONSULTANT shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors, or omissions which may arise from CONSULTANT'S operations under this Agreement, whether such operations be by CONSULTANT or by its employees, subconsultants, or subconsultants. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single-limit-per-occurrence basis. When coverage is provided on a "claims made basis," CONSULTANT will continue to renew the insurance for a period of three (3) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement, and will cover CONSULTANT for all claims made by CITY arising out of any errors or omissions of CONSULTANT, or its officers, employees or agents during the time this Agreement was in effect.

B. Endorsements. Each general liability, automobile liability and professional liability insurance policy shall be issued by a financially responsible insurance

company or companies admitted and authorized to do business in the State of California, or which is approved in writing by CITY, and shall be endorsed as follows. CONSULTANT also agrees to require all CONSULTANTS, and subconsultants to do likewise.

1. "The CITY, its elected or appointed officers, officials, employees, agents, and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the CONSULTANT, including materials, parts, or equipment furnished in connection with such work or operations."
 2. This policy shall be considered primary insurance as respects CITY, its elected or appointed officers, officials, employees, agents, and volunteers. Any insurance maintained by CITY, including any self-insured retention CITY may have, shall be considered excess insurance only and shall not contribute with this policy.
 3. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.
 4. The insurer waives all rights of subrogation against CITY, its elected or appointed officers, officials, employees, or agents.
 5. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its elected or appointed officers, officials, employees, agents, or volunteers.
 6. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days' written notice has been received by CITY.
- C. CONSULTANT agrees to provide immediate notice to CITY of any claim or loss against CONSULTANT arising out of the work performed under this agreement. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.
- D. Any deductibles or self-insured retentions must be declared to and approved by CITY. At CITY's option, CONSULTANT shall demonstrate financial capability for payment of such deductibles or self-insured retentions.
- E. CONSULTANT shall provide certificates of insurance with original endorsements to CITY as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with CITY on or before commencement of performance of this Agreement. Current certification of insurance shall be kept on file with CITY at all times during the term of this Agreement.

- F. Failure on the part of CONSULTANT to procure or maintain required insurance shall constitute a material breach of contract under which CITY may terminate this Agreement pursuant to Section 11 above.
- G. The commercial general and automobile liability policies required by this Agreement shall allow CITY, as additional insured, to satisfy the self-insured retention ("SIR") and/or deductible of the policy in lieu of the CONSULTANT (as the named insured) should CONSULTANT fail to pay the SIR or deductible requirements. The amount of the SIR or deductible shall be subject to the approval of the City Attorney and the Finance Director. CONSULTANT understands and agrees that satisfaction of this requirement is an express condition precedent to the effectiveness of this Agreement. Failure by CONSULTANT as primary insured to pay its SIR or deductible constitutes a material breach of this Agreement. Should CITY pay the SIR or deductible on CONSULTANT'S behalf upon CONSULTANT'S failure or refusal to do so in order to secure defense and indemnification as an additional insured under the policy, CITY may include such amounts as damages in any action against CONSULTANT for breach of this Agreement in addition to any other damages incurred by CITY due to the breach.
18. **USE OF OTHER CONSULTANTS.** CONSULTANT must obtain CITY's prior written approval to use any CONSULTANTS while performing any portion of this Agreement. Such approval must include approval of the proposed CONSULTANT and the terms of compensation.
19. **FINAL PAYMENT ACCEPTANCE CONSTITUTES RELEASE.** The acceptance by the CONSULTANT of the final payment made under this Agreement shall operate as and be a release of CITY from all claims and liabilities for compensation to the CONSULTANT for anything done, furnished or relating to the CONSULTANT'S work or services. Acceptance of payment shall be any negotiation of CITY'S check or the failure to make a written extra compensation claim within ten (10) calendar days of the receipt of that check. However, approval or payment by CITY shall not constitute, nor be deemed, a release of the responsibility and liability of CONSULTANT, its employees, sub-CONSULTANTS and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by CITY for any defect or error in the work prepared by CONSULTANT, its employees, sub-CONSULTANTS and agents.
20. **CORRECTIONS.** In addition to the above indemnification obligations, the CONSULTANT shall correct, at its expense, all errors in the work which may be disclosed during CITY'S review of CONSULTANT'S report or plans. Should the CONSULTANT fail to make such correction in a reasonably timely manner, such correction shall be made by CITY, and the cost thereof shall be charged to CONSULTANT. In addition to all other available remedies, CITY may deduct the cost of such correction from any retention amount held by CITY or may withhold

payment otherwise owed CONSULTANT under this Agreement up to the amount of the cost of correction.

21. **NON-APPROPRIATION OF FUNDS.** Payments to be made to CONSULTANT by CITY for services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted fund. In the event that CITY does not appropriate sufficient funds for payment of CONSULTANT'S services beyond the current fiscal year, the Agreement shall cover payment for CONSULTANT'S only to the conclusion of the last fiscal year in which CITY appropriates sufficient funds and shall automatically terminate at the conclusion of such fiscal year.
22. **NOTICES.** All communications to either party by the other party will be deemed made when received by such party at its respective name and address as follows:

CITY	CONSULTANT
City of Lomita 24300 Narbonne Avenue Lomita, CA 90717	Northstar Chemical, Inc. 14200 SW Tualatin Sherwood Road Sherwood, OR 97140
ATTN: City Manager	ATTN: Matt Werger

Any such written communications by mail will be conclusively deemed to have been received by the addressee upon deposit thereof in the United States Mail, postage prepaid and properly addressed as noted above. In all other instances, notices will be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph. Courtesy copies of notices may be sent via electronic mail, provided that the original notice is deposited in the U.S. mail or personally delivered as specified in this Section.

23. **SOLICITATION.** CONSULTANT maintains and warrants that it has not employed nor retained any company or person, other than CONSULTANT's bona fide employee, to solicit or secure this Agreement. Further, CONSULTANT warrants that it has not paid nor has it agreed to pay any company or person, other than CONSULTANT's bona fide employee, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Should CONSULTANT breach or violate this warranty, CITY may rescind this Agreement without liability.
24. **THIRD PARTY BENEFICIARIES.** This Agreement and every provision herein is generally for the exclusive benefit of CONSULTANT and CITY and not for the benefit of any other party. There will be no incidental or other beneficiaries of any of CONSULTANT's or CITY's obligations under this Agreement.

25. **INTERPRETATION.** This Agreement was drafted in, and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this agreement will be in Los Angeles County.
26. **ENTIRE AGREEMENT.** This Agreement, and its Attachments, sets forth the entire understanding of the parties. There are no other understandings, terms or other agreements expressed or implied, oral or written.
27. **RULES OF CONSTRUCTION.** Each Party had the opportunity to independently review this Agreement with legal counsel. Accordingly, this Agreement will be construed simply, as a whole, and in accordance with its fair meaning; it will not be interpreted strictly for or against either Party.
28. **AUTHORITY/MODIFICATION.** The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and to engage in the actions described herein. This Agreement may be modified by written amendment with signatures of all parties to this Agreement. CITY's city administrator, or designee, may execute any such amendment on behalf of CITY.
29. **ACCEPTANCE OF FACSIMILE OR ELECTRONIC SIGNATURES.** The Parties agree that this Agreement will be considered signed when the signature of a party is delivered by facsimile transmission, scanned and delivered via electronic mail, or delivered using digital signature technology approved by CITY. Such facsimile or electronic signatures will be treated in all respects as having the same effect as an original signature.
30. **FORCE MAJEURE.** Should performance of this Agreement be impossible due to fire, flood, explosion, war, embargo, government action, civil or military authority, the natural elements, or other similar causes beyond the Parties' control, then the Agreement will immediately terminate without obligation of either party to the other.
31. **TIME IS OF ESSENCE.** Time is of the essence to comply with dates and schedules to be provided.
32. **ATTORNEY'S FEES.** The parties hereto acknowledge and agree that each will bear his or its own costs, expenses and attorneys' fees arising out of and/or connected with the negotiation, drafting and execution of the Agreement, and all matters arising out of or connected therewith except that, in the event any action is brought by any party hereto to enforce this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees and costs in addition to all other relief to which that party or those parties may be entitled.
33. **STATEMENT OF EXPERIENCE.** By executing this Agreement, CONSULTANT represents that it has demonstrated trustworthiness and possesses the quality, fitness and capacity to perform the Agreement in a manner satisfactory to CITY. CONSULTANT represents that its financial resources, surety and insurance

experience, service experience, completion ability, personnel, current workload, experience in dealing with private CONSULTANTS, and experience in dealing with public agencies all suggest that CONSULTANT is capable of performing the proposed contract and has a demonstrated capacity to deal fairly and effectively with and to satisfy a public agency.

34. DISCLOSURE REQUIRED. (CITY and CONSULTANT initials required at one of the following paragraphs)

By their respective initials next to this paragraph, CITY and CONSULTANT hereby acknowledge that CONSULTANT is a "CONSULTANT" for the purposes of the California Political Reform Act because CONSULTANT'S duties would require him or her to make one or more of the governmental decisions set forth in Fair Political Practices Commission Regulation 18700.3(a)(2) or otherwise serves in a staff capacity for which disclosure would otherwise be required were CONSULTANT employed by CITY. CONSULTANT hereby acknowledges his or her assuming-office, annual, and leaving-office financial reporting obligations under the California Political Reform Act and the CITY'S Conflict of Interest Code and agrees to comply with those obligations at his or her expense. Prior to CONSULTANT commencing services hereunder, the City's Manager shall prepare and deliver to CONSULTANT a memorandum detailing the extent of CONSULTANT'S disclosure obligations in accordance with the CITY'S Conflict of Interest Code.

City Initials _____

CONSULTANT Initials _____

OR

By their initials next to this paragraph, CITY and CONSULTANT hereby acknowledge that CONSULTANT is not a "CONSULTANT" for the purpose of the California Political Reform Act because CONSULTANT'S duties and responsibilities are not within the scope of the definition of CONSULTANT in Fair Political Practice Commission Regulation 18700.3(a)(2) and is otherwise not serving in staff capacity in accordance with CITY'S Conflict of Interest Code.

City Initials _____

CONSULTANT Initials _____

IN WITNESS WHEREOF the parties hereto have executed this contract the day and year first hereinabove written.

CITY OF LOMITA

CONSULTANT

Ryan Smoot, City Manager

By:

TITLE

ATTEST:

Kathleen Horn Gregory, City Clerk

Taxpayer ID No.

APPROVED AS TO FORM:

Trevor Rusin, City Attorney

DRAFT



**REQUEST FOR PROPOSALS
FOR WATER TREATMENT CHEMICALS**

Release Date: September 15, 2022

Deadline for Submission: October 3, 2022 at 5:00 p.m.

Submit Proposals to:

City of Lomita
Attn: Carla Dillon, P.E.
Public Works Department
24300 Narbonne Ave
Lomita, CA 90717

Refer questions to:

Public Works Department
(310) 325-7110 x 115
publicworks@lomitacity.com

REQUEST FOR PROPOSALS

I. OBJECTIVE

The City of Lomita is seeking written proposals from qualified Contractors for supply and delivery of water treatment chemicals for a period of three years, with the option, at the City's sole discretion, to extend two additional years upon successful demonstration of exemplary contract performance.

This RFP describes the required scope of services and the minimum information that must be included in the proposal. Failure to submit information in accordance with the RFP requirements may be cause for disqualification.

II. GENERAL INFORMATION

The City desires to contract for supply and delivery of water treatment chemicals to the Cypress Water Production Facility located at 26112 Cypress Street, Lomita, CA 90717. This would include all chemicals being delivered as "FREIGHT ON BOARD". All chemicals will be in accordance with applicable American Water Works Association standards and the attached specifications. Estimated quantities are listed in Exhibit E.

All chemicals consigned to the Cypress Water Production Facility must be accompanied by a certification of compliance with the specifications of the American National Sanitation Foundation Standard 60, concerning drinking water additives.

It is the intent of the City to award a Professional Services Agreement in a form approved by the City Attorney, to the selected Contractor(s). The City may award multiple Agreements/Contracts to meet the needs of the City. The City reserves the right to further negotiate the terms and conditions of the Agreement. The City shall preserve the right to reject any proposal for noncompliance with Agreement requirements and provisions, or to not award an agreement because of unforeseen circumstances or if it is determined to be in the best interest of the City. This project will be awarded based on demonstrated ability and performance providing similar services at a fair and reasonable cost. This Agreement may not be awarded to the lowest respondent(s). The City does not guarantee a specific amount of work and the quantity of work may increase or decrease depending on the annual needs of the City.

III. SCOPE OF SERVICES

The successful Contractor will furnish all necessary materials, equipment, labor, and incidentals to perform the supply and delivery of chemicals as specified in Exhibit A (Chemical Specifications) and adhere to all requirements in Exhibit B (Technical Specifications) of this RFP.

Vendor will supply to the City of Lomita, upon delivery, an affidavit of compliance with these specifications (see each specification for more information about requirements for

the contents of affidavit).

Following the City's request for deliveries, all chemical companies must provide notification of intended deliveries one day prior to the expected delivery dates. This notification may be by internet or phone and must include the delivery driver's name and driver's license number if available, truck number/license, and expected time of delivery. Shipments received without this information may be refused.

IV. TENTATIVE SCHEDULE

ACTION ITEM	DATE(S)
Issue Request for Proposal	September 15, 2022
Pre-Proposal Meeting	September 22, 2022
Last Date for Questions	September 26, 2022
Latest Response Date from City on Questions	September 28, 2022
Proposals Due	October 3, 2022
Conduct Interviews (optional)	October 5, 2022
Recommend Firm Selection to the City Council	October 18, 2022
Complete and Execute Agreement	October 21, 2022
Notice to Proceed	October 24, 2022

V. PRE-PROPOSAL MEETING

A pre-proposal meeting will be held on September 22, 2022 at 11:00 AM. The location will be the Cypress Water Production Facility at 26112 Cypress Street, Lomita, CA 90717. This pre-proposal meeting is not mandatory but will allow potential Contractors the opportunity to view the Facility, assess any delivery limitations, and address any questions.

VI. PROPOSAL REQUIREMENTS

Responses to this RFP must include completion of the following:

1. Proposer's Statement of Qualifications Form (Exhibit D)
2. Cost Proposal Form (Exhibit E)

VII. EVALUATION CRITERIA AND SELECTION PROCESS

It is the City's intent to select the Contractor(s) with the best combination of qualifications and cost proposal. The selection committee will rank the proposals based upon the materials submitted by the proposing Contractors. The City may request Contractor(s) to submit additional information pertinent to the RFP. The City also reserves the right to investigate and rely upon information from other available sources in addition to any documents or information submitted by the Bidder. The City retains the sole discretion to determine issues of compliance and to determine whether a bidder is responsive and responsible.

The Committee may choose to interview two or more closely ranked Contractors, but will not expect or schedule time for elaborate presentations. The City's decision on qualification will be based on the evaluation of several factors including but not limited to the following:

1. Relevant work experience
2. Experience of key personnel
3. Completeness of the proposal
4. Customer references
5. Cost proposal

Following the selection of the most qualified Contractor(s), a final professional services agreement including budget, schedule and final Scope of Services will be negotiated before execution of the agreement. A template Professional Services Agreement is attached to this proposal as Exhibit F. Modifications may be made to this template by the City as necessary during the negotiation process.

The City shall attempt to negotiate an agreement to perform the work with the proposer(s) considered to be the most qualified. Should the City be unable to negotiate a satisfactory agreement with the proposer(s) determined to be most qualified, at a price the City determines to be fair and reasonable, negotiations with that proposer(s) will be formally terminated. The City shall then undertake negotiations with the next qualified proposers individually until agreement(s) are reached. The City may award multiple proposers if it is in the City's best interest.

These RFP procedures prohibit the practices which might result in unlawful activity including, but not limited to, rebates, kickbacks, or other unlawful considerations, and prohibit City employees from participating in the selection process when such employees have a relationship with a person or business entity seeking an agreement under this RFP that would create a conflict of interest.

VIII. SUBMISSION DEADLINE AND REQUIREMENTS

Proposals are to be submitted in envelopes clearly marked with the Contractor's name, address, phone number, and "Proposal for Water Treatment Chemicals". Proposal packages should include one original and two copies of the proposal. Email submissions will be accepted if received before the deadline to the following email address publicworks@lomitacity.com.

Proposals are to be submitted to the City on or before Monday, October 3, 2022, at 5:00 p.m. Proposals received after the stated deadline shall not be accepted. Proposal packages are to be delivered to:

City of Lomita
Attn: Carla Dillon, P.E.
Public Works Department
24300 Narbonne Ave
Lomita, CA 90717

Other Requirements:

1. The proposal shall be signed by an authorized official of your firm.
2. The proposal shall be valid for a minimum of 90 days.
3. The City of Lomita reserves the right to reject any or all proposals, to modify the RFP, or to cancel the RFP.

IX. QUESTIONS

Questions about this RFP should be submitted by email to Public Works at publicworks@lomitacity.com by September 26, 2022 at 4:00 p.m. Responses to all questions will be posted by September 28, 2022 to the City's website at <https://lomitacity.com/current-bids-rfps/>.

X. LIMITATIONS

1. All reports and pertinent data or materials shall become the sole property of the City and may not be reproduced without the explicit written permission of the City.
2. No compilation, tabulation, syntheses or analysis of data, nor definition, opinions, etc., should be anticipated by the proposer from the City, unless volunteered by a responsible official in that agency. Good business practice, such as formal letters of request, and making of appointments, should be followed.
3. The Request for Proposals does not commit the City to award contract(s), to pay any costs incurred in preparation of the proposal, or to procure or contract for services or supplies. The City reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with any qualified source, or to cancel in part or in its entirety this Request for Proposals, if it is in the best interests of the City to

do so. The City may require the proposer(s) selected to participate in negotiations, and to submit such price, technical, or other revisions of their proposals as may result from such negotiations.

EXHIBITS

Exhibit A – Chemical Specifications

Exhibit B – Technical Specifications

Exhibit C – Polyphosphate Product Sheet

Exhibit D – Proposer’s Statement of Qualifications Form

Exhibit E – Cost Proposal Form

Exhibit F – Professional Services Agreement Template

EXHIBIT A – Chemical Specifications

SODIUM HYPOCHLORITE SOLUTION SPECIFICATION (12.5% - Mini Bulk Tanker Delivery)

1. Requirement

It is required that a contractor be established to furnish, in accordance with these specifications, all of the City's requirements for 12.5 % sodium hypochlorite solution, during the period of November 1, 2022 through October 31, 2025 (36 months).

2. General

The sodium hypochlorite solution shall conform to the American Water Works Association's Standard for hypochlorite, B300-10 or current revision; except as modified or supplemented herein.

Chemical Name: Sodium Hypochlorite Solution
Chemical Formula: NaOCl
Concentration: 12.5%
Specific Gravity: 1.19
Unit Weight: 10 pounds/gallon

3. Quality

- a. The sodium hypochlorite delivered under this specification shall contain no substance in quantities capable of producing deleterious or injurious effects on the health of those consuming water that has been treated properly with the sodium hypochlorite or causing water so treated to fail to meet the requirements of the California Domestic Water Quality and Monitoring Regulations.
- b. If the product delivered does not meet the minimum quality requirements, the contractor will be responsible for removal of the product and disinfection of any City equipment that was contaminated by the product. The contractor will also be responsible for supply and delivery of product that does meet the minimum quality requirements.
- c. The total free alkali (as NaOH) in sodium hypochlorite shall not exceed 1.5 percent by weight.

4. Affidavit of Compliance

The contractor shall submit an affidavit of compliance with these specifications for each delivery of sodium hypochlorite.

5. Certified Laboratory Report

- a. A certified laboratory report shall be submitted prior to the first hypochlorite delivery to the City, and when a significant change occurs in the contractor's process.
- b. Charges for the certified laboratory report shall be included in the bid price.

6. Quantity

- a. The estimated requirements for sodium hypochlorite, as listed on the Cost Proposal Form, will vary with the actual demands of the City.
- b. The estimated requirements are given for information purposes only and shall not be deemed to guarantee either a minimum amount or restrict the maximum amount to be furnished.
- c. It is the intent of this specification to require the contractor to furnish all the City's sodium hypochlorite requirements.
- d. Neither an under run, regardless of extent, nor an over run, regardless of extent, in the actual quantity delivered compared to the estimated quantity shall entitle the contractor to an adjustment in the unit price or any other compensation.

7. Delivery

- a. All chemicals consigned to the Cypress Water Production Facility must be accompanied by a certification of compliance with the specifications of the American National Sanitation Foundation Standard 60, concerning drinking water additives.
- b. The contractor shall make deliveries of sodium hypochlorite upon request to the City of Lomita Cypress Water Production Facility, 26112 Cypress Street, Lomita CA 90717.
- c. The contractor shall make deliveries of sodium hypochlorite to the Cypress Water Production Facility between the hours of 6:30 a.m. to 3:00 p.m. Monday-Friday. If the contractor for any reason cannot make the delivery during the above stated hours, the contractor shall notify the City and an alternate time will be scheduled.
- d. The contractor shall provide delivery service on Saturday, Sunday and legal holiday as necessary with order lead time of two days.

8. Condition of Containers

- a. The sodium hypochlorite shall be of 12.5 % available NaOCl by weight and shipped by tanker truck.
- b. All cargo trailers and appurtenant valves used for the delivery of the sodium hypochlorite, under this specification, shall be in good mechanical order and shall be in full compliance with the applicable requirements of the Hazardous Materials Regulations of the Department of Transportation, Code of Federal Regulations, as currently issued.
- c. All appurtenant valves, pumps, and discharge hoses used for the delivery of sodium hypochlorite shall be clean and free from contaminating material. If off-loading equipment is not properly cleaned, this will constitute a reason for rejection of the load.
- d. All trailer ports used for the loading or delivery of sodium hypochlorite shall be secured with appropriate tamper-proof, security seals verifying the shipment has not been breached in transit. If seals are not intact, this will constitute a reason for rejection of the load.

9. Safety Requirement

Truck driver shall wear the appropriate protective face and body apparel, as required by the California Occupational Safety and Health Administration when unloading sodium hypochlorite.

10. Marking

Each container shall carry a clear identification of the material and shall carry the current proper precautionary information as required by the Department of Transportation and other regulatory agencies.

11. Spillage

- a. All discharge connections and hose ends shall be plugged, capped, blind flanged, or contained to prevent any spillage of sodium hypochlorite.
- b. The Contractor shall be notified immediately of any spillage which is not cleaned up by the truck driver.
- c. Any spillage not cleaned up within four (4) hours of notification will be cleaned up by the City forces at a minimum charge of \$150 per hour and shall be billed to the Contractor.
- d. The Contractor shall pay for the repair of areas damaged by the spillage of sodium hypochlorite.

12. Placement of Order

The City shall notify the Contractor a minimum of two (2) days in advance of the requirements for each delivery.

13. City Contacts

In the event a problem and/or question arises regarding this specification, the Contractor may contact Mark Andersen, Chief Water Operations Supervisor at 310-508-3755.

AMMONIUM HYDROXIDE SOLUTION SPECIFICATION (19% - Mini Bulk Tanker Delivery)

1. Requirement

It is required that a contractor be established to furnish, in accordance with these specifications, all of the City's requirements for 19% ammonium hydroxide solution, during the period of November 1, 2022 through October 31, 2025 (36 months).

2. General

The ammonium hydroxide solution shall conform to the American Water Works Association's Standard for hypochlorite, B306-15 or current revision; except as modified or supplemented herein.

Chemical Name: Ammonium Hydroxide Solution (Aqua Ammonia)

Chemical Formula: NH_4OH

Concentration: 19%

Specific Gravity: 0.93

Unit Weight: 7.5 lbs/gallon

3. Quality

a. The ammonium hydroxide delivered under this specification shall contain no substance in quantities capable of producing deleterious or injurious effects on the health of those consuming water that has been treated properly with the ammonium hydroxide, or causing water so treated to fail to meet the requirements of the California Domestic Water Quality and Monitoring Regulations.

b. If the product delivered does not meet the minimum quality requirements, the contractor will be responsible for removal of the product and disinfection of any City equipment that was contaminated by the product. The contractor will also be responsible for supply and delivery of product that does meet the minimum quality requirements.

4. Affidavit of Compliance

The contractor shall submit an affidavit of compliance with these specifications for each delivery of ammonium hydroxide.

5. Certified Laboratory Report

a. A certified laboratory report shall be submitted prior to the first ammonium hydroxide delivery to the City, and when a significant change occurs in the contractor's process.

b. Charges for the certified laboratory report shall be included in the bid price.

6. Quantity

a. The estimated requirements for ammonium hydroxide, as listed on the Cost Proposal Form, will vary with the actual demands of the City.

b. The estimated requirements are given for information purposes only and shall not be deemed to guarantee either a minimum amount or restrict the maximum amount to be furnished.

c. It is the intent of this specification to require the contractor to furnish all the City's ammonium hydroxide requirements.

d. Neither an under run, regardless of extent, nor an over run, regardless of extent, in the actual quantity delivered compared to the estimated quantity shall entitle the contractor to an adjustment in the unit price or any other compensation.

7. Delivery

a. All chemicals consigned to the Cypress Water Production Facility must be accompanied by a certification of compliance with the specifications of the American National Sanitation Foundation Standard 60, concerning drinking water additives.

- b. The contractor shall make deliveries of ammonium hydroxide upon request to the City of Lomita Cypress Water Production Facility, 26112 Cypress Street, Lomita CA 90717.
 - c. The contractor shall make deliveries of ammonium hydroxide to the Cypress Water Production Facility between the hours of 6:30 a.m. to 3:00 p.m. Monday-Friday. If the contractor for any reason cannot make the delivery during the above stated hours, the contractor shall notify the City and an alternate time will be scheduled.
 - d. The contractor shall provide delivery service on Saturday, Sunday and legal holiday as necessary with order lead time of two days.
8. Condition of Containers
- a. The ammonium hydroxide shall be of 19% available NH_4OH by weight and shipped by tanker truck.
 - b. All cargo trailers and appurtenant valves used for the delivery of the ammonium hydroxide, under this specification, shall be in good mechanical order and shall be in full compliance with the applicable requirements of the Hazardous Materials Regulations of the Department of Transportation, Code of Federal Regulations, as currently issued.
 - c. All appurtenant valves, pumps, and discharge hoses used for the delivery of ammonium hydroxide shall be clean and free from contaminating material. If off-loading equipment is not properly cleaned, this will constitute a reason for rejection of the load.
 - d. All trailer ports used for the loading or delivery of ammonium hydroxide shall be secured with appropriate tamper-proof, security seals verifying the shipment has not been breached in transit. If seals are not intact, this will constitute a reason for rejection of the load.
9. Safety Requirement
Truck driver shall wear the appropriate protective face and body apparel, as required by the California Occupational Safety and Health Administration when unloading ammonium hydroxide.
10. Marking
Each container shall carry a clear identification of the material and shall carry the current proper precautionary information as required by the Department of Transportation and other regulatory agencies.
11. Spillage
- a. All discharge connections and hose ends shall be plugged, capped, blind flanged, or contained to prevent any spillage of ammonium hydroxide.
 - b. The Contractor shall be notified immediately of any spillage which is not cleaned up by the truck driver.
 - c. Any spillage not cleaned up within four (4) hours of notification will be cleaned up by the City forces at a minimum charge of \$150 per hour and shall be billed to the Contractor.
 - d. The Contractor shall pay for the repair of areas damaged by the spillage of ammonium hydroxide.
12. Placement of Order
The City shall notify the Contractor a minimum of two (2) days in advance of the requirements for each delivery.
13. City Contacts
In the event a problem and/or question arises regarding this specification, the Contractor may contact Mark Andersen, Chief Water Operations Supervisor at 310-508-3755.

BLENDING POLYPHOSPHATE SOLUTION SPECIFICATION

1. Requirement

It is required that a contractor be established to furnish, in accordance with these specifications, all of the City's requirements for a blended polyphosphate solution, during the period of November 1, 2022 through October 31, 2025 (36 months).

2. Quality

- a. The blended polyphosphate solution delivered under this specification shall contain no substance in quantities capable of producing deleterious or injurious effects on the health of those consuming water that has been treated properly with the blended polyphosphate solution.
- b. The blended polyphosphate solution delivered to the City under this agreement shall conform to the following:
 - (1) Specific Gravity: 1.34-1.40;
 - (2) pH: 5.7 ± 0.5;
 - (3) Weight: 10.9-11.2 lbs per gallon; and
 - (4) Conform to ANSI/NSF Standard 60.

3. Affidavit of Compliance

- a. The contractor shall submit an affidavit of compliance with these specifications for each delivery of blended polyphosphate solution.
- b. The affidavit of compliance shall contain:
 - (1) Percent active polyphosphate;
 - (2) Pounds per gallon; and
 - (3) Date of manufacture.

4. Certified Laboratory Report

- a. A certified laboratory report shall be submitted prior to the first blended polyphosphate delivery to the City, and when a significant change occurs in the contractor's process. This report shall contain the following:
 - (1) Percent active polyphosphate;
 - (2) Pounds per gallon;
 - (3) Date of manufacture
 - (4) Specific gravity; and
 - (5) pH.
- b. Charges for the certified laboratory report shall be included in the bid price.

5. City-Approved Blended Polyphosphate

The following are the only current City-approved blended polyphosphate:

<u>Manufacturer</u>	<u>Product</u>
Carus	AQUAMAG 9100

6. Quantity

- a. The estimated requirements for blended polyphosphate, as listed on the Cost Proposal Form, will vary with the actual demands of the City.
- b. The estimated requirements are given for information purposes only and shall not be deemed to guarantee either a minimum amount or restrict the maximum amount to be furnished.
- c. It is the intent of this specification to require the contractor to furnish all the City's blended polyphosphate requirements.
- d. Neither an under run, regardless of extent, nor an over run, regardless of extent, in the actual quantity delivered compared to the estimated quantity shall entitle the contractor to an adjustment in the unit price or any other compensation.

e. Typical quantity per order/delivery is 200 gallons.

7. Delivery

- a. All chemicals consigned to the Cypress Water Production Facility must be accompanied by a certification of compliance with the specifications of the American National Sanitation Foundation Standard 60, concerning drinking water additives.
- b. The contractor shall make deliveries of blended polyphosphate upon request to the City of Lomita Cypress Water Production Facility, 26112 Cypress Street, Lomita CA 90717.
- c. The contractor shall make deliveries of blended polyphosphate to the Cypress Water Production Facility between the hours of 6:30 a.m. to 3:00 p.m. Monday-Thursday, and 6:30 a.m. to 2:00 p.m. Friday. If the contractor for any reason cannot make the delivery during the above stated hours, the contractor shall notify the City and an alternate time will be scheduled.
- d. The contractor shall provide delivery service on Saturday, Sunday and legal holiday as necessary with order lead time of two days.

8. Condition of Containers

The blended polyphosphate shall be shipped in bulk; in non-returnable plastic drums or in other DOT approved containers.

9. Marking

Each shipment shall be identified as to product net weight, name of manufacturer and brand name. Packaged product shall show a lot number or identification of manufacturer. All markings shall conform to DOT regulations.

10. Placement of Order

The City shall notify the Contractor a minimum of two (2) days in advance of the requirements for each delivery.

11. City Contacts

In the event a problem and/or question arises regarding this specification, the Contractor may contact Mark Andersen, Chief Water Operations Supervisor at 310-508-3755.

EXHIBIT B – Technical Specifications

1. GENERAL CONDITIONS

- a. Because all orders will be on an “as needed” basis, Proposer must be familiar with the geographical proximity of the area for delivery purposes and be able to provide prompt customer service.
- b. Contact information for a Proposer’s customer service representative must be included on Proposer’s Statement of Qualifications Form (Exhibit D).
- c. Due to the importance of product quality and manufacturer support and certification, Proposers must demonstrate in the Proposal that they are a licensed distributor for products as appropriate.

2. PURCHASE AND DELIVERY TERMS

- a. No minimum order quantity.
- b. Successful Proposers shall accept orders via mail, email, telephone and online web form from the City. All orders shall be complete, labeled and packaged adequately to ensure safe handling and proper delivery.
- c. No separate charges for freight and delivery.
- d. Forty-eight (48) hours (or less) turn-around is the preferred delivery time, unless otherwise specified in Section III. Proposer shall indicate any different delivery times.
- e. Failure to meet delivery date and provide product as specified may result in written termination of the contract. Time is of the essence.
- f. If the City requests expedited delivery, the Proposer may pass those costs to the City only with prior written approval.
- g. If the Proposer cannot meet the delivery requirement, either standard or expedited, the City reserves the right to obtain the product from another source. The extra cost of procuring the product may be charged to the Proposer and deducted from any monies due or which may become due from the City.
- h. Further, if the Proposer is unable to meet the delivery requirement and supply requested product within the designated time due to factory delay, strike, or any unforeseen circumstances, the Proposer must notify the City’s representative of the delay and the anticipated delivery date. Failure to comply with this requirement will result in a poor performance rating, which will be considered in subsequent awards or renewals, and could result in the termination of the contract.
- i. Freight terms for all orders requested "delivered" shall be FOB destination Freight Prepaid. All delivery charges, fees, insurance, expenses, and/or overhead shall be included in the price.
- j. No taxes shall be included in the price.
- k. The City is responsible for inspecting all deliveries and accepting them. Any inadequate deliveries shall be replaced solely at the Proposer's expense. This shall include delivery of replacement product. Replacement product shall be

delivered within two (2) business days from receipt of notification of inadequate delivery.

- l. Delivery shall be during normal business hours, Monday through Friday, excluding holidays, unless otherwise specified. The Proposer shall be responsible for ensuring that deliveries are made during regular business hours for the City.
- m. All chemicals consigned to the Cypress Water Production Facility must be accompanied by a certification of compliance with the specifications of the American National Sanitation Foundation Standard 60, concerning drinking water additives.
- n. On the delivery ticket, the Proposer shall obtain a signature from a City employee for all chemicals delivered. The Proposer shall be required to furnish proof of delivery in case of dispute.

3. PRICES/SHIPPING/BILLING

PRICES

- a. Unless stated otherwise below, all prices offered by Proposers shall be firm against any increase for three (3) years from the effective date of the contract.
- b. Price increase requests may be denied if not supported with appropriate price increase justification.
- c. The City reserves the right to accept or reject a price increase within 14 days of written request for a price increase. If the price increase is rejected, the order for the specific item will be canceled.
- d. If the price increase is approved, the price will remain firm for the renewal term for which it was requested. The City will notify the Contractor in writing of the effective date of any price adjustment it has approved.
- e. Price Decreases: In the event of any decrease in price either by the manufacturer or if the Contractor charges a lower price to other customers, Contractor shall notify the City and give the City the decrease.

SHIPPING

- f. Price Proposals shall include all transportation and freight costs to the point of delivery at the applicable treatment or pumping facilities. If Proposer includes additional delivery costs, an explanation of such costs shall be included with Section VI. Price Proposal Form (Table A - separate Excel spreadsheet).
- g. Proposal prices shall also include all appurtenant and incidental costs associated with the chemical including all costs associated with the pickup, return, cleaning and/or proper disposal of chemical containers, fuel, special insurance, etc.
- h. Contractor shall be solely responsible for payment of freight costs with the carrier. Collect shipments are not acceptable and will be rejected.

BILLING

- i. Contractor shall set up its billing system to ensure that no City invoices include sales tax. The City will provide certificates of exemption for sales tax upon request.
- j. To facilitate prompt payment, invoices must contain the commodity and/or service descriptions, quantity, and unit pricing.

- k. Invoices failing to contain the required line item detail, including unit pricing may be returned for correction.
- l. The Proposer shall assign a dedicated Service/Support Representative and provide their contact information for customer service and invoice issues. Include the name and contact information of the assigned representative in the Proposer's Statement of Qualifications Form (Exhibit D).

4. PAYMENT

- a. Payment to the Contractor shall be made within 30 days of receipt of an invoice covering deliveries made during the prior 30 days.
- b. The City reserves the right to hold payment or adjust payments for any products that do not meet the minimum specified or referenced standards.
- c. Where the concentration of the chemical product is beyond the stipulated range of concentrations, the City may reject the shipment.
- d. The City reserves the right to withhold or adjust payments if the Contractor fails to deliver chemical within the stipulated time, unless otherwise agreed to by the City in advance.
- e. The amount of the withholding will be based on the difference between the contract price and the price to have the order filled by others. If there is no difference in price, or if the price is less than the contract price, there will be no withholding of money.
- f. If the City chooses to accept a shipment of chemicals in concentrations greater than the specified concentrations, Contractor shall not be entitled to additional compensation above the Proposal price unless agreed to in advance and in writing by the City's Public Works Director and/or the Chief Water Operations Supervisor (or their duly authorized representative).
- g. If the City chooses to accept a shipment of chemicals in a concentration less than the specified concentration, the unit price for the chemical shall be prorated linearly down based on the active ingredient concentration.

5. QUANTITIES

- a. Quantities stated herein are given as a general guide for Proposal purposes and are not guaranteed amounts. Actual requirements may vary by ± 20 percent more or less than the quantities indicated on the Cost Proposal Form (Exhibit E).
- b. Additional quantities may be ordered during the term of the contract at the unit prices set forth in the contract. If at the end of the term of the contract, the City has not placed orders for the total estimated quantities set forth in the contract, there shall be no penalty.
- c. Minimum orders for bulk liquid and dry chemical supplied by tankers must be indicated by the Proposer. The minimum order is the smallest order that will be placed for a chemical delivered by tanker.

6. DELIVERY

- a. Delivery shall be made to the facility as required on an "as-needed" basis.
- b. Proposer shall provide a date and approximate delivery time for all scheduled deliveries in the Proposal. The Proposer shall provide advanced notification to the requesting Participating Agency of delivery delays, and any changes such as new/different sources of supply, chemical concentration, etc.
- c. All delivery tickets shall include the net weight, volume and the percent concentration of the product as applicable.
- d. All containers shall be clearly marked to indicate the contents and shall bear the current proper precautionary information required by the stipulated referenced standard, US Department of Transportation, and other regulatory agencies concerned with the hazardous nature of the chemical being shipped. All chemicals that are National Sanitation Foundation (NSF) approved shall be so marked on the label.
- e. Contractor is solely responsible for unloading all chemicals to the storage or usage locations at each plant. Contractor is also responsible for loading all empty and used chemical containers and pallets for return.
- f. Containerized chemicals will not be accepted if the Contractor's delivery vehicle is not equipped with a properly functioning pallet jack and hydraulic lift/tail gate or if the City determines or believes that the containers are unsafe.

7. CONTAINERS AND PALLETS

- a. The City may request as needed containerized chemicals in place of direct tank deliveries.
- b. Proposers shall not be entitled to charge deposits on containers and pallets due to the accounting burden imposed on the City to track deposits and refunds. All containers and pallets shall be clearly marked with the name of the owners and an identifying serial number to uniquely distinguish the container or pallet.
- c. The Contractor with each delivery of chemicals shall pick up empty containers and/or pallets. All costs associated with the pickup, return, cleanup, and/or proper disposal of the containers shall be included for each unit on the Cost Proposal Form (Exhibit E).
- d. All chemical containers, valves, and appurtenances shall be safe and in good working order.

8. ADDITIONAL INFORMATION REQUIRED WITH PROPOSAL SUBMITTAL

- a. All Proposals shall include Material Safety Data Sheets (MSDS), manufacturer specifications, and certificates of analysis for each chemical. Failure to submit MSDSs, specifications sheets, or certificates of analyses with the Proposal may disqualify the Proposal for that chemical.
- b. The apparent best Proposer(s) for each chemical may be asked to submit data on the chemical manufacturers Quality Assurance and Quality Control measures to ensure a consistent quality of chemical. The data shall include statements

regarding the sampling and analysis methods and statistical data (mean, standard deviation and population of the database thereof). This information, if requested, shall be furnished within seven (7) calendar days of the date of request. Failure to provide the information within the stipulated time may result in the rejection of the Proposal.

9. GENERAL REQUIREMENTS

- a. The specific requirements for bulk chemicals are summarized in the Chemical Specifications (Section III).
- b. Where a referenced standard is listed, it shall mean the latest issue including all addenda as of the date of this advertisement.
- c. Any chemical used in the processing of potable water must be listed in the NSF Listing for Drinking Water Additives, latest edition.
- d. Changes in sources of supply for any chemical are subject to approval by the City. Contractors must provide advanced notification and complete documentation of any proposed changes in the source/manufacturer of chemicals.
- e. There is no requirement for a Proposal bond or performance bond for this Proposal.

**EXHIBIT C
POLYPHOSPHATE PRODUCT SHEET
(ATTACHED)**

EXHIBIT D – Proposer’s Statement of Qualifications Form

Please provide requested information in full. Proposers who do not provide the requested information or submit a full and complete Cost Proposal (Exhibit E) may have their proposal deemed unresponsive during the selection process. All information provided by the proposer will be subject to verification by the City.

1. CONTRACTOR INFORMATION

The primary contact shall be the person with the authority to negotiate contracts with the City.

Name of Contractor: _____

Primary Contact and Title: _____

Legal Address of Contractor: _____

Primary Contact Phone Number: _____

Primary Contact Email Address: _____

2. SERVICE/SUPPORT REPRESENTATIVE

Provide a list of all subcontractors to perform work on this contract, including relevant licenses, permits, and certifications.

Name: _____

Title: _____

Phone _____ Number: _____

Email Address: _____

3. CONTRACTOR’S QUALIFICATIONS

Describe Contractor’s experience in providing water treatment chemicals, including any relevant work for governmental agencies. Include a description of Contractor’s and any subcontractor’s core-competency and experience with similar work that is described in the Technical Specifications (Exhibit B). Attach a separate sheet, if necessary.

4. LICENSES AND CERTIFICATIONS

Provide a listing of any relevant certifications, permits, or licenses for Contractor’s or subcontractor’s personnel and equipment use. Include the license number and type and indicate whether the license is held by the Contractor or subcontractor.

5. LIST OF SUBCONTRACTORS

Provide a list of all subcontractors to perform work on this contract, including relevant licenses, permits, and certifications.

Subcontractor Name	Work to Be Performed	Licenses, Certifications, Permits

6. LIST OF REFERENCES

Please provide current references for 3 past or existing commercial clients doing similar work to that specified in this RFP.

A. Client: _____

Contact Name / Title: _____

Phone Number / Email Address: _____

B. Client: _____

Contact Name / Title: _____

Phone Number / Email Address: _____

C. Client: _____

Contact Name / Title: _____

Phone Number / Email Address: _____

7. CONTRACTOR OPERATIONS

Number of employees: _____

Number of years in business: _____

Describe if and how promptly Contractor will provide water treatment chemicals for an expedited order.

Describe how Contractor shall seek to attain the quality of service set forth in the RFP.

8. PROOF OF INSURANCE

In a separate attachment, provide proof of insurance, as specified in Section 17 of the attached Professional Services Agreement.

Contractor’s Signature: _____ Date: _____

EXHIBIT E – Cost Proposal Form

The proposal prices are to include the furnishing of all labor, materials, equipment, fees, taxes, incidentals, and overhead necessary to supply and delivery the chemicals specified in Exhibit A, and meet all requirements in Exhibit A and Exhibit B of this RFP.

CHEMICAL	UNIT	TANK SIZE/ DELIVERY SIZE	FREQUENCY OF DELIVERIES	ESTIMATED ANNUAL QUANTITY	PRICE PER GALLON DELIVERED
Sodium Hypochlorite	Gallons	2,500 gallons	15 days	60,000 gallons	\$
Ammonium Hydroxide	Gallons	250 gallons	30 days	3,000 gallons	\$
Blended Polyphosphate	Gallons	200 gallons	30 days	2,400 gallons	\$

The Contractor affirms that in the event they are selected as the successful Contractor, all work will be performed in the specified manner and under the terms and conditions specified at the prices listed above.

Contractor's Signature: _____ Date: _____


EXHIBIT F
PROFESSIONAL SERVICES AGREEMENT TEMPLATE
(ATTACHED)

EXHIBIT E – Cost Proposal Form

The proposal prices are to include the furnishing of all labor, materials, equipment, fees, taxes, incidentals, and overhead necessary to supply and delivery the chemicals specified in Exhibit A, and meet all requirements in Exhibit A and Exhibit B of this RFP.

CHEMICAL	UNIT	TANK SIZE/ DELIVERY SIZE	FREQUENCY OF DELIVERIES	ESTIMATED ANNUAL QUANTITY	PRICE PER GALLON DELIVERED
Sodium Hypochlorite	Gallons	2,050 gallons * 2,500 gallons *See Below	15 days	60,000 gallons	\$ 3.65 ** **See Below
Ammonium Hydroxide	Gallons	250 gallons	30 days	3,000 gallons	\$ No Bid
Blended Polyphosphate	Gallons	200 gallons	30 days	2,400 gallons	\$ No Bid

The Contractor affirms that in the event they are selected as the successful Contractor, all work will be performed in the specified manner and under the terms and conditions specified at the prices listed above.

Contractor's Signature:  Date: 9/23/2022

* Delivery Size 1200-1500 gallons minimum to customer's 2,050 gallon tank

**Pricing firm through 9/30/2023 (one year). 60 day notice for price change based on market conditions for the following year.

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**CONTRACT FOR PROFESSIONAL SERVICES
BETWEEN
THE CITY OF LOMITA AND FILTRATION TECHNOLOGY, INC.**

This AGREEMENT for WATER TREATMENT CHEMICALS is entered into this 18th day of October 2022, by and between the CITY OF LOMITA, a general law city and municipal corporation (“CITY”) and FILTRATION TECHNOLOGY, INC. (“CONSULTANT”).

RECITALS

- A. CITY does not have the personnel able and/or available to perform the services required under this agreement.
- B. Therefore, CITY desires to contract out for WATER TREATMENT CHEMICALS.
- C. CONSULTANT warrants to CITY that it has the qualifications, experience and facilities to perform properly and timely the services under this Agreement.
- D. CITY desires to contract with CONSULTANT to perform the services as described in **Exhibit A** of this Agreement.

NOW, THEREFORE, based on the foregoing recitals, CITY and CONSULTANT agree as follows:

1. CONSIDERATION AND COMPENSATION.

- A. As partial consideration, CONSULTANT agrees to perform the work listed in the SCOPE OF SERVICES, attached as **Exhibit A**.
- B. As additional consideration, CONSULTANT and CITY agree to abide by the terms and conditions contained in this Agreement.
- C. CONSULTANT shall bill the CITY in accordance with the cost proposal attached as **Exhibit B**.
- D. No additional compensation shall be paid for any other expenses incurred, unless first approved by the City Manager or his designee.
- E. CONSULTANT shall submit to CITY, by not later than the 10th day of each month, its bill for services itemizing the fees and costs incurred during the previous month. CITY shall pay CONSULTANT all uncontested amounts set forth in the CONSULTANT'S bill within 30 days after it is received.

2. **SCOPE OF SERVICES.**

A. CONSULTANT will perform the services and activities set forth in the SCOPE OF SERVICES attached hereto as **Exhibit A** and incorporated herein by this reference. If any part of **Exhibit A** is inconsistent with the terms of this Agreement, the terms of this Agreement shall control.

B. Except as herein otherwise expressly specified to be furnished by CITY, CONSULTANT will, in a professional manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space, and facilities necessary or proper to perform and complete the work and provide the professional services required of CONSULTANT by this Agreement.

3. **PAYMENTS.** For CITY to pay CONSULTANT as specified by this Agreement, CONSULTANT must submit an invoice to CITY which lists the reimbursable costs, the specific tasks performed, and, for work that includes deliverables, the percentage of the task completed during the billing period.

4. **TIME OF PERFORMANCE.** The services of CONSULTANT are to commence upon receipt of a notice to proceed from CITY and shall continue until all authorized work is completed to CITY's reasonable satisfaction, in accordance with the schedule incorporated in "**Exhibit A,**" unless extended in writing by CITY.

5. **FAMILIARITY WITH WORK.** By executing this Agreement, CONSULTANT represents that CONSULTANT has (a) thoroughly investigated and considered the scope of services to be performed; (b) carefully considered how the services should be performed; and (c) understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement.

6. **KEY PERSONNEL.** CONSULTANT's key person assigned to perform work under this Agreement is Gregg Fisher. CONSULTANT shall not assign another person to be in charge of the work contemplated by this Agreement without the prior written authorization of CITY.

7. **TERM OF AGREEMENT.** The term of this Agreement shall commence upon execution by both parties and shall expire on October 30, 2025, unless earlier termination occurs under Section 11 of this Agreement, or extended in writing in advance by both parties.

8. **CHANGES.** CITY may order changes in the services within the general scope of this Agreement, consisting of additions, deletions, or other revisions, and the contract sum and the contract time will be adjusted accordingly. All such changes must be authorized in writing, executed by CONSULTANT and CITY. The cost or credit to CITY resulting from changes in the services will be determined in accordance with written agreement between the parties.

9. **TAXPAYER IDENTIFICATION NUMBER.** CONSULTANT will provide CITY with a Taxpayer Identification Number.
10. **PERMITS AND LICENSES.** CONSULTANT will obtain and maintain during the term of this Agreement all necessary permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.
11. **TERMINATION.**
- A. Except as otherwise provided, CITY may terminate this Agreement at any time with or without cause. Notice of termination shall be in writing.
 - B. CONSULTANT may terminate this Agreement. Notice will be in writing at least 30 days before the effective termination date.
 - C. In the event of such termination, CONSULTANT shall cease services as of the date of termination, all finished or unfinished documents, data, drawings, maps, and other materials prepared by CONSULTANT shall, at CITY's option, become CITY's property, and CONSULTANT will receive just and equitable compensation for any work satisfactorily completed up to the effective date of notice of termination.
 - D. Should the Agreement be terminated pursuant to this Section, CITY may procure on its own terms services similar to those terminated.
12. **INDEMNIFICATION.**
- A. CONSULTANT shall indemnify, defend with counsel approved by CITY, and hold harmless CITY, its officers, officials, employees and volunteers from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with CONSULTANT's performance of work hereunder or its failure to comply with any of its obligations contained in this AGREEMENT, regardless of CITY'S passive negligence, but excepting such loss or damage which is caused by the sole active negligence or willful misconduct of CITY. Should CITY in its sole discretion find CONSULTANT'S legal counsel unacceptable, then CONSULTANT shall reimburse CITY its costs of defense, including without limitation reasonable attorneys' fees, expert fees and all other costs and fees of litigation. CONSULTANT shall promptly pay any final judgment rendered against CITY (and its officers, officials, employees and volunteers) covered by this indemnity obligation. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.
 - B. The requirements as to the types and limits of insurance coverage to be maintained by CONSULTANT as required by Section 17, and any approval of

said insurance by CITY, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

13. **ASSIGNABILITY**. This Agreement is for CONSULTANT's professional services. CONSULTANT's attempts to assign the benefits or burdens of this Agreement without CITY's written approval are prohibited and will be null and void.
14. **INDEPENDENT CONSULTANT**. CITY and CONSULTANT agree that CONSULTANT will act as an independent CONSULTANT and will have control of all work and the manner in which is it performed. CONSULTANT will be free to contract for similar service to be performed for other employers while under contract with CITY. CONSULTANT is not an agent or employee of CITY and is not entitled to participate in any pension plan, insurance, bonus or similar benefits CITY provides for its employees. Any provision in this Agreement that may appear to give CITY the right to direct CONSULTANT as to the details of doing the work or to exercise a measure of control over the work means that CONSULTANT will follow the direction of the CITY as to end results of the work only.
15. **AUDIT OF RECORDS**.
 - A. CONSULTANT agrees that CITY, or designee, has the right to review, obtain, and copy all records pertaining to the performance of this Agreement. CONSULTANT agrees to provide CITY, or designee, with any relevant information requested and will permit CITY, or designee, access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this Agreement. CONSULTANT further agrees to maintain such records for a period of three (3) years following final payment under this Agreement.
 - B. CONSULTANT will keep all books, records, accounts and documents pertaining to this Agreement separate from other activities unrelated to this Agreement.
16. **CORRECTIVE MEASURES**. CONSULTANT will promptly implement any corrective measures required by CITY regarding the requirements and obligations of this Agreement. CONSULTANT will be given a reasonable amount of time as determined by CITY to implement said corrective measures. Failure of CONSULTANT to implement required corrective measures shall result in immediate termination of this Agreement.

17. INSURANCE REQUIREMENTS.

- A. CONSULTANT, at CONSULTANT's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies:
1. Workers Compensation Insurance as required by law. CONSULTANT shall require all subconsultants similarly to provide such compensation insurance for their respective employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by CITY at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against CITY, its officers, agents, employees, and volunteers for losses arising from work performed by CONSULTANT for CITY.
 2. General Liability Coverage. CONSULTANT shall maintain commercial general liability insurance in an amount of not less than one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury, and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.
 3. Automobile Liability Coverage. CONSULTANT shall maintain automobile liability insurance covering bodily injury and property damage for all activities of CONSULTANT arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired, and non-owned vehicles, in an amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence.
 4. Professional Liability Coverage. CONSULTANT shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors, or omissions which may arise from CONSULTANT'S operations under this Agreement, whether such operations be by CONSULTANT or by its employees, subconsultants, or subconsultants. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single-limit-per-occurrence basis. When coverage is provided on a "claims made basis," CONSULTANT will continue to renew the insurance for a period of three (3) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement, and will cover CONSULTANT for all claims made by CITY arising out of any errors or omissions of CONSULTANT, or its officers, employees or agents during the time this Agreement was in effect.
- B. Endorsements. Each general liability, automobile liability and professional liability insurance policy shall be issued by a financially responsible insurance

company or companies admitted and authorized to do business in the State of California, or which is approved in writing by CITY, and shall be endorsed as follows. CONSULTANT also agrees to require all CONSULTANTS, and subconsultants to do likewise.

1. The CITY, its elected or appointed officers, officials, employees, agents, and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the CONSULTANT, including materials, parts, or equipment furnished in connection with such work or operations.
 2. This policy shall be considered primary insurance as respects CITY, its elected or appointed officers, officials, employees, agents, and volunteers. Any insurance maintained by CITY, including any self-insured retention CITY may have, shall be considered excess insurance only and shall not contribute with this policy.
 3. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.
 4. The insurer waives all rights of subrogation against CITY, its elected or appointed officers, officials, employees, or agents.
 5. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its elected or appointed officers, officials, employees, agents, or volunteers.
 6. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days' written notice has been received by CITY.
- C. CONSULTANT agrees to provide immediate notice to CITY of any claim or loss against CONSULTANT arising out of the work performed under this agreement. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.
- D. Any deductibles or self-insured retentions must be declared to and approved by CITY. At CITY's option, CONSULTANT shall demonstrate financial capability for payment of such deductibles or self-insured retentions.
- E. CONSULTANT shall provide certificates of insurance with original endorsements to CITY as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with CITY on or before commencement of performance of this Agreement. Current certification of insurance shall be kept on file with CITY at all times during the term of this Agreement.

- F. Failure on the part of CONSULTANT to procure or maintain required insurance shall constitute a material breach of contract under which CITY may terminate this Agreement pursuant to Section 11 above.
- G. The commercial general and automobile liability policies required by this Agreement shall allow CITY, as additional insured, to satisfy the self-insured retention ("SIR") and/or deductible of the policy in lieu of the CONSULTANT (as the named insured) should CONSULTANT fail to pay the SIR or deductible requirements. The amount of the SIR or deductible shall be subject to the approval of the City Attorney and the Finance Director. CONSULTANT understands and agrees that satisfaction of this requirement is an express condition precedent to the effectiveness of this Agreement. Failure by CONSULTANT as primary insured to pay its SIR or deductible constitutes a material breach of this Agreement. Should CITY pay the SIR or deductible on CONSULTANT'S behalf upon CONSULTANT'S failure or refusal to do so in order to secure defense and indemnification as an additional insured under the policy, CITY may include such amounts as damages in any action against CONSULTANT for breach of this Agreement in addition to any other damages incurred by CITY due to the breach.
18. **USE OF OTHER CONSULTANTS.** CONSULTANT must obtain CITY's prior written approval to use any CONSULTANTS while performing any portion of this Agreement. Such approval must include approval of the proposed CONSULTANT and the terms of compensation.
19. **FINAL PAYMENT ACCEPTANCE CONSTITUTES RELEASE.** The acceptance by the CONSULTANT of the final payment made under this Agreement shall operate as and be a release of CITY from all claims and liabilities for compensation to the CONSULTANT for anything done, furnished or relating to the CONSULTANT'S work or services. Acceptance of payment shall be any negotiation of CITY'S check or the failure to make a written extra compensation claim within ten (10) calendar days of the receipt of that check. However, approval or payment by CITY shall not constitute, nor be deemed, a release of the responsibility and liability of CONSULTANT, its employees, sub-CONSULTANTS and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by CITY for any defect or error in the work prepared by CONSULTANT, its employees, sub-CONSULTANTS and agents.
20. **CORRECTIONS.** In addition to the above indemnification obligations, the CONSULTANT shall correct, at its expense, all errors in the work which may be disclosed during CITY'S review of CONSULTANT'S report or plans. Should the CONSULTANT fail to make such correction in a reasonably timely manner, such correction shall be made by CITY, and the cost thereof shall be charged to CONSULTANT. In addition to all other available remedies, CITY may deduct the cost of such correction from any retention amount held by CITY or may withhold

payment otherwise owed CONSULTANT under this Agreement up to the amount of the cost of correction.

21. **NON-APPROPRIATION OF FUNDS.** Payments to be made to CONSULTANT by CITY for services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted fund. In the event that CITY does not appropriate sufficient funds for payment of CONSULTANT'S services beyond the current fiscal year, the Agreement shall cover payment for CONSULTANT'S only to the conclusion of the last fiscal year in which CITY appropriates sufficient funds and shall automatically terminate at the conclusion of such fiscal year.
22. **NOTICES.** All communications to either party by the other party will be deemed made when received by such party at its respective name and address as follows:

CITY	CONSULTANT
City of Lomita 24300 Narbonne Avenue Lomita, CA 90717	Filtration Technology, Inc. 2218 S. Crosscreek Lane, Boise, ID 83706
ATTN: City Manager	ATTN: Gregg Fisher

Any such written communications by mail will be conclusively deemed to have been received by the addressee upon deposit thereof in the United States Mail, postage prepaid and properly addressed as noted above. In all other instances, notices will be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph. Courtesy copies of notices may be sent via electronic mail, provided that the original notice is deposited in the U.S. mail or personally delivered as specified in this Section.

23. **SOLICITATION.** CONSULTANT maintains and warrants that it has not employed nor retained any company or person, other than CONSULTANT's bona fide employee, to solicit or secure this Agreement. Further, CONSULTANT warrants that it has not paid nor has it agreed to pay any company or person, other than CONSULTANT's bona fide employee, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Should CONSULTANT breach or violate this warranty, CITY may rescind this Agreement without liability.
24. **THIRD PARTY BENEFICIARIES.** This Agreement and every provision herein is generally for the exclusive benefit of CONSULTANT and CITY and not for the benefit of any other party. There will be no incidental or other beneficiaries of any of CONSULTANT's or CITY's obligations under this Agreement.

25. **INTERPRETATION.** This Agreement was drafted in, and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this agreement will be in Los Angeles County.
26. **ENTIRE AGREEMENT.** This Agreement, and its Attachments, sets forth the entire understanding of the parties. There are no other understandings, terms or other agreements expressed or implied, oral or written.
27. **RULES OF CONSTRUCTION.** Each Party had the opportunity to independently review this Agreement with legal counsel. Accordingly, this Agreement will be construed simply, as a whole, and in accordance with its fair meaning; it will not be interpreted strictly for or against either Party.
28. **AUTHORITY/MODIFICATION.** The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and to engage in the actions described herein. This Agreement may be modified by written amendment with signatures of all parties to this Agreement. CITY's city administrator, or designee, may execute any such amendment on behalf of CITY.
29. **ACCEPTANCE OF FACSIMILE OR ELECTRONIC SIGNATURES.** The Parties agree that this Agreement will be considered signed when the signature of a party is delivered by facsimile transmission, scanned and delivered via electronic mail, or delivered using digital signature technology approved by CITY. Such facsimile or electronic signatures will be treated in all respects as having the same effect as an original signature.
30. **FORCE MAJEURE.** Should performance of this Agreement be impossible due to fire, flood, explosion, war, embargo, government action, civil or military authority, the natural elements, or other similar causes beyond the Parties' control, then the Agreement will immediately terminate without obligation of either party to the other.
31. **TIME IS OF ESSENCE.** Time is of the essence to comply with dates and schedules to be provided.
32. **ATTORNEYS' FEES.** The parties hereto acknowledge and agree that each will bear his or its own costs, expenses and attorneys' fees arising out of and/or connected with the negotiation, drafting and execution of the Agreement, and all matters arising out of or connected therewith except that, in the event any action is brought by any party hereto to enforce this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees and costs in addition to all other relief to which that party or those parties may be entitled.
33. **STATEMENT OF EXPERIENCE.** By executing this Agreement, CONSULTANT represents that it has demonstrated trustworthiness and possesses the quality, fitness and capacity to perform the Agreement in a manner satisfactory to CITY. CONSULTANT represents that its financial resources, surety and insurance

experience, service experience, completion ability, personnel, current workload, experience in dealing with private CONSULTANTS, and experience in dealing with public agencies all suggest that CONSULTANT is capable of performing the proposed contract and has a demonstrated capacity to deal fairly and effectively with and to satisfy a public agency.

34. DISCLOSURE REQUIRED. (CITY and CONSULTANT initials required at one of the following paragraphs)

By their respective initials next to this paragraph, CITY and CONSULTANT hereby acknowledge that CONSULTANT is a "CONSULTANT" for the purposes of the California Political Reform Act because CONSULTANT'S duties would require him or her to make one or more of the governmental decisions set forth in Fair Political Practices Commission Regulation 18700.3(a)(2) or otherwise serves in a staff capacity for which disclosure would otherwise be required were CONSULTANT employed by CITY. CONSULTANT hereby acknowledges his or her assuming-office, annual, and leaving-office financial reporting obligations under the California Political Reform Act and the CITY'S Conflict of Interest Code and agrees to comply with those obligations at his or her expense. Prior to CONSULTANT commencing services hereunder, the City's Manager shall prepare and deliver to CONSULTANT a memorandum detailing the extent of CONSULTANT'S disclosure obligations in accordance with the CITY'S Conflict of Interest Code.

City Initials _____

CONSULTANT Initials _____

OR

By their initials next to this paragraph, CITY and CONSULTANT hereby acknowledge that CONSULTANT is not a "CONSULTANT" for the purpose of the California Political Reform Act because CONSULTANT'S duties and responsibilities are not within the scope of the definition of CONSULTANT in Fair Political Practice Commission Regulation 18700.3(a)(2) and is otherwise not serving in staff capacity in accordance with CITY'S Conflict of Interest Code.

City Initials _____

CONSULTANT Initials _____

IN WITNESS WHEREOF the parties hereto have executed this contract the day and year first hereinabove written.

CITY OF LOMITA

CONSULTANT

Ryan Smoot, City Manager

By:

TITLE

ATTEST:

Kathleen Horn Gregory, City Clerk

Taxpayer ID No.

APPROVED AS TO FORM:

Trevor Rusin, City Attorney



**REQUEST FOR PROPOSALS
FOR WATER TREATMENT CHEMICALS**

Release Date: September 15, 2022

Deadline for Submission: October 3, 2022 at 5:00 p.m.

Submit Proposals to:

City of Lomita
Attn: Carla Dillon, P.E.
Public Works Department
24300 Narbonne Ave
Lomita, CA 90717

Refer questions to:

Public Works Department
(310) 325-7110 x 115
publicworks@lomitacity.com

REQUEST FOR PROPOSALS

I. OBJECTIVE

The City of Lomita is seeking written proposals from qualified Contractors for supply and delivery of water treatment chemicals for a period of three years, with the option, at the City's sole discretion, to extend two additional years upon successful demonstration of exemplary contract performance.

This RFP describes the required scope of services and the minimum information that must be included in the proposal. Failure to submit information in accordance with the RFP requirements may be cause for disqualification.

II. GENERAL INFORMATION

The City desires to contract for supply and delivery of water treatment chemicals to the Cypress Water Production Facility located at 26112 Cypress Street, Lomita, CA 90717. This would include all chemicals being delivered as "FREIGHT ON BOARD". All chemicals will be in accordance with applicable American Water Works Association standards and the attached specifications. Estimated quantities are listed in Exhibit E.

All chemicals consigned to the Cypress Water Production Facility must be accompanied by a certification of compliance with the specifications of the American National Sanitation Foundation Standard 60, concerning drinking water additives.

It is the intent of the City to award a Professional Services Agreement in a form approved by the City Attorney, to the selected Contractor(s). The City may award multiple Agreements/Contracts to meet the needs of the City. The City reserves the right to further negotiate the terms and conditions of the Agreement. The City shall preserve the right to reject any proposal for noncompliance with Agreement requirements and provisions, or to not award an agreement because of unforeseen circumstances or if it is determined to be in the best interest of the City. This project will be awarded based on demonstrated ability and performance providing similar services at a fair and reasonable cost. This Agreement may not be awarded to the lowest respondent(s). The City does not guarantee a specific amount of work and the quantity of work may increase or decrease depending on the annual needs of the City.

III. SCOPE OF SERVICES

The successful Contractor will furnish all necessary materials, equipment, labor, and incidentals to perform the supply and delivery of chemicals as specified in Exhibit A (Chemical Specifications) and adhere to all requirements in Exhibit B (Technical Specifications) of this RFP.

Vendor will supply to the City of Lomita, upon delivery, an affidavit of compliance with these specifications (see each specification for more information about requirements for

the contents of affidavit).

Following the City's request for deliveries, all chemical companies must provide notification of intended deliveries one day prior to the expected delivery dates. This notification may be by internet or phone and must include the delivery driver's name and driver's license number if available, truck number/license, and expected time of delivery. Shipments received without this information may be refused.

IV. TENTATIVE SCHEDULE

ACTION ITEM	DATE(S)
Issue Request for Proposal	September 15, 2022
Pre-Proposal Meeting	September 22, 2022
Last Date for Questions	September 26, 2022
Latest Response Date from City on Questions	September 28, 2022
Proposals Due	October 3, 2022
Conduct Interviews (optional)	October 5, 2022
Recommend Firm Selection to the City Council	October 18, 2022
Complete and Execute Agreement	October 21, 2022
Notice to Proceed	October 24, 2022

V. PRE-PROPOSAL MEETING

A pre-proposal meeting will be held on September 22, 2022 at 11:00 AM. The location will be the Cypress Water Production Facility at 26112 Cypress Street, Lomita, CA 90717. This pre-proposal meeting is not mandatory but will allow potential Contractors the opportunity to view the Facility, assess any delivery limitations, and address any questions.

VI. PROPOSAL REQUIREMENTS

Responses to this RFP must include completion of the following:

1. Proposer's Statement of Qualifications Form (Exhibit D)
2. Cost Proposal Form (Exhibit E)

VII. EVALUATION CRITERIA AND SELECTION PROCESS

It is the City's intent to select the Contractor(s) with the best combination of qualifications and cost proposal. The selection committee will rank the proposals based upon the materials submitted by the proposing Contractors. The City may request Contractor(s) to submit additional information pertinent to the RFP. The City also reserves the right to investigate and rely upon information from other available sources in addition to any documents or information submitted by the Bidder. The City retains the sole discretion to determine issues of compliance and to determine whether a bidder is responsive and responsible.

The Committee may choose to interview two or more closely ranked Contractors, but will not expect or schedule time for elaborate presentations. The City's decision on qualification will be based on the evaluation of several factors including but not limited to the following:

1. Relevant work experience
2. Experience of key personnel
3. Completeness of the proposal
4. Customer references
5. Cost proposal

Following the selection of the most qualified Contractor(s), a final professional services agreement including budget, schedule and final Scope of Services will be negotiated before execution of the agreement. A template Professional Services Agreement is attached to this proposal as Exhibit F. Modifications may be made to this template by the City as necessary during the negotiation process.

The City shall attempt to negotiate an agreement to perform the work with the proposer(s) considered to be the most qualified. Should the City be unable to negotiate a satisfactory agreement with the proposer(s) determined to be most qualified, at a price the City determines to be fair and reasonable, negotiations with that proposer(s) will be formally terminated. The City shall then undertake negotiations with the next qualified proposers individually until agreement(s) are reached. The City may award multiple proposers if it is in the City's best interest.

These RFP procedures prohibit the practices which might result in unlawful activity including, but not limited to, rebates, kickbacks, or other unlawful considerations, and prohibit City employees from participating in the selection process when such employees have a relationship with a person or business entity seeking an agreement under this RFP that would create a conflict of interest.

VIII. SUBMISSION DEADLINE AND REQUIREMENTS

Proposals are to be submitted in envelopes clearly marked with the Contractor's name, address, phone number, and "Proposal for Water Treatment Chemicals". Proposal packages should include one original and two copies of the proposal. Email submissions will be accepted if received before the deadline to the following email address publicworks@lomitacity.com.

Proposals are to be submitted to the City on or before Monday, October 3, 2022, at 5:00 p.m. Proposals received after the stated deadline shall not be accepted. Proposal packages are to be delivered to:

City of Lomita
Attn: Carla Dillon, P.E.
Public Works Department
24300 Narbonne Ave
Lomita, CA 90717

Other Requirements:

1. The proposal shall be signed by an authorized official of your firm.
2. The proposal shall be valid for a minimum of 90 days.
3. The City of Lomita reserves the right to reject any or all proposals, to modify the RFP, or to cancel the RFP.

IX. QUESTIONS

Questions about this RFP should be submitted by email to Public Works at publicworks@lomitacity.com by September 26, 2022 at 4:00 p.m. Responses to all questions will be posted by September 28, 2022 to the City's website at <https://lomitacity.com/current-bids-rfps/>.

X. LIMITATIONS

1. All reports and pertinent data or materials shall become the sole property of the City and may not be reproduced without the explicit written permission of the City.
2. No compilation, tabulation, syntheses or analysis of data, nor definition, opinions, etc., should be anticipated by the proposer from the City, unless volunteered by a responsible official in that agency. Good business practice, such as formal letters of request, and making of appointments, should be followed.
3. The Request for Proposals does not commit the City to award contract(s), to pay any costs incurred in preparation of the proposal, or to procure or contract for services or supplies. The City reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with any qualified source, or to cancel in part or in its entirety this Request for Proposals, if it is in the best interests of the City to

do so. The City may require the proposer(s) selected to participate in negotiations, and to submit such price, technical, or other revisions of their proposals as may result from such negotiations.

EXHIBITS

Exhibit A – Chemical Specifications

Exhibit B – Technical Specifications

Exhibit C – Polyphosphate Product Sheet

Exhibit D – Proposer’s Statement of Qualifications Form

Exhibit E – Cost Proposal Form

Exhibit F – Professional Services Agreement Template

EXHIBIT A – Chemical Specifications

SODIUM HYPOCHLORITE SOLUTION SPECIFICATION (12.5% - Mini Bulk Tanker Delivery)

1. Requirement

It is required that a contractor be established to furnish, in accordance with these specifications, all of the City's requirements for 12.5 % sodium hypochlorite solution, during the period of November 1, 2022 through October 31, 2025 (36 months).

2. General

The sodium hypochlorite solution shall conform to the American Water Works Association's Standard for hypochlorite, B300-10 or current revision; except as modified or supplemented herein.

Chemical Name: Sodium Hypochlorite Solution
Chemical Formula: NaOCl
Concentration: 12.5%
Specific Gravity: 1.19
Unit Weight: 10 pounds/gallon

3. Quality

- a. The sodium hypochlorite delivered under this specification shall contain no substance in quantities capable of producing deleterious or injurious effects on the health of those consuming water that has been treated properly with the sodium hypochlorite or causing water so treated to fail to meet the requirements of the California Domestic Water Quality and Monitoring Regulations.
- b. If the product delivered does not meet the minimum quality requirements, the contractor will be responsible for removal of the product and disinfection of any City equipment that was contaminated by the product. The contractor will also be responsible for supply and delivery of product that does meet the minimum quality requirements.
- c. The total free alkali (as NaOH) in sodium hypochlorite shall not exceed 1.5 percent by weight.

4. Affidavit of Compliance

The contractor shall submit an affidavit of compliance with these specifications for each delivery of sodium hypochlorite.

5. Certified Laboratory Report

- a. A certified laboratory report shall be submitted prior to the first hypochlorite delivery to the City, and when a significant change occurs in the contractor's process.
- b. Charges for the certified laboratory report shall be included in the bid price.

6. Quantity

- a. The estimated requirements for sodium hypochlorite, as listed on the Cost Proposal Form, will vary with the actual demands of the City.
- b. The estimated requirements are given for information purposes only and shall not be deemed to guarantee either a minimum amount or restrict the maximum amount to be furnished.
- c. It is the intent of this specification to require the contractor to furnish all the City's sodium hypochlorite requirements.
- d. Neither an under run, regardless of extent, nor an over run, regardless of extent, in the actual quantity delivered compared to the estimated quantity shall entitle the contractor to an adjustment in the unit price or any other compensation.

7. Delivery

- a. All chemicals consigned to the Cypress Water Production Facility must be accompanied by a certification of compliance with the specifications of the American National Sanitation Foundation Standard 60, concerning drinking water additives.
- b. The contractor shall make deliveries of sodium hypochlorite upon request to the City of Lomita Cypress Water Production Facility, 26112 Cypress Street, Lomita CA 90717.
- c. The contractor shall make deliveries of sodium hypochlorite to the Cypress Water Production Facility between the hours of 6:30 a.m. to 3:00 p.m. Monday-Friday. If the contractor for any reason cannot make the delivery during the above stated hours, the contractor shall notify the City and an alternate time will be scheduled.
- d. The contractor shall provide delivery service on Saturday, Sunday and legal holiday as necessary with order lead time of two days.

8. Condition of Containers

- a. The sodium hypochlorite shall be of 12.5 % available NaOCl by weight and shipped by tanker truck.
- b. All cargo trailers and appurtenant valves used for the delivery of the sodium hypochlorite, under this specification, shall be in good mechanical order and shall be in full compliance with the applicable requirements of the Hazardous Materials Regulations of the Department of Transportation, Code of Federal Regulations, as currently issued.
- c. All appurtenant valves, pumps, and discharge hoses used for the delivery of sodium hypochlorite shall be clean and free from contaminating material. If off-loading equipment is not properly cleaned, this will constitute a reason for rejection of the load.
- d. All trailer ports used for the loading or delivery of sodium hypochlorite shall be secured with appropriate tamper-proof, security seals verifying the shipment has not been breached in transit. If seals are not intact, this will constitute a reason for rejection of the load.

9. Safety Requirement

Truck driver shall wear the appropriate protective face and body apparel, as required by the California Occupational Safety and Health Administration when unloading sodium hypochlorite.

10. Marking

Each container shall carry a clear identification of the material and shall carry the current proper precautionary information as required by the Department of Transportation and other regulatory agencies.

11. Spillage

- a. All discharge connections and hose ends shall be plugged, capped, blind flanged, or contained to prevent any spillage of sodium hypochlorite.
- b. The Contractor shall be notified immediately of any spillage which is not cleaned up by the truck driver.
- c. Any spillage not cleaned up within four (4) hours of notification will be cleaned up by the City forces at a minimum charge of \$150 per hour and shall be billed to the Contractor.
- d. The Contractor shall pay for the repair of areas damaged by the spillage of sodium hypochlorite.

12. Placement of Order

The City shall notify the Contractor a minimum of two (2) days in advance of the requirements for each delivery.

13. City Contacts

In the event a problem and/or question arises regarding this specification, the Contractor may contact Mark Andersen, Chief Water Operations Supervisor at 310-508-3755.

AMMONIUM HYDROXIDE SOLUTION SPECIFICATION (19% - Mini Bulk Tanker Delivery)

1. Requirement

It is required that a contractor be established to furnish, in accordance with these specifications, all of the City's requirements for 19% ammonium hydroxide solution, during the period of November 1, 2022 through October 31, 2025 (36 months).

2. General

The ammonium hydroxide solution shall conform to the American Water Works Association's Standard for hypochlorite, B306-15 or current revision; except as modified or supplemented herein.

Chemical Name: Ammonium Hydroxide Solution (Aqua Ammonia)

Chemical Formula: NH_4OH

Concentration: 19%

Specific Gravity: 0.93

Unit Weight: 7.5 lbs/gallon

3. Quality

a. The ammonium hydroxide delivered under this specification shall contain no substance in quantities capable of producing deleterious or injurious effects on the health of those consuming water that has been treated properly with the ammonium hydroxide, or causing water so treated to fail to meet the requirements of the California Domestic Water Quality and Monitoring Regulations.

b. If the product delivered does not meet the minimum quality requirements, the contractor will be responsible for removal of the product and disinfection of any City equipment that was contaminated by the product. The contractor will also be responsible for supply and delivery of product that does meet the minimum quality requirements.

4. Affidavit of Compliance

The contractor shall submit an affidavit of compliance with these specifications for each delivery of ammonium hydroxide.

5. Certified Laboratory Report

a. A certified laboratory report shall be submitted prior to the first ammonium hydroxide delivery to the City, and when a significant change occurs in the contractor's process.

b. Charges for the certified laboratory report shall be included in the bid price.

6. Quantity

a. The estimated requirements for ammonium hydroxide, as listed on the Cost Proposal Form, will vary with the actual demands of the City.

b. The estimated requirements are given for information purposes only and shall not be deemed to guarantee either a minimum amount or restrict the maximum amount to be furnished.

c. It is the intent of this specification to require the contractor to furnish all the City's ammonium hydroxide requirements.

d. Neither an under run, regardless of extent, nor an over run, regardless of extent, in the actual quantity delivered compared to the estimated quantity shall entitle the contractor to an adjustment in the unit price or any other compensation.

7. Delivery

a. All chemicals consigned to the Cypress Water Production Facility must be accompanied by a certification of compliance with the specifications of the American National Sanitation Foundation Standard 60, concerning drinking water additives.

- b. The contractor shall make deliveries of ammonium hydroxide upon request to the City of Lomita Cypress Water Production Facility, 26112 Cypress Street, Lomita CA 90717.
 - c. The contractor shall make deliveries of ammonium hydroxide to the Cypress Water Production Facility between the hours of 6:30 a.m. to 3:00 p.m. Monday-Friday. If the contractor for any reason cannot make the delivery during the above stated hours, the contractor shall notify the City and an alternate time will be scheduled.
 - d. The contractor shall provide delivery service on Saturday, Sunday and legal holiday as necessary with order lead time of two days.
8. Condition of Containers
- a. The ammonium hydroxide shall be of 19% available NH₄OH by weight and shipped by tanker truck.
 - b. All cargo trailers and appurtenant valves used for the delivery of the ammonium hydroxide, under this specification, shall be in good mechanical order and shall be in full compliance with the applicable requirements of the Hazardous Materials Regulations of the Department of Transportation, Code of Federal Regulations, as currently issued.
 - c. All appurtenant valves, pumps, and discharge hoses used for the delivery of ammonium hydroxide shall be clean and free from contaminating material. If off-loading equipment is not properly cleaned, this will constitute a reason for rejection of the load.
 - d. All trailer ports used for the loading or delivery of ammonium hydroxide shall be secured with appropriate tamper-proof, security seals verifying the shipment has not been breached in transit. If seals are not intact, this will constitute a reason for rejection of the load.
9. Safety Requirement
Truck driver shall wear the appropriate protective face and body apparel, as required by the California Occupational Safety and Health Administration when unloading ammonium hydroxide.
10. Marking
Each container shall carry a clear identification of the material and shall carry the current proper precautionary information as required by the Department of Transportation and other regulatory agencies.
11. Spillage
- a. All discharge connections and hose ends shall be plugged, capped, blind flanged, or contained to prevent any spillage of ammonium hydroxide.
 - b. The Contractor shall be notified immediately of any spillage which is not cleaned up by the truck driver.
 - c. Any spillage not cleaned up within four (4) hours of notification will be cleaned up by the City forces at a minimum charge of \$150 per hour and shall be billed to the Contractor.
 - d. The Contractor shall pay for the repair of areas damaged by the spillage of ammonium hydroxide.
12. Placement of Order
The City shall notify the Contractor a minimum of two (2) days in advance of the requirements for each delivery.
13. City Contacts
In the event a problem and/or question arises regarding this specification, the Contractor may contact Mark Andersen, Chief Water Operations Supervisor at 310-508-3755.

BLENDING POLYPHOSPHATE SOLUTION SPECIFICATION

1. Requirement

It is required that a contractor be established to furnish, in accordance with these specifications, all of the City's requirements for a blended polyphosphate solution, during the period of November 1, 2022 through October 31, 2025 (36 months).

2. Quality

- a. The blended polyphosphate solution delivered under this specification shall contain no substance in quantities capable of producing deleterious or injurious effects on the health of those consuming water that has been treated properly with the blended polyphosphate solution.
- b. The blended polyphosphate solution delivered to the City under this agreement shall conform to the following:
 - (1) Specific Gravity: 1.34-1.40;
 - (2) pH: 5.7 ± 0.5;
 - (3) Weight: 10.9-11.2 lbs per gallon; and
 - (4) Conform to ANSI/NSF Standard 60.

3. Affidavit of Compliance

- a. The contractor shall submit an affidavit of compliance with these specifications for each delivery of blended polyphosphate solution.
- b. The affidavit of compliance shall contain:
 - (1) Percent active polyphosphate;
 - (2) Pounds per gallon; and
 - (3) Date of manufacture.

4. Certified Laboratory Report

- a. A certified laboratory report shall be submitted prior to the first blended polyphosphate delivery to the City, and when a significant change occurs in the contractor's process. This report shall contain the following:
 - (1) Percent active polyphosphate;
 - (2) Pounds per gallon;
 - (3) Date of manufacture
 - (4) Specific gravity; and
 - (5) pH.
- b. Charges for the certified laboratory report shall be included in the bid price.

5. City-Approved Blended Polyphosphate

The following are the only current City-approved blended polyphosphate:

<u>Manufacturer</u>	<u>Product</u>
Carus	AQUAMAG 9100

6. Quantity

- a. The estimated requirements for blended polyphosphate, as listed on the Cost Proposal Form, will vary with the actual demands of the City.
- b. The estimated requirements are given for information purposes only and shall not be deemed to guarantee either a minimum amount or restrict the maximum amount to be furnished.
- c. It is the intent of this specification to require the contractor to furnish all the City's blended polyphosphate requirements.
- d. Neither an under run, regardless of extent, nor an over run, regardless of extent, in the actual quantity delivered compared to the estimated quantity shall entitle the contractor to an adjustment in the unit price or any other compensation.

e. Typical quantity per order/delivery is 200 gallons.

7. Delivery

- a. All chemicals consigned to the Cypress Water Production Facility must be accompanied by a certification of compliance with the specifications of the American National Sanitation Foundation Standard 60, concerning drinking water additives.
- b. The contractor shall make deliveries of blended polyphosphate upon request to the City of Lomita Cypress Water Production Facility, 26112 Cypress Street, Lomita CA 90717.
- c. The contractor shall make deliveries of blended polyphosphate to the Cypress Water Production Facility between the hours of 6:30 a.m. to 3:00 p.m. Monday-Thursday, and 6:30 a.m. to 2:00 p.m. Friday. If the contractor for any reason cannot make the delivery during the above stated hours, the contractor shall notify the City and an alternate time will be scheduled.
- d. The contractor shall provide delivery service on Saturday, Sunday and legal holiday as necessary with order lead time of two days.

8. Condition of Containers

The blended polyphosphate shall be shipped in bulk; in non-returnable plastic drums or in other DOT approved containers.

9. Marking

Each shipment shall be identified as to product net weight, name of manufacturer and brand name. Packaged product shall show a lot number or identification of manufacturer. All markings shall conform to DOT regulations.

10. Placement of Order

The City shall notify the Contractor a minimum of two (2) days in advance of the requirements for each delivery.

11. City Contacts

In the event a problem and/or question arises regarding this specification, the Contractor may contact Mark Andersen, Chief Water Operations Supervisor at 310-508-3755.

EXHIBIT B – Technical Specifications

1. GENERAL CONDITIONS

- a. Because all orders will be on an “as needed” basis, Proposer must be familiar with the geographical proximity of the area for delivery purposes and be able to provide prompt customer service.
- b. Contact information for a Proposer’s customer service representative must be included on Proposer’s Statement of Qualifications Form (Exhibit D).
- c. Due to the importance of product quality and manufacturer support and certification, Proposers must demonstrate in the Proposal that they are a licensed distributor for products as appropriate.

2. PURCHASE AND DELIVERY TERMS

- a. No minimum order quantity.
- b. Successful Proposers shall accept orders via mail, email, telephone and online web form from the City. All orders shall be complete, labeled and packaged adequately to ensure safe handling and proper delivery.
- c. No separate charges for freight and delivery.
- d. Forty-eight (48) hours (or less) turn-around is the preferred delivery time, unless otherwise specified in Section III. Proposer shall indicate any different delivery times.
- e. Failure to meet delivery date and provide product as specified may result in written termination of the contract. Time is of the essence.
- f. If the City requests expedited delivery, the Proposer may pass those costs to the City only with prior written approval.
- g. If the Proposer cannot meet the delivery requirement, either standard or expedited, the City reserves the right to obtain the product from another source. The extra cost of procuring the product may be charged to the Proposer and deducted from any monies due or which may become due from the City.
- h. Further, if the Proposer is unable to meet the delivery requirement and supply requested product within the designated time due to factory delay, strike, or any unforeseen circumstances, the Proposer must notify the City’s representative of the delay and the anticipated delivery date. Failure to comply with this requirement will result in a poor performance rating, which will be considered in subsequent awards or renewals, and could result in the termination of the contract.
- i. Freight terms for all orders requested "delivered" shall be FOB destination Freight Prepaid. All delivery charges, fees, insurance, expenses, and/or overhead shall be included in the price.
- j. No taxes shall be included in the price.
- k. The City is responsible for inspecting all deliveries and accepting them. Any inadequate deliveries shall be replaced solely at the Proposer's expense. This shall include delivery of replacement product. Replacement product shall be

delivered within two (2) business days from receipt of notification of inadequate delivery.

- l. Delivery shall be during normal business hours, Monday through Friday, excluding holidays, unless otherwise specified. The Proposer shall be responsible for ensuring that deliveries are made during regular business hours for the City.
- m. All chemicals consigned to the Cypress Water Production Facility must be accompanied by a certification of compliance with the specifications of the American National Sanitation Foundation Standard 60, concerning drinking water additives.
- n. On the delivery ticket, the Proposer shall obtain a signature from a City employee for all chemicals delivered. The Proposer shall be required to furnish proof of delivery in case of dispute.

3. PRICES/SHIPPING/BILLING

PRICES

- a. Unless stated otherwise below, all prices offered by Proposers shall be firm against any increase for three (3) years from the effective date of the contract.
- b. Price increase requests may be denied if not supported with appropriate price increase justification.
- c. The City reserves the right to accept or reject a price increase within 14 days of written request for a price increase. If the price increase is rejected, the order for the specific item will be canceled.
- d. If the price increase is approved, the price will remain firm for the renewal term for which it was requested. The City will notify the Contractor in writing of the effective date of any price adjustment it has approved.
- e. Price Decreases: In the event of any decrease in price either by the manufacturer or if the Contractor charges a lower price to other customers, Contractor shall notify the City and give the City the decrease.

SHIPPING

- f. Price Proposals shall include all transportation and freight costs to the point of delivery at the applicable treatment or pumping facilities. If Proposer includes additional delivery costs, an explanation of such costs shall be included with Section VI. Price Proposal Form (Table A - separate Excel spreadsheet).
- g. Proposal prices shall also include all appurtenant and incidental costs associated with the chemical including all costs associated with the pickup, return, cleaning and/or proper disposal of chemical containers, fuel, special insurance, etc.
- h. Contractor shall be solely responsible for payment of freight costs with the carrier. Collect shipments are not acceptable and will be rejected.

BILLING

- i. Contractor shall set up its billing system to ensure that no City invoices include sales tax. The City will provide certificates of exemption for sales tax upon request.
- j. To facilitate prompt payment, invoices must contain the commodity and/or service descriptions, quantity, and unit pricing.

- k. Invoices failing to contain the required line item detail, including unit pricing may be returned for correction.
- l. The Proposer shall assign a dedicated Service/Support Representative and provide their contact information for customer service and invoice issues. Include the name and contact information of the assigned representative in the Proposer's Statement of Qualifications Form (Exhibit D).

4. PAYMENT

- a. Payment to the Contractor shall be made within 30 days of receipt of an invoice covering deliveries made during the prior 30 days.
- b. The City reserves the right to hold payment or adjust payments for any products that do not meet the minimum specified or referenced standards.
- c. Where the concentration of the chemical product is beyond the stipulated range of concentrations, the City may reject the shipment.
- d. The City reserves the right to withhold or adjust payments if the Contractor fails to deliver chemical within the stipulated time, unless otherwise agreed to by the City in advance.
- e. The amount of the withholding will be based on the difference between the contract price and the price to have the order filled by others. If there is no difference in price, or if the price is less than the contract price, there will be no withholding of money.
- f. If the City chooses to accept a shipment of chemicals in concentrations greater than the specified concentrations, Contractor shall not be entitled to additional compensation above the Proposal price unless agreed to in advance and in writing by the City's Public Works Director and/or the Chief Water Operations Supervisor (or their duly authorized representative).
- g. If the City chooses to accept a shipment of chemicals in a concentration less than the specified concentration, the unit price for the chemical shall be prorated linearly down based on the active ingredient concentration.

5. QUANTITIES

- a. Quantities stated herein are given as a general guide for Proposal purposes and are not guaranteed amounts. Actual requirements may vary by ± 20 percent more or less than the quantities indicated on the Cost Proposal Form (Exhibit E).
- b. Additional quantities may be ordered during the term of the contract at the unit prices set forth in the contract. If at the end of the term of the contract, the City has not placed orders for the total estimated quantities set forth in the contract, there shall be no penalty.
- c. Minimum orders for bulk liquid and dry chemical supplied by tankers must be indicated by the Proposer. The minimum order is the smallest order that will be placed for a chemical delivered by tanker.

6. DELIVERY

- a. Delivery shall be made to the facility as required on an "as-needed" basis.
- b. Proposer shall provide a date and approximate delivery time for all scheduled deliveries in the Proposal. The Proposer shall provide advanced notification to the requesting Participating Agency of delivery delays, and any changes such as new/different sources of supply, chemical concentration, etc.
- c. All delivery tickets shall include the net weight, volume and the percent concentration of the product as applicable.
- d. All containers shall be clearly marked to indicate the contents and shall bear the current proper precautionary information required by the stipulated referenced standard, US Department of Transportation, and other regulatory agencies concerned with the hazardous nature of the chemical being shipped. All chemicals that are National Sanitation Foundation (NSF) approved shall be so marked on the label.
- e. Contractor is solely responsible for unloading all chemicals to the storage or usage locations at each plant. Contractor is also responsible for loading all empty and used chemical containers and pallets for return.
- f. Containerized chemicals will not be accepted if the Contractor's delivery vehicle is not equipped with a properly functioning pallet jack and hydraulic lift/tail gate or if the City determines or believes that the containers are unsafe.

7. CONTAINERS AND PALLETS

- a. The City may request as needed containerized chemicals in place of direct tank deliveries.
- b. Proposers shall not be entitled to charge deposits on containers and pallets due to the accounting burden imposed on the City to track deposits and refunds. All containers and pallets shall be clearly marked with the name of the owners and an identifying serial number to uniquely distinguish the container or pallet.
- c. The Contractor with each delivery of chemicals shall pick up empty containers and/or pallets. All costs associated with the pickup, return, cleanup, and/or proper disposal of the containers shall be included for each unit on the Cost Proposal Form (Exhibit E).
- d. All chemical containers, valves, and appurtenances shall be safe and in good working order.

8. ADDITIONAL INFORMATION REQUIRED WITH PROPOSAL SUBMITTAL

- a. All Proposals shall include Material Safety Data Sheets (MSDS), manufacturer specifications, and certificates of analysis for each chemical. Failure to submit MSDSs, specifications sheets, or certificates of analyses with the Proposal may disqualify the Proposal for that chemical.
- b. The apparent best Proposer(s) for each chemical may be asked to submit data on the chemical manufacturers Quality Assurance and Quality Control measures to ensure a consistent quality of chemical. The data shall include statements

regarding the sampling and analysis methods and statistical data (mean, standard deviation and population of the database thereof). This information, if requested, shall be furnished within seven (7) calendar days of the date of request. Failure to provide the information within the stipulated time may result in the rejection of the Proposal.

9. GENERAL REQUIREMENTS

- a. The specific requirements for bulk chemicals are summarized in the Chemical Specifications (Section III).
- b. Where a referenced standard is listed, it shall mean the latest issue including all addenda as of the date of this advertisement.
- c. Any chemical used in the processing of potable water must be listed in the NSF Listing for Drinking Water Additives, latest edition.
- d. Changes in sources of supply for any chemical are subject to approval by the City. Contractors must provide advanced notification and complete documentation of any proposed changes in the source/manufacturer of chemicals.
- e. There is no requirement for a Proposal bond or performance bond for this Proposal.

**EXHIBIT C
POLYPHOSPHATE PRODUCT SHEET
(ATTACHED)**

EXHIBIT D – Proposer’s Statement of Qualifications Form

Please provide requested information in full. Proposers who do not provide the requested information or submit a full and complete Cost Proposal (Exhibit E) may have their proposal deemed unresponsive during the selection process. All information provided by the proposer will be subject to verification by the City.

1. CONTRACTOR INFORMATION

The primary contact shall be the person with the authority to negotiate contracts with the City.

Name of Contractor: _____

Primary Contact and Title: _____

Legal Address of Contractor: _____

Primary Contact Phone Number: _____

Primary Contact Email Address: _____

2. SERVICE/SUPPORT REPRESENTATIVE

Provide a list of all subcontractors to perform work on this contract, including relevant licenses, permits, and certifications.

Name: _____

Title: _____

Phone _____ Number: _____

Email Address: _____

3. CONTRACTOR’S QUALIFICATIONS

Describe Contractor’s experience in providing water treatment chemicals, including any relevant work for governmental agencies. Include a description of Contractor’s and any subcontractor’s core-competency and experience with similar work that is described in the Technical Specifications (Exhibit B). Attach a separate sheet, if necessary.

4. LICENSES AND CERTIFICATIONS

Provide a listing of any relevant certifications, permits, or licenses for Contractor’s or subcontractor’s personnel and equipment use. Include the license number and type and indicate whether the license is held by the Contractor or subcontractor.

5. LIST OF SUBCONTRACTORS

Provide a list of all subcontractors to perform work on this contract, including relevant licenses, permits, and certifications.

Subcontractor Name	Work to Be Performed	Licenses, Certifications, Permits

6. LIST OF REFERENCES

Please provide current references for 3 past or existing commercial clients doing similar work to that specified in this RFP.

A. Client: _____

Contact Name / Title: _____

Phone Number / Email Address: _____

B. Client: _____

Contact Name / Title: _____

Phone Number / Email Address: _____

C. Client: _____

Contact Name / Title: _____

Phone Number / Email Address: _____

7. CONTRACTOR OPERATIONS

Number of employees: _____

Number of years in business: _____

Describe if and how promptly Contractor will provide water treatment chemicals for an expedited order.

Describe how Contractor shall seek to attain the quality of service set forth in the RFP.

8. PROOF OF INSURANCE

In a separate attachment, provide proof of insurance, as specified in Section 17 of the attached Professional Services Agreement.

Contractor’s Signature: _____ Date: _____

EXHIBIT E – Cost Proposal Form

The proposal prices are to include the furnishing of all labor, materials, equipment, fees, taxes, incidentals, and overhead necessary to supply and delivery the chemicals specified in Exhibit A, and meet all requirements in Exhibit A and Exhibit B of this RFP.

CHEMICAL	UNIT	TANK SIZE/ DELIVERY SIZE	FREQUENCY OF DELIVERIES	ESTIMATED ANNUAL QUANTITY	PRICE PER GALLON DELIVERED
Sodium Hypochlorite	Gallons	2,500 gallons	15 days	60,000 gallons	\$
Ammonium Hydroxide	Gallons	250 gallons	30 days	3,000 gallons	\$
Blended Polyphosphate	Gallons	200 gallons	30 days	2,400 gallons	\$

The Contractor affirms that in the event they are selected as the successful Contractor, all work will be performed in the specified manner and under the terms and conditions specified at the prices listed above.

Contractor's Signature: _____ Date: _____

**EXHIBIT F
PROFESSIONAL SERVICES AGREEMENT TEMPLATE
(ATTACHED)**



Surface Water Treatment
Iron /Arsenic Removal
Industrial Filtration
Odor Control
Disinfection

2218 So. Crosscreek Ln., Boise, ID 83706 • Ph. (208)-336-6611 • Fax (208)-336-6637

September 30, 2022

TO: City of Lomita, CA

FROM: Gregg Fisher

REF: Proposal for Water Treatment Chemicals

The following is Filtration Technology, Inc.'s proposal:

- Exhibit A-Chemical Specifications: Blended Polyphosphate Solution, Carus 9100
 - As per specifications
- Exhibit B: Comments
 - 2.a. Must order a minimum of (4) 55 gal barrels at a time (pallet quantity); if requiring more, order in pallet quantities only
 - 2.d. 2 day product delivery is standard if order is received before noon PST
 - 3.a. Price is firm for 1 year from date of contract. Filtration Technology shall submit, 2 weeks prior to the 1 year anniversary date, a letter advising of any price increase from Carus and XPO Logistics, the LTL truck delivery company we intend to ship by. If no price increase and the price is secure for an additional year, the City of Lomita can agree to extend the agreement or terminate. If there is a price increase, Filtration Technology shall propose to pass the same price increase percentage along to the City of Lomita and our proposal shall be good for 1 year. The City of Lomita can then agree to extend or terminate the purchase agreement. Price increase confirmation letters from Carus and XPO Logistics are available upon request.
 - 6. e. Carus 9100 will be shipped, as stated above 2.a. two (2) pallets, each to contain (4) 55 gal barrels. City is responsible for unloading the pallets off the XPO Logistics truck's liftgate. Used containers are not returnable.

- Exhibit C:
 - Carus 9100 data sheet and SDS

- Exhibit D:
 - Statement of Qualifications Form
 - Insurance

- Exhibit E
 - Cost Proposal

Addendum 1 has been received and reviewed.

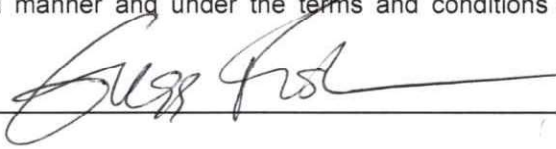
We hope this proposal meets your approval. Thank you for the opportunity.

EXHIBIT E – Cost Proposal Form

The proposal prices are to include the furnishing of all labor, materials, equipment, fees, taxes, incidentals, and overhead necessary to supply and delivery the chemicals specified in Exhibit A, and meet all requirements in Exhibit A and Exhibit B of this RFP.

CHEMICAL	UNIT	TANK SIZE/ DELIVERY SIZE	FREQUENCY OF DELIVERIES	ESTIMATED ANNUAL QUANTITY	PRICE PER GALLON DELIVERED
Sodium Hypochlorite	Gallons	2,500 gallons	15 days	60,000 gallons	\$
Ammonium Hydroxide	Gallons	250 gallons	30 days	3,000 gallons	\$
Blended Polyphosphate	Gallons	200 gallons	30 days	2,400 gallons	\$ 34.09

The Contractor affirms that in the event they are selected as the successful Contractor, all work will be performed in the specified manner and under the terms and conditions specified at the prices listed above.

Contractor's Signature:  Date: 9-30-22



CITY OF LOMITA CITY COUNCIL REPORT

TO: City Council **Item No. PH 9a**

FROM: Ryan Smoot, City Manager

PREPARED BY: Susan Kamada, Administrative Services Director
Carla Dillon, Public Works Director

MEETING DATE: October 18, 2022

SUBJECT: Public Hearing and Consideration of a Rate Resolution Relative to Water Rates

RECOMMENDATION

Conduct a public hearing and receive written protests from property owners in accordance with Proposition 218 relative to the proposed water rate increase and if a majority protest is not achieved, adopt the attached rate resolution.

BACKGROUND

The Lomita Water System is operated as an Enterprise of the City of Lomita independent of the City's general operating and capital funds with its primary funding for its continued operations and maintenance coming from rates for service charged to its customers. The Lomita Water System serves the majority of the residents and businesses in the City of Lomita, with one small section served by a private supplier, CalWater.

On August 16, 2022, after presentation and discussion of the water rates structure prepared by City staff and Willdan Financial Services with input and recommendation from the Water Subcommittee, the City Council directed staff to send out the public notice for the water rate hearing and schedule the rate hearing for October 18, 2022, after the required 45-day public notice period. The required notices were sent out in late August 2022.

Current Water Rates Structure

On December 10, 2014, the City Council adopted a 5 Year Water Rate Structure which established the rate schedule charged to customers through July 1, 2019. In 2019 the City began the process of updating its Water Master Plan, and with the onset of the COVID-19 pandemic, the City Council chose to delay consideration of the new rate

structure until the update to the Water Master Plan was complete and identified necessary operations and capital needs of the City’s water system. As such, the water rates charged to customers for water service have remained unchanged since July 1, 2019, while the City’s expenses and capital project costs have continued to increase.

ANALYSIS

Many factors affect the costs for operating a water system. Generally, the expenses of the Water System come from either Operational expenses – the day to day costs to operate the system, or from Capital expenses – ongoing investments into the maintenance and upgrade of the infrastructure of the system itself. The system also requires a certain level of administrative and reserve funding sufficient to meet demands in an emergency or other exigent circumstance. These costs are analyzed regularly over time and identified in the Water Master Plan based on specific operational and capital projects necessary to continue to provide safe and reliable water service to customers. Although there will always be unforeseen circumstances (such as the recent necessity to upgrade the Cypress Water Production Facility), the City’s goal is to appropriately plan for expenditures over time to ensure that its rate structures are balanced and sufficient to fund necessary projects.

In addition to rates from customers, the City makes every attempt to secure funding from external sources when available. This has been the case for many of the City’s recent water-related infrastructure projects. In recent years, the City has secured more than \$6.5 million and an additional \$4.5 million tentatively allocated in infrastructure funding from external sources, which helps to keep rates charged to customers as low as possible.

Operational Factors included in the 2022 Water Rate Study

Imported Water Cost from West Basin – Metropolitan Water District (MWD)

Over the past several years, the City has been impacted by significant rate increases imposed by West Basin – MWD. The table below shows the rise in cost per acre foot of imported water since FY 18-19:

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Cost Per Acre Foot	\$1,385	\$1,405	\$1,441	\$1,488
Annual Imported Water Cost	\$2,139,030	\$2,875,483	\$3,104,805	\$3,047,333

* West Basin typically adopts a set of 2 water rate increases during a fiscal year (one effective on July 1 and the second on January 1 of the following year). The cost shown is the second rate increase effective January 1 of that same fiscal year.

For FY, 19-20, FY 20-21 and FY 21-22, the West Basin rate increases have been especially impactful in Lomita as during the construction of the G.A.C. upgrades at CWPF, we have been forced to rely solely on more costly imported water to meet the needs of our customers rather than producing local ground water using our existing water rights.

(the effects of returning CWPF to full operations and the associated return to blended operations is discussed in more detail below).

In addition to the increase in costs of imported water, there have also been other minor increases in general costs to operate the water system related to materials and supplies increases, staffing and permitting required for the system.

Effect of GAC at Cypress Water Production Facility on Operational Costs

In general, locally produced ground water is significantly less expensive than importing it from northern California or from the Colorado River through Metropolitan Water District and West Basin. The City holds 1,352 acre feet of water rights to allow for pumping local ground water, and under normal operations provides water to the majority of its customers by blending imported water with local ground water. Any opportunity to decrease the City's reliance on imported water and use its existing water rights (or those leased from another agency) to produce water locally should be explored.

With the Granular Activated Carbon (GAC) filtration system added to the CWPF, the City will be able to return to blended operations and potentially increase the ratio of local ground water to imported water, thereby finding potential savings. There are additional operational costs to running the GAC system, but the City can reasonably expect to see savings over time while also improving overall water quality for our customers. Savings will be dependent on the blend ratio of ground vs. imported water, and on the effective replacement period of the GAC material, among other factors.

Capital Factors included in the 2022 Water Rate Study

Over the last several years, Lomita residents have routinely identified improvements to the Lomita Water System as one of their top priorities, and the City has in turn invested millions of dollars in water quality improvements, pipeline replacements, and other infrastructure upgrades. Since the City took over the water system from the County, many of the nearly 100-year-old water lines have been replaced, but there are still many more in need of upgrade. The City Council has approved a 5-year Capital Improvement Plan and a Water System Master Plan that call for more than \$102,000,000 in total investment (of which \$44.5 Million is related to Water System improvements) over that time period to maintain the City's ability to deliver high-quality, reliable, locally sourced potable water to its residents. Those capital projects and routine and necessary pipe replacements not included in the overall Water Master Plan, as well as the updated construction estimates associated with each of the projects were incorporated into the 2022 Water Rates Study to accurately reflect the funding levels necessary to adequately and safely meet the needs of the Water System Customers into the future.

While systemwide revenues have remained relatively stable in recent years, capital and operating expenses have increased, and existing revenues are insufficient to cover planned projects and expenditures in the future. To accomplish the projects identified in the plans discussed above, sufficient revenue must be maintained.

Reserve funding – Operating and Capital - included in the 2022 Water Rates Study

Due to the small size of the City's Water Enterprise, it is essential for the City to maintain reserve funds. The City's primary water treatment system consists of a single treatment plant and one well, Well No. 5. Should the City be unable to fully utilize the Cypress Water Production Facility (CWPF) and treat and distribute blended water (as has been the case in recent years) during the five-year rate period, an adequate operating reserve is needed. If the City goes back to 100% imported water for an extended period of time due to a service interruption at the CWPF, the higher cost of imported water will need to be offset by the operating reserve, as it has been in recent years.

Significant capital reserve funds are also necessary if an unexpected repair is needed at the CWPF or within the City's water distribution system. Underfunding the reserve funds could have dire consequences if a catastrophic event were to occur. With an underfunded reserve, a worst-case scenario would require the City to have to borrow money (potentially issue bonds) to maintain operations and/or repair a major capital facility. Should this occur, this would result in significantly higher future costs for ratepayers who would be paying down the newly issued bonds. Sufficient levels of reserve funding were also factored into the 2022 Water Rate Study.

Structure of the Lomita Water System Billing

There are two components to the City's water billing. The combination of the two make-up a customer's bi-monthly water bill.

1. Meter charge (Water Operation and Water Capital)
 - a. Rate structure based on meter size.

2. Block rate structure (Water Consumption)
 - a. Three block rate structure for residential classes
 - i. Encourages water conservation - low water usage nets the lowest rates.

Proposed rate structure based on 2022 Water Rates Study and City Council Direction

Based on the 2022 Water Rate Study, the Water Subcommittee reviewed the funding structure identified by the consultants and recommended modifications to the structure to ease the burden on residents and customers. After discussing multiple funding scenarios, the Committee recommended, and the City Council ultimately discussed and proposed the following rate structures to take effect in 2023.

The table below (Table 1-2) identifies proposed increases in the bi-monthly meter charge (by meter size and use) and commodity rates per Hundred Cubic Foot (HCF) for Residential and Non-Residential customers over the five-year period:

Table 1-2						
Proposed Water Rates						
Fiscal Years 2022-23 through FY 2026-2027						
Bi-Monthly Base Charge						
Meter Size	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
5/8-inch	\$50.31	\$53.81	\$57.04	\$58.18	\$59.35	\$60.53
3/4-inch	50.31	53.81	57.04	58.18	59.35	60.53
¾ x 1-inch	67.08	70.49	74.72	76.21	77.74	79.29
1-inch	83.85	87.33	92.57	94.42	96.31	98.24
1 ½-inch	167.71	170.38	180.60	184.21	187.89	191.65
2-inch	268.33	270.43	286.66	292.39	298.24	304.20
3-inch	503.13	537.58	569.83	581.23	592.85	604.71
4-inch	838.54	837.74	888.01	905.77	923.88	942.36
Volume Rate (\$/CCF)						
Residential						
Usage Range	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
0-20 CCF	\$4.79	\$5.03	\$5.35	\$5.70	\$6.07	\$6.47
20-35 CCF	4.94	5.28	5.62	5.99	6.38	6.79
> 35 CCF	5.61	6.68	7.11	7.57	8.06	8.59
Commercial						
Usage Range	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
>0 CCF	\$4.94	\$5.30	\$5.64	\$6.01	\$6.40	\$6.82
Fire Bi-Monthly Base Charge						
Meter Size	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
4-inch	\$227.61	\$240.77	\$242.40	\$258.16	\$274.94	\$292.81
6-inch	455.22	477.76	484.81	516.32	549.88	585.63
8-inch	728.35	762.15	775.69	826.11	879.81	937.00
(1) Effective January 1						
(2) Effective July 1						

Projected Non-Residential Water (Commodity) Rate

The non-residential water (commodity) rate is projected to increase from \$4.94 per CCF to \$5.30 per CCF for FY 23.

Sample Water Rates for Single Family Residential Customers

For the first proposed rate adjustment effective in January 2023, the typical bi-monthly single family residential water bill (using 26 HCF) would increase by \$10.26 to \$186.01 for the two-month billing period (or \$5.13 per month). For FY 24 and FY 25, the bi-monthly increase would be approximately \$11.67 and 10.36 respectively for the two-month billing period. For FY 26 and FY 27, the bi-monthly increase would be approximately \$10.91 and \$11.64 respectively for the two-month billing period. The proposed rates for a “typical,” “low” and “high” water user are shown in more detail below:

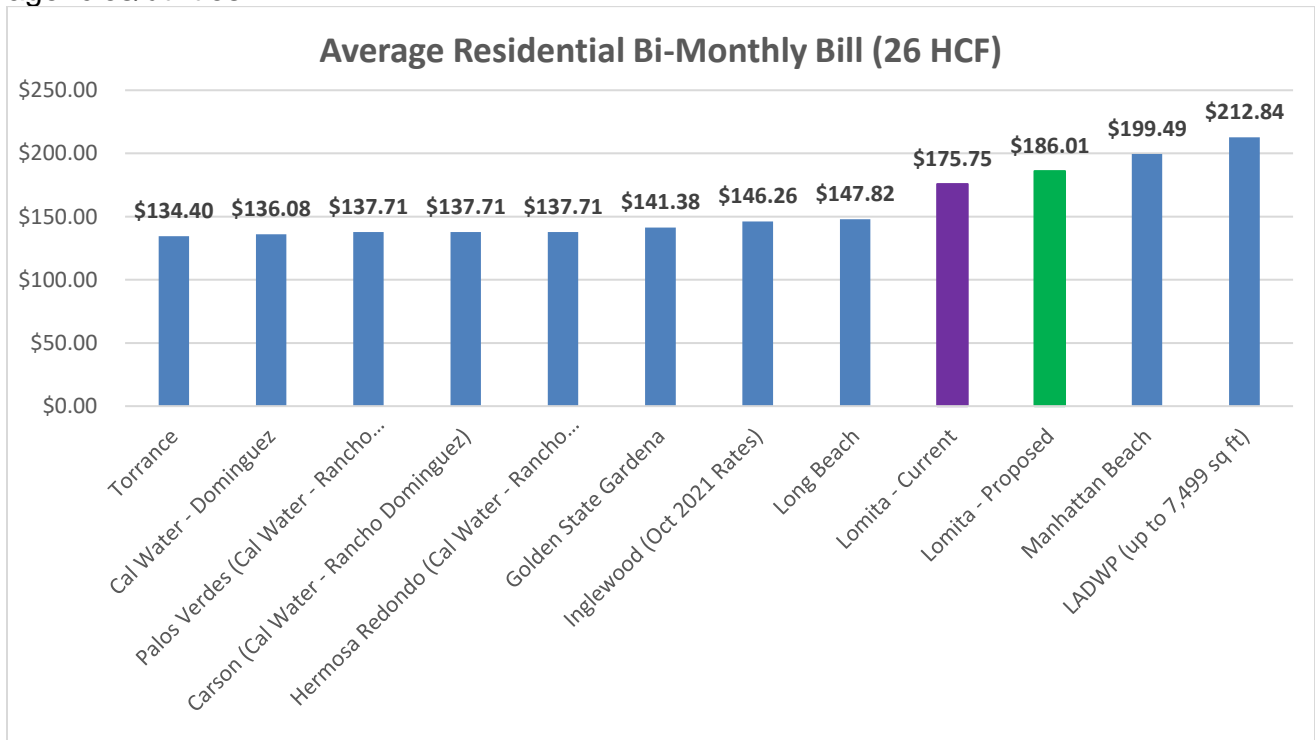
Table 3 - Existing and Proposed Residential Bill Comparison

Residential Customer Bill Comparisons						
Residential Customer	Existing	FY 23	FY 24	FY 25	FY 26	FY 27
Low Use Residential Bill - 10 Units	\$47.90	\$50.30	\$53.50	\$57.00	\$60.70	\$64.70
Bill Difference (\$)		2.40	3.20	3.50	3.70	4.00
Bill Difference (%)		5.01%	6.36%	6.54%	6.49%	6.59%
Typical Use Residential Bill - 26 Units	175.75	186.01	197.76	208.12	219.03	230.67
Bill Difference (\$)		10.26	11.67	10.36	10.91	11.64
Bill Difference (%)		5.83%	6.27%	5.23%	5.24%	5.31%
High Use Residential Bill - 40 Units	197.95	213.20	226.85	241.70	257.40	274.20
Bill Difference (\$)		15.25	13.65	14.85	15.70	16.80
Bill Difference (%)		7.70%	6.40%	6.55%	6.50%	6.53%

The proposed water rates are structured to encourage water conservation, where higher water users pay a significantly higher commodity rate when they go above 35 CCF for the bi-monthly period than those who use less.

Rate Comparison with Other Cities

Although the needs of a given water system are unique to each system, and the funding necessary to support the systems capital and operational needs over time will vary widely based on a number of factors, the following graph has been prepared to show the current and proposed average monthly water bill for a single-family residential rate payer compared as they compare to similar water users in other local jurisdictions. The proposed rate would not change Lomita’s position compared with these other agencies/utilities.



Prop 218 Protest Hearing Process

In November 1996, California voters passed a constitutional amendment known as Proposition 218. This amendment changed the process for increasing property-related fees within the state. Under the protest hearing process, property owners within the service area are mailed a proposed rate notice detailing the proposed rate increase. To oppose the rate increase, the property owner may submit a written protest to the City. To support the rate increase, there is no action required on the part of the property owner. If a majority of the property owners subject to the water rates submit a protest to the City no later than the conclusion of the public hearing, the City Council would not be able to adopt the proposed rate increase.

If fewer written protests than the majority are received, the City Council may enact the rate increase. In August of 2022, the City mailed out 4,378 notices to affected property owners. The City would not be able to adopt the proposed water rates if 2,189 written protests are received.

As of October 11, 2022, the city has received 5 written protests.

Pass-Through Language in the Rate Resolution

Due to the uncertainty of cost increases from the Metropolitan Water District (MWD) going forward, the rate resolution includes pass-through language for the term of the rate study. The water rate study assumes an annual increase of 2% for imported water costs. Should the City see increases greater than 2% for a given year from West Basin/MWD, the difference could be passed on to water customers.

Effective Date of Rate Resolution

If the rate resolution is adopted, the new water rates would become effective on January 1, 2023. The first water bill reflecting the new rates would be mailed out on March 15, 2023.

OPTIONS:

- 1) Conduct a public hearing and receive written protests from property owners in accordance with Proposition 218 relative to the proposed water rate increase and if a majority protest is not achieved, adopt the attached rate resolution.
- 2) Provide staff with alternative direction.

FISCAL IMPACT

Adopting the rate resolution will allow the City's water enterprise fund to continue to adequately provide water-related service based on the required revenue received.

ATTACHMENTS

- 1) Rate Resolution
- 2) Water Rate Study
- 3) Public Notice – Proposition 218 Notice

Reviewed by:



Gary Y. Sugano
Assistant City Manager

Approved by:



Ryan Smoot
City Manager

Prepared by:



Carla Dillon, P.E.
Public Works Director



Susan Kamada
Administrative Services Director

RESOLUTION NO. 2022-34

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMITA,
CALIFORNIA, ADOPTING NEW WATER RATES AND CHARGES**

**THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, DOES HEREBY
FIND, ORDER AND RESOLVE AS FOLLOWS:**

Section 1. Recitals.

- A. The City of Lomita provides water service to all properties within the City of Lomita (with the exception of 211 parcels in the Rolling Ranchos Tract); and
- B. The City Council has previously set October 18, 2022, as the date for a public hearing for consideration of a revised schedule of water rates and charges; and
- C. The notice of the October 18, 2022, public hearing, and of the proposed schedule of rates and charges, was mailed to each Lomita water customer in August 2022 as required by Proposition 218; and
- D. The City mailed out 4,378 notices to affected property owners. Under Proposition 218, the City would not be able to adopt the proposed water rates if 2,189 written protests are received.
- E. The public notice and other water rate study information was made available to the public on the City's website on August 2022; and
- F. The public notice provided instructions on how to file a written protest relative to the proposed water rates; and
- G. On October 18, 2022, the City Council conducted a duly noticed public hearing concerning the proposed water rate increase and heard and considered all oral and written testimony and protests; and
- H. The proposed increase in water rates is statutorily exempt from the provisions of CEQA pursuant to Title 14, section 15273 of the California Code of Regulations as it applies only to rates necessary to operate and maintain the City's water system; and
- I. All legal prerequisites to adoption of a water rate increase have occurred prior to adoption of this Resolution.

Section 2. Effective Date.

The rates and charges set forth in this Resolution shall take effect on January 1, 2023.

Section 3. Schedule of Rates and Charges.

A. Rate Structure

Each customer is charged both a bi-monthly base charge known as a “meter service charge” and a “commodity charge” based on the amount of water consumed during the billing service period.

B. Meter Service Charge and Commodity Charge

Table 1-2						
Proposed Water Rates						
Fiscal Years 2022-23 through FY 2026-2027						
Bi-Monthly Base Charge						
Meter Size	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
5/8-inch	\$50.31	\$53.81	\$57.04	\$58.18	\$59.35	\$60.53
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¾ x 1-inch	67.08	70.49	74.72	76.21	77.74	79.29
1-inch	83.85	87.33	92.57	94.42	96.31	98.24
1 ½-inch	167.71	170.38	180.60	184.21	187.89	191.65
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4-inch	838.54	837.74	888.01	905.77	923.88	942.36
Volume Rate (\$/CCF)						
Residential						
Usage Range	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
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> 35 CCF	5.61	6.68	7.11	7.57	8.06	8.59
Commercial						
Usage Range	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
>0 CCF	\$4.94	\$5.30	\$5.64	\$6.01	\$6.40	\$6.82
Fire Bi-Monthly Base Charge						
Meter Size	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
4-inch	\$227.61	\$240.77	\$242.40	\$258.16	\$274.94	\$292.81
6-inch	455.22	477.76	484.81	516.32	549.88	585.63
8-inch	728.35	762.15	775.69	826.11	879.81	937.00
(1) Effective January 1						

Section 4. Rate Adjustments

Each rate set forth in Section 3 of this resolution shall be adjusted on July 1 of each year as indicated in the rate table and additionally as follows:

A. Pass Through Component.

Pursuant to Section 53756 of the Government Code, the City may adopt a rate schedule which provides for automatic adjustments to pass along increases in wholesale/imported water charges. Pursuant to Section 53756, the City Council hereby authorizes the following automatic adjustments to the fixed customer charge and the variable water commodity charge:

Wholesale/Imported Water Cost Adjustments. City reserves the right to automatically pass along future increases in wholesale water charges imposed on City by another agency, such as the Metropolitan Water District or WD and/or the West Basin Municipal Water District. These automatic adjustments may be made whenever the other agency increases the standard wholesale cost of water beyond the current wholesale cost assumed by City in the proposed rate structure, provided that notice of any adjustment shall be provided to the customers at least 30 days before the effective date of the adjustment in accordance with Section 53756(d).

Section 5: Administration.

It shall be the duty and function of the Administrative Services Director to administer this Resolution.

Section 6. Findings

- A. At the close of the public hearing, the City received 15 written protests. The City Clerk has certified the tabulation of written protests. Thus, no majority protest to the proposed water rate increases has been presented under Proposition 218.
- B. That revenues derived from those rates will be utilized to meeting water operating expenses including the purchasing or leasing of supplies, equipment/materials, employee wage rates/benefits as can be attributable to water operations/water capital and will not exceed the funds required to provide water service.
- C. That revenues derived from these rates will not be used for any purpose other than providing water service including water capital projects that upgrade infrastructure within the service area.
- D. That the amounts of those rates imposed upon any parcel or person as an incident of property ownership will not exceed the proportional cost of the service attributable to the parcel.

Section 7: The City Clerk shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED, this 18th day of October 2022.

Cindy Segawa, Mayor

APPROVED AS TO FORM:

ATTEST:

Trevor Rusin, City Attorney

Kathleen Horn Gregory, City Clerk

DRAFT

City of Lomita, CA

Water Rate Study





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Section 1 – Executive Summary

The City of Lomita (City) provides utility service to approximately 4,500 customers. The City’s water enterprise fund is self-supporting and funds the operations and maintenance (O&M) associated with the utility, capital projects and repayment of any associated debt, and routine repair and replacement of aging system components for the water system. Water user rate revenue provides a stable secure revenue source for the utility, is the primary revenue source for operations and can only be used for the utility. Revenue from water user rates cannot be used for any other general or special purpose.

The main objective of this study was to develop a five-year financial plan to evaluate the current financial condition for the utility and ensure it is generating sufficient revenue over the five-year period to cover the costs of operations. The study also evaluated tiered rate options for water to address excess water use and encourage conservation. Finally, to the extent the utility was found not to be generating adequate revenue under current rates, the financial plan included recommended rate revenue adjustments to ensure continued revenue sufficiency and stability. These are discussed in further detail in the body of this report.

1.1 Study Overview

The City contracted with Willdan Financial Services (“Willdan”), to complete a water rate study comprised of the following objectives:

- **Five-Year Financial Plan:** Identify the revenues required by the utility to meet the respective annual costs of operation, maintenance, capital projects, debt repayment and accumulation and maintenance of appropriate reserves.
- **Rate Update:** Review and update the City’s existing water rates and comment on their adequacy to meet projected revenue requirements and the City’s objectives, as well as the requirements of Proposition 218 whereby the rates and charges are based upon the cost of providing service. In addition, revised tiered rate options were explored for the water utility, and are being recommended in order to encourage sensible water consumption by users, and help the City ensure they are able to meet established conservation objectives.



1.2 Financial Plans

The five-year water financial plans were developed based on the City's projected revenues and expenditures, system growth and recent consumption trends. The projections reflect the best available information and assessments developed and refined through numerous meetings and teleconferences between Willdan and City staff. Upon completion of the financial plans, it was determined that projected revenues that would be generated for the water utility through anticipated system growth, existing user rates and projected system utilization alone will not be sufficient to meet anticipated system expenditures, and additional rate revenue increases will be required.

1.3 Cash Reserve Targets

Through the study process Willdan worked with City staff to identify and recommended financially prudent cash reserve targets to help ensure the continued financial viability of the water enterprise fund. The cash reserve targets include:

- **Operating Reserve:** Cash reserve equivalent to 90 days of annual operations and maintenance expenses.
- **Capital Reserve:** Maintain a capital fund balance of at least \$750,000.

1.4 User Rates

As suggested in section 1.2, rate revenue increases are projected for the water utility during the five-year study period in order to meet the City's obligations. The study also proposes refinements to the existing water user rates, including revised tiered rates to maintain compliance with Proposition 218. This is discussed in more detail in Section 4.2.2.

1.5 Findings and Recommendations

It is recommended that the City update the cashflow portion of this study each year to ensure that actual revenues and expenses for that year are tracking closely with projections developed for this study, and that revenue is sufficient to fund projected expenses going forward. This is important as actual operating results may differ from the projections, and assumptions made during this study may change and have a material impact on the analysis. As customer usage patterns change, or the composition of the City's customer base changes, the City should conduct an in-depth cost-of-service analysis to ensure appropriate



allocation of costs to customer classes. The proposed revenue increases, and rates are illustrated in Tables 1-1 through 1-2.

Table 1-1 Projected Rate Revenue Increases Fiscal Years Ending June 30	
Description	Water Rate Revenue Increases
2022-23	6.5%
2023-24	6.5%
2024-25	6.5%
2025-26	6.5%
2026-27	6.5%



Table 1-2						
Proposed Water Rates						
Fiscal Years 2022-23 through FY 2026-2027						
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1-inch	83.85	87.33	93.01	99.05	105.49	112.35
1 ½-inch	167.71	170.38	181.45	193.24	205.81	219.18
2-inch	268.33	270.43	288.01	306.73	326.67	347.90
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Volume Rate (\$/CCF)						
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6-inch	455.22	477.76	484.81	516.32	549.88	585.63
8-inch	728.35	762.15	775.69	826.11	879.81	937.00
(1) Effective January 1						
(2) Effective July 1						



Section 2 - Introduction

2.1 Introduction

Willdan Financial Services (“Willdan”) was retained by the City of Lomita, California (“City”) to conduct a Water Rate and Financial Study (“Rate Study”) for the City’s water utility (“Utility”). This report details the results of the Rate Study analysis for the forecast period, where estimated actuals for fiscal year (FY) 2021-22 and budget FY 2022-23 were used as the starting point for the forecast period FY 2022-23 through FY 2026-27, the results of which are presented in this Rate Study Report.

The results of the Rate Study presented herein are a financial plan and suggested rate adjustments designed to provide revenues sufficient to fund the ongoing operating, maintenance, and capital costs necessary to operate the City’s water utility, while striving to meet the financial requirements and goals set forth by the City’s for the water enterprise fund, including maintenance of adequate reserves and adhering to the requirements of Proposition 218.

Based on discussions with City staff, this report presents the recommended financial plan and adjustments to meet the City’s objectives.

2.2 Goals and Objectives

The primary goal of the Rate Study was to develop a financial plan for the utility that evaluates the adequacy of the current revenue streams to meet ongoing costs (operations & maintenance, debt service and capital), and to maintain industry standard financially prudent cash reserves. More specifically the Rate Study was undertaken to:

- Conduct the analysis in accordance with industry standards consistent with American Water Works (“AWWA”) guidelines and utilizing City specific revenue and expense, growth and customer billing data;
- Develop financial plans consistent with industry standards and best practices while recognizing the needs specific to the City; and
- Recommend rates that adhere to and meet Proposition 218 requirements, which requires a matching between the fees being assessed to customers and the cost they place on the systems.



2.3 Overview of the Rate Study Process

The rate study process for the water utility consisted of two primary study components. First, a determination of the adequacy of system revenues to meet system expenses during the study forecast period must be made. The result of this analysis, known as the Revenue Sufficiency Analysis, is an assessment of the ability of the existing revenue stream to meet the projected financial requirements of each of the systems during the forecast period and, to the extent required, the identification of the magnitude and timing of any required rate adjustments.

2.4 Organization of this Report

This Rate Study presents an overview of the rate-making concepts employed in the development of the analysis contained here. The analysis is followed by a discussion of the data, assumptions and results associated with each component of the analysis. Finally, appendices with detailed schedules are presented for further insight into the data, assumptions and calculations which drive the results presented in this Rate Study. The report is organized as follows:

- Section 1 – Executive Summary
- Section 2 – Introduction
- Section 3 – Overview of Utility Rate-Making Principles, Processes, and Issues
- Section 4 – Rate Study Development and Results
- Section 5 – Rate Design Analysis
- Section 6 – Conclusions and Recommendations
- Appendix A – Water System Financial Plan
- Appendix B – Water Cost-of-service Analysis and Rate Design

2.5. Reliance on Data

During this project the City (and/or its representatives) provided Willdan with a variety of financial and technical information, including system operating metrics, fund balances, budget data, historical operating results, capital project costs and demographic data. This data was used by Willdan in the process of developing the financial plans and recommended rate adjustments. Willdan did not independently assess or test for the accuracy of such data, historic or projected, but worked with City staff to better understand the data and its sources and believe it to be the best available information at the time of the study.



Section 3 – Overview of Financial Planning Principles, Processes, and Issues

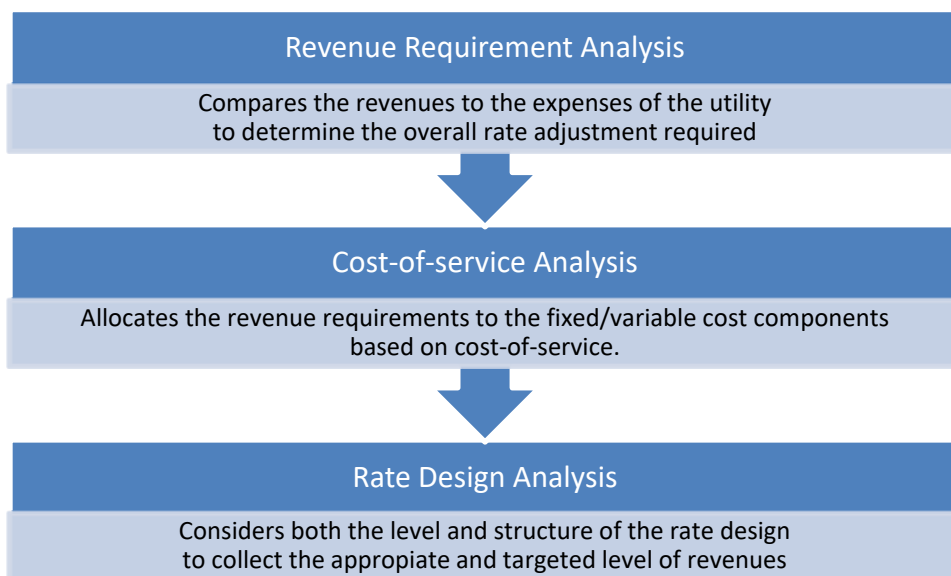
3.1 Introduction

The scope of the Rate Study entails the analysis for the forecast period, where estimated actuals for fiscal year (FY) 2021-22 and FY 2022-23 budget were used as the starting point for the forecast period FY 2022-23 through FY 2026-27, the results of which are presented in this Rate Study Report.

The scope of this study also included the development of cost-based water user charges through cost-of-service and rate design analysis using City specific expense and customer billing data and system flow and production data. Utility rates must be set at a level where operating, maintenance and capital expenses are met with the revenues received from customers; and that revenues generated from utility rates are used only for this purpose. In addition, the user rates for customers must be based upon their proportionate share of the costs of operating the systems. This is a significant point, as failure to achieve this level could lead to insufficient funds being available to adequately maintain the system. A comprehensive rate study typically consists of following three interrelated analyses:

- I. **Financial Planning/Revenue Requirement Analysis:** Create a five-year plan to support an orderly, efficient program of on-going maintenance and operating costs, capital improvement and replacement activities, debt financing, and retirement of any outstanding debt. In addition, the long-term plan should fund and maintain appropriate reserve balances to adequate levels based on industry standards and the City of Lomita’s fiscal policies and specific needs.
- II. **Cost-of-Service Analysis:** Identifies and apportions annual revenue requirements to functional cost components in a manner that reflects the demands placed on the utility system based on City specific financial and system performance data. Based on this analysis, costs are then further allocated to classes of customers in a manner that results in a proportionate sharing of costs among customers who receive water service.
- III. **Rate Design:** Develops an equitable and proportionate fixed/variable schedule of rates for the City’s customer base. The policy objectives are harmonized with cost-of-service objectives to achieve the balance between customer equity and financial stability goals. The balance of fixed and variable charges ensures that the City has a stable revenue source (the

fixed charge) to cover fixed operating costs, while the variable component of the rate structure helps to ensure those customers who place higher demands and costs on the system (through higher water use, particularly during peak periods) incur a higher bill reflective of their system use.



This Rate Study utilized generally accepted rate-making principles and standards established by the industries governing bodies, American Water Works Association (AWWA) in its “M1 Principles of Water Rates Fees and Charges” manual. While generally accepted industry standards were used as the basis and approach of the cost-of-service and rate design, the analysis was completed using City specific system performance and production data, as well as cost and customer billing data. The principles used resulted in the development of rates and charges which are projected to: 1) generate sufficient revenue to meet the financial requirements of the water utility, and 2) address the need to recover costs from users in a manner which is proportionate to the cost of providing service on a fair and equitable basis relative to the service provided, and which does not exceed the cost of providing the service. A discussion of some of the key principles of rate-making, and how the processes employed herein are guided by those principles, is presented below.

3.2 Discussion of General Financial Planning Principles

While the individual rates for the water utility vary based on a variety of factors, rates should be consistent with general rate-making principles set forth in utility rate-making practice and literature. The principles by which rate practitioners are guided is that rates designed for any utility should strike a reasonable balance between several key factors. In general, rates designed should:



-
- Generate a stable rate revenue stream which, when combined with other sources of funds, is sufficient to meet the financial requirements and goals of the utility;
 - Be based upon the proportionate cost of providing the service and not exceed the cost of providing the service;
 - Be fair and equitable – that is, they should generate revenue from customer classes which is reasonably in proportion to the cost to provide service to that customer class;
 - Be easy to understand by customers; and
 - Be easy to administer by the utility.

Striking the appropriate balance between the principles of rate-making is the result of a detailed process of evaluation of revenue requirements and cost-of-service, and how those translate into the rate design alternatives which meet legal requirements and the specific objectives of the utility under the circumstances in which it operates. A review of the City’s existing rates and their adherence to these principles is discussed in Section 4.2.2 of this report.

3.3 The Revenue Sufficiency Process

In order to evaluate whether existing rates and charges which will generate sufficient revenue to meet the fiscal requirements of the water utility, a determination of the annual rate revenue required must be completed. The first step in the process is the Revenue Sufficiency Analysis. The Revenue Sufficiency Analysis compares the forecasted revenues of the utility under its existing rates to its expenses associated with forecasted operations and maintenance, capital, debt and reserve costs to determine the adequacy of the existing rates to recover the utility’s projected costs.

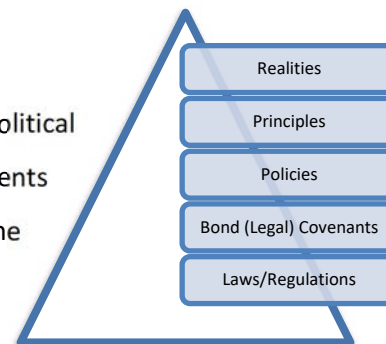
The process employed in the Revenue Sufficiency Analysis involves a rigorous review of operating, maintenance and capital budgets for the utility, and results in the identification of revenue requirements for the systems, such as operating expenses, capital expenses (minor and major), debt service expenses (including a provision for debt service coverage), transfers in and out, and the maintenance of both restricted and unrestricted reserves at appropriate levels. These revenue requirements are then compared to the total sources of funds available during each year of the forecast period to determine the adequacy of projected revenues to meet projected revenue requirements. To the extent that the existing revenue stream is projected to be insufficient to meet the annual revenue requirements of the system

during the projection period, a series of recommended rate revenue increases are calculated which if enacted, would provide revenue sufficient to meet those needs.

3.3.1 Determination of the Revenue Requirements

Considerations in Setting Revenue Requirements

There are a multitude of considerations, ranging from financial to policy, political and legal that must be analyzed or discussed during the revenue requirements process of a rate study. This section provides an overview of the considerations that are reviewed during this process.



Capital Budgeting and Financing

Capital needs are identified in the City’s Water Capital Improvement Plan, which is updated on an annual basis. As part of its budget and planning process, the City identifies capital improvements that are necessary for the continued delivery of clean, safe, drinking water. Furthermore, the most recent Capital Improvement Plan which was used for this analysis was informed by the recently completed Water Master Plan, which included recommended capital projects. The Capital Improvement Plan is funded by a variety of sources including, utility rates, capital reserves, debt, and grants.

Capital Funding: Debt vs. PAYGO

The selection of the appropriate funding strategy for capital projects is primarily a policy decision between use of cash (“Pay-as-you-go financing” or PAYGO), the issuance of debt, or a combination. PAYGO is the use or build-up of cash to fund capital improvements. With debt financing, capital improvements are funded with borrowed funds (usually through the issuance of bonds) with the obligation of repayment, typically with interest, in future years. Development of an optimal capital financial plan depends on the definition of optimal. Each funding mechanism has a different impact on water rates in the short and long run, different net present values, risks, and legal obligations. Due to the borrowing costs associated with debt, cash funding can be cheaper in the end (by not having to incur interest costs on borrowed money). However, debt typically ensures greater generational equity for larger and longer lasting capital projects (by contributing to annual debt payments, new customers who connect to the system help pay for the infrastructure that was installed prior to their arrival, but still benefits them). Also, using cash to fund capital projects typically causes a more significant immediate impact on customers due to the higher rates that are required to provide the funding.



The City, as is typical for a public utility, operates its water utility on a “cash basis”. Under the “cash basis” approach, revenues and expenses are recognized at the time physical cash is received or paid out. Revenue requirements are determined for a specified period of time (in the case of the City an annual fiscal year), by summing the total anticipated expenses to be paid out during the fiscal year. Where cash flows and balances are insufficient, the revenue requirements analysis results in recommendations to ensure the needed additional cash flows are available to meet funding goals. The two primary categories of expenses are as follows:

- Operations and Maintenance (O&M) expenses, such as salaries and benefits of utility personnel, costs associated with plant and system operations and treatment (chemicals, power, etc.), transfers out, existing and anticipated debt service, and reserves; and
- Capital expenses, such as the annual capital improvement program, including (among others) scheduled annual waterline replacements, the Lomita Avenue pipeline replacement, the Narbonne Avenue pipeline replacement, and the Cypress Water Production Upgrade.

Financial Planning

In the development of the revenue requirements, certain parameters are utilized to project future expenditures, growth in customers and consumption, and necessary revenue adjustments. The City’s budget documents are used as the baseline, which is then projected over a planning horizon to account for fluctuations in costs from year to year as well as any adjustments to debt service payments. Growth assumptions and prudent financial planning are fundamental in ensuring adequate rate revenue to promote financial stability. The financial model developed for this study considers the City’s existing and targeted debt service coverage ratios and operating cash balances (cash on hand). As existing debt is redeemed, additional debt may be utilized to fund additional capital improvements required due to aging infrastructure.

3.4 Financial Management Goals of the City

The establishment of specific financial management goals of a utility is a key step in developing financial plans which will ensure the financial health of the utility remains strong. The financial management goals of the City are described below.



3.4.1 Cash Reserve Targets

In order to maintain financially stable and sustainable utilities, the City has identified cash reserve targets that it seeks to maintain. The reserve target policies are identified in Table 3-1, while Table 3-2 illustrates the actual targets.

Table 3-1 Reserve Targets		
Reserve	Purpose	Minimum Balance
Water Operating Reserves	Manage timing differences between revenue receipt and expense payments	90 days of O&M
Capital Fund Balance	Allows for funding of unexpected capital needs	\$750,000

Table 3-2 Operating Reserve Targets Fiscal Years Ending June 30 (\$ thousands)					
	22-23	23-24	24-25	25-26	26-27
Water Operating Reserves	\$853	1,352	2,375	3,192	1,754
Water Operating Target	1,529	1,588	1,598	1,648	1,701
Capital Reserves	\$1,919	3,302	1,488	750	763
Capital Reserves Target	750	750	750	750	750
Note: Values are rounded to the nearest \$1,000					

While it is not essential that the City meet the operating reserve on annual basis (it is not a legal requirement), prudent financial planning suggests that the City should strive to maintain the operating reserve and should not dip below the minimum balances on a continuous basis.

3.4.2 Debt Service Coverage

The City currently has outstanding water related debt, the 2021 Water Revenue Refunding Bonds, which includes a covenant requiring the City to maintain rates and charges such that a debt service coverage ratio, defined as Current Year Net Revenues divided by Maximum Annual Debt Service, be maintained at a minimum of 1.20. The coverage requirement of 1.20x is associated with all outstanding debt for each specific year the coverage is being calculated. The recommended revenue increases presented as part of this rate study result in the achievement of this goal in each year of the forecast period. While the operating reserve target identified in section 3.4.1 is a City policy, the debt service coverage requirement is a legal obligation that must be met on an annual basis.



3.4.3 Financial Management Conclusions

The City's water utility should strive to satisfy both reserve fund targets set by policy, and debt service coverage (while only debt service coverage is a legal requirement), as each test provides a different but meaningful perspective on the utilities' revenue needs and overall financial viability. An appropriate level of revenue requirements may result in an overlapping of the tests such that each separate set of objectives are met. As an example, the need to maintain a 1.20x debt service coverage may generate a positive cashflow allowing for the funding of the identified cash reserve targets. Similarly, the need to meet and maintain the cash reserve targets may generate sufficient cashflow to meet the required debt service coverage ratio on an annual basis. The ability of the utility to satisfy both sets of requirements will reduce overall financial risk, increase stability, and help with a long-term strategy of utility financial planning.



Section 4 – Rate Study Development and Results

4.1 Revenue Sufficiency Analysis

4.1.1 General Methodology

In order to develop rates and charges which will generate sufficient revenue to meet the fiscal and policy objectives of the City, and the water utility, a determination of the annual required revenue from rates which, when combined with other sources of funds, will provide sufficient funds to meet those fiscal requirements must first be completed. This process is typically referred to as a Revenue Sufficiency Analysis.

The process employed in the Revenue Sufficiency Analysis resulted in the identification of revenue requirements of the water system, such as operating expenses, capital expenses (minor and major), debt service expense (including a provision for debt service coverage, as applicable), transfers out and the maintenance of both restricted and unrestricted reserves at appropriate levels. These revenue requirements were then compared to the total sources of funds during each year of the forecast period to determine the adequacy of projected revenues to meet requirements. To the extent that the existing revenue streams are not sufficient to meet the annual revenue requirements of the systems, a series of rate revenue increases are calculated, which I implemented, would provide revenue sufficient to meet those needs.

4.1.2 Data Items

Key data items reviewed, discussed, and incorporated into the Revenue Sufficiency Analysis were:

- Financial management goals of the City
- FY 2021-22 Beginning of Year Fund Balances
- FY 2021-22 Estimated Actual Revenues and Expenditures
- FY 2022-23 Adopted Budget
- Capital Improvement needs based on City's plans
- Outstanding Debt Service Schedules
- General assumptions related to:



- Customer growth
- Cost escalation factors

A discussion of the use of each of the above data items is presented below.

4.1.3 FY 2021-22 Beginning of Year Cash Balance

To better understand the available funds the City’s water utility had on hand to start the forecast period, a detailed review of cash balances as of the beginning of FY 2021-22 was conducted and discussed with City staff. A summary of the fund balances associated with the water utility enterprise fund for the beginning of FY 2022-23, as adjusted for use in this analysis, is presented in Table 4-2 below. As noted in the table, the balances include funds held in both the Water Operating Fund (fund 510) and the Capital Fund (fund 520).

Table 4-2 Beginning Fund Balance Fiscal Year 2021-22	
Description	Water
Operating Cash Balance (Fund 510)	\$1,965,013
Capital Cash Balance (Fund 520)	1,635,464

4.1.4 FY 2021-22 Estimated Actuals and FY 2022-23 Budget

Staff provided Willdan with the FY 2021-22 estimated actual revenues and expenditures as well as the FY 2022-23 Adopted Budget, and associated line-item detail. The FY 2022-23 budget served as the basis for the financial projections for the forecast period. The line-item projected expenses for FY 2022-23 were used as the basis for the projection of future budgetary line-items for the remainder of the forecast period. Cost escalation factors were reviewed by staff and were used to project increases in line-item costs beyond the FY 2020-21 budget. These factors were applied based on line-item cost classifications.

A summary of the FY 2022-23 budget, and subsequent projected budgetary expenses is presented below in Table 4-3. A more detailed presentation of the line-item budgeted and projected revenues and expenses is presented in Schedules A-4 through A-11, in the Appendix.



Table 4-3					
Operating Budget					
Fiscal Years Ending June 30 (\$ thousands)					
Description	2022-23	2023-24	2024-25	2025-26	2026-27
O&M	\$6,201	\$6,440	\$6,479	\$6,685	\$6,897
Debt Service and Loans	466	462	464	464	464
Capital Projects from CIP	<u>6,898</u>	<u>1,791</u>	<u>4,984</u>	<u>2,539</u>	<u>4,495</u>
Total Expenses	\$13,565	\$8,693	\$11,927	\$9,688	\$11,856

4.1.5 Capital Improvements Plan (CIP)

The City provided Willdan with a forecast of capital requirements for the study period. The CIP the City provided was in current day dollars and has been escalated for future years using an inflationary rate of 2.79% (based on the 5-year ENR construction cost index compound annual average). The CIP inflated for FY 2022-23 through FY 2026-27; totals \$20.7 million. The CIP is presented in detail in Schedules A-7 in the Appendix.

4.1.6 Outstanding Debt

The City, like many utilities, has utilized long-term debt to fund capital assets in the past. The City has outstanding water, with no new debt anticipated during the study period.

4.1.7 General Assumptions

In order to develop the financial and rate projections, certain assumptions were made with regard to elements of the revenue sufficiency analysis. A summary of those assumptions is presented below.

4.1.7.1. Customers & Billable Flows

The rate study performed herein is heavily reliant upon a detailed analysis of the system customers and accompanying usage characteristics. The existing utility customer base and metered/billable flows provide the determinants utilized in calculating the monthly user rates and charges, which become the foundation for projecting future revenues generated by the water and wastewater systems.

It is important to note that the customer and flow analysis focuses primarily on the customer classifications that will be impacted by the user rates and charges to be developed in the Report. This consists of the general service (retail) customers that currently pay for utility services pursuant to the existing user rates and charges as previously detailed. For the purpose of the rate study, it is these



customers and their accompanying flows that will generate revenues based upon the proposed user rates and charges.

4.1.7.2. Customer Billing Analysis

For the purpose of the rate study, detailed information was provided for each individual customer for a 12-consecutive month period from July 2019 through June 2020. This data offered a breakdown of the water customer by class, billed flows and billed charges. The historical billing data was queried from the City's electronic billing records for the time period described. An analysis of the billing data was conducted in order to obtain an understanding of the existing customers, customer classes, and metered usage per customer class. In addition, the historical billing data provides a basis to estimate future customer growth trends within each class. In accordance with the data, as well as discussions with the City staff, the utility system provides service to various identifiable retail customer classes consisting of:

- Residential,
- Commercial, and
- Fire.

Each of these customer classes embodies certain common characteristics in their utility use and service demand profiles that provide the basis for establishing an equitable allocation of system costs. The billing data was utilized to identify the number of customer accounts within each class, based on meter size, and the metered/billable usage profiles.

4.1.7.3. Customer Accounts

A customer account is representative of a single physical connection to the water sewer system regardless of the size of the meter, the number of dwelling units or the amount of flow. The historical customer data was utilized to establish growth trends for each customer classification. The growth trends were then used to project the average number of accounts/users within each class for the Test Year plus the remaining years of the Projection Period. The existing and projected average customer accounts are summarized in Figure 1.

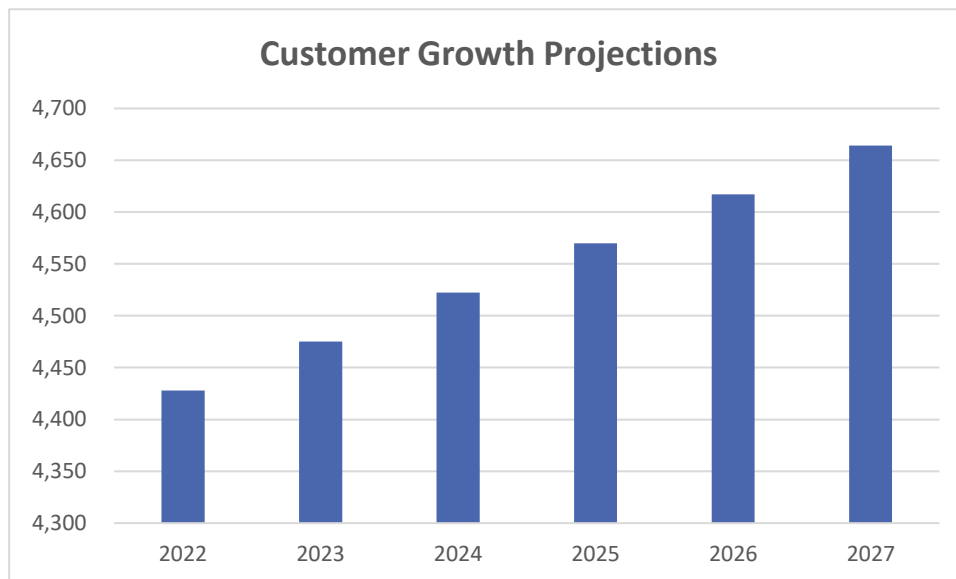


Figure 1 – Customer Growth Projections

4.1.7.4. O&M Escalation Factors

Willdan worked with City Staff to identify reasonable cost escalation factors to be applied to operations and maintenance expenses in recognition of increasing costs over time. It was determined that a 3.5% inflationary factor for personnel related costs and a 3.0% for all other costs, represent a reasonable estimate of annual cost increases during the study period.

4.1.7.5. Debt Service Coverage

The City’s bond covenants require a 1.20x debt service coverage on outstanding water debt. Our analysis shows that the water utility revenues are sufficient to meet or exceed the 1.20x target for the FY 2022-23 through FY 2026-27 period on existing debt. The debt service coverage ratios are summarized in Table 4-4 below.

Table 4-4 Debt Service Coverage by Fiscal Year					
Target	22-23	23-24	24-25	25-26	26-27
1.20	3.13	4.15	5.27	6.16	7.16

4.1.7.6. Results of the Revenue Sufficiency Analysis

After a thorough review of the above-mentioned data elements, a draft of the Revenue Sufficiency Analysis was developed and reviewed with City Staff. This draft provided the forum in which various



alternative assumptions were discussed, tested and evaluated for both their reasonableness and their impact upon the ultimate financial health of the utilities. In some cases, inputs or assumptions were modified based on these discussions. In particular, the capital improvement plan was updated to spread certain projects out over a longer period, to better match the availability of funds and the ability of the City to undertake these projects.

The resulting financial plan presented herein is the embodiment of the data, assumptions and review process undertaken with City staff through the course of several meetings. Table 4-5 provides a summary of the annual revenue requirements (O&M, debt service and CIP) for the water utility incorporating the assumptions in Section 4.1.7 of this report as compared to the revenues under existing rates and system growth.



Table 4-5
Revenue Requirements vs. Revenue Under Existing Rates
Fiscal Years Ending June 30 (\$ thousands)

	22-23	23-24	24-25	25-26	26-27
Operations (Fund 510)					
Beginning Cash Balance	\$1,792	\$574	\$201	(\$143)	(\$1,235)
Cash Inflows					
Revenue Under Existing Rates	6,435	6,503	6,572	6,640	6,709
Other Cash Inflows	<u>49</u>	<u>64</u>	<u>64</u>	<u>52</u>	<u>49</u>
Total Cash Inflows	6,483	6,567	6,635	6,693	6,758
Cash Outflows					
Annual O&M Expense	6,201	6,440	6,479	6,685	6,897
Transfers Out to Fund 520	<u>1,500</u>	<u>500</u>	<u>500</u>	<u>1,100</u>	<u>3,800</u>
Total Cash Outflows	<u>7,701</u>	<u>6,940</u>	<u>6,979</u>	<u>7,785</u>	<u>10,697</u>
Net Cashflow	(1,218)	(373)	(344)	(1,092)	(3,939)
Ending Cash Balance	\$574	\$201	(\$143)	(\$1,235)	(\$5,174)
Target Cash Balance	1,529	1,588	1,598	1,648	1,701
Capital (Fund 520)					
Beginning Cash Balance	\$2,548	\$1,919	\$3,301	\$1,488	\$749
Cash Inflows					
Revenue (Waterworks # 13 Anney)	900	920	920	940	961
Other Cash Inflows	2,605	2,215	2,215	224	211
Transfers In From Fund 510	1,500	500	500	1,100	3,800
Grants	<u>1,730</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Cash Inflows	6,735	3,635	3,635	2,264	4,972
Cash Outflows					
CIP	6,898	1,791	4,984	2,539	4,495
Debt Service	<u>466</u>	<u>462</u>	<u>464</u>	<u>464</u>	<u>464</u>
Total Cash Outflows	<u>7,364</u>	<u>2,253</u>	<u>5,448</u>	<u>3,003</u>	<u>4,959</u>
Net Cashflow	(629)	1,382	(1,813)	(739)	13
Ending Cash Balance	\$1,919	\$3,301	\$1,488	\$749	\$762
Target Cash Balance	750	750	750	750	750
Debt Service Coverage (Target 1.20)	2.54	2.26	2.32	2.04	1.77
Note: Values are rounded to the nearest \$1,000					

The revenues and expenditures identified in Table 4-5 represent revenues under existing rates and system growth and operating expenditures under the given assumptions. As noted in the table, water revenues increasing due to just system growth alone will not be sufficient to meet ongoing expenses. Revenues are projected to increase by 1.04% per year due to new connections, while O&M expenses are projected to increase by an average of 3% a year.



4.1.7.7. Rate Revenue Increases Required

Our analysis of the water utility indicates that assuming all capital expenditures occur as projected, there will not be sufficient operating revenue to fund ongoing operations and maintenance, routine repair and replacement of aging system components, planned capital improvements, and debt service throughout the study period. In part this is because anticipated growth is projected to be less than the expected cost increases associated with operating expenses. Therefore, we recommend increases each year for the utility in order to maintain pace with increasing operating costs, fund capital needs and pay annual debt service.

Table 4-6 below reflects our projections of revenue increases required during the forecast period in order for the City to meet its ongoing operational costs.

Table 4-6 Projected Rate Revenue Increases Fiscal Years Ending June 30	
Description	Water Rate Revenue Increases
2022-23	6.5%
2023-24	6.5%
2024-25	6.5%
2025-26	6.5%
2026-27	6.5%

A more detailed presentation of the pro forma, including a fund balance reconciliation is presented in Schedules A-1 of the appendix.

4.1.7.8. Summary of Revenue Sufficiency Analysis

The resulting financial plans, including recommended revenue adjustments are presented in Table 4-7 and provide for funding of projected revenue requirements during the forecast period.



Table 4-7
Revenue Requirements vs. Revenue Under Proposed Rates
Fiscal Years Ending June 30 (\$ thousands)

	22-23	23-24	24-25	25-26	26-27
Operations (Fund 510)					
Beginning Cash Balance	\$1,792	\$853	\$1,353	\$2,376	\$3,194
Cash Inflows					
Revenue Under Proposed Rates	6,713	7,376	7,938	8,543	9,192
Other Cash Inflows	<u>49</u>	<u>64</u>	<u>64</u>	<u>60</u>	<u>67</u>
Total Cash Inflows	6,762	7,440	8,002	8,603	9,259
Cash Outflows					
Annual O&M Expense	6,201	6,440	6,479	6,685	6,897
Transfers Out to Fund 520	<u>1,500</u>	<u>500</u>	<u>500</u>	<u>1,100</u>	<u>3,800</u>
Total Cash Outflows	<u>7,701</u>	<u>6,940</u>	<u>6,979</u>	<u>7,785</u>	<u>10,697</u>
Net Cashflow	(939)	500	1,023	818	(1,438)
Ending Cash Balance	\$853	\$1,353	\$2,376	\$3,194	\$1,756
Target Cash Balance	1,529	1,588	1,598	1,648	1,701
Capital (Fund 520)					
Beginning Cash Balance	\$2,548	\$1,919	\$3,301	\$1,488	\$749
Cash Inflows					
Revenue (Waterworks # 13 Anney)	900	920	920	940	961
Other Cash Inflows	2,605	2,215	2,215	224	211
Transfers In From Fund 510	1,500	500	500	1,100	3,800
Grants	<u>1,730</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Cash Inflows	6,735	3,635	3,635	2,264	4,972
Cash Outflows					
CIP	6,898	1,791	4,984	2,539	4,495
Debt Service	<u>466</u>	<u>462</u>	<u>464</u>	<u>464</u>	<u>464</u>
Total Cash Outflows	<u>7,364</u>	<u>2,253</u>	<u>5,448</u>	<u>3,003</u>	<u>4,959</u>
Net Cashflow	(629)	1,382	(1,813)	(739)	13
Ending Cash Balance	\$1,919	\$3,301	\$1,488	\$749	\$762
Target Cash Balance	750	750	750	750	750
Debt Service Coverage (Target 1.20)	3.13	4.15	5.27	6.16	7.16
Note: Values are rounded to the nearest \$1,000					

4.1.7.9. Revenue Sufficiency Analysis Conclusions

Based on the revenue requirements identified in our analysis, it is our opinion that:

- Revenue projections for the water utility based on existing rates are insufficient to meet the revenue requirements for FY 2022-23 through FY 2026-27;



-
- Rate revenue adjustments are needed in order to keep pace with increasing O&M and capital costs; and
 - The proposed rate revenue increases identified in Table 4-6, are needed to ensure debt service coverage and operating reserve targets are met based upon the assumptions contained in this report.

4.2 Cost-of-Service

4.2.1 General Methodology

With the rate revenue requirement determined in the Revenue Sufficiency Analysis, the development of specific rates and charges was completed as described below.

First, the rate design goals of the City were reviewed to identify areas the City wanted to address over the forecast period included in this Rate Study. Next, an assessment of the existing rate design was completed to identify areas which have worked well for the City with regard to their specific goals and objectives, and the general goals and objectives of utility rate-making. In addition to the City's goals, rate design should seek to achieve the following industry standard objectives:

- Generate a stable rate revenue stream which, when combined with other sources of funds, is sufficient to meet the financial requirements and goals of the utility;
- Be fair and equitable – that is, they should generate revenue from customer classes which is reasonably in proportion to the cost to provide service to that customer class;
- Be easy to understand by customers; and
- Be easy to administer by the utility;
- Be compliant with California State law, specifically Proposition 218, whereby the rates must be based upon the proportionate cost of providing water and sewer service.

4.2.2 Peaking Factors

The system-wide peaking factors are used to derive the cost component allocation bases for Base (Delivery), Max Day, and Max Hour costs. Base represents average daily demand during the year, which has been normalized to a factor of 1.00. Based on data provided by City staff, the average water demand was 6.29 million gallons per day (MGD) and the Max Day water demand was 10.38 MGD. The Max Day



peaking factor shows that the system-wide Max Day demand is 1.65 (10.38 Max Day MGD divided by 6.29 Base Delivery) times greater than the average daily demand. The Max Hour peaking factor assumes that the system-wide Max Hour demand is 2.80 (17.61 Max Hour MGD divided by 6.29 Base Delivery) times greater than average demand based on common industry standards. The system-wide peaking factors are shown in Table 4-8.

The Max Day allocations are calculated as follows:

Base Delivery: $6.29 / 10.38 \times 100\% = 60.61\%$
 Max Day: $(10.38 - 6.29) / 10.38 \times 100\% = 39.39\%$

The Max Hour allocations are calculated as follows:

Base Delivery: $6.29 / 17.61 \times 100\% = 35.71\%$
 Max Day: $(10.38 - 6.29) / 17.61 \times 100\% = 23.21\%$
 Max Hour: $(17.61 - 10.38) / 17.61 \times 100\% = 41.07\%$

Table 4-8 Peaking Factors System Wide						
Description	Demand (MGD)	Factor	Base	Max Day	Max Hour	Total
Avg Day	6.29	1.00	100.00%	0.00%	0.00%	100.00%
Max Day	10.38	1.65	60.61%	39.39%	0.00%	100.00%
Max Hour	17.61	2.80	35.71%	23.21%	41.07%	100.00%

Max Day Customer specific peaking factors are then developed, based on the maximum monthly usage divided by average monthly usage for each customer class and tier. The maximum month peaking factor is used as a proxy for the class and tier-specific Max Day peaking factors. The max day peaking factors are summarized in Table 4-9.



Table 4-9 Max Day peaking Factors		
Description	Max Day Peaking Factor	Max Hour Peaking Factor
Residential		
Tier 1	1.35	2.29
Tier 2	1.66	2.81
Tier 3	3.35	5.69
Commercial	1.68	2.85
Fire	N/A	N/A

4.2.3 Cost-of-Service Analysis

The City’s current water rates are comprised of two components, first a bi-monthly base charge which varies by meter size; and second, a volume rate per 100 cubic feet (CCF) of all water use. The volume component of the rate structure is stratified into a three-tiered rate structure for residential customers and a uniform rate structure for commercial customers.

In order to provide guidance for the Water Utility as to how to adequately recover the rate revenue requirements identified in the Revenue Sufficiency Analysis, in a manner consistent with generally accepted rate-making principles using City specific system cost and customer billing data, a Cost-of-Service Analysis was conducted.

The Cost-of-Service Analysis resulted in the identification of the cost to provide service to City customers based on functional cost categories. This provided the rationale for the allocation of costs to expense categories related to water service. These water cost allocations were then used as the basis for the assignment of revenue requirements to customer classes upon which the development of rates and charges presented herein is based.

For the purposes of this analysis, the cost-of-service analysis for water was based on the Base-Extra Capacity methodology, as detailed in the American Water Works Association (AWWA) M1 Manual – Principles of Water Rates, Fees and Charges while incorporating City specific system performance and production data and cost and customer billing data.

The general approach to the development of cost-of-service allocations under the Base-Extra Capacity Cost Allocation methodology is to: 1) identify the City’s costs by functional cost category, 2) allocate the



functionalized costs further to base-extra capacity categories and then to 3) allocate the City's costs and rate revenue requirements to the City's customer classes based on the distribution of costs and customer characteristics. The Cost-of-Service Analysis and Results is presented below.

4.2.3.1. Functional Unbundling of Revenue Requirements

The water system costs are unbundled into operating components consisting of Supply/Treatment, Transmission, Distribution, Customer, and Administration functions. These are the primary services provided by most water utility systems to its customers. A brief description of each component is as follows:

- **Supply/Treatment** – the costs associated with obtaining and converting raw water to potable water;
- **Transmission** – the costs associated with major pumping and large diameter line facilities that transmit potable water throughout the system at-large;
- **Distribution** – the costs associated with smaller diameter lines that carry water to individual customer properties;
- **Customer** – the costs associated with metering, billing and providing other services to customers (e.g. printing, delivering and collecting utility bills, recordkeeping, etc.);
- **Administration** – various overhead and other non-operating costs.

4.2.3.2. Allocation to Functional Cost Categories

Water costs are allocated to functional cost categories (as discussed in Section 4.2.3.1) based on their need to meet base demand, peak demand (max day and max hour water needs), as well as customer service costs such as billing and collection.

The City's functionalized costs were then further allocated based on the Base-extra Capacity Method, as presented in the AWWA M1 Manual of Practice. The Base-Extra Capacity method results in the allocation of functionalized costs in a manner consistent with the functional reality behind each type of cost. For instance, transmission costs are related to not only a base, or average, level of water flow, but are also related to the fact that transmission assets are typically sized to meet maximum day and maximum hour demands. Therefore, some portion of transmission costs should be allocated to the base component, and further to the extra capacity component (max day and max hour).



As previously addressed, the functionally unbundled water system revenue requirements are then classified using the base-extra capacity cost allocation method. Applying this methodology, costs are classified into the following categories:

- **Base Costs** – capital costs and O&M expenses associated with service to customers under average demand conditions. This category does not include any costs attributable to variations in water use resulting from peaks in demand. Base costs tend to vary directly with the total quantity of water used.
- **Maximum Day/Extra Capacity Costs** – costs attributable to facilities that are designed to meet peaking requirements. These costs include capital and operating costs for additional plant and system capacity beyond that required for average usage. For the purposes of this analysis, the max/extra capacity costs are further separated into systemwide facilities and distribution facilities.
- **Customer Costs** – costs associated with any aspect of customer service including billing, accounting, recordkeeping and meter services. These costs are independent of the amount of water used and the size of the customer’s meter and are not subject to peaking factors.

The units of service for each component of cost by customer class and tier (if applicable) are provided in Table 4-10. The units of service consist of accounts, annual flows in CCF and Max Day and Max Hour extra capacity. Accounts are based on the number of customers as provided in the customer data. Base is the total annual usage projected for the test year based on historical customer data. Max Day and Max Hour are the extra capacity demand results as previously developed in Table 4-9.

Table 4-10				
Units of Service				
Functional Cost	Accounts	Base (CCF)	Max Day (CCF/Day)	Max Hour (CCF/Day)
Residential	4,015			
Tier 1		181,323	174	467
Tier 2		159,470	288	505
Tier 3		327,146	2,109	2,095
Commercial	374	116,092	216	373
Fire	39	-	-	-

The revenue requirement for each cost component is divided by its respective unit of service to calculate a unit cost. The unit cost for each cost component is demonstrated in Table 4-11.



Table 4-11
 Water System - Summary of Functional Allocations to Cost Categories
 Fiscal Year 2022-23

Functional Cost	Base	Max Day	Max Hour	Fire	Meters & Services	Billing & Collection	Total
Treatment	\$952,037	\$1,235,235	\$1,524,463	\$0	\$0	\$0	\$3,711,735
Transmission & Distribution	612,725	794,989	981,134	-	-	-	2,388,849
Customer Service	-	-	-	-	-	100,552	100,552
CIP	3,690,407	689,796	689,796	103,469	1,724,489	-	6,897,958
Existing Debt Service	-	116,210	116,210	-	232,419	-	464,838
Non-Operating Revenue/Changes in Reserves ⁽¹⁾	<u>(1,757,138)</u>	<u>(2,279,825)</u>	<u>(2,813,641)</u>	-	-	-	<u>(6,850,604)</u>
Total	\$3,498,032	\$556,405	\$497,961	\$103,469	\$1,956,908	\$100,552	\$6,713,328
Units (CCF/Equiv. Meters/Bills)	<u>784,031.29</u>	<u>2,787.00</u>	<u>3,439.56</u>	<u>437</u>	<u>39,117</u>	<u>26,569</u>	
Cost per Unit	\$4.4616	\$199.6433	\$144.7746	\$236.9889	\$50.0274	\$3.7846	

(1) A positive value results in an increase of reserves through rates, while a negative value indicates use of non-operating revenue and existing reserves to meet annual expenses in addition to rates.

Table 4-11 illustrates the allocation of costs to functional components necessary to provide water service to customers. Total costs are allocated to functional categories such as treatment or transmission and distribution and then to cost categories such as base or max day.

The allocation of the revenue requirement to each customer class and tier is based on the unit costs for each component multiplied by the units of service for each customer class and tier. For example, the Base unit cost is multiplied by the base flow amounts for each customer class and tier to generate the allocated revenue requirement. The total costs to be recovered from each customer class by rate component are shown in 4-12.



Table 4-12
Cost of Service by Customer Class and Cost Component
Fiscal Year 2022-23

Rate Class	Accounts	Base	Max Day	Max Hour	Fire	Total
Residential	\$1,765,481					\$1,765,481
Tier 1		808,989	34,674	67,651	-	911,314
Tier 2		711,493	57,427	73,110	-	842,031
Tier 3		1,459,595	421,086	303,264	-	2,183,945
Commercial	291,090	517,955	43,217	53,936	-	906,198
Fire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>104,359</u>	<u>104,359</u>
Total	\$2,056,571	\$3,498,032	\$556,405	\$497,961	\$104,359	\$6,713,328

4.2.2.1. Summary of Cost-of-Service Analysis

The water Cost-of-Service Analysis presented herein sets forth how to appropriately recover the rate revenue requirements for FY 2022-23 and subsequent years. The allocations presented herein were used, along with the other goals and objectives of the utility, in the development of the water rates and charges presented in the next section.



Section 5 – Rate Design Analysis

5.1 General Methodology

5.1.1. Rate Design by Unit Cost

The unit costs developed in the previous section are used to design the proposed rates for the Test Year. The fixed rate components are based on accounts, and the allocated customer-related costs. The volumetric rate component is based on the annual usage and extra capacity requirements (Max Day and Max Hour).

The first component of the fixed charge is the meter charge and is applied by meter size. It is common practice in the utility industry to establish a rate structure that includes an incremented service availability charge (monthly meter charge) such that customers placing a greater potential demand requirement on the system (those with larger meters) will pay proportionately more for the service availability component. The methodology for incrementing the availability charge is based upon standardized meter/capacity criteria established by the AWWA relative to the size of the water meter. The AWWA equivalent meter capacity criteria are commonly used to establish a standard unit of measure for customers referred to as an Equivalent Residential Unit, or ERU for short. Based upon the established standards, an ERU is equal to one single-family residential connection with a 5/8-inch water meter. The applicable factors for larger water meters are based upon the incremental increase in potential capacity of those meters as compared to the 5/8-inch base meter size. These factors are derived from actual flow testing results as performed and defined by the AWWA, and commonly utilized by the water utility industry. In fact, many state public service commissions have adopted the AWWA meter equivalency basis as the required structure for rate-making by the private utility systems within their regulatory jurisdiction. The AWWA equivalency factors can be applied to the minimum charge for a 5/8-inch meter to calculate the applicable minimum charges for each meter size.

The second component of the fixed charge is the customer charge. Unlike meter-related costs, customer costs do not vary with meter size. Therefore, the monthly customer unit cost is applied equally to each account. The two fixed charge components are added together to develop the total proposed monthly service charge for each respective meter size. The proposed bi-monthly service charges for the Test Year are shown in Table 5-1.

Table 5-1				
Bi-Monthly Base Charge Calculation				
Meter Size	Capacity Ratio	Meter Charge	Customer Charge	Proposed Charge
General Service				
5/8-inch	1.00	\$50.03	\$3.78	\$53.81
3/4-inch	1.00	50.03	3.78	53.81
¾ x 1-inch	1.33	66.70	3.78	70.49
1-inch	1.67	83.55	3.78	87.33
1 ½-inch	3.33	166.59	3.78	170.38
2-inch	5.33	266.65	3.78	270.43
3-inch	10.67	533.79	3.78	537.58
4-inch	16.67	833.96	3.78	837.74
Fire Service				
4-inch	1.00	236.99	3.78	240.77
6-inch	2.00	473.98	3.78	477.76
8-inch	3.20	758.36	3.78	762.15

5.1.2 Analysis and Development of Water Flow Charges

Use of Peaking Factors to Demonstrate Cost Differentials for Tiered Water Rates

The water volumetric rates are made up of two different cost components. The first cost component is for base usage. The second cost component represents peaking costs (the combination of Max Day and Max Hour cost components). The base unit cost is \$4.46 per CCF as previously identified in Table 4-11. The Max Day and Max Hour peaking costs for each customer class and tier (from Table 4-12) are added together and then divided by annual use within each tier. The peaking unit costs are shown in Table 5-2.



Table 5-2 Peaking Unit Cost Calculation			
Rate Class	Annual Use (CCF)	Peaking Costs	Peaking Unit Cost
Residential			
Tier 1	181,323	\$102,325	\$0.56
Tier 2	159,470	130,538	0.82
Tier 3	327,146	724,350	2.21
Commercial	<u>116,092</u>	<u>97,153</u>	<u>0.84</u>
Total	784,031	\$1,054,366	

The peaking unit costs are then added to the base unit cost to come up with the proposed volumetric rates for each customer class and tier. The proposed volumetric rates are shown in Table 5-3. The proposed rates are discussed in Section 5.2.

Table 5-3 Volumetric Rate Calculation			
Rate Class	Base	Peaking	Proposed Rate (\$/CCF)
Residential			
Tier 1	\$4.46	\$0.56	\$5.03
Tier 2	4.46	0.82	5.28
Tier 3	4.46	2.21	6.68
Commercial	4.46	0.84	5.30

5.2 Proposed Water Rate Structure

The proposed rate structure maintains the existing three-tiered rate structure providing an allocation for domestic (indoor water use) in tier 1 (0 – 2,000 cubic feet bi-monthly), an allocation for irrigation/outdoor water usage in tiers 2 (between 2,200 and 3,500 cubic feet bi-monthly) and 3 (use over 3,500 cubic feet bi-monthly). Commercial customers will continue to be assessed water use at a uniform rate, but the rates have been adjusted to meet cost-of-service allocations. Table 5-4 illustrates the proposed water rates through FY 2026-27.



Table 5-4
Proposed Water Rates
Fiscal Years 2022-23 through FY 206-27

Bi-Monthly Base Charge						
Meter Size	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
5/8-inch	\$50.31	\$53.81	\$57.31	\$61.03	\$65.00	\$69.23
3/4-inch	50.31	53.81	57.31	61.03	65.00	69.23
¾ x 1-inch	67.08	70.49	75.07	79.95	85.15	90.68
1-inch	83.85	87.33	93.01	99.05	105.49	112.35
1 ½-inch	167.71	170.38	181.45	193.24	205.81	219.18
2-inch	268.33	270.43	288.01	306.73	326.67	347.90
3-inch	503.13	537.58	572.52	609.73	649.37	691.57
4-inch	838.54	837.74	892.19	950.19	1,011.95	1,077.73
Volume Rate (\$/CCF)						
Residential						
Usage Range	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
0-20 CCF	\$4.79	\$5.03	\$5.35	\$5.70	\$6.07	\$6.47
20-35 CCF	4.94	5.28	5.62	5.99	6.38	6.79
> 35 CCF	5.61	6.68	7.11	7.57	8.06	8.59
Commercial						
Usage Range	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
>0 CCF	\$4.94	\$5.30	\$5.64	\$6.01	\$6.40	\$6.82
Fire Bi-Monthly Base Charge						
Meter Size	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
4-inch	\$227.61	\$240.77	\$242.40	\$258.16	\$274.94	\$292.81
6-inch	455.22	477.76	484.81	516.32	549.88	585.63
8-inch	728.35	762.15	775.69	826.11	879.81	937.00
(1) Effective January 1						
(2) Effective July 1						

The bi-monthly base charge is assessed to all customers regardless of class or volume of water used and acts to ensure safe and reliable water systems such that customers can be assured of ongoing system maintenance and available water when the service is needed.

The proposed fixed charges increase by meter size based on the ratio of flow capacities by meter size as identified by AWWA. It should be noted that a 2-inch meter has the ability to provide more water per minute (greater capacity) than a 5/8-inch meter and the cost-of-service analysis calculated a higher rate for a 2-inch meter compared to a 5/8-inch meter. The volumetric portion of a residential customer’s bill will continue to be applied on a 3-tier basis, while commercial customers will maintain the existing



uniform rate structure. Private fire line customers will continue to be billed based on a bi-monthly base charge basis.

In addition to reviewing the effect that a change in the rates will have on the system revenues, it is also important for utility management to understand the impact that a change will have on the existing customers. Table 5-5 provides a comparison of several typical bi-monthly bills at various flow levels of water usage under the existing and proposed rates.

Table 5-5 Residential Bi-Monthly Bill Impact				
Description	Monthly Flow	Existing Charge	Proposed Charge	\$ Amount Difference
5/8 or 3/4 Inch Meter	0	\$50.31	\$53.81	\$3.50
5/8 or 3/4 Inch Meter	200	59.89	63.86	3.97
5/8 or 3/4 Inch Meter	400	68.47	73.92	4.45
5/8 or 3/4 Inch Meter	600	79.05	83.97	4.92
5/8 or 3/4 Inch Meter	800	88.63	94.02	5.39
5/8 or 3/4 Inch Meter	1,000	98.21	104.07	5.86
5/8 or 3/4 Inch Meter	1,200	107.79	114.12	6.33
5/8 or 3/4 Inch Meter	1,400	117.37	124.17	6.80
5/8 or 3/4 Inch Meter	1,600	126.95	134.23	7.28
5/8 or 3/4 Inch Meter	1,800	136.53	144.28	7.75
5/8 or 3/4 Inch Meter	2,000	146.11	154.33	8.22
5/8 or 3/4 Inch Meter	2,500	170.81	180.73	9.92
5/8 or 3/4 Inch Meter	3,000	195.51	207.13	11.62
5/8 or 3/4 Inch Meter	3,500	220.21	233.53	13.32
5/8 or 3/4 Inch Meter	4,000	248.26	266.91	18.65

The full water cost-of-service analysis can be found in Appendix B.



Section 6 – Conclusions and Recommendations

6.1 Conclusions

- Projected operating revenues and operating expenses for the forecast period were developed by, and/or in consultation with, City staff and are based upon reasonable projections;
- The projected capital project expenses have been developed by City staff, to address anticipated water system needs;
- Based on the prior two conclusions, we are of the opinion that the financial projections presented herein address the water utility's' goals to meet its ongoing obligations with regard to:
 - Operating and maintenance expenses, including repair and replacement of aging system components and repayment of debt;
 - Non-operating expenses;
 - Capital project expenses, and
 - Provision for key financial policies, including:
 - Maintenance of at least 90 days of operating reserve balances and \$750,000 reserves for the capital fund;
 - Legal debt service coverage of at least 1.20.
- The proposed rates presented herein are in conformance with industry standard rate-making practices using City specific performance and financial data, Proposition 218 and/or the City's rate policies with respect to:
 - The fair and equitable recovery of costs through water rates;
 - Water rates based upon the proportionate cost of providing services, and
 - Generation of sufficient revenue to recover system revenue requirements and reserve requirements.

6.2 Recommendations

- It is recommended that the City implement the proposed rates and charges presented in this Report for FY 2022-23, beginning with the first adjustment January 1, 2022, followed by annual adjustments each July 1, with the final adjustment occurring on July 1, 2026.
- It is recommended that the City update the revenue sufficiency analysis portion of this study each year to ensure projected revenue continues to be sufficient to fund projected expenses going forward as assumptions made during this analysis may change and have a material impact upon the analysis.



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- It is recommended that the City update the cost-of-service analysis portion of this study every three to five years to ensure costs are recovered consistent with cost-of-service principles and customer characteristics.

APPENDIX A

Water Financial Plan

LOMITA, CA
 Water Rate Study
 PROJECTED OPERATING RESULTS - FUND 510

Line	Description	Budget 2022	Fiscal Year Ending June 30,									
			2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
REVENUES												
<u>Operating Revenues</u>												
1	Water Sales	\$ 6,200,000	\$ 6,713,328	\$ 7,375,992	\$ 7,938,311	\$ 8,542,567	\$ 9,191,837	\$ 9,889,420	\$ 10,588,906	\$ 11,015,877	\$ 11,346,353	\$ 11,686,744
<u>Other Operating Revenues</u>												
2	Miscellaneous Revenues	\$ 25,000	\$ 38,500	\$ 48,500	\$ 48,500	\$ 48,663	\$ 48,836	\$ 49,020	\$ 49,216	\$ 49,409	\$ 49,511	\$ 49,616
3	Transfers In	0	0	0	0	0	0	0	0	0	0	0
<u>Other Non-Operating Revenues</u>												
4	Interest	60,000	10,000	15,000	15,000	11,023	18,632	27,833	24,731	18,292	26,894	38,035
5	Total Revenues	\$ 6,285,000	\$ 6,761,828	\$ 7,439,492	\$ 8,001,811	\$ 8,602,253	\$ 9,259,305	\$ 9,966,273	\$ 10,662,853	\$ 11,083,578	\$ 11,422,758	\$ 11,774,395
<u>Current Expenses</u>												
6	Department 110 - City Council	\$ 2,668	\$ 3,001	\$ 3,003	\$ 3,016	\$ 3,122	\$ 3,231	\$ 3,344	\$ 3,461	\$ 3,582	\$ 3,707	\$ 3,837
7	Department 120 - City Attorney	43,000	20,000	20,000	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597
8	Department 125 - City Manager	138,098	152,966	156,535	159,665	165,206	170,940	176,872	183,011	189,364	195,937	202,738
9	Department 130 - City Clerk	56,178	57,153	59,577	60,769	62,879	65,062	67,321	69,659	72,078	74,581	77,171
10	Department 220 - Administrative Services	480,700	491,120	504,679	512,416	529,583	547,328	565,670	584,630	604,229	624,487	645,428
11	Department 230 - Human Resources	192,405	208,726	222,708	226,654	234,481	242,578	250,955	259,623	268,590	277,867	287,465
12	Department 330 - Public Safety	-	-	-	-	-	-	-	-	-	-	-
13	Department 420 - Neighborhood Preservation	-	-	-	-	-	-	-	-	-	-	-
14	Department 440 - Information Technology	83,549	83,551	83,553	83,553	86,060	88,642	91,301	94,040	96,861	99,767	102,760
15	Department 630 - Water Maintenance	4,961,274	5,184,619	5,390,427	5,412,955	5,582,880	5,758,168	5,938,986	6,125,512	6,317,926	6,516,414	6,721,172
16	Department 910 - Non-Departmental	-	-	-	-	-	-	-	-	-	-	-
17	Total Current Expenses	\$ 5,957,872	\$ 6,201,136	\$ 6,440,482	\$ 6,479,028	\$ 6,684,810	\$ 6,897,166	\$ 7,116,306	\$ 7,342,447	\$ 7,575,815	\$ 7,816,642	\$ 8,065,169
18	Net Income	\$ 327,128	\$ 560,692	\$ 999,010	\$ 1,522,783	\$ 1,917,443	\$ 2,362,139	\$ 2,849,968	\$ 3,320,406	\$ 3,507,763	\$ 3,606,116	\$ 3,709,225
<u>Other Cash Inflows/(Outflows)</u>												
19	Transfers Out to Fund 520	(500,000)	(1,500,000)	(500,000)	(500,000)	(1,100,000)	(3,800,000)	(2,700,000)	(1,750,000)	(2,850,000)	(1,850,000)	(7,550,000)
20	Net Results	\$ (172,872)	\$ (939,308)	\$ 499,010	\$ 1,022,783	\$ 817,443	\$ (1,437,861)	\$ 149,968	\$ 1,570,406	\$ 657,763	\$ 1,756,116	\$ (3,840,775)
RESERVE FUND BALANCE ACTIVITY												
<u>Projected Operating Results - Fund 510</u>												
22	Beginning Fund Balance	\$ 1,965,013	\$ 1,792,141	\$ 852,833	\$ 1,351,843	\$ 2,374,626	\$ 3,192,069	\$ 1,754,209	\$ 1,904,176	\$ 3,474,583	\$ 4,132,346	\$ 5,888,462
23	Deposit/(Withdrawal) from Operations	(172,872)	(939,308)	499,010	1,022,783	817,443	(1,437,861)	149,968	1,570,406	657,763	1,756,116	(3,840,775)
24	Ending Fund Balance	\$ 1,792,141	\$ 852,833	\$ 1,351,843	\$ 2,374,626	\$ 3,192,069	\$ 1,754,209	\$ 1,904,176	\$ 3,474,583	\$ 4,132,346	\$ 5,888,462	\$ 2,047,687
25	Targeted Fund Balance	\$ 1,469,064	\$ 1,529,047	\$ 1,588,064	\$ 1,597,569	\$ 1,648,309	\$ 1,700,671	\$ 1,754,705	\$ 1,810,466	\$ 1,868,009	\$ 1,927,391	\$ 1,988,672
26	Variance	\$ 323,077	\$ (676,214)	\$ (236,221)	\$ 777,057	\$ 1,543,760	\$ 53,538	\$ 149,471	\$ 1,664,117	\$ 2,264,337	\$ 3,961,071	\$ 59,015
27	Days Cash on Hand	110	50	77	134	174	93	98	173	199	275	93
28	Targeted Days Cash on Hand	90	90	90	90	90	90	90	90	90	90	90

LOMITA, CA
 Water Rate Study
 PROJECTED OPERATING RESULTS - FUND 520

Line	Description	Budget 2022	Fiscal Year Ending June 30,									
			2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
REVENUES												
Operating Revenues												
1	Waterworks # 13 Anney	\$ 830,000	\$ 900,000	\$ 920,000	\$ 920,000	\$ 940,444	\$ 961,343	\$ 982,706	\$ 1,004,544	\$ 1,026,867	\$ 1,049,686	\$ 1,073,012
Other Operating Revenues												
2	Miscellaneous Revenues	\$ 1,567,916	\$ 2,589,916	\$ 2,200,000	\$ 2,200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
3	Transfers In	\$ 500,000	\$ 1,500,000	\$ 500,000	\$ 500,000	\$ 1,100,000	\$ 3,800,000	\$ 2,700,000	\$ 1,750,000	\$ 2,850,000	\$ 1,850,000	\$ 7,550,000
Other Non-Operating Revenues												
4	Interest	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 23,951	\$ 11,190	\$ 7,564	\$ 7,591	\$ 7,503	\$ 7,492	\$ 7,492
5	Total Revenues	\$ 2,912,916	\$ 5,004,916	\$ 3,635,000	\$ 3,635,000	\$ 2,264,395	\$ 4,972,533	\$ 3,890,270	\$ 2,962,135	\$ 4,084,370	\$ 3,107,178	\$ 8,830,504
DEBT SERVICE												
Parity Indebtedness												
6	2016 Water Revenue Refunding Bonds	\$ 464,838	\$ 466,063	\$ 461,962	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 464,917	\$ 464,917	\$ -
7	Total Parity Indebtedness	\$ 464,838	\$ 466,063	\$ 461,962	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 464,917	\$ 464,917	\$ -
8	Net Operations	\$ 2,448,078	\$ 4,538,853	\$ 3,173,038	\$ 3,171,125	\$ 1,800,520	\$ 4,508,658	\$ 3,426,395	\$ 2,498,260	\$ 3,619,453	\$ 2,642,261	\$ 8,830,504
Other Cash Inflows/(Outflows)												
9	ARPA Funds	\$ 1,269,512	\$ 1,730,488	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Grant Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RESERVE FUND BALANCE ACTIVITY												
12	Beginning Fund Balance	\$ 1,635,464	\$ 2,548,054	\$ 1,919,437	\$ 3,301,728	\$ 1,488,385	\$ 749,625	\$ 763,210	\$ 754,936	\$ 745,712	\$ 752,674	\$ 745,808
13	Deposit/(Withdrawal) from Operations	3,717,590	6,269,341	3,173,038	3,171,125	1,800,520	4,508,658	3,426,395	2,498,260	3,619,453	2,642,261	8,830,504
14	Capital Projects From Capital Improvement Plan	(2,805,000)	(6,897,958)	(1,790,747)	(4,984,469)	(2,539,279)	(4,495,073)	(3,434,669)	(2,507,484)	(3,612,491)	(2,649,126)	(8,809,565)
15	Ending Fund Balance	\$ 2,548,054	\$ 1,919,437	\$ 3,301,728	\$ 1,488,385	\$ 749,625	\$ 763,210	\$ 754,936	\$ 745,712	\$ 752,674	\$ 745,808	\$ 766,748
16	Targeted Fund Balance	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
17	Variance	\$ 1,798,054	\$ 1,169,437	\$ 2,551,728	\$ 738,385	\$ (375)	\$ 13,210	\$ 4,936	\$ (4,288)	\$ 2,674	\$ (4,192)	\$ 16,748

Line No	Description	Beginning Balances FY 2021-22	
		Fund 510	Fund 520
<u>Current Assets:</u>			
1	Cash and investments	\$ 1,965,013	\$ 1,635,464
2	Accounts Receivable	-	-
3	Deferred Outflows - Pensions	-	-
4	Intergovernmental Receivable	-	-
	Interest Receivable	-	-
5	Total Current Assets	\$ 1,965,013	\$ 1,635,464
<u>Current Liabilities (payalbe from current assets):</u>			
6	Accounts Payable	\$ -	\$ -
7	Compensated Absences - Current	-	-
8	Compensated Absences - Long Term	-	-
9	Accrued Expenses -Payroll	-	-
10	Unapplied Credits	-	-
	Compensated Absences	-	-
	Other Post Employment Benefits	-	-
11	Total Current Liabilities	\$ -	\$ -
<u>Adjustments:</u>			
	Less:		
12	Per City Staff	\$ -	\$ -
13	Prepaid items	-	-
	0		
14	Net Adjustments	\$ -	\$ -
15	Net Beginning Balances (Current Assets less Current Liabilities - including Adjustments)	\$ 1,965,013	\$ 1,635,464

LOMITA, CA
 Water Rate Study
 REVENUES AND EXPENSES - WATER

Acct	Description	Utility	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	REVENUES												
4435	Fees for Service	OTHER	\$ 500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
4440	Late Fees	OTHER	\$ 15,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
4525	Interest - Fund 510	INTEREST	\$ 60,000	\$ 10,000	\$ 15,000	\$ 15,000	\$ 11,023	\$ 18,632	\$ 27,833	\$ 24,731	\$ 18,292	\$ 26,894	\$ 38,035
4715	Connection Fees	OTHER	\$ 2,000	\$ 10,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
4716	Fire Flow Fees	OTHER	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
4720	Water Billing Fees	SALES	\$ 6,200,000	\$ 6,713,328	\$ 7,375,992	\$ 7,938,311	\$ 8,542,567	\$ 9,191,837	\$ 9,889,420	\$ 10,588,906	\$ 11,015,877	\$ 11,346,353	\$ 11,686,744
4905	Miscellaneous Revenues	OTHER	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,663	\$ 2,836	\$ 3,020	\$ 3,216	\$ 3,409	\$ 3,511	\$ 3,616
4957	Transfer from Water Capital	OTHER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4110	Waterworks #13 Anney	OTHER	\$ 830,000	\$ 900,000	\$ 920,000	\$ 920,000	\$ 940,444	\$ 961,343	\$ 982,706	\$ 1,004,544	\$ 1,026,867	\$ 1,049,686	\$ 1,073,012
4485	Water Facilities	OTHER	\$ 68,000	\$ 100,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
4525	Interest - Fund 520	OTHER	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 23,951	\$ 11,190	\$ 7,564	\$ 7,591	\$ 7,503	\$ 7,492	\$ 7,492
4607	Grant Revenues	OTHER	\$ 1,499,916	\$ 2,489,916	\$ 2,000,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4955	Transfer from Water Operations	OTHER	\$ 500,000	\$ 1,500,000	\$ 500,000	\$ 500,000	\$ 1,100,000	\$ 3,800,000	\$ 2,700,000	\$ 1,750,000	\$ 2,850,000	\$ 1,850,000	\$ 7,550,000
	TOTAL REVENUES		\$ 9,197,916	\$ 11,766,744	\$ 11,074,492	\$ 11,636,811	\$ 10,866,648	\$ 14,231,838	\$ 13,856,544	\$ 13,624,988	\$ 15,167,948	\$ 14,529,936	\$ 20,604,899

LOMITA, CA
 Water Rate Study
 REVENUES AND EXPENSES - WATER

Acct	Description	Utility	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
OPERATING EXPENSES													
	Department 110 - City Council	City Council	\$ 2,668	\$ 3,001	\$ 3,003	\$ 3,016	\$ 3,122	\$ 3,231	\$ 3,344	\$ 3,461	\$ 3,582	\$ 3,707	\$ 3,837
	Department 120 - City Attorney	Attorney	\$ 43,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,600	\$ 21,218	\$ 21,855	\$ 22,510	\$ 23,185	\$ 23,881	\$ 24,597
	Department 125 - City Manager	Manager	\$ 138,098	\$ 152,966	\$ 156,535	\$ 159,665	\$ 165,206	\$ 170,940	\$ 176,872	\$ 183,011	\$ 189,364	\$ 195,937	\$ 202,738
	Department 130 - City Clerk	Clerk	\$ 56,178	\$ 57,153	\$ 59,577	\$ 60,769	\$ 62,879	\$ 65,062	\$ 67,321	\$ 69,659	\$ 72,078	\$ 74,581	\$ 77,171
	Department 220 - Administrative Services	Finance	\$ 480,700	\$ 491,120	\$ 504,679	\$ 512,416	\$ 529,583	\$ 547,328	\$ 565,670	\$ 584,630	\$ 604,229	\$ 624,487	\$ 645,428
	Department 230 - Human Resources	Human Resources	\$ 192,405	\$ 208,726	\$ 222,708	\$ 226,654	\$ 234,481	\$ 242,578	\$ 250,955	\$ 259,623	\$ 268,590	\$ 277,867	\$ 287,465
	Department 330 - Public Safety	Public Safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Department 420 - Neighborhood Preservation	Preservation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Department 440 - Information Technology	IT	\$ 83,549	\$ 83,551	\$ 83,553	\$ 83,553	\$ 86,060	\$ 88,642	\$ 91,301	\$ 94,040	\$ 96,861	\$ 99,767	\$ 102,760
	Department 630 - Water Maintenance	Maintenance	\$ 4,961,274	\$ 5,184,619	\$ 5,390,427	\$ 5,412,955	\$ 5,582,880	\$ 5,758,168	\$ 5,938,986	\$ 6,125,512	\$ 6,317,926	\$ 6,516,414	\$ 6,721,172
	Department 990 - Transfers to Other Fund	Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL OPERATING EXPENSES		\$ 5,957,872	\$ 6,201,136	\$ 6,440,482	\$ 6,479,028	\$ 6,684,810	\$ 6,897,166	\$ 7,116,306	\$ 7,342,447	\$ 7,575,815	\$ 7,816,642	\$ 8,065,169
CAPITAL OUTLAY													
	Department 990 - Transfers to Other Fund	Transfers	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL CAPITAL OUTLAY		\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE													
	Existing Debt	WATER	\$ 463,288	\$ 464,838	\$ 466,063	\$ 461,962	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 464,917	\$ 464,917
	New Debt	WATER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL DEBT SERVICE		\$ 463,288	\$ 464,838	\$ 466,063	\$ 461,962	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 464,917	\$ 464,917
TRANSFERS/CONTINGENCIES													
	Transfer Out	WATER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Transfer In	WATER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL TRANSFERS/CONTINGENCIES		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

LOMITA, CA
 Water Rate Study
 REVENUES AND EXPENSES - WATER

Acct	Description	Utility	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
DEPARTMENT 110 - CITY COUNCIL													
110-5105	Regular Salary and Wages	City Council	\$ 2,340	\$ 2,340	\$ 2,340	\$ 2,340	\$ 2,422	\$ 2,507	\$ 2,594	\$ 2,685	\$ 2,779	\$ 2,876	\$ 2,977
110-5205	Health Insurance	City Council	\$ -	\$ 202	\$ 202	\$ 206	\$ 213	\$ 221	\$ 228	\$ 236	\$ 245	\$ 253	\$ 262
110-5207	Medicare	City Council	\$ 35	\$ 35	\$ 35	\$ 36	\$ 37	\$ 39	\$ 40	\$ 41	\$ 43	\$ 44	\$ 46
110-5210	Worker's Compensation	City Council	\$ 68	\$ 55	\$ 55	\$ 56	\$ 58	\$ 60	\$ 62	\$ 64	\$ 67	\$ 69	\$ 71
110-5217	PERS Tier 3 (2%@62)	City Council	\$ -	\$ 175	\$ 176	\$ 180	\$ 186	\$ 193	\$ 200	\$ 207	\$ 214	\$ 221	\$ 229
110-5224	PERS Tier 3 Unfunded Liability	City Council	\$ -	\$ 2	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 4	\$ 4	\$ 4
110-5460	Insurance Liability and Vehicle	City Council	\$ 225	\$ 192	\$ 192	\$ 195	\$ 202	\$ 209	\$ 216	\$ 224	\$ 232	\$ 240	\$ 248
	Total Department 110 - City Council		\$ 2,668	\$ 3,001	\$ 3,003	\$ 3,016	\$ 3,122	\$ 3,231	\$ 3,344	\$ 3,461	\$ 3,582	\$ 3,707	\$ 3,837
DEPARTMENT 120 - CITY ATTORNEY													
120-5305	Legal Services	Attorney	\$ 43,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,600	\$ 21,218	\$ 21,855	\$ 22,510	\$ 23,185	\$ 23,881	\$ 24,597
	Total Department 120 - City Attorney		\$ 43,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,600	\$ 21,218	\$ 21,855	\$ 22,510	\$ 23,185	\$ 23,881	\$ 24,597
DEPARTMENT 125 - CITY MANAGER													
125-5105	Regular Salaries	Manager	\$ 97,766	\$ 110,407	\$ 112,772	\$ 115,027	\$ 119,053	\$ 123,220	\$ 127,532	\$ 131,996	\$ 136,616	\$ 141,398	\$ 146,346
125-5205	Health Insurance	Manager	\$ 11,660	\$ 12,140	\$ 12,464	\$ 12,713	\$ 13,158	\$ 13,618	\$ 14,095	\$ 14,588	\$ 15,099	\$ 15,628	\$ 16,174
125-5207	Medicare	Manager	\$ 1,466	\$ 1,656	\$ 1,692	\$ 1,726	\$ 1,786	\$ 1,849	\$ 1,914	\$ 1,981	\$ 2,050	\$ 2,122	\$ 2,196
125-5210	Worker's Compensation	Manager	\$ 2,826	\$ 2,572	\$ 2,634	\$ 2,687	\$ 2,781	\$ 2,878	\$ 2,979	\$ 3,083	\$ 3,191	\$ 3,303	\$ 3,419
125-5215	PERS Tier 1 (2.5%@55)	Manager	\$ 5,240	\$ 5,385	\$ 5,645	\$ 5,758	\$ 5,960	\$ 6,168	\$ 6,384	\$ 6,607	\$ 6,839	\$ 7,078	\$ 7,326
125-5216	PERS Tier 2 (2%@60)	Manager	\$ 4,109	\$ 5,081	\$ 5,063	\$ 5,164	\$ 5,345	\$ 5,532	\$ 5,725	\$ 5,926	\$ 6,133	\$ 6,348	\$ 6,570
125-5222	PERS Tier 1 Unfunded Liability	Manager	\$ 5,450	\$ 6,484	\$ 6,793	\$ 6,929	\$ 7,172	\$ 7,423	\$ 7,682	\$ 7,951	\$ 8,229	\$ 8,518	\$ 8,816
125-5223	PERS TIER 2 Unfunded Liability	Manager	\$ 155	\$ 200	\$ 214	\$ 218	\$ 226	\$ 234	\$ 242	\$ 250	\$ 259	\$ 268	\$ 277
125-5460	Insurance - Liability and Vehicle	Manager	\$ 9,426	\$ 9,041	\$ 9,258	\$ 9,443	\$ 9,726	\$ 10,018	\$ 10,319	\$ 10,628	\$ 10,947	\$ 11,275	\$ 11,614
	Total Department 125 - City Manager		\$ 138,098	\$ 152,966	\$ 156,535	\$ 159,665	\$ 165,206	\$ 170,940	\$ 176,872	\$ 183,011	\$ 189,364	\$ 195,937	\$ 202,738

LOMITA, CA
 Water Rate Study
 REVENUES AND EXPENSES - WATER

Acct	Description	Utility	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
DEPARTMENT 130 - CITY CLERK													
130-5105	Regular Salaries	Clerk	\$ 38,287	\$ 39,078	\$ 40,469	\$ 41,278	\$ 42,723	\$ 44,218	\$ 45,766	\$ 47,367	\$ 49,025	\$ 50,741	\$ 52,517
130-5205	Health Insurance	Clerk	\$ 6,822	\$ 7,371	\$ 7,925	\$ 8,084	\$ 8,367	\$ 8,660	\$ 8,963	\$ 9,277	\$ 9,601	\$ 9,937	\$ 10,285
130-5207	Medicare	Clerk	\$ 574	\$ 586	\$ 607	\$ 619	\$ 641	\$ 663	\$ 686	\$ 710	\$ 735	\$ 761	\$ 788
130-5210	Worker's Compensation	Clerk	\$ 1,105	\$ 910	\$ 945	\$ 964	\$ 998	\$ 1,033	\$ 1,069	\$ 1,106	\$ 1,145	\$ 1,185	\$ 1,226
130-5215	PERS Tier 1 (2.5%@55)	Clerk	\$ 907	\$ 958	\$ 976	\$ 996	\$ 1,031	\$ 1,067	\$ 1,104	\$ 1,143	\$ 1,183	\$ 1,224	\$ 1,267
130-5216	PERS Tier 2 (2%@60)	Clerk	\$ 1,167	\$ 1,230	\$ 1,313	\$ 1,339	\$ 1,386	\$ 1,434	\$ 1,485	\$ 1,537	\$ 1,590	\$ 1,646	\$ 1,704
130-5217	PERS Tier 3 (2%@62)	Clerk	\$ 1,312	\$ 1,268	\$ 1,290	\$ 1,316	\$ 1,362	\$ 1,410	\$ 1,459	\$ 1,510	\$ 1,563	\$ 1,618	\$ 1,674
130-5222	PERS Tier 1 Unfunded Liability	Clerk	\$ 2,224	\$ 2,431	\$ 2,595	\$ 2,647	\$ 2,740	\$ 2,836	\$ 2,935	\$ 3,037	\$ 3,144	\$ 3,254	\$ 3,368
130-5223	PERS TIER 2 Unfunded Liability	Clerk	\$ 63	\$ 75	\$ 82	\$ 84	\$ 87	\$ 90	\$ 93	\$ 96	\$ 100	\$ 103	\$ 107
130-5224	PERS TIER 3 Unfunded Liability	Clerk	\$ 33	\$ 46	\$ 53	\$ 54	\$ 56	\$ 58	\$ 60	\$ 62	\$ 64	\$ 66	\$ 69
130-5460	Insurance - Liability and Vehicle	Clerk	\$ 3,684	\$ 3,200	\$ 3,322	\$ 3,388	\$ 3,490	\$ 3,594	\$ 3,702	\$ 3,813	\$ 3,928	\$ 4,045	\$ 4,167
	Total Department 130 - City Clerk		\$ 56,178	\$ 57,153	\$ 59,577	\$ 60,769	\$ 62,879	\$ 65,062	\$ 67,321	\$ 69,659	\$ 72,078	\$ 74,581	\$ 77,171
DEPARTMENT 220 - ADMINISTRATIVE SERVICES													
220-5105	Regular Salaries	Finance	\$ 230,827	\$ 238,795	\$ 246,463	\$ 251,392	\$ 260,191	\$ 269,297	\$ 278,723	\$ 288,478	\$ 298,575	\$ 309,025	\$ 319,841
220-5115	Overtime	Finance	\$ 200	\$ 200	\$ 200	\$ 204	\$ 211	\$ 219	\$ 226	\$ 234	\$ 242	\$ 251	\$ 260
220-5205	Health Insurance	Finance	\$ 39,286	\$ 42,556	\$ 45,813	\$ 46,729	\$ 48,365	\$ 50,057	\$ 51,809	\$ 53,623	\$ 55,499	\$ 57,442	\$ 59,452
220-5207	Medicare	Finance	\$ 3,465	\$ 3,585	\$ 3,700	\$ 3,774	\$ 3,906	\$ 4,043	\$ 4,184	\$ 4,331	\$ 4,482	\$ 4,639	\$ 4,802
220-5210	Worker's Compensation	Finance	\$ 6,648	\$ 5,568	\$ 5,761	\$ 5,876	\$ 6,082	\$ 6,295	\$ 6,515	\$ 6,743	\$ 6,979	\$ 7,223	\$ 7,476
220-5215	PERS Tier 1 (2.5%@55)	Finance	\$ 4,555	\$ 4,558	\$ 4,555	\$ 4,646	\$ 4,809	\$ 4,977	\$ 5,151	\$ 5,331	\$ 5,518	\$ 5,711	\$ 5,911
220-5216	PERS Tier 2 (2%@60)	Finance	\$ 10,492	\$ 10,878	\$ 11,370	\$ 11,597	\$ 12,003	\$ 12,423	\$ 12,858	\$ 13,308	\$ 13,774	\$ 14,256	\$ 14,755
220-5217	PERS Tier 3 (2%@62)	Finance	\$ 5,398	\$ 5,634	\$ 5,769	\$ 5,884	\$ 6,090	\$ 6,303	\$ 6,524	\$ 6,752	\$ 6,988	\$ 7,233	\$ 7,486
220-5222	PERS Tier 1 Unfunded Liability	Finance	\$ 13,335	\$ 14,742	\$ 15,688	\$ 16,002	\$ 16,562	\$ 17,142	\$ 17,742	\$ 18,363	\$ 19,005	\$ 19,671	\$ 20,359
220-5223	PERS TIER 2 Unfunded Liability	Finance	\$ 378	\$ 455	\$ 493	\$ 503	\$ 521	\$ 539	\$ 558	\$ 577	\$ 597	\$ 618	\$ 640
220-5224	PERS TIER 3 Unfunded Liability	Finance	\$ 197	\$ 278	\$ 320	\$ 326	\$ 337	\$ 349	\$ 361	\$ 374	\$ 387	\$ 401	\$ 415
220-5310	Auditors	Finance	\$ 11,500	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,420	\$ 12,855	\$ 13,305	\$ 13,770	\$ 14,252	\$ 14,751	\$ 15,267
220-5345	Contractual Services	Finance	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 41,200	\$ 42,436	\$ 43,709	\$ 45,020	\$ 46,371	\$ 47,762	\$ 49,195
220-5420	Mileage Reimbursement	Finance	\$ 300	\$ 300	\$ 300	\$ 300	\$ 309	\$ 318	\$ 328	\$ 338	\$ 348	\$ 358	\$ 369
220-5425	Dues and Membership	Finance	\$ 150	\$ 200	\$ 200	\$ 200	\$ 206	\$ 212	\$ 219	\$ 225	\$ 232	\$ 239	\$ 246
220-5460	Insurance - Liability and Vehicle	Finance	\$ 22,169	\$ 19,571	\$ 20,247	\$ 21,183	\$ 21,818	\$ 22,473	\$ 23,147	\$ 23,842	\$ 24,557	\$ 25,294	\$ 26,052
220-5505	Office Supplies and Expense	Finance	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,900	\$ 31,827	\$ 32,782	\$ 33,765	\$ 34,778	\$ 35,822	\$ 36,896
220-5605	Rents and Leases	Finance	\$ 26,800	\$ 26,800	\$ 26,800	\$ 26,800	\$ 27,604	\$ 28,432	\$ 29,285	\$ 30,164	\$ 31,069	\$ 32,001	\$ 32,961
220-5710	Equipment Maintenance - Tyler	Finance	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 36,050	\$ 37,132	\$ 38,245	\$ 39,393	\$ 40,575	\$ 41,792	\$ 43,046
	Total Department 220 - Administrative Services		\$ 480,700	\$ 491,120	\$ 504,679	\$ 512,416	\$ 529,583	\$ 547,328	\$ 565,670	\$ 584,630	\$ 604,229	\$ 624,487	\$ 645,428

LOMITA, CA
 Water Rate Study
 REVENUES AND EXPENSES - WATER

Acct	Description	Utility	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
DEPARTMENT 230 - HUMAN RESOURCES													
230-5105	Regular Salaries	Human Resources	\$ 46,392	\$ 49,464	\$ 52,968	\$ 54,027	\$ 55,918	\$ 57,875	\$ 59,901	\$ 61,997	\$ 64,167	\$ 66,413	\$ 68,737
230-5205	Health Insurance	Human Resources	\$ 7,322	\$ 7,953	\$ 8,588	\$ 8,760	\$ 9,067	\$ 9,384	\$ 9,712	\$ 10,052	\$ 10,404	\$ 10,768	\$ 11,145
230-5207	Medicare	Human Resources	\$ 696	\$ 742	\$ 795	\$ 811	\$ 839	\$ 869	\$ 899	\$ 931	\$ 963	\$ 997	\$ 1,032
230-5210	Worker's Compensation	Human Resources	\$ 1,341	\$ 1,152	\$ 1,237	\$ 1,262	\$ 1,306	\$ 1,352	\$ 1,399	\$ 1,448	\$ 1,499	\$ 1,551	\$ 1,606
230-5217	PERS Tier 3 (2%@62)	Human Resources	\$ 3,521	\$ 3,695	\$ 3,973	\$ 4,052	\$ 4,194	\$ 4,341	\$ 4,493	\$ 4,650	\$ 4,813	\$ 4,981	\$ 5,155
230-5220	Unemployment Insurance	Human Resources	\$ 2,517	\$ 2,799	\$ 2,939	\$ 2,998	\$ 3,103	\$ 3,212	\$ 3,324	\$ 3,440	\$ 3,561	\$ 3,685	\$ 3,814
230-5222	PERS Tier 1 Unfunded Liability	Human Resources	\$ 101,865	\$ 120,816	\$ 129,659	\$ 132,252	\$ 136,881	\$ 141,672	\$ 146,630	\$ 151,762	\$ 157,074	\$ 162,571	\$ 168,261
230-5223	PERS TIER 2 Unfunded Liability	Human Resources	\$ 747	\$ 410	\$ 448	\$ 457	\$ 473	\$ 490	\$ 507	\$ 524	\$ 543	\$ 562	\$ 581
230-5224	PERS TIER 3 Unfunded Liability	Human Resources	\$ 631	\$ 644	\$ 753	\$ 768	\$ 795	\$ 823	\$ 851	\$ 881	\$ 912	\$ 944	\$ 977
230-5305	Attorneys	Human Resources	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927	\$ 11,255	\$ 11,593	\$ 11,941	\$ 12,299
230-5340	Professional Services	Human Resources	\$ 10,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,150	\$ 5,305	\$ 5,464	\$ 5,628	\$ 5,796	\$ 5,970	\$ 6,149
230-5345	Contractual Services	Human Resources	\$ 2,900	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,060	\$ 2,122	\$ 2,185	\$ 2,251	\$ 2,319	\$ 2,388	\$ 2,460
230-5460	Insurance - Liability and Vehicle	Human Resources	\$ 4,473	\$ 4,051	\$ 4,348	\$ 4,267	\$ 4,395	\$ 4,527	\$ 4,663	\$ 4,803	\$ 4,947	\$ 5,095	\$ 5,248
Total Department 230 - Human Resources			\$ 192,405	\$ 208,726	\$ 222,708	\$ 226,654	\$ 234,481	\$ 242,578	\$ 250,955	\$ 259,623	\$ 268,590	\$ 277,867	\$ 287,465
DEPARTMENT 330 - PUBLIC SAFETY													
330-5320	Sheriff Contract	Public Safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Department 330 - Public Safety			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Department 420 - Neighborhood Preservation													
420-5105	Regular Salaries	Preservation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
420-5205	Health Insurance	Preservation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
420-5207	Medicare	Preservation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
420-5210	Worker's Compensation	Preservation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
420-5217	PERS Tier 3 (2%@62)	Preservation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
420-5224	PERS TIER 3 Unfunded Liability	Preservation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
420-5460	Insurance - Liability and Vehicle	Preservation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Department 420 - Neighborhood Preservation			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

LOMITA, CA
 Water Rate Study
 REVENUES AND EXPENSES - WATER

Acct	Description	Utility	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Department 440 - Information Technology													
440-5110	Part-Time Salaries	IT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
440-5207	Medicare	IT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
440-5210	Worker's Compensation	IT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
440-5345	Contractual Services	IT	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 51,500	\$ 53,045	\$ 54,636	\$ 56,275	\$ 57,964	\$ 59,703	\$ 61,494
440-5415	Communications	IT	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,600	\$ 21,218	\$ 21,855	\$ 22,510	\$ 23,185	\$ 23,881	\$ 24,597
440-5460	Insurance - Liability and Vehicle	IT	\$ 49	\$ 51	\$ 53	\$ 53	\$ 55	\$ 56	\$ 58	\$ 60	\$ 61	\$ 63	\$ 65
440-5520	Supplies	IT	\$ 500	\$ 500	\$ 500	\$ 500	\$ 515	\$ 530	\$ 546	\$ 563	\$ 580	\$ 597	\$ 615
440-5525	Equipment Under \$5k	IT	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,240	\$ 8,487	\$ 8,742	\$ 9,004	\$ 9,274	\$ 9,552	\$ 9,839
440-5710	Equipment Maintenance	IT	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,150	\$ 5,305	\$ 5,464	\$ 5,628	\$ 5,797	\$ 5,971	\$ 6,150
	Total Department 440 - Information Technology		\$ 83,549	\$ 83,551	\$ 83,553	\$ 83,553	\$ 86,060	\$ 88,642	\$ 91,301	\$ 94,040	\$ 96,861	\$ 99,767	\$ 102,760

LOMITA, CA
 Water Rate Study
 REVENUES AND EXPENSES - WATER

Acct	Description	Utility	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Department 630 - Water Maintenance													
630-5105	Regular Salaries	Maintenance	\$ 844,062	\$ 980,911	\$ 1,031,752	\$ 1,052,387	\$ 1,089,221	\$ 1,127,343	\$ 1,166,800	\$ 1,207,638	\$ 1,249,906	\$ 1,293,652	\$ 1,338,930
630-5115	Overtime	Maintenance	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,400	\$ 21,114	\$ 21,853	\$ 22,618	\$ 23,409	\$ 24,229	\$ 25,077	\$ 25,954
630-5116	Standby	Maintenance	\$ 13,100	\$ 13,100	\$ 13,100	\$ 13,100	\$ 13,559	\$ 14,033	\$ 14,524	\$ 15,033	\$ 15,559	\$ 16,103	\$ 16,667
630-5205	Health Insurance	Maintenance	\$ 161,936	\$ 198,951	\$ 214,523	\$ 218,813	\$ 226,471	\$ 234,398	\$ 242,602	\$ 251,093	\$ 259,881	\$ 268,977	\$ 278,391
630-5207	Medicare	Maintenance	\$ 13,157	\$ 15,210	\$ 15,973	\$ 16,292	\$ 16,862	\$ 17,452	\$ 18,063	\$ 18,695	\$ 19,350	\$ 20,027	\$ 20,728
630-5210	Worker's Compensation	Maintenance	\$ 25,192	\$ 23,322	\$ 24,567	\$ 25,058	\$ 25,935	\$ 26,843	\$ 27,782	\$ 28,755	\$ 29,761	\$ 30,803	\$ 31,881
630-5215	PERS Tier 1 (2.5%@55)	Maintenance	\$ 22,283	\$ 16,771	\$ 17,542	\$ 17,893	\$ 18,519	\$ 19,167	\$ 19,838	\$ 20,533	\$ 21,251	\$ 21,995	\$ 22,765
630-5216	PERS Tier 2 (2%@60)	Maintenance	\$ 23,914	\$ 23,851	\$ 24,891	\$ 25,389	\$ 26,278	\$ 27,197	\$ 28,149	\$ 29,134	\$ 30,154	\$ 31,210	\$ 32,302
630-5217	PERS Tier 3 (2%@62)	Maintenance	\$ 28,513	\$ 41,398	\$ 43,915	\$ 44,793	\$ 46,361	\$ 47,983	\$ 49,663	\$ 51,401	\$ 53,200	\$ 55,062	\$ 56,989
630-5222	PERS Tier 1 Unfunded Liability	Maintenance	\$ 51,105	\$ 63,107	\$ 68,226	\$ 69,591	\$ 72,027	\$ 74,548	\$ 77,157	\$ 79,857	\$ 82,652	\$ 85,545	\$ 88,539
630-5223	PERS TIER 2 Unfunded Liability	Maintenance	\$ 1,449	\$ 1,949	\$ 2,145	\$ 2,188	\$ 2,265	\$ 2,344	\$ 2,426	\$ 2,511	\$ 2,599	\$ 2,690	\$ 2,784
630-5224	PERS TIER 3 Unfunded Liability	Maintenance	\$ 754	\$ 1,188	\$ 1,393	\$ 1,421	\$ 1,471	\$ 1,522	\$ 1,575	\$ 1,631	\$ 1,688	\$ 1,747	\$ 1,808
630-5335	Maintenance & License Agreements	Maintenance	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,210	\$ 7,426	\$ 7,649	\$ 7,879	\$ 8,115	\$ 8,358	\$ 8,609
630-5336	Permit & Assessment Fees	Maintenance	\$ 65,000	\$ 72,000	\$ 78,000	\$ 78,000	\$ 80,340	\$ 82,750	\$ 85,233	\$ 87,790	\$ 90,423	\$ 93,136	\$ 95,930
630-5337	Coordinated Integrated Monitoring	Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
630-5338	Underground Service Alert	Maintenance	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,545	\$ 1,591	\$ 1,639	\$ 1,688	\$ 1,739	\$ 1,791	\$ 1,845
630-5339	Water Quality - Clinical Lab	Maintenance	\$ 35,000	\$ 37,800	\$ 38,520	\$ 38,520	\$ 39,676	\$ 40,866	\$ 42,092	\$ 43,355	\$ 44,655	\$ 45,995	\$ 47,375
630-5340	Professional Services	Maintenance	\$ 99,000	\$ 99,000	\$ 99,000	\$ 99,000	\$ 101,970	\$ 105,029	\$ 108,180	\$ 111,425	\$ 114,768	\$ 118,211	\$ 121,758
630-5340.345	Conservation Education	Maintenance	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,150	\$ 5,305	\$ 5,464	\$ 5,628	\$ 5,796	\$ 5,970	\$ 6,149
630-5341	Professional Services - Reservoir	Maintenance	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,750	\$ 26,523	\$ 27,318	\$ 28,138	\$ 28,982	\$ 29,851	\$ 30,747
630-5345	Contractual Services	Maintenance	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,870	\$ 30,766	\$ 31,689	\$ 32,640	\$ 33,619	\$ 34,628	\$ 35,666
630-5405	Utilities	Maintenance	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927	\$ 11,255	\$ 11,593	\$ 11,941	\$ 12,299
630-5410	Advertising	Maintenance	\$ 800	\$ 800	\$ 800	\$ 800	\$ 824	\$ 849	\$ 874	\$ 900	\$ 927	\$ 955	\$ 984
630-5411	Customer Notifications	Maintenance	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,240	\$ 8,487	\$ 8,742	\$ 9,004	\$ 9,274	\$ 9,552	\$ 9,839
630-5415	Communications	Maintenance	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,150	\$ 5,305	\$ 5,464	\$ 5,628	\$ 5,796	\$ 5,970	\$ 6,149
630-5420	Mileage Reimbursement	Maintenance	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159	\$ 1,194	\$ 1,230
630-5425	Dues and Memberships	Maintenance	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,060	\$ 2,122	\$ 2,185	\$ 2,251	\$ 2,319	\$ 2,388	\$ 2,460
630-5435	Training and Education	Maintenance	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,090	\$ 3,183	\$ 3,278	\$ 3,377	\$ 3,478	\$ 3,582	\$ 3,690
630-5440	Water Purchases - MWD	Maintenance	\$ 3,000,000	\$ 2,490,970	\$ 2,452,192	\$ 2,452,192	\$ 2,525,758	\$ 2,601,530	\$ 2,679,576	\$ 2,759,964	\$ 2,842,763	\$ 2,928,045	\$ 3,015,887
630-5441	Water Purchases - WRD	Maintenance	\$ 5,000	\$ 230,000	\$ 305,000	\$ 305,000	\$ 314,150	\$ 323,575	\$ 333,282	\$ 343,280	\$ 353,579	\$ 364,186	\$ 375,112
630-5442	Utilities - CWWF	Maintenance	\$ 30,000	\$ 75,500	\$ 99,000	\$ 99,000	\$ 101,970	\$ 105,029	\$ 108,180	\$ 111,425	\$ 114,768	\$ 118,211	\$ 121,758
630-5443	Water Production Supply - Reservoir	Maintenance	\$ 12,000	\$ 271,822	\$ 324,546	\$ 324,546	\$ 334,282	\$ 344,311	\$ 354,640	\$ 365,279	\$ 376,238	\$ 387,525	\$ 399,151
630-5460	Insurance - Liability and Vehicle	Maintenance	\$ 84,009	\$ 81,969	\$ 86,342	\$ 79,572	\$ 81,959	\$ 84,418	\$ 86,950	\$ 89,559	\$ 92,246	\$ 95,013	\$ 97,864
630-5505	Office Supplies and Expense	Maintenance	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,605	\$ 3,713	\$ 3,825	\$ 3,939	\$ 4,057	\$ 4,179	\$ 4,305
630-5510	Small Tools	Maintenance	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,120	\$ 4,244	\$ 4,371	\$ 4,502	\$ 4,637	\$ 4,776	\$ 4,919
630-5515	Uniform Expense	Maintenance	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,150	\$ 5,305	\$ 5,464	\$ 5,628	\$ 5,796	\$ 5,970	\$ 6,149
630-5525	Equipment Under \$5k	Maintenance	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,600	\$ 21,218	\$ 21,855	\$ 22,510	\$ 23,185	\$ 23,881	\$ 24,597
630-5605	Rents and Leases	Maintenance	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 103,000	\$ 106,090	\$ 109,273	\$ 112,551	\$ 115,927	\$ 119,405	\$ 122,987
630-5704	Meter Replacement	Maintenance	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,660	\$ 23,340	\$ 24,040	\$ 24,761	\$ 25,504	\$ 26,269	\$ 27,057
630-5705	General Maintenance	Maintenance	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 108,150	\$ 111,395	\$ 114,736	\$ 118,178	\$ 121,724	\$ 125,375	\$ 129,137
630-57096	Equipment Maintenance - Reservoir	Maintenance	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,510	\$ 18,035	\$ 18,576	\$ 19,134	\$ 19,708	\$ 20,299	\$ 20,908
630-5710	Equipment Maintenance	Maintenance	\$ 18,000	\$ 18,000	\$ 22,000	\$ 22,000	\$ 22,660	\$ 23,340	\$ 24,040	\$ 24,761	\$ 25,504	\$ 26,269	\$ 27,057
630-5720	Fuel	Maintenance	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,270	\$ 9,548	\$ 9,835	\$ 10,130	\$ 10,433	\$ 10,746	\$ 11,069
630-5755	Special Dept. Supplies & Expense	Maintenance	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,750	\$ 26,523	\$ 27,319	\$ 28,139	\$ 28,983	\$ 29,852	\$ 30,748
Total Department 630 - Water Maintenance			\$ 4,961,274	\$ 5,184,619	\$ 5,390,427	\$ 5,412,955	\$ 5,582,880	\$ 5,758,168	\$ 5,938,986	\$ 6,125,512	\$ 6,317,926	\$ 6,516,414	\$ 6,721,172

LOMITA, CA
 Water Rate Study
 REVENUES AND EXPENSES - WATER

Acct	Description	Utility	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Department 990 - Transfers to Other Fund													
990-5993	Transfer to Water Capital	Transfers	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Department 990 - Transfers To Other Fund			\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WATER DEBT SERVICE													
<u>Water Debt Service</u>													
	2016 Water Revenue Refunding Bonds	WATER	\$ 463,288	\$ 464,838	\$ 466,063	\$ 461,962	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 464,917	\$ 464,917
	New Debt	WATER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Water Debt Service			\$ 463,288	\$ 464,838	\$ 466,063	\$ 461,962	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 463,875	\$ 464,917	\$ 464,917

LOMITA, CA
 Water Rate Study
 CAPITAL IMPROVEMENT PLAN
 Current Dollars

Line	Description	Input Capital Costs					Input Capital Costs					
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Inflation Rate			2.79%								
	WATER SYSTEM											
1	Annual Pipeline Replacement	\$ -	\$ 1,156,100	\$ -	\$ 1,156,100	\$ -	\$ 1,156,100	\$ -	\$ 1,156,100	\$ -	\$ 1,156,100	\$ 5,780,500
2	CIP Master Plan	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Emergency Generator	\$ 15,000	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Water Master Plan	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	246th St., 247th Pl., 247th St. - Western	\$ 135,000	\$ 1,364,916	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Cypress Water Production Upgrade	\$ 2,500,000	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	Annual Pipeline Upsizing Project	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -	\$ 1,987,000	\$ -	\$ -
8	Annual 4-inch Looped Pipeline Upsizing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Annual 4-inch Dead-End Pipeline Upsizing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Pressure Zone Boundary Modification Study	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Narbonne Ave South Pipeline Replacement	\$ -	\$ 1,445,000	\$ 1,445,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Narbonne Ave Pipeline Upsizing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,147,000	\$ -	\$ -	\$ -	\$ -	\$ -
13	PCH Pipeline Upsizing	\$ -	\$ -	\$ 250,000	\$ 3,284,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	W. Lomita Blvd Pipeline Upsizing	\$ -	\$ -	\$ -	\$ -	\$ 275,000	\$ 1,600,000	\$ 713,600	\$ 713,600	\$ 713,600	\$ 713,600	\$ 713,600
15	Zone 2 and 3 Booster Feasibility Study	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	New Interconnection at Narbonne Ave Oak Street PRS Study	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Second Potable Well Evaluation	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Emergency Generator for Appian Way	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	Water Quality Sample Station Upgrades	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -
20	Annual Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 199,071	\$ 199,071	\$ 199,071	\$ 199,071	\$ 199,071
21	Water Rate Study	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Appian Way Roof	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Equipment Over \$5k	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Total Water System Improvements	\$ 2,805,000	\$ 6,711,016	\$ 1,695,000	\$ 4,590,100	\$ 2,275,000	\$ 3,918,100	\$ 2,912,671	\$ 2,068,771	\$ 2,899,671	\$ 2,068,771	\$ 6,693,171

LOMITA, CA
 Water Rate Study
 CAPITAL IMPROVEMENT PLAN
 Inflated Dollars

Line	Description	Projected for Fiscal Year Ending June 30										
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	WATER SYSTEM											
1	Annual Pipeline Replacement	\$ -	\$ 1,188,304	\$ -	\$ 1,255,429	\$ -	\$ 1,326,345	\$ -	\$ 1,401,268	\$ -	\$ 1,480,422	\$ 7,608,305
2	CIP Master Plan	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Emergency Generator	\$ 15,000	\$ 113,064	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Water Master Plan	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	246th St., 247th Pl., 247th St. - Western	\$ 135,000	\$ 1,402,937	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Cypress Water Production Upgrade	\$ 2,500,000	\$ 2,569,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	Annual Pipeline Upsizing Project	\$ -	\$ -	\$ -	\$ -	\$ 2,232,333	\$ -	\$ 2,358,433	\$ -	\$ 2,475,460	\$ -	\$ -
8	Annual 4-inch Looped Pipeline Upsizing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Annual 4-inch Dead-End Pipeline Upsizing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Pressure Zone Boundary Modification Study	\$ -	\$ -	\$ -	\$ 54,296	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Narbonne Ave South Pipeline Replacement	\$ -	\$ 1,485,252	\$ 1,526,625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Narbonne Ave Pipeline Upsizing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,315,905	\$ -	\$ -	\$ -	\$ -	\$ -
13	PCH Pipeline Upsizing	\$ -	\$ -	\$ 264,122	\$ 3,566,152	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	W. Lomita Blvd Pipeline Upsizing	\$ -	\$ -	\$ -	\$ -	\$ 306,946	\$ 1,835,614	\$ 841,489	\$ 864,929	\$ 889,023	\$ 913,787	\$ 939,242
15	Zone 2 and 3 Booster Feasibility Study	\$ -	\$ -	\$ -	\$ 54,296	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	New Interconnection at Narbonne Ave Oak Street PRS Study	\$ -	\$ -	\$ -	\$ 54,296	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Second Potable Well Evaluation	\$ -	\$ 51,393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Emergency Generator for Applan Way	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	Water Quality Sample Station Upgrades	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,209	\$ -	\$ -	\$ -	\$ -	\$ -
20	Annual Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 234,748	\$ 241,287	\$ 248,008	\$ 254,917	\$ 262,018
21	Water Rate Study	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Applan Way Roof	\$ -	\$ 51,393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Equipment Over \$5k	\$ -	\$ 35,975	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Total Water System Improvements	\$ 2,805,000	\$ 6,897,958	\$ 1,790,747	\$ 4,984,469	\$ 2,539,279	\$ 4,495,073	\$ 3,434,669	\$ 2,507,484	\$ 3,612,491	\$ 2,649,126	\$ 8,809,565

APPENDIX B

Water Cost-of-Service and Rate Design

LOMITA, CA
Development of Rate Revenue Requirement

Line No:		Test Year for Rate Revenue Requirement	
		FY 2023	
1	Total Operating Revenue Requirement	\$	6,713,328
	Less:		
	<u>Other Operating Revenues</u>		
2	Fees for Service	\$	1,000
3	Late Fees	\$	20,000
4	Interest - Fund 510	\$	10,000
5	Connection Fees		10,000
6	Fire Flow Fees		5,000
7	Miscellaneous Revenues	\$	2,500
8	Transfer from Water Capital		0
9	Increase/(Decrease) in Revenues		(3,006,416)
	Total Other Operating Revenues	\$	-
10	Total Rate Revenue Requirement	\$	6,713,328

LOMITA, CA
 Allocation of Test Year Costs to Water Function

Test Year for Rate Revenue Requirement		
Line No:	Expense Group	FY 2023
1	Treatment	\$3,711,735
2	Transmission & Distribution	2,388,849
3	Customer Service	100,552
4	Transfers	0
5	Existing Bond DS	464,838
6	New Bond DS	0
7	CIP	6,897,958
8	Total	\$ 13,563,932

LOMITA, CA
Water Max Day/Hour Allocation Factors - Test Year FY 2023

Line No:	Description	[A] Flow	[B] Peak Month (CCF)	[C] Average Month (CCF)	[D] Max Day/Avg Day Factor	[E] Max Day Total Capacity (CCF/Day)	[F] Max Day Extra Capacity (CCF/Day)	[G] Max Hour Capacity Factor	[H] Max Hour Total Capacity (CCF/Day)	[I] Max Hour Extra Capacity (CCF/Day)
Operating Statistics:		MGD	Factor							
1	Avg Day Flow (MGD)	6.29	1.00							
2	Max Day Flow (MGD)	10.38	1.65							
3	Max Hour Flow (MGD)	17.61	2.80							
Cost Allocation Factors:		Base	Max Day	Max Hour						
4	Base/Max Day	60.61%	39.39%	0.00%						
5	Base/Max Day/Max Hour	35.71%	23.21%	41.07%						
Peaking Factors:					[B] / [C]			[D] * [B3 / B2]		
Residential		685,158								
6	Tier 1		40,710	30,164	1.35			2.29		
7	Tier 2		44,646	26,922	1.66			2.81		
8	Tier 3		40,408	12,050	3.35			5.69		
Commercial		116,092								
9	Tier 1		1,682	1,140	1.48			2.50		
10	Tier 2		30,175	17,796	1.70			2.88		
Fire		-								
11	Tier 1		-	-	0.00			0.00		
						Maximum Day	Maximum Hour			
						[D] x [B]	[E] - [B]	[G] x [B]	[H] - [E]	
Estimated Max Day/Hour Flows:		Total Annual Flow (CCF)	Average Daily Flow (CCF)		Peaking Factor	Total Capacity	Extra Capacity	Peaking Factor	Total Capacity	Extra Capacity
Residential										
12	Tier 1	181,323	497		1.35	670	174	2.29	1,138	467
13	Tier 2	159,470	437		1.66	725	288	2.81	1,230	505
14	Tier 3	327,146	896		3.35	3,005	2,109	5.69	5,100	2,095
Commercial										
15	Tier 1	7,912	22		1.48	32	10	2.50	54	22
16	Tier 2	108,180	296		1.70	503	206	2.88	853	350
Fire										
17	Tier 1	-	-		0.00	-	-	0.00	-	-
18	Total	784,031	2,148			4,935	2,787		8,375	3,440

LOMITA, CA
Calculation of Fixed Charge Rates/ Revenue - Water FY 2023

Line No:		
1	Total Water Revenue Target	\$ 6,713,328
2	Percent from Fixed Charge	37%
3	Total Fixed Charge Revenue Requirement - Water	\$ 2,496,277
4	Total Equivalent Billed Meters	46,393
5	Bi-Monthly Water Fixed Charge per Equivalent Meter	\$ 53.81

Water Fixed Charge - By Meter Size

6	Meter Size	Meter Equivalency	Bi-Monthly Water Fixed Charge
7	0.625	1.00	\$ 53.81
8	0.75	1.00	\$ 53.81
9	0.75 x 1	1.33	\$ 71.75
10	1	1.67	\$ 89.86
11	1.5	3.33	\$ 179.19
12	2	5.33	\$ 286.81
13	3	10.67	\$ 574.15
14	4	16.67	\$ 897.01
15	6	33.33	\$ 1,793.49
16	8	53.33	\$ 2,869.69
17	10	76.67	\$ 4,125.61
18	12	143.33	\$ 7,712.77
19	16	1,250.00	\$ 67,262.50

Water
I

Meter Size	Billing Basis-->	Class -->			Total	Calculation of Equivalent Meters / Units			
		Res	Com	Fire		Bills	Equiv. Factor	Inside / Outside Factor	Equivalent Meters
0.625		8,426	483	-	8,909	8,909	1.00	1.00	8,909
0.75		4,548	175	-	4,723	4,723	1.00	1.00	4,723
0.75 x 1		6,457	225	-	6,681	6,681	1.33	1.00	8,909
1		3,137	630	-	3,767	3,767	1.67	1.00	6,291
1.5		885	298	-	1,183	1,183	3.33	1.00	3,940
2		600	384	-	984	984	5.33	1.00	5,245
3		18	37	-	55	55	10.67	1.00	589
4		18	12	91	122	122	16.67	1.00	2,028
6		-	-	96	96	96	33.33	1.00	3,200
8		-	-	48	48	48	53.33	1.00	2,560
10		-	-	-	-	-	76.67	1.00	-
12		-	-	-	-	-	143.33	1.00	-
16		-	-	-	-	-	1,250.00	1.00	-
Total		24,089	2,245	235	26,569	26,569			46,393

LOMITA, CA
Water Max Day/Hour Allocation Factors - Test Year FY 2023
Water Units of Service by Cost Component - Test Year FY 2023

		[A]	[B]	[C]	[D]
Line No:	Description	Accounts	Base (CCF)	Max Day (CCF/Day)	Max Hour (CCF/Day)
1	Residential	4,015	667,940	2,571	3,067
2	Tier 1		181,323	174	467
3	Tier 2		159,470	288	505
4	Tier 3		327,146	2,109	2,095
5	Commercial	374	116,092	216	373
6	Tier 1		7,912	10	22
7	Tier 2		108,180	206	350
8	Fire	39	-	-	-
9	Tier 1		-	-	-
10	Total	4,428	784,031	2,787	3,440

LOMITA, CA
Allocation of Water Costs Test Year FY 2023

Allocation to Base Extra Capacity - Water

Line No:	Water Costs	Extra Capacity			Fire	Meters & Services	Billing & Collection	Total		
		Base	Max Day	Max Hour						
1	Treatment	\$3,711,735	\$952,037	\$1,235,235	\$1,524,463	\$0	\$0	\$0	\$3,711,735	
2	Transmission & Distribution	2,388,849	612,725	794,989	981,134	-	-	-	2,388,849	
3	Customer Service	100,552	-	-	-	-	-	100,552	100,552	
4	Transfers	-	-	-	-	-	-	-	-	
5	CIP	6,897,958	3,690,407	689,796	689,796	103,469	1,724,489	-	6,897,958	
6	Existing Debt	464,838	-	116,210	116,210	-	232,419	-	464,838	
7	New Debt	-	-	-	-	-	-	-	-	
8	Non-Rate Revenue & Fund Balance	(6,850,604)	(1,757,138)	(2,279,825)	(2,813,641)	-	-	-	(6,850,604)	
9	Total	\$ 6,713,328	\$ 3,498,032	\$ 556,405	\$ 497,961	\$ 103,469	\$ 1,956,908	\$ 100,552	\$ 6,713,328	
10	Fixed Charge Component						\$ 1,956,908	\$ 100,552	\$ 2,057,460	30.65%
11	Flow Charge Component		\$ 3,498,032	\$ 556,405	\$ 497,961	\$ 103,469			\$ 4,655,868	69.35%
12	Total		\$ 3,498,032	\$ 556,405	\$ 497,961	\$ 103,469	\$ 1,956,908	\$ 100,552	\$ 6,713,328	100.00%
							\$ 42.18	\$ 3.78		

LOMITA, CA
Water Cost of Service by Cost Component and Customer Class - Test Year FY 2023

Line No:	Description	[A]	[B]	[C]	[D]	[E]
		Accounts	Base (CCF)	Max Day (CCF/Day)	Max Hour (CCF/Day)	Total
1	Residential	\$ 1,765,481	\$ 2,980,077	\$ 513,188	\$ 444,025	\$ 5,702,771
	Tier 1		\$ 808,989	\$ 34,674	\$ 67,651	
	Tier 2		\$ 711,493	\$ 57,427	\$ 73,110	
	Tier 3		\$ 1,459,595	\$ 421,086	\$ 303,264	
2	Commercial	\$ 291,090	\$ 517,955	\$ 43,217	\$ 53,936	\$ 906,198
	Tier 1		\$ 35,300	\$ 2,058	\$ 3,227	
	Tier 2		\$ 482,654	\$ 41,159	\$ 50,709	
3	Fire	\$ 104,359	\$ -	\$ -	\$ -	\$ 104,359
	Tier 1		\$ -	\$ -	\$ -	
4	Total	\$ 2,160,930	\$ 3,498,032	\$ 556,405	\$ 497,961	\$ 6,713,328

LOMITA, CA
Water Rate Calculation - Test Year FY 2023

Line No:	Description	[A] Capacity Ratio	[B] Meter Charge	[C] Customer Charge	[D] Proposed Charge	[E] Existing Charge	[F] Difference
General Service							
1	0.625	1.00	\$ 50.03	\$ 3.78	\$ 53.81	\$ 50.31	\$ 3.50
2	0.75	1.00	\$ 50.03	\$ 3.78	\$ 53.81	\$ 50.31	\$ 3.50
3	0.75 x 1	1.33	\$ 66.70	\$ 3.78	\$ 70.49	\$ 67.08	\$ 3.41
4	1	1.67	\$ 83.55	\$ 3.78	\$ 87.33	\$ 83.85	\$ 3.48
5	1.5	3.33	\$ 166.59	\$ 3.78	\$ 170.38	\$ 167.71	\$ 2.67
6	2	5.33	\$ 266.65	\$ 3.78	\$ 270.43	\$ 268.33	\$ 2.10
7	3	10.67	\$ 533.79	\$ 3.78	\$ 537.58	\$ 503.13	\$ 34.45
8	4	16.67	\$ 833.96	\$ 3.78	\$ 837.74	\$ 838.54	\$ (0.80)

Fire Service							
9	4	1.00	\$ 236.99	\$ 3.78	\$ 240.77	\$ 227.61	\$ 13.16
10	6	2.00	\$ 473.98	\$ 3.78	\$ 477.76	\$ 455.22	\$ 22.54
11	8	3.20	\$ 758.36	\$ 3.78	\$ 762.15	\$ 728.35	\$ 33.80

Line No:	Customer Class	Base	Peaking	Proposed Rate (\$/CCF)	Existing Rate (\$/CCF)	Difference	Tier Differential
Residential							
1	Tier 1	\$ 4.46	\$ 0.56	\$ 5.03	\$ 4.79	\$ 0.24	1.00
2	Tier 2	\$ 4.46	\$ 0.82	\$ 5.28	\$ 4.94	\$ 0.34	1.05
3	Tier 3	\$ 4.46	\$ 2.21	\$ 6.68	\$ 5.61	\$ 1.07	1.33
Commercial							
4	Tier 1	\$ 4.46	\$ 0.84	\$ 5.30	\$ 4.94	\$ 0.36	1.00
Fire							
5	Tier 1	\$ -	\$ -	\$ -	\$ -	\$ -	1.00

Development of Proposed FY 2023 Residential Rates

Residential - Cost of Service Component **\$5,702,771**

Service Charge, \$ per Bill	Rate	Bills	Revenue
0.625	\$ 53.81	8,426	\$453,403
0.75	53.81	4,548	244,736
0.75 x 1	70.49	6,457	455,118
1.00	87.33	3,137	273,946
1.50	170.38	885	150,761
2.00	270.43	600	162,221
3.00	537.58	18	9,887
4.00	837.74	18	15,408
6.00	1,671.20	0	0

Total Service Charge Revenue \$1,765,481

Block	% Volume in Block	Billed Volume	Cumulative Factor	Volume Rate	Rate Revenue
0 - 20 CCF	26.5%	181,323	1.00	\$ 5.03	\$911,314
20 - 35 CCF	23.3%	159,470	1.05	5.28	842,031
> 35 CCF	50.3%	327,146	1.33	6.68	2,183,945
Total	100%	685,158			\$3,937,290

Development of Proposed FY 2022 Commercial Rates

Commercial Rates - Cost of Service **\$906,198**

Service Charge, \$ per Bill	Rate	Bills	Revenue
0.625	\$53.81	483	\$26,008
0.75	53.81	175	9,402
0.75 x 1	70.49	225	15,845
1.00	87.33	630	55,057
1.50	170.38	298	50,834
2.00	270.43	384	103,898
3.00	537.58	37	19,774
4.00	837.74	12	10,272
6.00	1,671.20	0	0

Total Service Charge Revenue \$291,090

Block	% Volume in Block	Billed Volume	Cumulative Factor	Volume Rate	Rate Revenue
All Use	100.0%	116,092	1.00	\$5.30	\$615,108
Total	100%	116,092			\$615,108

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Development of Proposed FY 2022 Fire Rates

Fire - Cost of Service **\$104,359**

Service Charge, \$ per Bill	Rate	Bills	Revenue
0.625	\$ -	0	\$0
0.75	-	0	0
0.75 x 1	-	0	0
1.000	-	0	0
1.500	-	0	0
2.000	-	0	0
3.000	-	0	0
4.000	240.77	91	21,910
6.000	477.76	96	45,865
8.000	762.15	48	36,583
Total Service Charge Revenue			\$104,359



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NOTICE TO PROPERTY OWNERS OF PUBLIC HEARING REGARDING PROPOSED WATER RATES

Hearing Date & Time: October 18, 2022, 6:00 PM
Hearing Location: Lomita City Hall Council Chambers
24300 Narbonne Avenue, Lomita, CA 90717

Why are you receiving this notice?

The City of Lomita (City) is mailing this notice to you because you are a water customer or are the owner of record of a property that receives water service. This notice is being provided pursuant to California Constitution Article XIID (also known as "Proposition 218"). Under the terms of Proposition 218, the City is required to notify property owners of proposed changes to property-related fees such as water service. This notice describes proposed changes to the water rates and gives information about a public hearing to be held on October 18, 2022, in the City Council Chambers at City Hall, 24300 Narbonne Avenue, Lomita, CA 90717.

What do water rates fund?

The City of Lomita provides water service to approximately 4,430 residential, commercial, and fire protection customers. Bi-Monthly (billings every other month) water rates charged to system users (customers) are the primary source of revenue to operate, maintain and improve the City's water system and are used solely for this purpose. Water rate revenue provides funding for costs related to system operations, maintenance, capital projects, administration, as well as costs related to prudent long-term operational and financial management of the utility, such as maintaining adequate fund reserves and planning for contingencies.

The proposed rates are based on a comprehensive utility rate study and financial plan developed by an independent consultant. The rate structure for the water utility was designed so that revenues derived from the proposed rates do not exceed the amount of revenue required for the City to provide the services. Nor will the revenue from the rates and charges referenced herein be used for any purpose other than that for which the corresponding rates are imposed. The amount of the proposed rates imposed on any parcel or person as an incident of property ownership will not exceed the proportional cost of the service attributable to such parcel; and no rate will be imposed for a service unless that service is actually used by, or immediately available to, the property owner or customer in question.

Why are rate increases needed?

Over the last several years, Lomita residents have routinely identified improvements to the Lomita Water System as one of their top priorities, and the City has in turn invested millions of dollars in water quality improvements, pipeline replacements, and other infrastructure upgrades. Since the City took over the water system from the County, many of the nearly 100-year-old water lines have been replaced, but there are still many more in need of upgrade. The City Council has approved a 5-year Capital Improvement Plan and a Water System Master Plan that call for more than \$102,000,000 investment in systemwide improvements over that time period to maintain the City's ability to deliver high-quality, reliable, locally sourced potable water to its residents. While systemwide revenues have remained relatively stable, capital and operating expenses have increased, and existing revenues are insufficient to cover planned projects and expenditures. To accomplish the projects identified in those plans, sufficient revenue must be maintained. This required revenue includes operating and maintenance expenses, capital expenses, and funding to ensure adequate reserves to address emergency expenses.

To determine the amount of revenue required from water rates to address the needs described above, the City's consultant prepared a comprehensive water rate study that compared projected revenues based on existing water rates to current and planned expenditures. The study results demonstrated that revenue over the next five years from the City's current water rates, which have not been increased since 2020, will not fully provide for the costs identified above. As a result, a series of rate adjustments were calculated, which if implemented, will provide revenue sufficient to meet those needs. The rate study report providing the rate development methodology is available at City Hall and on the City's website at <https://www.lomitacity.com> or <https://www.lomitawater.com>.

How the rates work

For water service, projected expenses are allocated between bi-monthly Base (fixed) Charges and Volume Charges. The bi-monthly Base Charge varies for water customers based on a customer’s meter size, and recovers fixed costs based on the number of accounts. The Volume Charge for water recovers the variable costs of providing water service.

The charge structure for residential accounts consists of 1) a fixed bi-monthly water meter charge and a variable bi-monthly water usage charge, with three tiers, based on metered water use. The structure for commercial accounts consists of 1) a fixed bi-monthly water meter charge and a single tier bi-monthly uniform water usage charge based on metered water use. Finally, there is a fixed fire line charge for customers with dedicated fire lines, based on meter size.

For residential customers, the volume rate charged is based on metered consumption within three tiers of usage. Metered water consumption up to 20 CCF is charged to customers at the tier one rate. Metered water consumption between 20 CCF and 35 CCF is charged to customers at the tier two rate. Water use above 35 CCF is charged at the tier three rate. The rate structure was designed so that each system user will be charged an amount that is proportional to the cost of serving that user.

New water rates

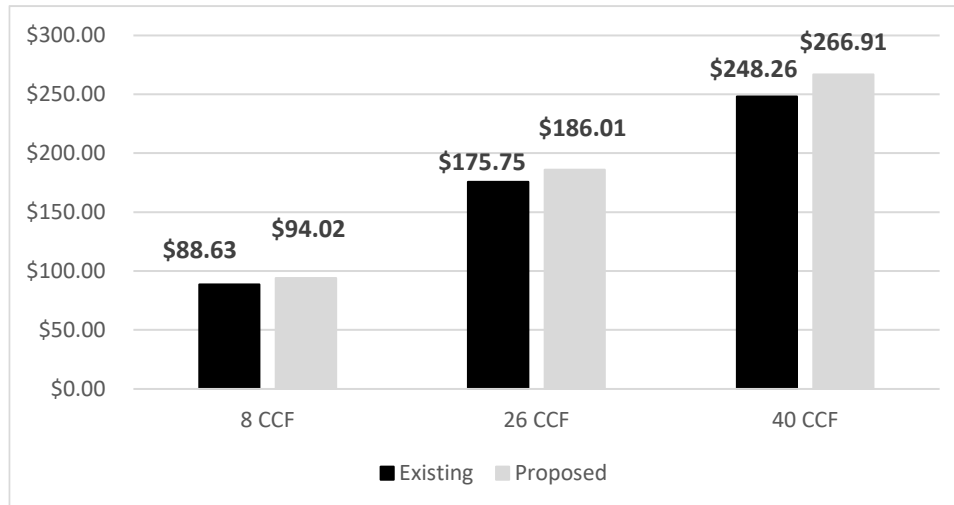
In order to provide necessary funding for the operation and maintenance of the water system, the City is proposing to implement new rates as a series of annual adjustments starting on January 1, 2023, with additional increases following each July 1, until July 2026. The following tables summarize the proposed water rates. The Base and Volume charges will go into effect and remain in effect until superseded by Council action.

**Proposed Bi-Monthly Water Rates
Fiscal Years 2022-2023 thru 2026-2027**

Bi-Monthly Base Charge						
Meter Size	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
5/8-inch	\$50.31	\$53.81	\$57.31	\$61.03	\$65.00	\$69.23
3/4-inch	50.31	53.81	57.31	61.03	65.00	69.23
¾ x 1-inch	67.08	70.49	75.07	79.95	85.15	90.68
1-inch	83.85	87.33	93.01	99.05	105.49	112.35
1 ½-inch	167.71	170.38	181.45	193.24	205.81	219.18
2-inch	268.33	270.43	288.01	306.73	326.67	347.90
3-inch	503.13	537.58	572.52	609.73	649.37	691.57
4-inch	838.54	837.74	892.19	950.19	1,011.95	1,077.73
Volume Rate (\$/CCF)						
Residential						
Usage Range	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
0-20 CCF	\$4.79	\$5.03	\$5.35	\$5.70	\$6.07	\$6.47
20-35 CCF	4.94	5.28	5.62	5.99	6.38	6.79
> 35 CCF	5.61	6.68	7.11	7.57	8.06	8.59
Commercial						
Usage Range	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
>0 CCF	\$4.94	\$5.30	\$5.64	\$6.01	\$6.40	\$6.82
Fire Bi-Monthly Charge						
Meter Size	Existing	22-23 ⁽¹⁾	23-24 ⁽²⁾	24-25 ⁽²⁾	25-26 ⁽²⁾	26-27 ⁽²⁾
4-inch	\$227.61	\$240.77	\$242.40	\$258.16	\$274.94	\$292.81
6-inch	455.22	477.76	484.81	516.32	549.88	585.63
8-inch	728.35	762.15	775.69	826.11	879.81	937.00
(1) Effective January 1						
(2) Effective July 1						

Impact on your bill

Under the proposed rates, effective January 1, 2023, and each July 1 thereafter for subsequent adjustments until 2026, for a typical single-family home that uses 26 CCF (hundred cubic feet) of water in a 2-month span, the water bill would increase from \$175.75 per bi-monthly billing cycle currently to \$186.01 per bi-monthly billing cycle, an increase of approximately \$5.13 per month. The accompanying graph provides a summary of existing and proposed water rates under three usage scenarios.



How do you file a protest or participate in the public hearing?

The City will consider the new rate structure and proposed revenue increase at a public hearing on Tuesday, October 18, 2022, at 6:00 p.m. at City Hall, 24300 Narbonne Avenue, Lomita, CA 90717. You are invited to present oral or written testimony at the public hearing, or via the virtual meeting. Any owner or customer of record of a parcel subject to the proposed rates may submit a written protest against the proposed rate revisions. If written protests are filed for a majority of the affected parcels, the proposed rate revisions will not be adopted. There is a 120-day statute of limitations for challenging any new, increased, or extended fee or charge, commencing from the later of the effective date or of the date of the final passage, adoption, or approval of the resolution.

In order for a written protest to be counted it must include the following: a statement indicating that the identified property owner or customer of record is in opposition to the proposed water rate changes; the street address or Assessor's Parcel Number (APN) for the parcel(s) with respect to which the protest is made; and the name and signature of the owner or customer.

Protests may be mailed, or hand delivered to 24300 Narbonne Avenue, Lomita, CA 90717, or delivered to the City Clerk at the Public Hearing. To be valid, a signed written protest must be received by the City Clerk before the conclusion of the Public Hearing. Any protest submitted via e-mail or other electronic means will not be accepted. Please identify on the front of the envelope for any written protest, whether mailed or submitted in person to the City Clerk, that the enclosed protest is for the Public Hearing on the Proposed Rate Changes – Water Service Fees.

The City Council will hear and consider all written and oral protests to the proposed rate changes at the Public Hearing. Oral comments at the Public Hearing will not qualify as formal protests unless accompanied by a written protest. Upon the conclusion of the Public Hearing, there will be no more written protests accepted and no more testimony taken, and the City Council will consider adoption of the proposed rates for water service described in this notice. If written protests as outlined above, are not presented by a majority of property owners or customers of record, the City Council will be authorized to adopt the proposed rates. While both property owners and customers of record may submit written protests, only one protest will be counted for each parcel. If adopted, the rates for water service will be in effect beginning January 1, 2023.