

# AGENDA

Paramount City Council  
June 18, 2019



Adjourned Meeting  
City Hall Council Chambers  
5:00 p.m.

City of Paramount

16400 Colorado Avenue ♦ Paramount, CA 90723 ♦ (562) 220-2000 ♦ [www.paramountcity.com](http://www.paramountcity.com)

**Public Comments:** If you wish to make a statement, please complete a Speaker's Card prior to the commencement of the Public Comments period of the meeting. Speaker's Cards are located at the entrance. Give your completed card to a staff member and when your name is called, please go to the rostrum provided for the public. Persons are limited to a maximum of 3 minutes unless an extension of time is granted. No action may be taken on items not on the agenda except as provided by law.

**Americans with Disabilities Act:** In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's office at (562) 220-2027 at least 48 hours prior to the meeting to enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**Note:** Agenda items are on file in the City Clerk's office and are available for public inspection during normal business hours. Materials related to an item on this Agenda submitted after distribution of the agenda packet are also available for public inspection during normal business hours in the City Clerk's office. The office of the City Clerk is located at City Hall, 16400 Colorado Avenue, Paramount.

## Notes

CALL TO ORDER:

Mayor Tom Hansen

ROLL CALL OF  
COUNCILMEMBERS:

Councilmember Laurie Guillen  
Councilmember Peggy Lemons  
Vice Mayor Daryl Hofmeyer  
Mayor Tom Hansen

## **CITY COUNCIL PUBLIC COMMENT UPDATES**

## **PUBLIC COMMENTS**

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## CONSENT CALENDAR

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All items under the Consent Calendar may be enacted by one motion. Any item may be removed from the Consent Calendar and acted upon separately by the City Council.

1. [RECEIVE AND FILE](#) Identity Theft Prevention Program ("Red Flags Rule") Update

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## NEW BUSINESS

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2. [RESOLUTION NO. 19:024](#) Approving the Blanket Authority to File Applications for Grant Funds from the Los Angeles County Regional Park and Open Space District for Measure A Funding for Projects and Programs
3. [RESOLUTION NO. 19:026](#) Approving Application(s) for Proposition 68 Grant Funds for California Drought, Water, Parks, Climate, Coastal Protection and Outdoor Access for All Act of 2018
4. [APPROVAL](#) Appointment of Parks and Recreation Commissioner
5. BUDGET Fiscal Year 2020 Budget
  - a) [RESOLUTION NO. 19:021](#) Approving and Adopting the Fiscal Year 2020 Annual Municipal Operating and Capital Improvement Budget
  - b) [RESOLUTION NO. 19:023](#) Adopting the Gann Appropriations Limit for Fiscal Year 2020
  - c) [RESOLUTION NO. 19:022](#) Adopting the Statement of Investment Policy for the City of Paramount for Fiscal Year 2020
  - d) [RESOLUTION NO. 19:025](#) Setting the Percent at 6% and Effective Date of July 6, 2019 for Employer Paid Member Contributions

e) [APPROVAL](#)

Public Safety Service Agreements  
Fiscal Year 2019-2020

- All City Management Services, Inc. –  
School Crossing Guard Services
- David Beighton – Detective Bureau  
Consultant
- County of Los Angeles – Municipal  
Law Enforcement Services

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**COMMENTS/COMMITTEE REPORTS**

- Councilmembers
- Staff

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**ADJOURNMENT**

To a meeting on July 2, 2019 at 6:00 p.m.

# City Council Public Comment Updates

June 18, 2019

From the June 4, 2019 Council Meeting:

Resident	Request/Issue/Concern	Action/Comment
Mr. Jose DeLeon	Air Quality Monitoring	City Manager addressed this issue during the June 4 <sup>th</sup> meeting.
Mr. Gerald Cerda	Issues with Cal Met Waste Services	Staff contacted Cal Met on behalf of Mr. Cerda. The problematic trash bin was removed and replaced. Courteousness of phone operator was addressed with Cal Met management.
Ms. Eleanor Mendoza	Cleanliness of route for upcoming Hynes D.E.S. parade (i.e. Colorado Ave.)	Staff will review conditions of parade route and take appropriate action.
Mr. Luis Bautista	Request for lapel pins	Staff is discussing this request with Mr. Bautista and will report back to the City Council at a later date.

JUNE 18, 2019

IDENTITY THEFT PREVENTION PROGRAM ("RED FLAGS RULE")  
UPDATE

MOTION IN ORDER:

RECEIVE AND FILE THE IDENTITY THEFT PREVENTION PROGRAM  
("RED FLAGS RULE") REPORT.

MOTION:

MOVED BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

[ ] APPROVED

[ ] DENIED

ROLL CALL VOTE:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_



**To:** Honorable City Council  
**From:** John Moreno, City Manager  
**By:** Karina Liu, Finance Director  
Clyde Alexander, Assistant Finance Director  
**Date:** June 18, 2019

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**Subject: IDENTITY THEFT PREVENTION PROGRAM (“RED FLAGS RULE”) UPDATE**

In December 2010, the City Council approved the Identity Theft Prevention Program in compliance with the Fair and Accurate Credit Transaction (FACT) Act. This program addresses risk of identity theft in the City’s day-to-day operations. One element of the program requires periodic review of the program to assess its effectiveness and provide updates as needed.

Since the program was developed, there has been no incident relating to identity theft. There also has been no change to the types of accounts and/or programs the City offers. Therefore, there is no change to the existing Identity Theft Policy (see attached).

Ongoing oversight will be provided to ensure program effectiveness, including training billing staff to detect and respond to red flags. Daily activities relating to identity theft detection and prevention will be monitored.

**RECOMMENDED ACTION**

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

# IDENTITY THEFT PREVENTION PROGRAM

This program is in response to and in compliance with the Fair and Accurate Credit Transaction (FACT) Act of 2003 and the final rules and guidelines for the FACT Act issued by the Federal Trade Commission and federal bank regulatory agencies in November 2007.

## I. PURPOSE

This document was created in order to comply with regulations issued by the Federal Trade Commission (FTC) as part of the implementation of the Fair and Accurate Credit Transaction (FACT) Act of 2003. The FACT Act requires that financial institutions and creditors implement written programs which provide for detection of and response to specific activities ("red flags") that could be related to identity theft. These programs must be in place by December 31, 2010.

The FTC regulations require that the program must:

1. Identify relevant red flags and incorporate them into the program
2. Identify ways to detect red flags
3. Include appropriate responses to red flags
4. Address new and changing risks through periodic program updates
5. Include a process for administration and oversight of the program

## II. PROGRAM DETAILS

### Relevant Red Flags

Red flags are warning signs or activities that alert a creditor to potential identity theft. The guidelines published by the FTC include 26 examples of red flags, which fall into the five categories below:

- Alerts, notifications, or other warnings received from consumer reporting agencies or service providers
- Presentation of suspicious documents
- Presentation of suspicious personal identifying information
- Unusual use of, or other suspicious activity related to, a covered account
- Notice from customers, victims of identity theft, or law enforcement authorities

After reviewing the FTC guidelines and examples, City staff determined that the following red flags are applicable to utility accounts. These red flags, and the appropriate responses, are the focus of this program.

- Suspicious Documents and Activities:
  - Documents provided for identification appear to have been altered or forged

- The photograph on the identification is not consistent with the physical appearance of the customer
  - Other information on the identification is not consistent with information provided by the customer
  - The customer does not provide required identification documents when attempting to establish a utility account
  - A customer refuses to provide proof of identity when discussing an established utility account
  - A person other than the account holder or co-applicant requests information or asks to make changes to an established utility account
- A customer notifies City staff of any of the following activities:
  - Utility statements are not being received
  - Unauthorized changes to a utility account
  - Unauthorized charges on a utility account
  - Fraudulent activity on the customer's bank account that is used to pay utility charges
- City staff is notified by a customer, a victim of identity theft, or a member of law enforcement that a utility account has been opened by a person engaged in identity theft.

#### Detecting and Responding to Red Flags

Red flags will be detected as City staff interacts with customers. An employee will be alerted to these red flags during the following processes:

- Reviewing customer identification in order to establish an account: City staff may be presented with documents that appear altered or inconsistent with the information provided by the customer.

**Response:** Do not establish the utility account until the customer's identity has been confirmed.

- Answering customer inquiries on the phone, via email, and at the counter: Someone other than the account holder or co-applicant may ask for information about a utility account or may ask to make changes to the information on an account. A customer may also refuse to verify their identity when asking about an account.

**Response:** Inform the customer that the account holder or the co-applicant must give permission for them to receive personal information about the utility account. Do not make changes to or provide any information about the account, with one exception: If the service on the



account has been interrupted for non-payment, the City staff may provide the payment amount needed for reconnection of service.

- Receiving notification that there is unauthorized activity associated with a utility account: Customers may call to alert the City about fraudulent activity related to their utility account and/or the bank account used to make payments on the account.

**Response:** Verify the customer's identity, and notify the Customer Service Supervisor immediately. Take the appropriate actions to correct the errors on the account, which may include:

- Issuing a service order to connect or disconnect services
  - Assisting the customer with deactivation of their payment method
  - Updating personal information on the utility account
  - Updating the mailing address on the utility account
  - Updating account notes to document the fraudulent activity
  - Notifying and working with law enforcement officials
- Receiving notification that a utility account has been established by a person engaged in identity theft.

**Response:** These issues should be escalated to the Customer Service Supervisor immediately. The claim will be investigated, and appropriate action will be taken to resolve the issue as quickly as possible.

Additional procedures that help to protect against identity theft include:

- Utility Billing system access is based on the role of the user. Only certain job classifications have access to the entire system.

#### Periodic Program Updates

Finance Department staff will periodically prepare a report which addresses the effectiveness of the program, document significant incidents involving identity theft and related responses, provide updates related to external service providers, and include recommendations for material changes to the program.

The program will be reviewed periodically and updated as needed based on the following events:

- Experience with identity theft
- Changes to the types of accounts and/or programs offered
- Implementation of new systems and/or new vendor contracts

Administration and Oversight of the Program

Specific roles are as follows:

The Customer Service Supervisor will oversee the daily activities related to identity theft detection and prevention, and ensure that all members of the billing staff are trained to detect and respond to red flags.

The Finance Director and/or Assistant Finance Director will provide ongoing oversight to ensure that the program is effective; he/she will periodically review the program with the Customer Service Supervisor and incorporate any necessary changes.

JUNE 18, 2019

RESOLUTION NO. 19:024

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT APPROVING THE BLANKET AUTHORITY TO FILE APPLICATIONS FOR GRANT FUNDS FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT FOR MEASURE A FUNDING FOR PROJECTS AND PROGRAMS”

MOTION IN ORDER:

READ BY TITLE ONLY AND ADOPT RESOLUTION NO. 19:024.

MOTION:

MOVED BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

☐ APPROVED

☐ DENIED

ROLL CALL VOTE:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_



**To:** Honorable City Council  
**From:** John Moreno, City Manager  
**By:** David Johnson, Recreation Director  
**Date:** June 18, 2019

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**Subject: RESOLUTION NO. 19:024  
LOS ANGELES COUNTY MEASURE A APPLICATION AUTHORITY**

For more than 20 years, the City of Paramount and other Los Angeles County cities relied on voter-approved funding from the Los Angeles County Safe Neighborhood Parks Acts of 1992 and 1996 (Proposition A) to provide a funding resource to improve park and outdoor spaces in our cities. However, funding from the 1992 Proposition A ended in 2015 and funding from the 1996 Proposition ends in 2019.

To replace this funding valuable source of funds for local park spaces, Los Angeles County proposed and voters approved the Safe, Clean Neighborhood Parks and Beaches Measure of 2016 (Measure A) which is supported through an annual parcel tax of 1.5 cents per square foot of development. Measure A replaces the funding from the voter-approved Propositions A of 1992 and 1996.

The Los Angeles County Regional Park and Open Space District (RPOSD) is responsible for implementing the Safe, Clean Neighborhood Parks and Beaches Measure of 2016 (Measure A). Measure A authorizes continued dedicated local funding for grant projects and their maintenance. These funds, unfortunately, were held up in litigation for the last couple of years but have finally become available for cities to apply for and program.

Under Measure A, cities are eligible for an annual allocation based on a calculation of per capita and needs based factors. The City of Paramount is eligible under the Community-based Park Investment Program and Neighborhood Parks, Healthy Communities, & Urban Greening Program which will generate approximately \$275,000 per year depending on annual revenue projections affecting Measure A. These funds can be used for improvements to existing park spaces, improvements to community and senior recreational centers, safety improvements, garden spaces, tree plantings to reduce the heat island effect, expansion of parks, inclusion of new park amenities, and park planning/design work.

Resolution No. 19:024 provides the City Manager, or his designee, the blanket authority to file applications for our annual allocation of Measure A grant funds from the Los Angeles County Regional Park and Open Space District for eligible projects. The City Council will provide direction and consent through the annual budget adoption process where capital improvement projects are proposed and identified as being funded through the Measure A grant. For Fiscal Year 2020, we anticipated the Measure A funds becoming available and we budgeted \$250,000 in Measure A funds for the replacement of the Paramount Pool plaster and sections of the pool deck that need

renovation. For competitive grants that will become available under Measure A, we will return for City Council approval each time we apply for a specific project that we are seeking competitive grant funding from the County.

**RECOMMENDED ACTION**

It is recommended that the City Council read by title only and adopt Resolution No. 19:024.

CITY OF PARAMOUNT  
LOS ANGELES COUNTY, CALIFORNIA

**RESOLUTION NO. 19:024**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT APPROVING THE BLANKET AUTHORITY TO FILE APPLICATIONS FOR GRANT FUNDS FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT FOR MEASURE A FUNDING FOR PROJECTS AND PROGRAMS

WHEREAS, the voters of the County of Los Angeles on November 8, 2016, approved the safe, Clean Neighborhood Parks, Open Space Beaches, Rivers Protection, and Water Conservation Measure (Measure A); and

WHEREAS, Measure A also designated the Los Angeles County Regional Park and Open Space District (the District) to administer said funds; and

WHEREAS, the District has set forth the necessary policies and procedures governing the application for grant funds under Measure A; and

WHEREAS, the District's policies and procedures require the governing body of the City of Paramount to approve of the filing of an application before submission of said application to the District; and

WHEREAS, said application contains assurances that the City of Paramount must comply with; and

WHEREAS, City of Paramount will enter into Agreement(s) with the District to provide funds for acquisition projects, development projects, and /or programs.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARAMOUNT AS FOLLOWS:

**SECTION 1.** The above recitations are true and correct.

**SECTION 2.** Approves the blanket authority to file applications with the Los Angeles County Regional Park and Open Space District for Measure A Funds for projects or programs; and

**SECTION 3.** Certifies that the City of Paramount understands the assurances and will comply with the assurances in the application form; and

**SECTION 4.** Appoints the City Manager, or designee, to conduct all negotiations, and to execute and submit all documents including, but not limited to, applications, agreements, amendments, payment requests and so forth, which may be necessary for the completion of projects or programs.

**SECTION 5.** This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED by the City Council of the City of Paramount this 18<sup>th</sup> day of June 2019.

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Tom Hansen, Mayor

ATTEST:

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Lana Chikami, City Clerk

JUNE 18, 2019

RESOLUTION NO. 19:026

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT APPROVING APPLICATION(S) FOR PROPOSITION 68 GRANT FUNDS FOR CALIFORNIA DROUGHT, WATER, PARKS, CLIMATE, COASTAL PROTECTION, AND OUTDOOR ACCESS FOR ALL ACT OF 2018”

MOTION IN ORDER:

READ BY TITLE ONLY AND ADOPT RESOLUTION NO. 19:026.

MOTION:

MOVED BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

[ ] APPROVED

[ ] DENIED

ROLL CALL VOTE:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_





**To:** Honorable City Council  
**From:** John Moreno, City Manager  
**By:** Adriana Figueroa, Public Works Director  
William C. Pagett, City Engineer  
**Date:** June 18, 2019

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**Subject: RESOLUTION NO. 19:026  
APPROVING APPLICATION(S) FOR PROPOSITION 68 GRANT FUNDS  
FOR CALIFORNIA DROUGHT, WATER, PARKS, CLIMATE, COASTAL  
PROTECTION, AND OUTDOOR ACCESS FOR ALL ACT OF 2018**

In June of 2018, California voters approved Proposition 68, the Parks, Environment, and Water Bond. This allows for the filing of applications for local assistance funds through the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) Grant Program. In order to prepare and submit applications for Proposition 68 funds, the City of Paramount must approve Resolution No. 19:026.

The West Santa Ana Branch Bike Trail project is a multi-phase project that runs along the railroad corridor known as the West Santa Ana Branch. The West Santa Ana Branch rail corridor cuts diagonally through the middle of the City from city limit to city limit. Phase 3 and Phase 4 of the West Santa Ana Bike Trail projects are eligible to apply for funding under this program. Phase 3 is between Garfield Avenue and Rosecrans Avenue along the West Santa Ana Right-of-Way and Phase 4 is between the Los Angeles River and Garfield Avenue. The estimated project cost for Phase 3 is \$4,550,000 and Phase 4 is \$3,900,000.

Attached is Resolution No. 19:026 which authorizes the submittal of applications under Proposition 68 Grant Funding Program through the California Drought, Water, Park, Climate, Coastal Protection, and Outdoor Access for All Act of 2018.

### **RECOMMENDED ACTION**

It is recommended that the City Council read by title only and adopt Resolution No. 19:026.

CITY OF PARAMOUNT  
LOS ANGELES COUNTY, CALIFORNIA

**RESOLUTION NO. 19:026**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT APPROVING APPLICATION(S) FOR PROPOSITION 68 GRANT FUNDS FOR CALIFORNIA DROUGHT, WATER, PARKS, CLIMATE, COASTAL PROTECTION, AND OUTDOOR ACCESS FOR ALL ACT OF 2018

WHEREAS, the people of the State of California have enacted the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 (Proposition 68), which provides funds for the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) Grant Program; and

WHEREAS, the RMC has been delegated the responsibility for the administration of the grant program in its jurisdiction, setting up necessary procedures; and

WHEREAS, said procedures established by the RMC require the Applicant's Governing Body to certify by resolution the approval of the Application before submission of said Application to the State; and

WHEREAS, the Applicant will enter into a contract with the State of California for the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARAMOUNT AS FOLLOWS:

**SECTION 1.** The above recitations are true and correct.

**SECTION 2.** Approves the filing of an Application for local assistance funds from the RMC Proposition 68 Grant Program for Phase 3 and Phase 4 West Santa Ana Bike Trail Project under the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 (Proposition 68); and

**SECTION 3.** Certifies that Phase 3 and Phase 4 West Santa Ana Bike Trail Project is consistent with local or regional land use plans or Programs; and

**SECTION 4.** Certifies that the Projects are consistent with the goals of Proposition 68 developing urban recreation projects and habitat protection or restoration projects in accordance with statewide priorities; and

**SECTION 5.** Certifies that the Application has or will have sufficient funds to operate and maintain the Project that is being submitted for funding consideration; and

**SECTION 6.** Certifies that the Applicant has reviewed and understands the General Requirements and General Policies of the RMC Proposition 68 Grant Program Guidelines; and

**SECTION 7.** Appoints the City Manager (or authorized representative) as agent to conduct all negotiations, execute, and submit all documents including, but not limited to Applications, agreements, payment requests and so on, which may be necessary for the completion of the Project; and

**SECTION 8.** This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED by the City Council of the City of Paramount this 18th day of June 2019.

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Tom Hansen, Mayor

ATTEST:

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Lana Chikami, City Clerk

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JUNE 18, 2019

APPOINTMENT OF PARKS & RECREATION COMMISSIONER

MOTION IN ORDER:

MAYOR HANSEN: MAKE AN APPOINTMENT TO THE PARKS & RECREATION COMMISSION, WITH THE APPROVAL OF THE CITY COUNCIL, TO FILL THE VACANT POSITION FOR A TERM EXPIRING APRIL 2020.

MOTION:

MOVED BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

[ ] APPROVED

[ ] DENIED

ROLL CALL VOTE:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_



**To:** Honorable City Council

**From:** John Moreno

**By:** Lana Chikami

**Date:** June 18, 2019

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**Subject:** APPOINTMENT OF PARKS & RECREATION COMMISSIONER

The Parks & Recreation Commission is composed of five members who serve a one-year term, and there is currently one vacancy. Appointments to the Parks & Recreation Commission are made by the Mayor, with the approval of the City Council.

A "Special Vacancy Notice" was posted on June 3, 2019, pursuant to Government Code Section 54974. The vacant Parks & Recreation Commission position is for a term expiring April 2020, and it would be appropriate to make an appointment to fill the vacancy.

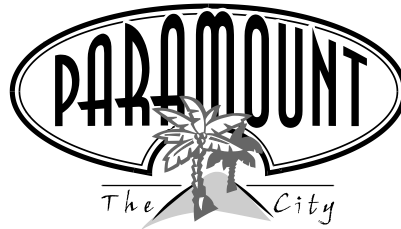
Attached are the: 1) Special Vacancy Notice, 2) Local Appointments List, and 3) Paramount Municipal Code Sections 2-88 through 2-93.

Recommended Action

It is recommended that the Mayor make the appointment to the Parks & Recreation Commission, with the approval of the City Council, to fill the vacant position for a term expiring April 2020.

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GC 36512, 54974, PMC

# SPECIAL VACANCY NOTICE



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City of Paramount ♦ 16400 Colorado Avenue ♦ Paramount, CA 90723 ♦ (562) 220-2000  
[www.paramountcity.com](http://www.paramountcity.com)

NOTICE IS HEREBY GIVEN, pursuant to Government Code Section 54974, that an unscheduled vacancy exists in the following City Commissions/Committees/Boards. Appointments to fill unscheduled vacancies shall be made no sooner than 10 days after posting of this notice.

Commission/ Committee/Board	No. of Vacant Positions	Date of Vacancy	Current Term Expires
Parks & Recreation Commission	1	05-29-2019	04-2020

I, Lana Chikami, City Clerk of the City of Paramount, California, hereby certify that I caused the foregoing notice to be posted on the Paramount City Hall, Paramount Library, Paramount Park Community Center and Paramount Sheriff's Station bulletin boards and City website this 3rd<sup>th</sup> day of June 2019.

/s/ Lana Chikami

Lana Chikami, City Clerk

# City of Paramount

## 2019 LOCAL APPOINTMENTS LIST (Updated 06-03-2019)



In compliance with the requirements of Government Code Section 54972 (Maddy Act), the following is a list of all appointive offices, terms, and qualifications for City of Paramount commissions. Commissioners are appointed by the Mayor, with the approval of the City Council, and serve at the will and pleasure of the City Council.

**Qualifications:** Resident of the City of Paramount and not an employee or related to a member of the City Council or their spouse as set forth in the Paramount Municipal Code, Section 2-59 (c). Planning Commissioners must be qualified electors of the City of Paramount and not hold any paid office or employment in the city government. Senior Services Commissioners minimum age for eligibility for appointment is 55 years of age.

Commission	Appt. Date	Term Exp.
<b>PLANNING COMMISSION</b> Term of Office: 4 years		
Jaime Abrego (DM) .....	07/2018	04/2021
Jaime Lopez (LG) .....	12/2018	04/2021
Ernie Esparza (PL) .....	03/2003	04/2023
Harlen "Roy" Gilham (DH) .....	03/2003	04/2023
James "Jim" Hyde (TH) .....	03/2007	04/2023
<b>PUBLIC WORKS COMMISSION</b> Term of Office: 2 years		
Eileen Aparicio (TH) .....	03/2003	04/2021
Russ Hanson (LG) .....	04/2017	04/2021
Rosemary Mendez (DH) .....	03/2003	04/2021
Linda Timmons (DM) .....	08/2016	04/2021
Rosemary Vasquez (PL) .....	03/2007	04/2021
<b>PARKS &amp; RECREATION COMMISSION</b> Term of Office: 1 year		
Alexander Garcia (DM) .....	08/2018	04/2020
Frank Barraza (TH) .....	03/2007	04/2020
Charles "Carlos" Garcia (DH) .....	03/2004	04/2020
Margaret Mondragon (LG) .....	04/2017	04/2020
VACANT (PL) .....	---	04/2020
<b>PUBLIC SAFETY COMMISSION</b> Term of Office: 1 year		
Todd Bousema (DH) .....	03/2003	04/2020
Vilma Cuellar-Stallings (DM) .....	04/2018	04/2020
Biviano Favela (TH) .....	04/2018	04/2020
Moses Huerta (LG) .....	04/2017	04/2020
Brenda Olmos (PL) .....	09/2005	04/2020
<b>SENIOR SERVICES COMMISSION</b> Term of Office: 1 year		
Virginia Chavez (LG) .....	04/2017	04/2020
Maria Espinoza (DH) .....	03/2013	04/2020
Claudia Quinones (PL) .....	02/2015	04/2020
Cleone Hatwan (DM) .....	03/2015	04/2020
James "Jim" Stevens (TH) .....	03/2009	04/2020

I, Lana Chikami, City Clerk of the City of Paramount, California, hereby certify that I caused this notice to be posted on the City of Paramount's website and designated public posting places this 3<sup>rd</sup> day of June 2019.

/s/ Lana Chikami, City Clerk

[ ] CF 10.14 [ ] CF 27.LOC

H:\CITYMANAGER\REORGIMADDYACT-APPTLISTSIMADDYPOS2018-07-2018.DOCX:6/4/2019 8:32 AM

## Article VII. Parks and Recreation Commission.

### Sec. 2-88. Created.

A parks and recreation commission is hereby created and established.

### Sec. 2-89. Membership.

The commission shall consist of five members who shall be appointed by the mayor with the approval of the City Council of the city. All members serve at the will and pleasure of the City Council. Members to the commission shall be appointed for terms of one year or until their successors are appointed. If a vacancy occurs otherwise then by expiration of a term, it shall be filled by appointment for the unexpired portion of the term. (Ord No. 867)

### Sec. 2-90. Duties and functions.

The commission shall act in an advisory capacity to the City Council in matters pertaining to parks, recreation facilities, and local transportation; review community organization funding requests which are included in the annual budget; consider uses of recreational facilities; evaluate recreation programs to promote the development of open space for recreational and leisure activities; encourage the development of leisure opportunities for residents of all ages; and promote positive lifestyle choices and alternatives to self-destructive behavior. (Ord No. 867)

### Sec. 2-91. Power and authority.

The parks and recreation commission shall cause proper records to be kept of all its official acts and proceedings. The commission shall have no power or authority to bind or obligate the city or any officer or department thereof, for any money, debt, undertaking or obligation of any kind in excess of the appropriation which the City Council may have made for the purpose of the commission in any fiscal year. (Ord No. 867)

### Sec. 2-92. Rules of organization and procedure.

The commission is a reviewing and recommending body and shall have no power to direct members of the city staff or contract entities, except as otherwise provided in this chapter or by law the commission shall have power to and shall provide for its own organization, shall adopt rules and regulations for the transaction of business before it, and shall designate the time and place for the regular monthly meeting or meetings of the commission. (Ord No. 867)

### Sec. 2-93. Compensation.

The members of the parks and recreation commission shall receive compensation on a monthly basis at a rate to be determined from time to time and set forth by resolution of the City Council. (Ord No. 867)



JUNE 18, 2019

RESOLUTION NO. 19:021

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT, APPROVING AND ADOPTING THE FISCAL YEAR (FY) 2020 ANNUAL MUNICIPAL OPERATING AND CAPITAL IMPROVEMENT BUDGET, ASSIGNING THE FY 2019 SURPLUS IF APPLICABLE, AMENDING THE AUTHORIZED POSITION LISTING AND SALARY SCHEDULE FOR CITY EMPLOYEES, AND AUTHORIZING THE CITY MANAGER TO ADMINISTER SAID BUDGET AND MAKE SUCH CHANGES AS MAY BE NECESSARY DURING THE FISCAL YEAR TO MAINTAIN STANDARDS AND LEVELS OF SERVICES AND ACHIEVE THE INTENT OF THE CITY COUNCIL IN PROVIDING MUNICIPAL SERVICES FOR FY 2020”

MOTION IN ORDER:

READ BY TITLE ONLY AND ADOPT RESOLUTION NO. 19:021.

MOTION:

MOVED BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

[ ] APPROVED

[ ] DENIED

ROLL CALL VOTE:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_



**To:** Honorable City Council  
**From:** John Moreno, City Manager  
**By:** Karina Lam Liu, Finance Director  
Clyde Alexander, Assistant Finance Director  
**Date:** June 18, 2019

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**Subject: RESOLUTION NO. 19:021: APPROVING AND ADOPTING THE FISCAL YEAR (FY) 2020 ANNUAL MUNICIPAL OPERATING AND CAPITAL IMPROVEMENT BUDGET, ASSIGNING THE FY 2019 SURPLUS IF APPLICABLE, AMENDING THE AUTHORIZED POSITION LISTING AND SALARY SCHEDULE FOR CITY EMPLOYEES, AND AUTHORIZING THE CITY MANAGER TO ADMINISTER SAID BUDGET AND MAKE SUCH CHANGES AS MAY BE NECESSARY DURING THE FISCAL YEAR TO MAINTAIN STANDARDS AND LEVELS OF SERVICES AND ACHIEVE THE INTENT OF THE CITY COUNCIL IN PROVIDING SERVICES FOR FY 2020**

The City Council is reviewing the Proposed Budget for Fiscal Year (FY) 2020 at the Study Session tonight. As we reported at the June 4 City Council meeting, in recent years while the local economy remains steady, expenditures continue to increase, outpacing revenues. Most cost increases are expected in the following areas: contract services (such as L.A. County Sheriff's, street sweeping, landscape maintenance, fleet maintenance, animal control); the State minimum wage law affecting our part-time personnel expenses; escalating pension costs; and a Cost-of-Living Adjustment (COLA) for full-time employees. As a result, funds that were previously saved up over the years are proposed to be used in order to balance the operating portion of the General Fund budget. We believe we are now at a point where we are in the first year of a structural budget deficit. Though we are not proposing to pull from the General Fund Reserve at this time, other funding sources including \$680,500 from the Capital Improvement Project Reserve (CIP Reserve), \$132,300 from Equipment Replacement Fund Reserve (ERF), and \$210,150 from the Pension Reserve are used to help balance the FY 2020 General Fund budget. Nonetheless, we will retain many of the traditional services, programs, and events that our residents and businesses have come to expect and appreciate.

The attached resolution adopts the City's FY 2020 Budget in the amount of \$58,085,550. Of this amount, \$44,362,850 represents the operating budget and \$13,722,700 represents the capital improvement budget.

The following are the FY 2020 budget highlights:

Fees

The budget includes a fee enhancement (2.50%) for business license fees based on the increase in the Consumer Price Index (CPI) effective July 6, 2019.

### Human Resources

Our first comprehensive classification and compensation study was recently completed. The study shows that the City's workforce as a whole is 1.16% below labor market from a total compensation perspective. As a result, minor adjustments for 4 positions have been made to modify their salaries to bring them closer to the labor market. It's our goal to continue phasing in adjustments for other positions that are necessary to stay competitive in the marketplace and protect and preserve the City's greatest asset: our employees.

Pension costs continue to rise across the nation, and Paramount is not immune to its effects. In FY 2020, the total pension cost will go up to about \$2.9 million, an increase of about \$350,000. In order to reduce greater financial burdens, we are proposing that all full-time Classic employees (hired prior to 2013) start paying 2% of their portion of the pension costs. While this does not cover the full cost of the employee's share, we are making a good-faith effort to address the pension problem. Other neighboring cities (e.g., Lakewood and La Mirada), who seem to have been the last remaining cities in our region to pay the employee's share of the pension cost, have taken similar steps in recent years. PEPRAs employees hired on January 1, 2013 and after are already paying the full cost of their share. Of our 92 full-time employees, 20 are PEPRAs employees who are paying the full share of their pension.

Included in the budget is a 3% COLA for all full-time employees (except for City Manager) in consideration of the CPI increase of 2.5% over the past year. The 3% COLA will also help offset the new pension payment obligation for Classic employees. On the other hand, since PEPRAs employees are already paying the full employee's share, they will experience a full 3% increase in take home pay. In either case, the COLA will also help in keeping our pay competitive in the labor market.

As for part-time employees, a few positions will be adjusted to bring them into compliance with California's minimum wage law.

### Capital Improvement Projects

The total Capital Improvement Budget for FY 2020 is \$13,722,700. Funding sources for these projects include \$6,732,350 from Water Utility, \$1,426,350 from Proposition C, \$904,000 from Measure M, \$655,000 from Measure R, \$1,340,000 from Surface Transportation Program Local (STPL), \$800,000 from SB1 Road Maintenance & Repair Act (RMRA), \$484,700 from Highway Bridge Repair, \$680,500 from Capital Improvement Project (CIP) Reserve and the rest from other restricted funds. The budget includes continued improvements to our arterial street corridors and neighborhood streets. In addition, it includes funding for our annual street-by-street median landscape transformation from turf to drought-tolerant plants. The budget continues to include funding for the design of two large-scale improvement projects, the Garfield Avenue widening project, and the Rosecrans Avenue bridge repair project.

The Capital Improvement Budget also continues our effort to improve our parks and public facilities and to handle vital maintenance needs. Over the course of the last few years, we have been making a series of improvements to various facilities including the Paramount Community Center and Paramount Park Gym. In FY 2020, the picnic shelter at Paramount Park will be replaced and there will be replastering, deck repairs, and lighting improvements at Paramount Pool.

Summary

The following resolutions relating to the adoption of the City's annual budget are included:

- a) Resolution No. 19:021 – Adopting the City of Paramount FY 2020 Budget
- b) Resolution No. 19:023 – Adopting the Gann Appropriations Limit
- c) Resolution No. 19:022 – Adopting the FY 2020 Statement of Investment Policy

**RECOMMENDED ACTION**

It is recommended that the City Council read by title only and adopt Resolution No. 19:021.

CITY OF PARAMOUNT  
LOS ANGELES COUNTY, CALIFORNIA

**RESOLUTION NO. 19:021**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT, APPROVING AND ADOPTING THE FISCAL YEAR (FY) 2020 ANNUAL MUNICIPAL OPERATING AND CAPITAL IMPROVEMENT BUDGET, ASSIGNING THE FY 2019 SURPLUS IF APPLICABLE, AMENDING THE AUTHORIZED POSITION LISTING AND SALARY SCHEDULE FOR CITY EMPLOYEES, AND AUTHORIZING THE CITY MANAGER TO ADMINISTER SAID BUDGET AND MAKE SUCH CHANGES AS MAY BE NECESSARY DURING THE FISCAL YEAR TO MAINTAIN STANDARDS AND LEVELS OF SERVICES AND ACHIEVE THE INTENT OF THE CITY COUNCIL IN PROVIDING MUNICIPAL SERVICES FOR FY 2020

WHEREAS, the City Manager has prepared the Fiscal Year 2020 Annual Municipal Operating and Capital Improvement Budget (FY 2020 Budget) in accordance with the Paramount Municipal Code, Chapter II, Article II, Section 2-23 (h); and

WHEREAS, the City Council has examined the Fiscal Year 2020 Budget with the City Manager; and

WHEREAS, the City Council finds the proposed capital improvements to be exempt from the provisions of the California Environmental Quality Act (CEQA) as Section 15301, 15302, 15303, 15304, and 15311 Categorical Exemptions: operation, repair, maintenance, or minor alteration of existing structures or facilities not expanding use; replacement or reconstruction of existing structures or facilities on the same site having the same purpose; new construction of limited small new facilities, and installation of small, new equipment and facilities; minor alterations in the condition of the land, such as grading, gardening, and landscaping that do not affect sensitive resources; and construction of minor structures accessory to existing facilities; and

WHEREAS, the City, pursuant to Federal regulations 24 CFR Part 570.301 under the Housing and Community Development Act (HCDA) of 1974, as amended, has obtained citizen comments on proposed projects which will be undertaken using CDBG and HOME funds; and

WHEREAS, the City Council has reviewed the estimated Fiscal Year 2019 revenues, expenditures, and fund balances as projected to the end of the fiscal year; and

WHEREAS, it is the intention of the City Council to assign any General Fund surplus as of June 30, 2019 to unassigned and assigned fund balances within the General Fund and/or to the Equipment Replacement Fund at the discretion of the City Manager and the Finance Director, and while the actual amount of the Fiscal Year 2019 surplus cannot be determined at this time, a breakeven budget is included; and

WHEREAS, certain capital improvement projects in Fiscal Year 2019 require continuing appropriations to complete the projects; and

WHEREAS, the City Council has studied and discussed the Fiscal Year 2020 Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARAMOUNT AS FOLLOWS:

**SECTION 1.** The above recitations are true and correct.

**SECTION 2.** That the General Fund surplus as of June 30, 2019 shall be assigned to unassigned and assigned fund balances within the General Fund and/or to the Equipment Replacement Fund at the discretion of the City Manager and Finance Director.

**SECTION 3.** That the Fiscal Year 2020 Annual Municipal Operating Budget is hereby approved and adopted as amended by the City Council and that appropriations be made, by department, in the following amounts:

<u>Department</u>	<u>Amount</u>
Council/Commissions	\$ 369,950
Community Promotion	362,000
City Attorney	325,550
City Manager/City Clerk	905,750
Administrative Services	1,451,950
Finance	3,954,250
Community Development	3,379,550
Public Safety	12,243,100
Community Services and Recreation	5,021,500
Public Works	<u>16,349,250</u>

TOTAL OPERATING EXPENDITURES BY DEPT.	<u>\$ 44,362,850</u>
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**SECTION 4.** That the above appropriations for Fiscal Year 2020 shall be expended by the following funds:

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 27,184,650
Community Development Block Grant	1,025,600
HOME Investment Partnership Act	217,350
After School Education and Safety	1,952,700
Gas Tax Fund	1,463,500
Traffic Safety Fund	70,000
AB 939 Fees	26,850
Air Quality Management District	29,450
Proposition A Transit Tax	823,800

<u>Fund (con't)</u>	<u>Amount</u>
Proposition C Transit Tax	\$ 202,750
Measure R Transit Tax	58,150
Measure M Transit Tax	64,600
Measure W	500,000
Maintenance District Funds	14,150
Public Access	5,000
General Plan	348,250
Other Grants Fund:	
JAG Grant	10,000
Park Maintenance – Dills Park	117,200
Park Maintenance – Paramount Park	22,600
SB 2 Planning Grant	240,000
SB 821	40,450
SCAG Grant	150,000
State COPS	148,800
Used Oil	15,450
Municipal Water Fund	9,349,250
Equipment Replacement Fund	<u>282,300</u>
<b>TOTAL OPERATING EXPENDITURES BY FUND</b>	<b><u>\$ 44,362,850</u></b>

**SECTION 5.** That the Fiscal Year 2020 Annual Municipal Capital Improvement Budget is hereby approved and adopted as amended by the City Council and that appropriation be made, by project, in the following amounts:

<u>NEW CAPITAL PROJECTS FOR FY 2020</u>	<u>Amount</u>
Installation of Services and Hydrants – FY 2020	\$ 75,000
Annual Valve Replacement Program – FY 2020	25,000
Arterial Street Resurfacing – FY 2020	2,190,000
Neighborhood Street Resurfacing – FY 2020	1,825,000
City Entry Monument Signs	60,000
Drought Tolerant Median Conversion	170,000
Paramount Park Picnic Shelter	180,000
Paramount Park Pool Replaster	250,000
Bus Stop Design	10,000
Neighborhood Enhancement Program	50,000
Utility Mural Box	6,000
Civic Center Fountain Upgrade	50,000
Clear Water Roof Replacement	25,000
Carpet Replacement – City Yard	15,000
Carpet Replacement – City Hall	20,000
Carpet Replacement – Mariposa Center & Progress Plaza	<u>43,000</u>
<b>Subtotal New Capital Projects FY 2020</b>	<b><u>\$ 4,994,000</u></b>

<u>CARRY-OVER CAPITAL PROJECTS FROM FY 2019</u>	<u>Amount</u>
Well #16 Design/Construction	\$ 6,632,350
Garfield Avenue Widening	50,000
Rosecrans Bridge Repair	558,050
Arterial Street Resurfacing – FY 2019	603,000
Neighborhood Street Resurfacing – FY 2019	284,400
WSAB Bikeway Phase 2	495,000
Directional Signage	35,000
Parkway Entry Signs	32,500
Electric Vehicle Charging Station	<u>38,800</u>
Subtotal Carry-Over Projects from FY 2019	<u>\$ 8,728,700</u>
TOTAL CAPITAL IMPROVEMENTS - FY 2020	<u>\$ 13,722,700</u>

**SECTION 6.** That the above capital improvement project appropriations for Fiscal Year 2020 shall be expended by the following funds:

<u>Fund</u>	<u>Amount</u>
Capital Improvement Project (CIP) Reserve	\$ 680,500
AB 2766 (AQMD)	23,800
Highway Bridge Repair Program	484,700
Early Action Funds	50,000
Measure A Park Grant	250,000
Measure M Transit Tax	904,000
Measure R Transit Tax	655,000
MSRC Clean Air Grant	15,000
Proposition A Transit Tax	10,000
Proposition C Transit Tax	1,426,350
Public Art Fund	6,000
SB 1 – Road Maintenance & Repair Act (RMRA)	800,000
SB 1 – Active Transportation Program (ATP)	345,000
STPL	1,340,000
Municipal Water Fund	<u>6,732,350</u>
TOTAL CAPITAL IMPROVEMENT APPROPRIATIONS	<u>\$ 13,722,700</u>

**SECTION 7.** That the City shall not undertake any capital improvements without adequate environmental review and approval.

**SECTION 8.** That the City Council amends the "Authorized Position Listing for Full-Time Positions" as follows:



AUTHORIZED POSITION LISTING  
FOR FULL-TIME POSITIONS

<u>Positions Authorized</u>	<u>Job Classification Titles</u>	<u>Pay Range Number</u>
1	City Manager	278
1	City Attorney	261
1	Assistant City Manager	257
1	Community Development Director	255
1	Community Services & Recreation Director	255
1	Finance Director	255
1	Public Safety Director	255
1	Public Works Director	255
1	City Clerk	252
1	Assistant Community Development Director	250
1	Assistant Community Svcs. & Recreation Director	250
1	Assistant Finance Director	250
1	Assistant Public Safety Director	250
1	Assistant Public Works Director	250
1	Building & Safety Manager	202
1	Human Resources Manager	202
1	Public Works Superintendent	196
1	Public Information Officer	194
1	Senior Accountant	188
1	Information Technology (IT) Manager	186
1	Public Works Manager	186
1	Water Superintendent	186
1	Sr. Community Services & Recreation Supervisor	183
1	Code Enforcement Supervisor	182
2	Building and Safety Inspector	182
1	Management Analyst II	178
1	Associate Planner	170
3	Community Services & Recreation Supervisor	170
1	Finance Supervisor	170
2	Maintenance Supervisor	170
3	Management Analyst	170
1	Water Supervisor	170
1	Community Service Officer Supervisor	163
1	Executive Assistant	163
1	Information Technology (IT) Analyst I	160
2	Recreation Specialist	151
1	Building Permit Technician	151
1	Graphic Artist/Social Media Coordinator	151
3	Finance Technician	148
1	Payroll Technician	148
6	Administrative Assistant	148
6	Senior Maintenance Worker	148

<u>Positions Authorized</u>	<u>Job Classification Titles</u>	<u>Pay Range Number</u>
3	Senior Water Operator	148
1	Warehouse Attendant	148
5	Code Enforcement Officer	145
7	Community Service Officer	142
1	Parking Control Officer	140
2	Office Assistant II	137
8	Maintenance Worker	137
4	Water Operator	137
<u>92</u>		

## POSITION LISTING FOR PART-TIME POSITIONS

<u>Job Classification Titles</u>	<u>Pay Range Number</u>
Accounting Specialist	128
Code Enforcement Officer	108
Information Technology Specialist	108
Finance Assistant	87
Recreation Assistant	87
Finance Aide	72
HR Assistant	72
Public Service Assistant	72
Administrative Intern	68
Planning Intern	68
Recreation Coordinator	68
Office Assistant I	58
Senior Recreation Leader	53
Maintenance Aide	48
Office Aide 1	48
Water Operator Aide	48
Recreation Facilities Aide	38
Recreation Leader	34
Social Media Aide	34

## POSITION LISTING FOR PART-TIME STAR POSITIONS

<u>Job Classification Titles</u>	<u>Pay Range Number</u>
STAR Program Assistant	S45
STAR Program Coordinator	S24
STAR Sr. Program Leader	S10
STAR Program Leader	S01

**SECTION 9.** That a cost-of-living adjustment of three (3) percent for all full-time employees (City Manager excluded) is effective July 6, 2019.

**SECTION 10.** That all full-time Classic employees (hired prior to 2013) pay two (2) percent of the employee portion of the pension costs effective July 6, 2019.

**SECTION 11.** That the City Council amends the "Salary Tables" as follows:

**CITY OF PARAMOUNT  
FULL-TIME SALARY TABLE  
FY 2020 (Effective 07/06/2019)**

<b>RANGE</b>	<b>STEP A</b>	<b>STEP B</b>	<b>STEP C</b>	<b>STEP D</b>	<b>STEP E</b>
137	3,812.53	4,003.16	4,203.32	4,413.49	4,634.16
140	3,928.06	4,124.46	4,330.69	4,547.22	4,774.58
142	4,007.01	4,207.36	4,417.73	4,638.62	4,870.55
145	4,128.43	4,334.85	4,551.59	4,779.17	5,018.13
148	4,253.53	4,466.20	4,689.51	4,923.99	5,170.19
151	4,382.41	4,601.54	4,831.61	5,073.18	5,326.85
160	4,792.98	5,032.62	5,284.26	5,548.47	5,825.90
163	4,938.21	5,185.12	5,444.37	5,716.59	6,002.43
170	5,294.43	5,559.15	5,837.11	6,128.96	6,435.41
178	5,733.10	6,019.76	6,320.75	6,636.78	6,968.63
180	5,848.34	6,140.76	6,447.80	6,770.19	7,108.70
182	5,965.89	6,264.19	6,577.39	6,906.27	7,251.58
183	6,025.55	6,326.84	6,643.17	6,975.34	7,324.10
186	6,208.13	6,518.54	6,844.46	7,186.69	7,546.03
188	6,332.91	6,649.57	6,982.04	7,331.15	7,697.71
190	6,460.21	6,783.22	7,122.38	7,478.50	7,852.42
194	6,722.52	7,058.64	7,411.58	7,782.15	8,171.27
195	6,789.75	7,129.23	7,485.69	7,859.98	8,252.98
196	6,857.65	7,200.52	7,560.55	7,938.58	8,335.51
202	7,279.53	7,643.51	8,025.68	8,426.97	8,848.31
250	8,060.87	8,463.92	8,887.12	9,331.47	9,798.05
252	8,623.70	9,054.88	9,507.62	9,983.01	10,482.16
255	10,142.94	10,650.09	11,182.59	11,741.71	12,328.80
257	12,576.87	13,205.70	13,865.99	14,559.29	15,287.26
261	12,969.61				
278	18,025.00				

**CITY OF PARAMOUNT  
PART-TIME SALARY TABLE  
FY 2020 (Effective 07/06/2019)**

<b>RANGE</b>	<b>STEP A</b>	<b>STEP B</b>	<b>STEP C</b>	<b>STEP D</b>	<b>STEP E</b>
34	11.05	11.60	12.18	12.79	13.43
38	11.50	12.07	12.67	13.31	13.97
48	12.70	13.33	14.00	14.70	15.44
53	13.35	14.01	14.72	15.45	16.22
58	14.03	14.73	15.47	16.24	17.05
68	15.50	16.27	17.08	17.94	18.83
72	16.12	16.93	17.78	18.67	19.60
87	18.72	19.66	20.64	21.67	22.75
108	23.07	24.22	25.44	26.71	28.04
128	28.15	29.56	31.04	32.59	34.22

**CITY OF PARAMOUNT  
STAR PART-TIME SALARY TABLE  
FY 2020 (Effective 07/06/2019)**

<b>RANGE</b>	<b>STEP A</b>	<b>STEP B</b>	<b>STEP C</b>	<b>STEP D</b>	<b>STEP E</b>
S01	12.33	12.95	13.60	14.28	14.99
S10	13.48	14.15	14.86	15.60	16.38
S24	15.49	16.26	17.07	17.92	18.82
S45	19.09	20.04	21.04	22.09	23.19

**SECTION 12.** That business license fees will be adjusted to reflect a 2.5 percent increase effective July 1, 2019, as illustrated in Exhibit A.

**SECTION 13.** That the Gann Appropriations Limitation has been duly approved by Resolution No. 19:023.

**SECTION 14.** That the City Council authorizes and directs the City Manager or his/her designee to make any necessary changes and adjustments to the approved appropriations up to \$10,000, or to fiscal and personnel matters, or enter into and execute agreements necessary to administer City operations and capital improvement projects in order to assure adequate and proper standards of service and to achieve the intent of the City Council in providing municipal services for Fiscal Year 2020.

**SECTION 15.** That the City Council hereby directs the City Manager to have the FY 2020 Budget prepared for general distribution.

**SECTION 16.** The Mayor, or presiding officer, is hereby authorized to affix his/her signature to this resolution signifying its adoption and the City Clerk or his/her duly appointed deputy is directed to attest thereto.

**SECTION 17.** This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED and ADOPTED by the City Council of the City of Paramount this 18<sup>th</sup> day of June 2019.

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Tom Hansen, Mayor

ATTEST:

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Lana Chikami, City Clerk

RESOLUTION NO. 19:021

EXHIBIT A

**BUSINESS LICENSE FEES - EFFECTIVE JULY 1, 2019**

The fees listed below pertain to Sections 26-54, 26-55, and 26-56 of the Paramount Municipal Code:

**BASIC BUSINESS LICENSE FEES**

1. Basic Fee		\$	142.00
2. Additional Fees:			
Number of Employees 2-5	Per Employee	\$	8.30
Number of Employees 6-25	Per Employee	\$	3.90
Number of Employees Over 25	Per Employee	\$	1.50

**SPECIAL BUSINESS LICENSE FEES**

The letter "A" following the fee shall indicate an annual fee, the letters "SA" shall indicate semi-annual fee, the letter "D" shall indicate daily fee, the letter "M" shall indicate monthly fee, the letter "Q" shall indicate quarterly fee and the letter "W" shall indicate weekly fee.

1. Advertising by billboard	\$	1,412.45 - A
Plus each panel	\$	75.85 - A
2. Advertising by distribution of handbills	\$	707.25 - A
	\$	350.55 - Q
	\$	72.75 - D
3. Advertising by posting	\$	707.25 - A
	\$	350.55 - Q
	\$	72.75 - D
(a) Benches (each)	\$	38.95 - A
(b) Benches (over ten)	\$	707.25 - A
4. Advertising by searchlight	\$	707.25 - A
	\$	350.55 - Q
	\$	72.75 - D
5. Advertising by sound truck, per truck	\$	175.25 - A
6. Amusement rides		
(a) Per machine at a permanent fixed location	\$	175.25 - A
(b) All amusement machines of a temporary nature	\$	254.20 - W
7. Auctioneer, livestock, per auctioneer or auction establishment	\$	707.25 - A
8. Auctioneer, real property and personal property, per auctioneer or auction establishment	\$	350.55 - A
9. Auto wrecker	\$	1,087.55 - A
10. Bankrupt stock, bankrupt sales or closing out	\$	254.20 - D
	\$	542.20 - W
11. Billiard or pool halls		
(a) First billiard or pool table	\$	142.45 - A
(b) Each additional table	\$	32.80 - A

**BUSINESS LICENSE FEES - EFFECTIVE JULY 1, 2019**

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12. Boardinghouse, apartment house, hotel		
(a) Apartments & Hotels		
Three to sixteen	\$	142.45 - A
Seventeen or more families	\$	142.45 - A
Each family over sixteen	\$	15.95 - A
(b) Boardinghouse:		
Three or more boarders	\$	142.45 - A
13. Bowling alleys, table tennis and shuffleboard		
(a) One table or alley	\$	142.45 - A
(b) Each additional alley or table	\$	32.80 - A
14. Cafes, food establishments and eating places		
(a) For a capacity of serving simultaneously more than fifty individuals	\$	350.55 - A
(b) Other cafes, food establishments or other eating places	\$	142.45 - A
15. Card clubs		
(a) First table	\$	142.45 - A
(b) Each additional table	\$	32.80 - A
16. Carnival		
(a) For first day	\$	707.25 - D
(b) For each additional day	\$	175.25 - D
(c) For each side show or separate admission:		
Charged first day	\$	108.65 - D
For each additional day	\$	32.80 - D
17. Circus		
(a) For first day	\$	707.25 - D
(b) For each additional day	\$	175.25 - D
(c) For each side show or separate admission:		
Charged first day	\$	108.65 - D
For each additional day	\$	32.80 - D
18. Circus procession or parade	\$	1,767.10 - D
19. Collection agency	\$	542.20 - A
20. Concessions	\$	142.45 - A
21. Contractors		
(a) General contractor or builder	\$	350.55 - A
(b) Electrical, plaster, plumbing, heating, ventilating and house moving contractor	\$	175.25 - A
(c) All other Subcontractors or specialty contractors	\$	175.25 - A
22. Dairies, livestock dealers and cattle feed yards		
(a) 10 to 105 head of livestock	\$	142.45 - A
(b) Over 106 head of livestock	\$	542.20 - A



**BUSINESS LICENSE FEES - EFFECTIVE JULY 1, 2019**

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23. Dance hall		
(a) Single dance	\$	142.45 - D
(b) Series of dances over a period of four weeks or less	\$	350.55 - W
(c) Series of dances over a period of not more than three months (payable quarterly)	\$	951.20 - Q
24. Deliveries		
(a) Itinerant restaurants	\$	566.80 - A
(b) Retail delivery of groceries by traveling grocery store or bus	\$	566.80 - A
(c) Retail/Wholesale delivery by vehicle of goods with no fixed place of business within the city	\$	142.45 - A
(d) Plus for each vehicle over one	\$	8.40 - A
25. Fertilizer processors	\$	816.90 - A
Plus fees for number of average employees		
26. Gasoline, filling stations	\$	142.45 - A
Plus per pump	\$	8.40 - A
27. Hay and grain dealers and brokers	\$	142.45 - A
Plus for each truck engaged in such business	\$	16.50 - A
28. House number painters	\$	142.45 - A
Plus for each employee	\$	35.45 - A
29. Itinerant amusement rides		
(a) For first day	\$	707.25 - D
For each additional day	\$	175.25 - D
30. Itinerant shows not including regularly licensed theaters	\$	279.80 - D
31. Patrolman	\$	32.80 - A
32. Patrol system	\$	542.20 - A
Plus per patrolman per year	\$	30.75 - A
33. Peddlers		
For each pack, basket, handcart or other vehicle	\$	142.45 - A
34. Riding stables, boarding and training, stall rentals and hayrides	\$	272.65 - A
Plus for each animal for hire, or trained over one	\$	16.50 - A
35. Refuse, Rubbish, Waste, Garbage, or Recycling		
(a) Transfer Station	5% of County landfill tipping fee per ton of material received at facility-M	
(b) Material Recovery Facility	5% of County landfill tipping fee per ton of material received at facility-M	
(c) Dump/Solid Waste Landfill	5% of County landfill tipping fee per ton of material received at facility-M	

**BUSINESS LICENSE FEES - EFFECTIVE JULY 1, 2019**

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(d) Recycling Center	\$ 1,087.55 - A
	Plus fees for number of average employees
(e) Refuse/Recycling Collector/Enterprise (non-franchise)	\$ 2,719.30 - A
	Plus three percent of gross receipts for each single business
(f) Redemption Center	\$ 142.45 - A
	Plus fees for number of average employees
(g) Hazardous Waste Facility	5% of County landfill tipping fee per ton of material received at facility-M
(h) Transformation, Reuse, Composting Facility	5% of County landfill tipping fee per ton of material received at facility-M
36. Schools	
(a) Private day school	\$ 175.25 - A
(b) Day nursery or day nursery school	\$ 175.25 - A
(c) Private boarding school	\$ 175.25 - A
(d) Children's boarding homes	\$ 175.25 - A
(e) Foster or day care homes	\$ 195.75 - A
37. Secondhand business	
(a) Pawnbrokers	\$ 1,363.25 - A
(b) Secondhand dealers	\$ 566.80 - A
(c) Junk and salvage dealers	\$ 1,087.55 - A
(d) Junk and salvage collectors	\$ 272.65 - A
(e) Plus for each wagon or vehicle per year	\$ 176.30 - A
38. Solicitor	\$ 142.45 - A
39. Taxicabs	
(a) Taxicab operator	\$ 218.30 - A
(b) Plus per year per cab	\$ 76.85 - A
40. Mobile home/trailer parks	
(a) For the first twenty spaces	\$ 108.65 - A
(b) Plus for each trailer space from 21-75	\$ 3.70 - A
(c) Plus for each trailer space over 75	\$ 2.10 - A
41. Theaters	
(a) 499 seats or less	\$ 1,009.60 - A
(b) 500 seats and less than 750	\$ 1,410.40 - A
(c) 750 seats but less than 1,000	\$ 1,761.95 - A
(d) 1,000 seats but less than 1,500	\$ 2,468.20 - A
(e) 1,500 seats and over	\$ 3,523.95 - A
42. Truck and other rental equipment	
(a) Truck rental	\$ 1,410.20 - A
(b) Equipment rental	\$ 707.25 - A

***BUSINESS LICENSE FEES - EFFECTIVE JULY 1, 2019***


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43. Used car dealer	\$	816.60 - A
44. Vehicle storage		
(a) Truck or trailer storage	\$	191.65 - A
(b) Plus for each truck or trailer stored	\$	37.90 - A
(c) Recreational vehicle storage	\$	191.65 - A
(d) Plus each available space per year	\$	11.25 - A
45. Vending, amusement, service and other coin-operated machines		
(a) Per machine using .04 or less	\$	5.80 - A
(b) Machines using .05 or more	One percent of the gross receipts	
46. Wells, oil		
Each barrel of oil or hydrocarbon substance produced	\$	.25 - A

**BUSINESS LICENSE TAXES FOR SWAP MEETS, OUTDOOR MARKETS, & FLEA MARKETS**

1. Operator tax	\$	1,811.60 - SA
Plus for each exhibitor	\$	2.00 - D
2. Exhibitor tax		
Each exhibitor	\$	2.00 - D

JUNE 18, 2019

RESOLUTION NO. 19:023

"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT, CALIFORNIA, ADOPTING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2020 IMPLEMENTING ARTICLE XIII-B OF THE STATE CONSTITUTION PURSUANT TO SECTION 7900 ET. SEQ. OF THE GOVERNMENT CODE"

MOTION IN ORDER:

READ BY TITLE ONLY AND ADOPT RESOLUTION NO. 19:023.

MOTION:

MOVED BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

[ ] APPROVED

[ ] DENIED

ROLL CALL VOTE:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_



**To:** Honorable City Council  
**From:** John Moreno, City Manager  
**By:** Karina Lam Liu, Finance Director  
Jaime de Guzman, Senior Accountant  
**Date:** June 18, 2019

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**Subject: RESOLUTION NO. 19:023: ADOPTING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2020 IMPLEMENTING ARTICLE XIII-B OF THE STATE CONSTITUTION PURSUANT TO SECTION 7900 ET. SEQ. OF THE GOVERNMENT CODE**

The California Constitution, Article XIII-B, commonly referred to as "Proposition 4: The Gann Appropriations Limit," requires the City to annually adopt an appropriations limit beyond which budgetary appropriation shall not be made. The appropriations limit can be adjusted each year to allow for increases in population, assessed value growth, and/or increases in per capita income.

The City has the option to annually increase the appropriation limit. This is done by choosing two of the following four variables and multiplying them to arrive at the allowed increase in appropriations. We may choose the two variables that most benefit the City.

Factor 1

1. The percentage change in California per capita income, or
2. The percentage change in Paramount's assessed valuation due to new non-residential construction.

Factor 2

1. The percentage change in Paramount's population, or
2. The percentage change in Los Angeles County's population.

For Fiscal Year 2020 we have chosen to use: 1) the percentage change in California Per Capita Income and 2) the percentage change in Los Angeles County's population. These factors allow us to increase our appropriations limit by 1.038% to \$600,155,672. The amount of our tax revenues subject to this limit is \$21,562,728 which is well under the limit of \$600,155,672.

**RECOMMENDED ACTION**

It is recommended that the City Council read by title only and adopt Resolution No. 19:023 establishing the appropriations limit for Fiscal Year 2020 in the amount of \$600,155,672.

CITY OF PARAMOUNT  
LOS ANGELES COUNTY, CALIFORNIA

**RESOLUTION NO. 19:023**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT, CALIFORNIA, ADOPTING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2020 IMPLEMENTING ARTICLE XIII-B OF THE STATE CONSTITUTION PURSUANT TO SECTION 7900 ET. SEQ. OF THE GOVERNMENT CODE

WHEREAS, the people of California on November 6, 1979, added Article XIII-B to the State Constitution placing various limitations on the appropriations of state and local governments; and

WHEREAS, the State Legislature adopted Chapter 1205 and 1342 of the 1990 Statutes which implemented Article XIII-B; and

WHEREAS, Section 7902 of the Government Code provides the process in which to calculate the appropriations limit pursuant to Article XIII-B; and

WHEREAS, Section 7910 of the Government Code requires cities to adopt a resolution setting the annual appropriations limit at a regularly scheduled meeting or a noticed special meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARAMOUNT AS FOLLOWS:

**SECTION 1.** The above recitations are true and correct.

**SECTION 2.** The appropriations limit for Fiscal Year 2020 pursuant to Section 7902 of the Government Code shall be \$600,155,672.

**SECTION 3.** This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED and ADOPTED by the City Council of the City of Paramount on this 18<sup>th</sup> day of June 2019.

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Tom Hansen, Mayor

ATTEST:

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Lana Chikami, City Clerk

**ESTABLISHING THE APPROPRIATIONS LIMIT**

**Schedule #1**

<b>A. LAST YEAR'S APPROPRIATIONS LIMIT</b>		\$ 578,184,655
<b>B. ADJUSTMENT FACTORS (Schedule #5)</b>		
Factor No. 1. Change in California Per Capita Income	3.85%	1.0385
Factor No. 2. Change in Los Angeles County's Population	-0.01%	0.9999
Total Adjustment Factor (Factor No. 1 multiplied by Factor No. 2)		<u>1.038%</u>
<b>C. THIS YEAR'S LIMIT (Last year's limit multiplied by Total Adjustment Factor)</b>		600,155,672
<b>D. OTHER ADJUSTMENTS</b>		
Lost Responsibility (-)	0	
Transfer to Private (-)	0	
Transfer to Fees (-)	0	
Assumed Responsibility (+)	0	
Sub-total Other Adjustments		<u>0</u>
<b>E. THIS YEAR'S APPROPRIATIONS LIMIT</b>		<b>\$ <u>600,155,672</u></b>

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**CITY OF PARAMOUNT  
GANN LIMITATION ANALYSIS - FY 2020  
APPROPRIATIONS OVER/(UNDER) THE LIMIT**

**Schedule #2**

<b>A. PROCEEDS OF TAXES</b>		
NON-INTEREST TAX PROCEEDS (Schedule #3, Line 57)	\$ 21,441,000	
INTEREST EARNINGS PRODUCED BY TAX PROCEEDS (Schedule #4, Line G)	<u>121,728</u>	
Sub-total Proceeds of Taxes	\$ 21,562,728	
<b>B. EXCLUSIONS</b>		<u>0</u>
<b>C. APPROPRIATIONS SUBJECT TO LIMITATION (A-B)</b>	\$ 21,562,728	
<b>D. CURRENT YEAR LIMIT (Schedule #1)</b>	\$ 600,155,672	
<b>E. OVER/(UNDER) LIMIT (C-D)</b>	\$ <u>(578,592,944)</u>	

**CITY OF PARAMOUNT  
GANN LIMITATION ANALYSIS - FY 2020  
CALCULATION OF TAX PROCEEDS**

**Schedule #3**

	<b>REVENUE</b>	<b>PROCEEDS OF TAXES</b>	<b>NON-PROCEEDS OF TAXES</b>	<b>TOTAL</b>
	<b>TAXES:</b>			
1	Property Tax	\$ 2,272,100	\$	\$ 2,272,100
2	Sales & Use Tax	7,935,000		7,935,000
3	Real Property Transfer Tax	100,000		100,000
4	Business License Tax	1,247,000		1,247,000
5	Utility Users Tax	3,541,000		3,541,000
	<b>FROM STATE:</b>			
6	Motor Vehicle License	26,900		26,900
7	Motor Vehicle License In Lieu	6,319,000		6,319,000
8	Gasoline Tax/Transportation Funds		1,458,600	1,458,600
	<b>OTHER GOVERNMENTS:</b>			
9	After School Education and Safety Allocation		1,962,700	1,962,700
10	Air Quality Management District		68,000	68,000
11	ATP Grant		345,000	345,000
12	Community Development (CDBG/HOME)		1,242,950	1,242,950
13	Early Action		50,000	50,000
14	Justice Administration Grant		10,000	10,000
15	Highway Bridge Repair (HBR)		484,700	484,700
16	Measure A		250,000	250,000
17	Measure R		704,900	704,900
18	Measure M		798,800	798,800
19	Measure W		500,000	500,000
20	MSRC		15,000	15,000
21	Park Maintenance (Paramount)		22,600	22,600
22	Proposition A		1,167,000	1,167,000
23	Proposition C		943,000	943,000
24	SB 1 RMRA		920,350	920,350
25	SB 2		240,000	240,000
26	SB 821 Sidewalk/Bikeway		40,450	40,450
27	SCAG Grant		150,000	150,000
28	State COPS		100,000	100,000
	<b>LOCALLY RAISED:</b>			
29	Administration Citation Fines		40,000	40,000
30	AB 939 Waste Reduction Fees		68,000	68,000
31	Animal Licenses		133,000	133,000
32	Construction Permits		330,000	330,000
33	Development Fees		175,000	175,000
34	Disability Access/Education		5,000	5,000
35	Franchise Fees		1,788,550	1,788,550
36	Industrial Waste Inspection		75,000	75,000



**CITY OF PARAMOUNT  
GANN LIMITATION ANALYSIS - FY 2020  
CALCULATION OF TAX PROCEEDS**

**Schedule #3**

<b>REVENUE</b>	<b>PROCEEDS OF TAXES</b>	<b>NON-PROCEEDS OF TAXES</b>	<b>TOTAL</b>
<b>LOCALLY RAISED:</b>			
37 Master Plan Fees		30,000	30,000
38 Municipal Court Fines		6,000	6,000
39 Other Fees		1,700	1,700
40 Other Licenses & Permits		1,600	1,600
41 Parking Citations		750,000	750,000
42 Property Assessments		14,150	14,150
43 Public Access Fees		35,000	35,000
44 Public Art Fee		85,000	85,000
45 Recreation Program Fees		147,200	147,200
46 Rent and Leases		57,350	57,350
47 Sewer Reconstruction Fees		1,500	1,500
48 State Transportation Program		1,340,000	1,340,000
49 Storm Drain Fees		15,000	15,000
50 Traffic Safety Fines		70,000	70,000
51 Vehicle Corrections		6,000	6,000
52 Vehicle Impound Fees		50,000	50,000
<b>OTHER MISCELLANEOUS:</b>			
53 Judgements/Damages		10,000	10,000
54 Miscellaneous		600,000	600,000
55 Reimbursement from Water		850,000	850,000
56 Reimbursement from PRA		225,000	225,000
<b>57 SUB-TOTAL</b> (For Schedule #4)	\$ 21,441,000	\$ 18,384,100	\$ 39,825,100
<b>58 INTEREST EARNINGS:</b> (From Schedule #4)	121,728	104,372	226,100
<b>59 TOTAL REVENUE</b> (Use for Schedule #2)	21,562,728	18,488,472	40,051,200
<b>60 RESERVE WITHDRAWALS</b> (Including appropriated fund balance)	0	0	0
<b>61 TOTAL OF THESE FUNDS</b>	21,562,728	18,488,472	40,051,200
<b>62 OTHER FUNDS NOT INCLUDED (1)</b>	0	8,005,000	8,005,000
<b>63 GRAND TOTAL BUDGET</b>	\$ 21,562,728	\$ 26,493,472	\$ 48,056,200

(1) Includes Water Enterprise and Equipment Replacement Funds

**CITY OF PARAMOUNT  
GANN LIMITATION ANALYSIS - FY 2020  
INTEREST EARNINGS PRODUCED BY TAX**

**Schedule #4**

<b>A. NON-INTEREST TAX PROCEEDS (From Schedule #3, Line 57)</b>	<b>\$ 21,441,000</b>
<b>B. MINUS EXCLUSIONS</b>	<b><u>0</u></b>
<b>C. NET INVESTED TAXES (A-B)</b>	<b>\$ 21,441,000</b>
<b>D. PLUS RESERVE WITHDRAWALS and NON-TAX PROCEEDS</b>	<b>\$ 39,825,100</b>
<b>E. TAX PROCEEDS AS % OF BUDGET (C/D)</b>	<b>53.84%</b>
<b>F. TOTAL INTEREST EARNINGS</b>	<b>\$ <u>226,100</u></b>
<b>G. INTEREST EARNED FROM TAXES (E*F) (To Schedule #3, Line 58)</b>	<b><u>121,728</u></b>
<b>H. INTEREST EARNED FROM NON-TAXES (F-G)</b>	<b>\$ <u>104,372</u></b>

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**CITY OF PARAMOUNT  
GANN LIMITATION ANALYSIS - FY 2020  
GANN LIMITATION ADJUSTMENT FACTORS**

**Schedule #5**

<b>PERMITTED ADJUSTMENT FACTORS</b>	<b>AMOUNT</b>	<b>SELECTED FACTOR</b>
<b>FACTOR 1:</b>		
% CHANGE IN CALIFORNIA PER CAPITA INCOME (1)	3.85%	
OR		
% CHANGE IN PARAMOUNT'S ASSESSED VALUATION DUE TO NEW NON-RESIDENTIAL CONSTRUCTION (2)	-2.96%	<b>3.85%</b>
<b>FACTOR 2:</b>		
% CHANGE IN PARAMOUNT'S POPULATION (1)	-0.01%	
OR		
% CHANGE IN LOS ANGELES COUNTY POPULATION (1)	-0.01%	<b><u>-0.01%</u></b>
Adjustment Factor (Add one to each factor then multiply factors)		<b><u><u>1.038%</u></u></b>

**SOURCES:**

(1) California Department of Finance, Price & Population Data for Local Jurisdictions, May 2019

(2) Los Angeles County Assessor's Office

JUNE 18, 2019

RESOLUTION NO. 19:022

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT  
ADOPTING THE STATEMENT OF INVESTMENT POLICY FOR THE CITY  
OF PARAMOUNT FOR FISCAL YEAR 2020”

MOTION IN ORDER:

READ BY TITLE ONLY AND ADOPT RESOLUTION NO. 19:022.

MOTION:

MOVED BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

[ ] APPROVED

[ ] DENIED

ROLL CALL VOTE:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_



**To:** Honorable City Council  
**From:** John Moreno, City Manager  
**By:** Karina Liu, Finance Director  
Clyde Alexander, Assistant Finance Director  
**Date:** June 18, 2019

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**Subject: RESOLUTION NO. 19:022: ADOPTING THE STATEMENT OF INVESTMENT POLICY FOR THE CITY OF PARAMOUNT FOR FISCAL YEAR 2020**

### Background

For almost a decade the California Government Code required all cities to review and approve their investment policy once a year at a public meeting. In late 2004 the State Legislature passed a bill making the annual review optional. The State's action was financially driven as the requirement also brought a financial burden to the State in the form of State-mandated reimbursements to local governments. Nevertheless, as a City we firmly believe the annual review and adoption is a financially sound organizational practice that we should maintain regardless of the State's requirements.

In general, we are conservative with our investments. Our investment policy is more restrictive than that allowed by State law. All of our investment funds are currently maintained in short-term instruments like the State's Local Agency Investment Fund (LAIF). Our most recent Treasurer's Report for April 2019 includes a total of \$29.46 million in cash and investments being managed by City staff. Our investment portfolio consists of the following: approximately 83.01% in LAIF which equates to same day liquidity, and the remaining 16.99% balance is on deposit in our local bank to cover outstanding checks.

### Description of Attachments

Attached is the Statement of Investment Policy for the City. Also attached are supporting documents that will assist us in complying with our recommended Investment Policy. To help understand the Investment Policy, the following descriptions are provided to explain each of the attachments.

Attachment A - Statement of Investment Policy. This statement is intended to provide guidelines for the prudent investment of the City's temporary idle cash. The statement has been prepared in accordance with existing laws.

Attachment B - Investment Program. This document details the investment guidelines and internal control objectives, including the segregation of duties that are referenced in the Investment Policy. The investment program is established by the City Treasurer and will be modified as needed.

Attachment C - Broker/Dealer Questionnaire and Certification. This document will be utilized if any investments are purchased through a broker/dealer.

Attachment D - Before Entering a Governmental Pool Questionnaire. This document will be utilized if the City elects to join another governmental pool, similar to LAIF.

### Summary

This Investment Policy has not changed from previous years. We believe that the Statement of Investment Policy (Attachment A) provides guidelines for the prudent investment of the City's temporary idle cash and outlines the procedures for maximizing the efficiency of the City's cash management system. This Investment Policy has been prepared in conformance with the existing laws of the State of California for General Law cities and adheres to the standards set forth by the Government Finance Officers Association (GFOA) and the Municipal Treasurers' Association of the United States and Canada (MTA US&C).

### **RECOMMENDED ACTION**

It is recommended that the City Council read by title only and adopt Resolution No. 19:022.

CITY OF PARAMOUNT  
LOS ANGELES COUNTY, CALIFORNIA

**RESOLUTION NO. 19:022**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT  
ADOPTING THE STATEMENT OF INVESTMENT POLICY FOR THE CITY  
OF PARAMOUNT FOR FISCAL YEAR 2020

WHEREAS, the California Government Code Section 53646 previously required the City Treasurer to submit a Statement of Investment Policy to the City Council each fiscal year; and

WHEREAS, the City of Paramount considers the annual submittal of the Statement of Investment Policy to the City Council for their review to be a sound organizational practice; and

WHEREAS, the Statement of Investment Policy is necessary in order to assure the City Council that the City's investment goals of safety, liquidity, yield, and safekeeping are met; and

WHEREAS, the Statement of Investment Policy was designed according to the specific needs of the City of Paramount in compliance with Government Code regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARAMOUNT AS FOLLOWS:

**SECTION 1.** The above recitations are true and correct.

**SECTION 2.** The City Council hereby approves the adoption of the Statement of Investment Policy and authorizes the City Treasurer to invest the City's idle funds in accordance with its provisions.

**SECTION 3.** This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED and ADOPTED by the Paramount City Council this 18<sup>th</sup> day of June 2019.

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Tom Hansen, Mayor

Attest:

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Lana Chikami, City Clerk

## STATEMENT OF INVESTMENT POLICY

Fiscal Year 2020

### I. PURPOSE

This statement is intended to provide guidelines for the prudent investment of the City's temporary idle cash and outline the procedures for maximizing the efficiency of the City's cash management. The ultimate goal is to enhance the economic status of the City while safeguarding its assets. This investment policy has been prepared so as to be in conformance with all pertinent existing laws of the State of California for General Law cities.

### II. SCOPE

The investment policy applies to all financial assets of the City of Paramount and its component units as accounted for in the Comprehensive Annual Financial Report (CAFR). This policy is applicable, but not limited to all of the funds listed below:

- General Fund
- Special Revenue Funds
- Proprietary Funds
- Fiduciary Funds

### III. OBJECTIVE

The City's cash management system is designed to accurately monitor and forecast revenues and expenditures, thus enabling the City to invest funds to the fullest extent possible only after the criteria established for safety and liquidity have been met.

The City of Paramount strives to maintain the level of investment of all idle funds as near to 100% as possible, through daily and projected cash flow determinations. Idle cash management and investment transactions are the responsibility of the City Treasurer.

The primary objective of the investment policy of the City of Paramount is **safety of principal**. Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control. The City's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.



Criteria for selecting investments and the order of priority are:

1. Safety. Safety and the minimizing of risk associated with investing refers to attempts to reduce the potential for loss of principal, interest or a combination of the two. The first level of risk controls is found in state laws which restrict the particular type of permissible investments for municipalities. The second level of risk control is the reduction of default risk by investing in instruments that appear to be the most creditworthy. The third level of risk control is the reduction of market risk by investing in instruments that have relatively short maturities, thereby eliminating the risk of loss from a forced sale. The City only invests in those instruments that are considered very safe. The City does not make investments with the intent to "play the market". Investments are made based upon the "yield to maturity".
2. Liquidity. Liquidity refers to the ability to easily sell or "cash in" at any time with a minimal risk of losing some portion of principal or interest. Liquidity is an important quality for an investment to have. At any time the City may have unexpected or unusual circumstances that result in larger disbursements than expected and some investments may need to be sold to meet the contingency. The longer it takes to "cash in" an investment the less "liquid" the investment.
3. Yield. Yield is the potential dollar earnings an investment can provide, and also is sometimes described as the rate of return. The City attempts to obtain the highest yield possible when selecting an investment, provided that the criteria stated herein for safety and liquidity are met.
4. Safekeeping. Securities purchased shall be held in the City's designated third party custodian and evidenced by safekeeping receipts.

The basic premise underlying the City's investment philosophy is, and continues to be, to ensure that surplus funds are always safe and available when needed.

#### **IV. DELEGATION OF INVESTMENT AUTHORITY**

The City Council by resolution has delegated the City Treasury functions to the Finance Director/City Treasurer. As such, the Finance Director has been given the authority to invest idle funds subject to the limitations set forth in the Investment Policy. The City Treasurer will establish an investment program consistent with this Investment Policy. The investment program shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City Treasurer. The City Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. In the Treasurer's absence, the City Manager, City Clerk, Assistant Finance Director and Senior Accountant are authorized to approve investment transactions.

## **V. PRUDENCE**

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code Section 53600.3) and shall be applied in the context of managing an overall portfolio. It is the City's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars.

Investment officers acting within the intent and scope of the investment policy and other written procedures and exercising due diligence shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes. This assumes that deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

## **VI. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS**

The City Treasurer will select broker/dealers of government securities and other investments on the basis of creditworthiness, financial strength, experience and minimum capitalization and who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

The City Treasurer shall select only broker/dealers who are licensed and in good standing with California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the City Treasurer shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the City of Paramount's account with that firm has reviewed the City of Paramount's Investment Policy. Furthermore, with it the firm declares that it understands the policy and intends to present investment recommendations and transactions to the City of Paramount that are appropriate under the terms and conditions of the Investment Policy. A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the City invests.

## **VII. AUTHORIZED INVESTMENTS**

Eligible investments under California Government Code, Sections 53600 & 53601, and their acceptability to the City are shown in the table below.

Investment Type	Eligible for Local Gov't Investments	Acceptable for City of Paramount
Local Agency Bonds	x	x
Certificates of Deposit, placed with Commercial Banks and Saving and Loan Companies	x	x
United States Treasury Bills, Notes, or Bonds	x	x
Demand Deposits	x	x
Registered California State Warrants or notes or bonds	x	
Debt issued by a California local government	x	
Instruments issued by a federal agency or United States government-sponsored enterprise	x	x
Bankers Acceptances (as specified on pages 5-6)	x	x
Prime commercial paper as defined in Gov't Code 53601(g)	x	x
Negotiable certificates of deposit	x	x
Repurchase Agreements with primary dealers of the Federal Reserve Bank of New York	x	x
Reverse Repurchase Agreements with primary dealers of the Federal Reserve Bank of New York	x	
Medium-term notes (5-yr maturity or less) of domestic corporations or depository institutions	x	x
Shares in diversified management companies investing in permitted securities	x	
Obligations backed by a first priority security interest in acceptable collateral for local agency deposits	x	
Mortgage-backed securities	x	
State of California Local Agency Investment Fund (LAIF)	x	x
California County Investment Pools or other options allowed under California Government Code i.e. CalTRUST	x	x

The City of Paramount puts restrictions on its investment instruments as follows:

Demand Deposits. Up to fifteen million (\$15,000,000) dollars in the aggregate with qualified banks under contract for banking services with the City.

Certificates of Deposit. Time deposits of a bank, saving and loan or credit union. They are purchased in various denominations with maturities ranging from 30 to 360 days. The interest is calculated on a 360-day, actual-day month basis and is payable monthly. The City will limit its maximum maturity of a certificate of deposit to one year.

LAIF (Local Agency Investment Fund). A special fund in the State Treasury which local agencies may use to deposit funds for investment. There is no minimum investment period and the minimum transaction is \$5,000, in multiples of \$1,000 above that, with a maximum balance of \$65,000,000 per agency account. The City is restricted to a maximum of fifteen transactions per month. It offers high liquidity because deposits can be converted to cash in twenty-four hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share basis determined by the amounts deposited and the length of time they are deposited. Interest is paid quarterly. The State retains an amount for reasonable costs of making the investments, not to exceed one-half of one percent of the earnings.

County Investment Fund or Other Options Allowed Under California Government Code. Terms are comparable to that of LAIF. Although the City has not invested in this pool in the past we would recommend retaining the flexibility to retain this same day liquidity and diversify our investment portfolio should it be needed in the future.

U.S. Treasury Bills. Issued weekly with maturity dates up to one year. They are issued and traded on a discount basis with interest figured on a 360-day basis, actual number of days. They are issued in amounts of \$10,000 and up, in multiples of \$5,000. They are a highly liquid security and backed by the full faith and credit of the U.S. Government. The City will limit the maximum maturity of its U.S. Treasury Bills to five years.

U.S. Treasury Notes. Initially issued with two to ten year maturities. They are actively traded in a large secondary market and very liquid. The Treasury may issue Notes with denomination as low as \$1,000; however, the average minimum is \$5,000. U.S. Treasury Notes are backed by the full faith and credit of the U.S. Government. The City will limit its maximum maturity of U.S. Treasury Notes to five years.

Bankers Acceptances. Short-term credit arrangements to enable businesses to obtain funds to finance commercial transactions. They are time drafts drawn on a bank by an exporter or importer to obtain funds to pay for specific merchandise. By its acceptance, the bank becomes primarily liable for the payment of the draft at its maturity. An acceptance is a high-grade negotiable instrument. Acceptances are purchased in various denominations for 30, 60 or 90 days, but no longer than 180 days. The interest is calculated on a 360-day discount basis similar to treasury bills. Local agencies may not invest more than 40% of their surplus money in banker's acceptances. No more than 30% of surplus funds may be invested in Bankers Acceptances of any one commercial bank.

Commercial Paper. Short-term unsecured promissory notes issued by a corporation to raise working capital. These negotiable instruments are purchased at a discount to par value or at par value with interest bearing. Commercial paper is issued by corporations such as General Motors Acceptance Corporation, IBM, Bank of America, etc. Local agencies are permitted by State law to invest in

"prime" commercial paper of the highest letter and numerical rating as provided by Moody's Investor's Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States having total assets in excess of \$500,000,000 and having an "A" or higher rating for their non-commercial paper. Purchases of eligible commercial paper may not exceed 270 days maturity nor exceed 25% of the local agency's surplus funds. No more than 10% of the outstanding paper of an issuing corporation may be held.

Repurchase Agreements (Repo's). A repurchase agreement is a short-term investment transaction. Banks buy temporarily idle funds from a customer by selling U.S. Government or other securities with a contractual agreement to repurchase the same securities on a future date. Repurchase agreements are typically for one to thirty days in maturity; however, the maximum maturity limit permitted by the Government Code is one year. The customer receives interest from the bank. The interest rate reflects both the prevailing demand for Federal funds and the maturity of the repurchase agreement. Some banks will execute repurchase agreements for a minimum of \$100,000 to \$500,000, but most banks have a minimum of \$1,000,000. Investments in repurchase agreements may be made, on any investment authorized in CGC Section 53601, when the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Repurchase agreements can only be executed with a primary dealer of the Federal Reserve Bank of New York and only with a financial institution or broker/dealer that has a Master Repurchase Agreement with the City. The City will limit its repurchase agreement maturity to thirty days. Reverse repurchase agreements are also permitted by CGC Section 53601, subject to limitations. However, such agreements (in which the local agency in effect becomes a borrower rather than a lender) are not permitted by the City's Investment Policy.

Money Market Mutual Funds. Referred to as shares of beneficial interest issued by diversified management companies. These shares of beneficial interest may be only in funds investing in securities and obligations as authorized by CGC Section 53601(a) to (l) of the California Government Code. These money market mutual funds must have an average maturity of 90 days or less, per SEC regulations.

Investments shall **not** be made "on margin." Investments will be made based upon the "yield to maturity" and shall not be made with the intent of "playing the market." Should the opportunity arise to increase investment yield by the sale of currently held investments or future investments, at a "premium," these policies shall not be deemed to prohibit this practice.

## **VIII. TERMS OF INVESTMENTS**

Investments shall be made with the intent of providing adequate liquidity to fund ongoing, routine activities **and** providing adequate liquidity for unforeseen circumstances.

Not less than 80% of the entire investment portfolio shall have an average weighted maturity of not more than one year (360 days). Not more than 20% of the entire investment portfolio shall have an average weighted maturity of between one year (360 days) and three years (1,080 days). No investment shall be made with a maturity of more than three years unless expressly approved by the City Council.

## **IX. INTEREST EARNINGS**

All monies earned and collected from investments authorized in this policy shall be allocated quarterly to various fund accounts based on the quarterly average month end cash balance in each fund as a percentage of the entire pooled portfolio.

## **X. INVESTMENT OF BOND PROCEEDS**

When investing proceeds from the issuance of bonds the City of Paramount will follow the "permitted investments" identified in the bond indenture.

## **XI. CITY CONSTRAINTS**

The City Treasurer will evaluate local banks and savings institutions and may invest idle cash funds with such institutions when the criteria for prudent investments are met. The City operates its investment pool according to State and self-imposed constraints. It does not buy stocks; it does not speculate; it does not deal in futures or options. The City does not invest in prohibited investments as identified in Sections 53601.6 and 53631.5 of the California Government Code, such as inverse floaters, range notes, or interest only strips that are derived from a pool of mortgages.

The City of Paramount will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturity sectors. Diversification strategies shall be determined and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- a. Portfolio maturities shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.
- b. Maturities selected shall provide for stability of income and liquidity.

## **XII. SAFEKEEPING AND COLLATERALIZATION**

All transactions, including collateral for repurchase agreements, entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by the City's designated third party custodian and evidenced by safekeeping receipts.

Collateralization will be required on demand deposits, certificates of deposit and repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, a minimum collateralization level is required.

Surplus funds can only be deposited in state or national banks, state or federal savings associations, or state or federal credit unions within the State of California. The deposits cannot exceed the amount of the bank's or savings and loan's paid-up capital and surplus. The bank or savings and loan must secure public funds deposits with eligible securities having a market value of 110% of the total amount of the deposits. State law also allows as an eligible security, first trust deeds having a value of 150% of the total amount of the deposits. Repurchase agreements shall be collateralized with securities authorized by the Government Code, which shall be no less than 102% of the market value of the securities that underlay the repurchase agreement.

The City Treasurer may waive security for that portion of a deposit which is insured pursuant to Federal law. Currently, the first \$250,000 of a deposit is federally insured. Deposits in excess of \$250,000 are required to be collateralized as previously indicated.

## **XIII. INTERNAL CONTROLS**

The City Treasurer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

## **XIV. REPORTING**

In accordance with CGC Section 53646(b)(1), the City Treasurer shall submit to the City Council and the City Manager a quarterly investment report. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for the City of Paramount by third party custodians (i.e. bond proceeds held by The Bank of New York Mellon).

The report will also include the source of the portfolio valuation. As specified in CGC Section 53646(e), if all funds are placed in LAIF, FDIC-insured accounts and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with Investment Policy or manner in

which the portfolio is not in compliance and, (2) the City of Paramount will meet its expenditure obligations for the next six months, or provide an explanation as to why sufficient money shall or may not be available, which are recommended by CGC Sections 53646(b)(2) and (3), respectively. The City Treasurer shall maintain a complete and timely record of all investment transactions.

#### **XV. LEGISLATIVE CHANGES**

Any State of California legislative action, that further restricts allowable maturities, investment type or percentage allocation, will be incorporated into the City of Paramount's Investment Policy and supersede any and all previous applicable language.

#### **XVI. POLICY REVIEW**

This policy shall be reviewed at least annually, and rendered to the City Council for approval at a public meeting, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law, financial and economic trends.



## **INVESTMENT PROGRAM**

### **INVESTMENT GUIDELINES**

#### Cash Availability Guidelines:

1. A cash flow analysis shall be developed which will serve as a basis for determining the cash available for investment and maturity dates needed to cover future disbursements.
2. Revenue receipts are consolidated into our bank accounts and invested on a pooled concept basis. Interest earnings are allocated on a quarterly basis according to month-end cash balances.
3. Active bank balances are kept as low as possible by maintaining investment of available cash as near to 100% as possible.
4. Sufficient funds are maintained in very liquid investments to meet most unexpected contingencies.

#### Investing Guidelines:

1. Only investments authorized by this Investment Policy are to be utilized.
2. A copy of this Investment Policy shall be given to each broker/dealer with which the City does business.
3. Before an unfamiliar security is purchased, the issuer and the instrument is researched and investigated and all contractual agreements and administrative procedures are completed before any transactions are consummated.
4. Every investment transaction is documented and the procedure for monitoring is clearly defined.
5. Investment strategies are reviewed by the City Treasurer for possible need to change at least annually. They are reviewed more frequently as changes in economic conditions dictate.
6. The City Treasurer will make an effort to diversify the investment portfolio as indicated in the investment policy. However, the City's cash flows and liquidity needs, along with the additional time and effort that is required to purchase new investments, need to be strongly considered before making an investment just to diversify.
7. The City does not permit the purchase of securities on margin or via reverse repurchase agreements (using the security to be purchased as collateral). The City does not enter into reverse repurchase agreements under any circumstances.

8. Under the provisions of CGC Sections 53601.6 and 53631.5, the City of Paramount shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest only strips derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity.

#### Guidelines for Certain Types of Investments:

1. Investment Pools. In the State of California, there are provisions for the creation and operation of a government investment pool. The purpose of the pool is to allow political subdivisions to pool investable funds in order to achieve a potentially higher yield. The City will utilize guidelines established by the California Municipal Treasurers' Association and the California Society of Municipal Finance Officers for evaluation before entering any new pool (other than LAIF). City Council must grant prior approval of the use of any new government pool.

### **INTERNAL CONTROL OBJECTIVES FOR INVESTMENTS**

Internal control for investments is the procedure established by management of a City to assist in ensuring:

1. An orderly and efficient conduct of investing, including adherence to investment policies.
2. The safeguarding of assets.
3. The accuracy and completeness of the accounting records for investments.
4. The timely preparation of reliable financial information.
5. The prevention of errors.
6. The detection of fraud.

#### Elements of Internal Control for Investments:

Adherence to the use of sufficient elements of a system of internal control is the method by which a City can satisfy the objective of internal control. A list of sample elements follows:

1. Responsibility. Specific responsibility for the performance of duties should be assigned and lines of authority and reporting clearly identified and understood.
2. Segregation of Functions. Segregation of functions reduces the risk that a person is in a position to conceal errors. If two parts of a transaction are handled by different people, collusion is necessary to conceal errors or fraud. In particular, the functions that should be considered when evaluating segregation of functions are authorization, execution, recording, and performing reconciliations.

3. Authorization. All transactions should be authorized by an appropriate responsible individual. The responsibilities and limits of authorization should be clearly delineated. Delegation of authority to authorize transactions should be handled very carefully.
4. Transfers of Investment Funds. The transferring of investment funds will be carried exclusively by use of the Federal Reserve Bank's electronic wire transfer system. Each Banker or Dealer with which the City does business shall receive in writing from the City Treasurer a listing which limits transfers of funds to preauthorized bank accounts only.

The listing will also contain the names of the City staff authorized to request such transfers and will be updated in writing for all changes of authorized staff and bank accounts as necessary.

5. Recording. The recording system should provide that the recording procedures, both manual and EDP, be carried out independently of the individual doing the investment execution to help assure that recorded transactions are complete, valid, authorized and properly recorded.

## INVESTMENT PROGRAM

### Segregation of Responsibilities of the Treasury Function:

Function	Responsibility
1. Authorization of investment transactions: <ul style="list-style-type: none"> <li>➤ Formal Investment Policy should be               <ul style="list-style-type: none"> <li>◆ Prepared by:</li> <li>◆ Submitted to:</li> </ul> </li> <li>➤ Investment transactions should be approved by:</li> </ul>	City Treasurer City Council City Manager City Clerk City Treasurer Assistant Finance Director Senior Accountant
2. Initiation of investment transactions: Note: For any individual investment transaction, this task is not performed by the same individual who approved the transaction (see #1 above).	City Treasurer Assistant Finance Director Senior Accountant Accountant
3. Timely recording of investment transactions: <ul style="list-style-type: none"> <li>➤ Recording of investment transactions in the General Ledger</li> </ul>	Performed by: Finance Clerk Approved by: Assistant Finance Director/Senior Accountant
4. Verification of investment, i.e., match broker confirmations to General Ledger:	Accountant/Senior Accountant
5. Safeguarding of assets and records: <ul style="list-style-type: none"> <li>➤ Reconciliation of bank statements and safekeeping records to General Ledger</li> <li>➤ Review of (a) City's financial condition, (b) safety, liquidity, and potential yields of investment instruments</li> </ul>	Performed by: Accountant/Senior Accountant Approved by: City Treasurer/ Assistant Finance Director City Treasurer
6. Review of investment policy and compliance with policy during annual audit of City's financial records:	City Treasurer Independent Auditors

**BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION**

1. Name of Firm: \_\_\_\_\_
2. Address: \_\_\_\_\_
3. Telephone: (    ) \_\_\_\_\_ (    ) \_\_\_\_\_
4. Broker's Representative to the City (attach resume):  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Telephone: (    ) \_\_\_\_\_
5. Manager/Partner-in-Charge (attach resume):  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Telephone: (    ) \_\_\_\_\_
6. List all personnel who will be trading with or quoting securities to City employees (attach resume):  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Telephone: (    ) \_\_\_\_\_ (    ) \_\_\_\_\_
7. a. Which of the above personnel have read the City's investment policy? \_\_\_\_\_  
\_\_\_\_\_  
b. Do each of the foregoing individuals currently hold valid licenses to trade securities on behalf of the City?  
[   ] Yes  
[   ] No
8. Is your firm a primary dealer in United States Government Securities?  
[   ] Yes  
[   ] No
9. List the total volume of United States Government and Agency Securities for the last calendar year.  
Firm-wide                \$ \_\_\_\_\_                No. of Transactions \_\_\_\_\_  
Your Local Office \$ \_\_\_\_\_                No. of Transactions \_\_\_\_\_

**BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION**

Name of Firm: \_\_\_\_\_

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**10. Which instruments are offered regularly by your local office?**

- |                                                    |                                                 |
|----------------------------------------------------|-------------------------------------------------|
| <input type="checkbox"/> Treasury Bills            | <input type="checkbox"/> CMO's                  |
| <input type="checkbox"/> Treasury Notes/Bonds      | <input type="checkbox"/> Bank CD's              |
| <input type="checkbox"/> BA's (domestic)           | <input type="checkbox"/> S & L CD's             |
| <input type="checkbox"/> BA's (foreign)            | <input type="checkbox"/> Repos                  |
| <input type="checkbox"/> Commercial Paper          | <input type="checkbox"/> Reverse Repos          |
| <input type="checkbox"/> Agencies (specify): _____ | <input type="checkbox"/> Other (specify): _____ |

\_\_\_\_\_

\_\_\_\_\_

**11. References -- Please identify your most directly comparable public sector clients in our geographical area.**

Entity: \_\_\_\_\_

Contact: \_\_\_\_\_

Telephone: (    ) \_\_\_\_\_ (    ) \_\_\_\_\_

Client since: \_\_\_\_\_

**12. Have any of your clients ever sustained a loss on a securities transaction arising from a misunderstanding or misrepresentation of the risk characteristics of the instrument? If so, explain.**\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_**13. Has your local office ever been subject to a regulatory or state/federal agency investigation for alleged improper, fraudulent, disreputable or unfair activities related to the sale of securities? Have any of your employees been so investigated? If so, explain.**\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_**14. Has a client ever claimed in writing that your firm was responsible for investment losses? If so, explain.**\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION

Name of Firm: \_\_\_\_\_

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15. Explain your normal custody and delivery process. Who audits these fiduciary systems? Can you meet safekeeping requirements?

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16. How many and what percentage of your transactions failed last month? \_\_\_\_\_  
Last year? \_\_\_\_\_

17. Describe the capital line and trading limits of the office that would conduct business with the City of Paramount.

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18. Does your firm participate in the S.I.P.C. insurance program? If not, explain. \_\_\_\_\_

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19. What portfolio information, if any, do you require from your clients? \_\_\_\_\_

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20. What reports, transactions, confirmations and paper trail will the City receive? \_\_\_\_\_

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21. Does your firm offer investment training to your clients?

[ ] Yes

[ ] No

## BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION

Name of Firm: \_\_\_\_\_

Page 4

22. Please enclose the following:

- ◆ Latest audited financial statements.
- ◆ Samples of reports, transactions, and confirmations the City will receive.
- ◆ Samples of research reports and/or publications that your firm regularly provides to clients.
- ◆ Complete schedule of fees and charges for various transactions.

## \*\*\*CERTIFICATION\*\*\*

I hereby certify that I have personally read the Statement of Investment Policy of the City of Paramount, and have implemented reasonable procedures and a system of controls designed to preclude imprudent investment activities arising out of transactions conducted between our firm and the City of Paramount. All sales personnel will be routinely informed of the City's investment objectives, horizons, outlooks, strategies and risk constraints whenever we are so advised by the City. We pledge to exercise due diligence in informing the City of Paramount of all foreseeable risks associated with financial transactions conducted with our firm. Under penalties of perjury, the responses to this questionnaire are true and accurate to the best of my knowledge.

Signed \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_

Countersignature\* \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_

\* Company president or person in charge of government securities operations.



## BEFORE ENTERING A GOVERNMENT POOL QUESTIONNAIRE

Questions & Issues to Consider	Yes	No	Explain
<p><b><u>I. SECURITIES</u></b></p> <p>Government pools may have a broader range of securities than your agency invests in. It is important that you are aware of, and are comfortable with, the securities the pool buys.</p> <ol style="list-style-type: none"> <li>1. Does the pool provide a written statement of investment policy and objectives?</li> <li>2. Does the statement contain:               <ol style="list-style-type: none"> <li>a. A description of eligible investment instruments?</li> <li>b. The credit standards of investments?</li> <li>c. The allowable maturity range of investments?</li> <li>d. The maximum allowable dollar weighted average portfolio maturity?</li> <li>e. The limits of portfolio concentration permitted for each type of security?</li> <li>f. The policy on reverse repos. Options, short sales and futures?</li> </ol> </li> <li>3. Are changes in policies communicated to the pool participants?</li> <li>4. Does the pool contain only the types of securities that are permitted by your investment policy?</li> </ol> <p><b><u>II. INTEREST</u></b></p> <p>Interest is not reported in a standard format, so it is important that you know how interest is quoted, calculated and distributed so that you can make comparisons with other investment alternatives.</p> <p><b><u>Interest Calculations</u></b></p> <ol style="list-style-type: none"> <li>1. Does the pool disclose the following about yield calculations?               <ol style="list-style-type: none"> <li>a. The methodology used to calculate interest? (Simple maturity yield to maturity etc.).</li> <li>b. The frequency of interest payments?</li> <li>c. How interest is paid? (credited to principal at the end of the month, each quarter, mailed?)</li> <li>d. How are gains/losses reported? Factored monthly or only when realized?</li> </ol> </li> </ol>			

## BEFORE ENTERING A GOVERNMENT POOL QUESTIONNAIRE

Questions & Issues to Consider	Yes	No	Explain
<p><u>Reporting</u></p> <ol style="list-style-type: none"> <li>1. Is the yield reported to participants of the pool monthly? (If not, how often?)</li> <li>2. Are expenses of the pool deducted before quoting the yield?</li> <li>3. Is the yield generally in line with the market yields for securities in which you usually invest?</li> </ol>			
<p><u>III. SECURITY</u></p> <p>The following questions are designed to help you safeguard your funds from loss of principal and loss of market value.</p> <ol style="list-style-type: none"> <li>1. Does the pool disclose safekeeping practices?</li> <li>2. Is the pool subject to audit by an independent auditor?</li> <li>3. Is the copy of the audit available to participants?</li> <li>4. Who makes the portfolio decisions?</li> <li>5. How does the manager monitor the credit risk of the securities in the pool?</li> <li>6. Is the pool monitored by someone on the board or a separate neutral party external to the investment function to ensure compliance with written policies?</li> <li>7. Does the pool have specific policies with regards to repurchase agreements?               <ol style="list-style-type: none"> <li>a. What are those policies?</li> </ol> </li> <li>8. Does the pool mark the portfolio to its market value?</li> <li>9. Does the pool disclose the following about portfolio valuations?               <ol style="list-style-type: none"> <li>a. The frequency with which the portfolio securities are valued?</li> <li>b. The method used to value the portfolio (cost, current value, or some other method?)</li> </ol> </li> </ol>			
<p><u>IV. OPERATIONS</u></p> <p>The answer to these questions will help you determine whether this pool meets your operational requirements.</p> <ol style="list-style-type: none"> <li>1. Does the pool limit eligible participants?               <ol style="list-style-type: none"> <li>a. What entities are permitted to invest in the pool?</li> </ol> </li> <li>2. Does the pool allow multiple accounts and sub accounts?</li> <li>3. Is there a minimum or maximum account size?</li> </ol>			

## BEFORE ENTERING A GOVERNMENT POOL QUESTIONNAIRE

Questions & Issues to Consider	Yes	No	Explain
<p>4. Does the pool limit the number of transactions each month?</p> <p>a. What is the number of transactions permitted each month?</p> <p>5. Is there a limit on transaction amounts for withdrawals and deposits?</p> <p>a. What is the minimum and maximum withdrawal amount permitted?</p> <p>b. What is the minimum and maximum deposit amount permitted?</p> <p>6. Does the pool require one or more days notice for deposits and/or withdrawal?</p> <p>7. What is the cutoff time for deposits and withdrawals?</p> <p>8. Are the funds 100% withdrawable at any time?</p> <p>9. What are the procedures for making deposits and withdrawals?</p> <p>a. What is the paperwork required if any?</p> <p>b. What is the wiring procedure?</p> <p>10. Can an account remain open with a zero balance?</p> <p>11. Are confirmations sent following transactions?</p> <p><b><u>V. STATEMENTS</u></b></p> <p>It is important for you and the agency's trustee (when applicable), to receive statements monthly so the pool's records of your activity and holdings is reconciled by you and your trustee.</p> <p>1. Are statements for each account sent to participants?</p> <p>a. Do statements show balances, transactions and yield?</p> <p>2. Does the pool distribute detailed reports of its holdings? (regularly or on request only?)</p> <p><b><u>VI. FEES</u></b></p> <p>Administrative fees vary from pool to pool. It is important to know the pool's fee and its impact on the yield of the pool.</p> <p>1. Are the fees or administrative costs disclosed?</p> <p>a. What are the fees?</p> <p>b. How often are they assessed?</p> <p>c. How are they paid?</p> <p>d. Are there additional fees for wiring funds? (what is the fee?)</p>			

## BEFORE ENTERING A GOVERNMENT POOL QUESTIONNAIRE

Questions & Issues to Consider	Yes	No	Explain
<p>2. Are expenses deducted before quoting the yield?</p> <p><u>VII. QUESTIONS TO CONSIDER FOR BOND PROCEEDS</u></p> <p>It is important to know (1) whether the pool accepts bond proceeds and (2) whether the pool qualifies with the U.S. Department of the Treasury as an acceptable commingled fund.</p> <p>1. Does the pool accept bond proceeds subject to arbitrage rebate?</p> <p>2. Does the pool provide accounting and investment records suitable for proceeds or bond issuances subject to arbitrage rebate?</p> <p>3. Will the yield calculation reported by the pool be acceptable to IRS or will it have to be recalculated?</p> <p>4. Will the pool accept transaction instructions from a trustee?</p> <p>5. Are you allowed to have separate accounts for each bond issue so that you do not commingle the interest earnings of funds subject to rebate with funds not subject to the regulations?</p>			

JUNE 18, 2019

RESOLUTION NO. 19:025

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT  
SETTING THE PERCENT AT 6% AND EFFECTIVE DATE OF JULY 6, 2019  
FOR EMPLOYER PAID MEMBER CONTRIBUTIONS”

MOTION IN ORDER:

READ BY TITLE ONLY AND ADOPT RESOLUTION NO. 19:025.

MOTION:

MOVED BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

[ ] APPROVED

[ ] DENIED

ROLL CALL VOTE:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_



**To:** Honorable City Council  
**From:** John Moreno, City Manager  
**By:** Kevin M. Chun, Assistant City Manager  
**Date:** June 18, 2019

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**Subject: RESOLUTION NO. 19:025  
SETTING THE PERCENT AT 6% AND EFFECTIVE DATE OF JULY 6,  
2019 FOR EMPLOYER PAID MEMBER CONTRIBUTIONS**

### **Background**

The California Public Employees' Retirement System (CalPERS) manages pension and health benefits for agencies throughout the State of California. Based on CalPERS' assessment of a City's retirement profile, it will contract rates with agencies for pension costs.

### **CalPERS Rates**

There are two components to the City's pension costs: the Normal Cost (NC) and the Unfunded Accrued Liability (UAL). The UAL portion is the pension cost that is not funded wholly. For Fiscal Year 2020 (FY 20), the total balance of the City of Paramount's UAL is approximately \$21 million. Because of the past financial downturns in the economy and errors in projections by CalPERS, cities are having to contribute more funds annually to cover the true costs to fund pensions of current and future retirees. Our FY 20 annual payment to CalPERS for the UAL is about \$1.7 million. By FY 25, this annual payment will grow to around \$2.6 million.

On the other hand, the NC represents the annual cost of service accrual for the upcoming fiscal year for active employees. NC is shown as a percentage of payroll and paid as part of the payroll reporting process. It is broken up into the employee contribution and the employer contribution. The City's employee contribution is 8%, and the employer contribution is 11.745% for Classic employees in FY 20 (those who were enrolled into CalPERS membership prior to January 1, 2013). Currently, the City pays the full 8% employee contribution for Classic employees only. For those who were hired after January 1, 2013, the California Public Employees' Pension Reform Act (PEPRA) does not allow employers to pay any part of the employee contribution. Thus, PEPRA employees pay the full 7% of the employee portion, and the City pays its 7.836% employer portion of the NC in FY 20. Please note the differences in percentages between the two groups are primarily due to the differences in the pension calculation formulas, or benefit factors, upon retirement that once again were mandated by PEPRA.

### **Need for Change**

The dramatic rise in pension costs (approximately \$359,000 from FY 19 to FY 20), coupled with a flat revenue forecast, has resulted in an unsustainable financial trend and structural budget deficit for the City. In a time where public pensions are under scrutiny, and the City of Paramount is one of the few cities still contributing 100% of the Classic employees' pension costs, a change is needed.

### **Recommendation**

Staff is recommending that Classic employees start paying 2% of the employee contribution of the NC. The City will continue to pay the remaining 6% of the employee contribution, the 11.745% of the NC employer portion and, of course, the annual UAL payment. As part of the proposed FY 20 budget, staff is also recommending a 3% cost-of-living adjustment for all full-time employees to keep pace with inflation and the labor market. This should help to alleviate the impact of the 2% pension contribution by Classic employees. As CalPERS requires a City Council resolution for this recommended action, attached is Resolution No. 19:025 for your consideration and adoption.

### **RECOMMENDED ACTION**

It is recommended that the City Council read by title only and adopt Resolution No. 19:025.

CITY OF PARAMOUNT  
LOS ANGELES COUNTY, CALIFORNIA

**RESOLUTION NO. 19:025**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
PARAMOUNT SETTING THE PERCENT AT 6% AND EFFECTIVE DATE  
OF JULY 6, 2019 FOR EMPLOYER PAID MEMBER CONTRIBUTIONS

WHEREAS, the governing board of the City of Paramount has the authority to implement Government Code Section 20691; and

WHEREAS, the governing board of the City of Paramount has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer; and

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the City of Paramount of a Resolution to commence said Employer Paid Member Contributions (EPMC); and

WHEREAS, the governing body of the City of Paramount has identified the following conditions for the purpose of its election to pay EPMC:

1. This benefit shall apply to all employees of Classic Miscellaneous.
2. This benefit shall consist of paying 6% of the normal member contributions as EPMC.
3. This benefit shall be effective as of July 6, 2019.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARAMOUNT AS FOLLOWS:

**SECTION 1.** The above recitations are true and correct.

**SECTION 2.** The governing body of the City of Paramount elects to pay EPMC, as set forth above.

**SECTION 3.** This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED by the City Council of the City of Paramount this 18<sup>th</sup> day of June 2019.

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Tom Hansen, Mayor



ATTEST:

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Lana Chikami, City Clerk

JUNE 18, 2019

PUBLIC SAFETY SERVICE AGREEMENTS – FISCAL YEAR 2019-2020

- ALL CITY MANAGEMENT SERVICES, INC. – SCHOOL CROSSING GUARD SERVICES
- DAVID BEIGHTON – DETECTIVE BUREAU CONSULTANT
- COUNTY OF LOS ANGELES – MUNICIPAL LAW ENFORCEMENT SERVICES

MOTION IN ORDER:

APPROVE AND AUTHORIZE THE MAYOR OR CITY MANAGER TO ENTER INTO AGREEMENTS WITH ALL CITY MANAGEMENT SERVICES, INC., DAVID BEIGHTON AND THE COUNTY OF LOS ANGELES.

MOTION:

MOVED BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

[ ] APPROVED

[ ] DENIED

ROLL CALL VOTE:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_



**To:** Honorable City Council  
**From:** John Moreno, City Manager  
**By:** Adriana Lopez, Public Safety Director  
Margarita Matson, Assistant Public Safety Director  
**Date:** June 18, 2019

---

**Subject: PUBLIC SAFETY SERVICE AGREEMENTS – FISCAL YEAR 2019-2020**

Included in the Fiscal Year 2019-2020 Budget are service agreements with the following agencies:

- All City Management Services, Inc. – School Crossing Guard Services
- David Beighton – Detective Bureau Consultant
- County of Los Angeles – Municipal Law Enforcement Services

These agreements (attached) allow the City of Paramount to continue providing these critical public safety services to the community through the above agencies.

**RECOMMENDED ACTION**

It is recommended that the City Council approve and authorize the Mayor or City Manager to enter into agreements with All City Management Services, Inc., David Beighton, and the County of Los Angeles.



## AGREEMENT FOR CROSSING GUARD SERVICES

This AGREEMENT FOR CROSSING GUARD SERVICES (the "Agreement") is dated \_\_\_\_\_ 2019 and is between the CITY OF PARAMOUNT (hereinafter called the "City" and ALL CITY MANAGEMENT SERVICES, INC., a California corporation (hereinafter called the "Contractor").

### WITNESSETH

The parties hereto have mutually covenanted and agreed as follows:

1. This Agreement is for a term which commences on or about July 1, 2019 and ends on June 30, 2020 and for such term thereafter as the parties may agree upon.
2. The Contractor will provide personnel for the City equipped and trained in appropriate procedures for crossing pedestrians in marked crosswalks. Such personnel shall be herein referred to as a "Crossing Guard". Contractor will perform fingerprint and criminal background checks on prospective personnel in accordance with City of Justice fingerprint and criminal investigation requirements. The Contractor is an independent contractor and the Crossing Guards to be furnished by it shall at all times be its employees and not those of the City.
3. The City's representative in dealing with the Contractor shall be designated by City.
4. The City shall determine the locations where Crossing Guards shall be furnished by the Contractor. The Contractor shall provide at each designated location personnel properly trained as herein specified for the performance of duties as a Crossing Guard. The Contractor shall provide supervisory personnel to see that Crossing Guard activities are taking place at the required places and times, and in accordance with the terms of this Agreement.
5. The Contractor shall maintain adequate reserve personnel to be able to furnish alternate Crossing Guards in the event that any person fails to report for work at the assigned time and location and agrees to provide immediate replacement.
6. In the performance of its duties the Contractor and all employees of the Contractor shall conduct themselves in accordance with the conditions of this Agreement and all applicable laws of the state in which the Services are to be performed.
7. Persons provided by the Contractor as Crossing Guards shall be trained in all applicable laws of the state in which the Services are to be performed pertaining to general pedestrian safety in school crossing areas.

8. Crossing Guard Services (the "Services") shall be provided by the Contractor at the designated locations on all days in which school is in session in the area under the City's jurisdiction. The Contractor also agrees to maintain communication with the designated schools to maintain proper scheduling.
9. The Contractor shall provide all Crossing Guards with apparel by which they are readily visible and easily recognized as Crossing Guards. Such apparel shall be uniform for all persons performing the duties of Crossing Guards and shall be worn at all times while performing said duties. This apparel must be appropriate for weather conditions. The Contractor shall also provide all Crossing Guards with hand held Stop signs and any other safety equipment which may be necessary.
10. The Contractor shall at all times provide workers' compensation insurance covering its employees and shall provide and maintain liability insurance for Crossing Guard activities. The Contractor will provide to the City a Certificate of Insurance naming the City and its officials, officers and employees as additional insureds. Such insurance shall include commercial general liability with a combined single limit of not less than \$1,000,000.00 per occurrence and in aggregate for property damage and bodily injury. Such insurance shall be primary with respect to any insurance maintained by the City and shall not call on the City's insurance contributions. Such insurance shall be endorsed for contractual liability and personal injury and shall include the City, its officers, agents and interest of the City. Such insurance shall not be canceled, reduced in coverage or limits or non-renewed except after thirty (30) days written notice has been given to the City.
11. Contractor agrees to defend, indemnify and hold harmless the City, its officers, employees, agents and representatives, from and against any and all actions, claims for damages to persons or property, penalties, obligations or liabilities (each a "Claim" and collectively, the "Claims") that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of the negligent acts or omissions, or willful misconduct, of Contractor, its agents, employees, subcontractors, representatives or invitees.
  - a) Contractor will defend any action or actions filed in connection with any of said claims, damages, penalties, obligations or liabilities and will pay all costs and expenses including attorney's fees incurred in connection herewith.
  - b) Contractor will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims, damages, penalties, obligations or liabilities.
  - c) In the event the City its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the sole negligence of Contractor hereunder, Contractor agrees to pay the City, its officers, agents, or employees, any and all costs and expenses incurred by the City, its officers agents or employees in such action or proceeding, including, but not limited to, reasonable attorney's fees.
  - d) In the event that a court determines that liability for any Claim was caused or contributed to by the negligent act or omission or the willful misconduct of the City, liability will be apportioned between Contractor and the City based upon the parties' respective degrees of culpability, as determined by the court, and Contractor's duty to indemnify the City will be limited accordingly.

- e) Notwithstanding anything to the contrary contained herein, Contractor's indemnification obligation to City for Claims under this Agreement will be limited to the maximum combined aggregate of Contractor's general liability and umbrella insurance policies in the amount of \$9,000,000 (Nine Million Dollars).
- 12. Either party shall have the right to terminate this Agreement by giving sixty (60) days written notice to the other party.
- 13. The Contractor shall not have the right to assign this Agreement to any other person or entity except with the prior written consent of the City.
- 14. The City agrees to pay the Contractor for the Services rendered pursuant to this Agreement the sum of Nineteen Dollars and Seventy-Nine Cents (\$19.79) per hour, per Crossing Guard during the term. The cost of providing 12,870 hours of service shall not exceed Two Hundred Fifty-Four Thousand, Six Hundred and Ninety-Eight Dollars (\$254,698.00).
- 15. Payment is due within thirty (30) days of receipt of Contractor's properly prepared invoice.
- 16. Contractor may request a price increase during the term as a result of any legally-mandated increases in wages or benefits imposed in the state or municipality in which the Services are to be performed and to which Contractor's employees would be subject. Contractor shall provide the City with 60 days-notice of its request to increase pricing. The City agrees to review and respond to said notice within 30 days of receipt.
- 17. The City shall have an option to renew this Agreement. In the event this Agreement is extended beyond the end of the term set forth above, the compensation and terms for the Services shall be established by mutual consent of both parties.
- 18. This Agreement constitutes the complete and exclusive statement of the agreement among the parties with respect to the subject matter hereof and supersedes all prior written or oral statements among the parties, including any prior statements, warranties, or representations. This Agreement is binding upon and will inure to the benefit of the parties hereto and their respective heirs, administrators, executors, successors, and assigns. Each party hereto agrees that this Agreement will be governed by the Law of the state in which the Services are to be performed, without regard to its conflicts of law provisions. Any amendments, modifications, or alterations to this Agreement must be in writing and signed by all parties. There will be no presumption against any party on the ground that such party was responsible for preparing this Agreement or any part of it. Each provision of this Agreement is severable from the other provisions. If any provision of this Agreement is declared invalid or contrary to existing law, the inoperability of that provision will have no effect on the remaining provisions of the Agreement which will continue in full force and effect.

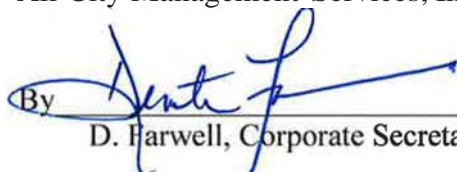
[SIGNATURES FOLLOW ON NEXT PAGE]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement the day and year written below.

City of Paramount

All City Management Services, Inc.

By \_\_\_\_\_  
Signature

By  \_\_\_\_\_  
D. Farwell, Corporate Secretary

\_\_\_\_\_  
Print Name and Title

Date \_\_\_\_\_

Date \_\_\_\_ May 3, 2019

# All City Management Services Inc.

## Client Worksheet 2019 - 2020

Department: 7101

Billing Rate for 2019/2020: \$19.79

City of Paramount  
15001 Paramount Blvd.  
Paramount, CA 90723

### KEY:

#### Traditional Calendar:

For sites with no regularly scheduled early release days, use 180 regular days

#### Sites with traditional calendar:

		59.5		180		\$19.79	=	\$211,950.90
17	Sites at 3.5 hrs per day	Total Hrs/day	X	days/yr	X	Hourly Billing Rate		
		12		180		\$19.79	=	\$42,746.40
4	Sites at 3. hrs per day	Total Hrs/day	X	days/yr	X	Hourly Billing Rate		

TOTAL PROJECTED HOURS

12870

TOTAL ANNUAL PROJECTED COST

\$254,697.30



# **CITY OF PARAMOUNT**

## **AGREEMENT FOR PROFESSIONAL SERVICES**

**THIS AGREEMENT** is made and effective as of July 1, 2019, between the City of Paramount, a municipal corporation ("City") and, David Beighton ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

### **1. TERM**

- A. This Agreement shall be effective July 1, 2019 and shall terminate on June 30, 2020.
- B. City may, without cause, terminate this Agreement at any time prior to June 30, 2020. Notice shall be complete when delivered in person or by facsimile or when received by mail, whichever is earlier. Termination shall be effective immediately upon notice, as described herein, unless a longer period of time is specified in the notice.
- C. In the event this Agreement is terminated by City, Consultant shall be paid the value of services performed pursuant to this Agreement prior to the effective date of termination, less the amount of any payments previously made.

### **2. SERVICES**

Subject to the terms of this Agreement, Consultant shall perform the scope of work identified in Exhibit "A" attached hereto and incorporated herein by this reference. This includes, but is not limited to providing personnel and resources to provide all professional services necessary for City. If there is any conflict between Exhibit "A" and this Agreement, the provisions of this Agreement shall prevail.

### **3. PERFORMANCE**

Consultant shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement. Consultant represents it is skilled in the professional calling necessary to perform the services and duties agreed to hereunder by Consultant and City relies upon the skills and knowledge of Consultant. Consultant shall perform such services and duties consistent with the standards generally recognized as being employed by professionals performing similar service in the State of California.

4. **CITY MANAGEMENT**

The City's Public Safety Director shall represent City in all matters pertaining to the administration of this Agreement and shall review and approve all services submitted by Consultant. The Public Safety Director is authorized to execute all necessary documents.

5. **PAYMENT**

- (a) The City agrees to pay Consultant \$50 per hour not to exceed \$40,000 for the total term of the agreement, in accordance with the payment rates and terms and the schedule of payment as set forth in Consultant's proposal, Exhibit "B", attached hereto and incorporated herein by reference as if fully set forth herein.
- (b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager; provided, however, the City Manager may approve additional work not to exceed ten percent (10%) of the amount of the Agreement but not to exceed ten-thousand dollars (\$10,000). Consultant shall not be compensated for any additional services in the amounts greater than that authorized herein by the City Manager unless agreed to by the City Council.
- (c) Consultant will submit invoices for services based on the schedule of payment as set forth in Exhibit "B". Invoices shall be submitted on a bi-weekly basis for services provided. If the City disputes any of Consultant's fees it shall give written notice to Consultant within two (2) weeks of receipt of an invoice of any disputed fees set forth on the invoice.

6. **SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE**

- (a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least thirty (30) days prior written notices. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.
- (b) In the event this Agreement is terminated pursuant to this Section, the City shall pay the Consultant for services up to the date of termination based on the schedule of payment as set forth in Exhibit

"B". Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City pursuant to Section 5.

7. **DEFAULT OF CONSULTANT**

- (a) The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.
- (b) If the Public Safety Director or her designee determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. **OWNERSHIP OF DOCUMENTS**

All documents prepared or obtained under this Agreement including electronic media shall be delivered to, and shall become the property of the City.

9. **INDEMNIFICATION BY CONSULTANT**

- A. All officers, agents, employees, sub-Consultants, their agents, officers and employees who are hired by or engaged by Consultant in the performance of this Agreement shall be deemed officers, agents and employees and sub-Consultants of Consultant, and City shall not be liable or responsible to them for anything whatsoever.
- B. Consultant agrees to save, keep, hold harmless and defend City and all of its elected and appointed boards, commissions, officers employees and agents from all claims, damages, costs or expenses in law and in equity, including costs of suit and expenses for legal services, that may at any time arise or be claimed because of damage to property or injury to persons, including City, allegedly

received or suffered by reason of any wrongful or negligent act or omission on the part of Consultant or any of its agents, officers and employees and sub-Consultants in the performance of this Agreement.

- C. Consultant shall not be deemed to assume any liability for wrongful or negligent acts of City or its officers, agents, employees and sub-Consultants, and City shall defend and hold Consultant harmless against any such claims.
- D. Consultant agrees to defend, indemnify and hold harmless the City, its elected and appointed boards, commissions, officers, employees and agents from all claims, demands, liability fines and penalties made by Consultant's employees from health, retirement or other benefits attributable to services performed pursuant to this Agreement.

10. **INSURANCE REQUIREMENTS**

Consultant shall procure and maintain insurance for the duration of this Agreement against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by Consultant, its agents, representatives, or employees.

A. **Minimum Scope of Insurance**

Coverage shall be at least as broad as:

- 1. Proof of Insurance Coverage covering Automobile Liability, and
- 2. Workers' compensation insurance as required by the State of California and employer's liability insurance.

B. **Minimum Limits of Insurance**

Consultant shall maintain limits no less than:

- 1. Automobile Liability: \$500,000 per accident for bodily injury and property damage.

C. **Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, the City may require the insurer to reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers; or the City may require Consultant to procure a bond

guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of an "A-" Policyholder's Rating, and a Financial Rating of at least Class VIII, or better, in accordance with the most current A.M. Best Rating Guide.

E. Other Requirements

Consultant shall provide an endorsement to City establishing that City, its elected and appointed boards, commissions, officers, employees and agents have been added as an additional insureds to the General and Automobile liability insurance policies required under this Agreement. The above policy/policies shall also be endorsed to state that coverage shall not terminate, nor shall they be canceled, nor the coverage reduced, until after thirty (30) days written notice is given to the City.

Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by the City shall be excess only and not contributory with insurance provided under this policy/policies.

F. Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements affecting coverage. Said policies and endorsements shall conform to the requirements herein stated. All certificates and endorsements are to be received and approved by City **before work commences**. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The endorsements are to be on the standard industry forms, as listed below. City reserves the right to require Consultant's insurers to provide complete, certified copies of all required insurance policies at any time.

Automobile Liability

Form Acceptable to City Attorney

11. **INDEPENDENT CONSULTANT**

- (a) Consultant is and shall at all times remain as to the City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or

agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

- (b) Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.
- (c) City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

12. **LEGAL RESPONSIBILITIES**

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

13. **RELEASE OF INFORMATION/CONFLICTS OF INTEREST**

- (a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or sub-Consultants, shall not without written authorization from the Public Safety Director or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.
- (b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or sub-Consultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed hereunder or with respect to any project or property located within the City. City retains

the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

14. **NOTICES**

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To City:	City of Paramount Attention: Public Safety Director 16400 Colorado Avenue Paramount, California 90723
----------	----------------------------------------------------------------------------------------------------------------

To Consultant:	David Beighton 1304 S. Oakhaven Dr. Anaheim, CA 92804
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15. **ASSIGNMENT**

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, to any sub-Consultant without prior written consent of the City. Such written consent shall not be unreasonably withheld.

16. **LICENSES**

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

17. **GOVERNING LAW**

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City of Paramount.

18. **ENTIRE AGREEMENT**

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

19. **SEVERABILITY**

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of the other provisions of this Agreement.

20. **CONTENTS OF PROPOSAL**

Consultant is bound by the contents of the proposal submitted by the Consultant, Exhibit "A" hereto.

21. **ATTORNEY'S FEES**

If any action at law or suit in equity, including an action for declaratory relief, is brought by either party with respect to this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, in addition to any other relief to which it may be entitled, and such amount may be added to, and made a part of, such judgment.

22. **AUTHORITY TO EXECUTE THIS AGREEMENT**

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

23. **WAIVER**

The waiver by either party of a breach by the other of any provision of this agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this agreement.

24. **AMENDMENTS**

This Agreement may be modified or amended only by a written document executed by both Consultant and the Public Safety Director and approved as to form by the City Attorney; otherwise by the City Manager. Such



document shall expressly state that it is intended by the parties to amend the terms and conditions of this Agreement.

25. **COUNTERPARTS**

This Agreement may be executed in multiple identical counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument but the parties agree that the Agreement on file in the Office of City's City Clerk is the version of the Agreement that shall take precedent should any differences exist among counterparts of the document.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed the day and year first above written.

**CITY OF PARAMOUNT**

**DAVID BEIGHTON**

By: \_\_\_\_\_  
Tom Hansen, Mayor

By: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Lana Chikami, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
John E. Cavanaugh, City Attorney

H:\MANAGEMENT\WP\COUNCIL RPTS\CONTRACT AGREEMENT 2019.2020 FOR DAVID BEIGHTON DETECTIVE SERVICES.DOC

## **EXHIBIT A**

### **TASKS TO BE PERFORMED**

The Consultant will interface with detectives to conduct witness interviews, gather intelligence, and prepare criminal filing packets on active criminal investigations. He will also provide investigative oversight to field deputies, special assignment officers, and school resource deputies. He has access to, and is proficient in the use of, all State databases, which enables him to access criminal background information, DMV information, gun registration records, etc.

The Consultant will assist the Detective Bureau Sergeant with data entry and accounting in L.A.R.C.I.S., the County's case tracking data base. He will on a regular basis review Paramount's crime reports and make an assessment as to whether or not they are workable and should be assigned to a detective for follow-up. The Consultant will also be available to handle walk-in and phone-in inquiries from the public related to Detective Bureau matters.

## **EXHIBIT B**

### **PAYMENT SCHEDULE**

July 11, 2019  
July 25, 2019  
August 8, 2019  
August 22, 2019  
September 5, 2019  
September 19, 2019  
October 3, 2019  
October 17, 2019  
October 31, 2019  
November 14, 2019  
November 28, 2019  
December 12, 2019  
December 26, 2019  
January 9, 2020  
January 23, 2020  
February 6, 2020  
February 20, 2020  
March 5, 2020  
March 19, 2020  
April 2, 2020  
April 16, 2020  
April 30, 2020  
May 14, 2020  
May 28, 2020  
June 11, 2020  
June 25, 2020

**MUNICIPAL LAW ENFORCEMENT SERVICES AGREEMENT  
BY AND BETWEEN  
COUNTY OF LOS ANGELES  
AND CITY OF PARAMOUNT**

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**MUNICIPAL LAW ENFORCEMENT SERVICES AGREEMENT  
BY AND BETWEEN  
COUNTY OF LOS ANGELES  
AND CITY OF PARAMOUNT**

This Municipal Law Enforcement Services Agreement ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2019 by and between the County of Los Angeles ("County") and the City of Paramount ("City").

**RECITALS**

- A. Whereas, the City is desirous of contracting with the County for the performance of municipal law enforcement services by the Los Angeles County Sheriff's Department ("Sheriff's Department"); and
- B. Whereas, the County is agreeable to rendering such municipal law enforcement services on the terms and conditions set forth in this Agreement; and
- C. Whereas, this Agreement is authorized by Sections 56½ and 56¾ of the County Charter and California Government Code Section 51301.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties mutually agree as follows:

**1.0 SCOPE OF SERVICES**

- 1.1 The County, by and through the Sheriff's Department, agrees to provide general law enforcement services within the corporate limits of the City to the extent and in the manner hereinafter set forth in this Agreement.
- 1.2 Except as otherwise specifically set forth in this Agreement, such services shall only encompass duties and functions of the type coming within the jurisdiction of and customarily rendered by the Sheriff's Department under the County Charter, State of California statutes, and the City municipal codes.
- 1.3 General law enforcement services performed hereunder may include, if requested by the City, supplemental security support, supplemental sworn officer support, and supplemental professional civilian support staff.

## **2.0 ADMINISTRATION OF PERSONNEL**

- 2.1 During the term of this Agreement, the Sheriff or his designee shall serve as the Chief of Police of the City and shall perform the functions of the Chief of Police at the direction of the City.
- 2.2 The rendition of the services performed by the Sheriff's Department, the standards of performance, the discipline of officers, and other matters incident to the performance of such services and the control of personnel so employed shall remain with the County. The City understands and agrees that, at the Sheriff's Department's sole discretion, the Sheriff's Department may redeploy personnel for mutual aid purposes pursuant to the California Emergency Services Act, codified at California Government Code Sections 8550-8668. Absent exigent circumstances, any sustained deployment of more than fifty percent (50%) of the City's contracted items requires consultation with the City manager or his/her designee.
- 2.3 In the event of a dispute between the parties to this Agreement as to the extent of the duties and functions to be rendered hereunder, or the minimum level or manner of performance of such service, the City shall be consulted and a mutual determination thereof shall be made by both the Sheriff's Department and the City. The City shall first consult with the Station Captain, Division Commander, and Division Chief, in an effort to reach a mutual determination. If a mutual determination cannot be realized at a subordinate level, then the matter will be elevated to a Sheriff's Department Assistant Sheriff or the Sheriff.
- 2.4 With regard to Paragraphs 2.2 and 2.3 above, the Sheriff's Department, in an unresolved dispute, shall have final and conclusive determination as between the parties hereto.
- 2.5 All City employees who work in conjunction with the Sheriff's Department pursuant to this Agreement shall remain employees of the City and shall not have any claim or right to employment, civil service protection, salary, or benefits or claims of any kind from the County based on this Agreement. No City employees as such shall become employees of the County unless by specific additional agreement in the form of a merger agreement which must be concurrently adopted

by the City and the County. The Sheriff's Department will provide approved City employees with the required training necessary to access authorized County programs (i.e. CAD, MDC, etc.), so such City employees can perform the functions of their positions.

- 2.6 While performing law enforcement services and functions under this Agreement, every Sheriff's Department employee shall be authorized to enforce all City laws and regulations, including all City codes and ordinances.
- 2.7 The City shall not be called upon to assume any liability for the direct payment of any Sheriff's Department salaries, wages, or other compensation to any County personnel performing services hereunder for the City. Except as herein otherwise specified, the City shall not be liable for compensation or indemnity to any County employee or agent of the County for injury or sickness arising out of the performance of services under this Agreement.
- 2.8 As part of its compliance with all applicable laws and regulations relating to employee hiring, the County agrees that the County Civil Service Rules to which it is subject and which prohibit discrimination on the basis of non-merit factors, shall for purposes of this Agreement be read and understood to prohibit discrimination on the basis of sexual orientation.

### **3.0 DEPLOYMENT OF PERSONNEL**

- 3.1 Services performed hereunder and specifically requested by the City shall be developed in conjunction with the Sheriff's Department and indicated on Attachment A, Los Angeles County Sheriff's Department Service Level Authorization (SH-AD 575) Form, of this Agreement.
- 3.2 The City, or its designated representative, shall meet with its respective Sheriff's Department Station Captain when requesting law enforcement services to be performed in the City, and provide direction to the Sheriff's Department Station Captain regarding the method of deployment for such services. The City and the Sheriff's Department shall also determine a minimum daily standard of staffing needs for services rendered to ensure an adequate personnel presence during station operation and patrol. The City and the Station Captain shall meet to discuss the minimum daily standard which is documented in Attachment A, Los Angeles

County Sheriff's Department Service Level Authorization (SH-AD 575) Form, of this Agreement. The Station Captain shall endeavor to meet this standard without increased cost to the City. The Sheriff's Department shall ensure that all services are delivered in a manner consistent with the priorities, annual performance objectives, and goals established by the City.

- 3.3 The Sheriff's Department shall make every attempt to avoid deployment deficiencies (i.e., "busting" of cars) by following the daily minimum standard of staffing, as stipulated in Attachment A, Los Angeles County Sheriff's Department Service Level Authorization (SH-AD 575) Form, of this Agreement. Should deployment deficiencies occur, the Sheriff's Department should make every effort to reallocate those resources to the shift where the deficiencies occurred. Should the Sheriff's Department determine that a temporary increase, decrease, and/or realignment in the deployment methodologies is necessary, the Sheriff's Department shall promptly notify the City of this change in advance. In the event that prior notice is not possible, the City shall be notified of the change within two (2) City business days. If monthly service compliance falls below ninety-eight percent (98%), then the Sheriff's Department Station Captain shall meet with the City to discuss compliance and identify a plan for resolution. If the quarterly and/or year-to-date (September 30th, December 31st, March 31st, and June 30th) service compliance falls below ninety-eight percent (98%), then the respective Sheriff's Department Division Chief shall meet with the Sheriff's Department Station Captain and the City to discuss compliance and identify a plan for resolution. If the City is dissatisfied with the outcome of either resolution process, the matter will be elevated to a Sheriff's Department Assistant Sheriff or the Sheriff until all City concerns are fully resolved. Resolution may include, but is not limited to, the use of overtime, staffing adjustments, and/or City-initiated service suspensions, at no additional cost to the City. If the City determines it is unnecessary, the City may waive either dispute resolution process discussed above.

- 3.4 A new Attachment A, Los Angeles County Sheriff's Department Service Level Authorization (SH-AD 575) Form, of this Agreement shall be authorized and signed annually by the City and the Sheriff or his designee effective each July 1,



and attached hereto as an Amendment to this Agreement.

- 3.5 Should the City request a change in the level of service other than pursuant to the annual July 1 readjustment, a revised Attachment A, Los Angeles County Sheriff's Department Service Level Authorization (SH-AD 575) Form, of this Agreement shall be signed and authorized by the City and the Sheriff or his designee and attached hereto as an Amendment to this Agreement.
- 3.6 The most recent dated and signed Attachment A, Los Angeles County Sheriff's Department Service Level Authorization (SH-AD 575) Form, of this Agreement shall be the staffing level in effect between the County and the City.
- 3.7 The City is not limited to the services indicated in Attachment A, Los Angeles County Sheriff's Department Service Level Authorization (SH-AD 575) Form, of this Agreement. The City may also request any other service or equipment in the field of public safety, law, or related fields within the legal power of the Sheriff's Department to provide. Such other services and equipment shall be reflected in a revised Attachment A, Los Angeles County Sheriff's Department Service Level Authorization (SH-AD 575) Form, of this Agreement under the procedures set forth in Paragraphs 3.4 and 3.5 above.
- 3.8 With regard to any public safety equipment requested by the City and set forth on Attachment A, Los Angeles County Sheriff's Department Service Level Authorization (SH-AD 575) Form, of this Agreement, the City shall adhere to the terms and conditions set forth in Attachment C, Public Safety Equipment Use Requirements, of this Agreement.

#### **4.0 PERFORMANCE OF AGREEMENT**

- 4.1 For the purpose of performing general law enforcement services under this Agreement, the County shall furnish and supply all necessary labor, supervision, equipment, communication facilities, and supplies necessary to maintain the agreed level of service to be rendered hereunder.
- 4.2 Notwithstanding the foregoing, the City may provide additional resources for the County to utilize in performance of the services.
- 4.3 When and if both parties to this Agreement concur as to the necessity of maintaining a law enforcement headquarters or Sheriff's Department substation

within the City which would not normally be provided by the Sheriff's Department, the City shall furnish at its own cost and expense all necessary office space, and the Sheriff's Department shall have authority to negotiate with the City regarding which entity shall pay for furniture and furnishings, office supplies, janitor service, telephone, light, water, and other utilities.

- 4.4 It is expressly further understood that in the event a local office or building is maintained in the City, such local office or building may be used by the Sheriff's Department in connection with the performance of its duties in territory outside of the City, provided, however, that the performance of such outside duties shall not be at any additional cost to the City.
- 4.5 Notwithstanding the foregoing, it is mutually agreed that in all instances where special supplies, stationery, notices, forms, and the like must be issued in the name of the City, the same shall be supplied by the City at its own cost and expense.

## **5.0 INDEMNIFICATION**

- 5.1 The parties hereto have executed an Assumption of Liability Agreement approved by the County Board of Supervisors on December 27, 1977, and/or a Joint Indemnity Agreement approved by the County Board of Supervisors on October 8, 1991. Whichever of these documents the City has signed later in time is currently in effect and hereby made a part of and incorporated into this Agreement as if set out in full herein.
- 5.2 The parties hereto have also executed a County-City Special Indemnity Agreement approved by the County Board of Supervisors on August 25, 2009. This document is made a part of and incorporated into this Agreement as if set out in full herein.
- 5.3 In the event the County Board of Supervisors later approves a revised Joint Indemnity Agreement and the City executes the revised agreement, the subsequent agreement as of its effective date shall supersede the agreement previously in effect between the parties hereto.

## **6.0 TERM OF AGREEMENT**

- 6.1 The term of this Agreement shall be from July 1, 2019 through June 30, 2024, unless sooner terminated or extended as provided for herein.
- 6.2 At the option of the County Board of Supervisors and with the consent of the City

Council, this Agreement may be renewed or extended for successive periods not to exceed five (5) years each.

- 6.3 Nine (9) months prior to the expiration of this Agreement, the parties shall meet and confer in good faith to discuss the possible renewal or extension of this Agreement pursuant to Paragraph 6.2 above. The parties shall reach an agreement as to the terms of any renewal or extension period no later than six (6) months prior to the expiration of this Agreement. Absent mutual agreement by the parties within that time frame, this Agreement shall expire at the conclusion of the then-existing term.

## **7.0 RIGHT OF TERMINATION**

- 7.1 Either party may terminate this Agreement as of the first day of July of any year upon notice in writing to the other party of not less than sixty (60) calendar days prior thereto.
- 7.2 Notwithstanding any provision herein to the contrary, the City may terminate this Agreement upon notice in writing to the County given within sixty (60) calendar days of receipt of written notice from the County of any increase in the rate for any service to be performed hereunder, and in such an event this Agreement shall terminate sixty (60) calendar days from the date of the City's notice to the County.
- 7.3 This Agreement may be terminated at any time, with or without cause, by either party upon written notice given to the other party at least one hundred eighty (180) calendar days before the date specified for such termination.
- 7.4 In the event of a termination, each party shall fully discharge all obligations owed to the other party accruing prior to the date of such termination, and, except as otherwise provided herein, each party shall be released from all obligations which would otherwise accrue subsequent to the date of termination.

## **8.0 BILLING RATES**

- 8.1 The City shall pay the County for the services and equipment provided under the terms of this Agreement at the billing rates set forth on Attachment B, Contract City Law Enforcement Services and Equipment Master Rate Sheet, of this Agreement, as established by the County Auditor-Controller.
- 8.2 The billing rates set forth on Attachment B, Contract City Law Enforcement

Services and Equipment Master Rate Sheet, of this Agreement shall be readjusted by the County Auditor-Controller annually effective July 1 of each year, published by the County, and attached hereto as an Amendment to this Agreement, to reflect the cost of such service in accordance with the policies and procedures for the determination of such rates as adopted by the County Board of Supervisors.

- 8.3 The City shall be billed at the current fiscal year's billing rates based on the service level provided within the parameters of Attachment A, Los Angeles County Sheriff's Department Service Level Authorization (SH-AD 575) Form, of this Agreement.
- 8.4 The billing rates for other services and equipment requested pursuant to Paragraph 3.7 of this Agreement and not set forth on Attachment B, Contract City Law Enforcement Services and Equipment Master Rate Sheet, of this Agreement shall be determined by the County Auditor-Controller in accordance with the policies and procedures established by the County Board of Supervisors and then set forth and published on a revised Attachment B, Contract City Law Enforcement Services and Equipment Master Rate Sheet, of this Agreement.

## **9.0 PAYMENT PROCEDURES**

- 9.1 The County, through the Sheriff's Department, shall render to the City, after the close of each calendar month, a summarized invoice which covers all services performed during said month, and the City shall pay the County for all undisputed amounts within sixty (60) calendar days after date of the invoice.
- 9.2 If such payment is not delivered to the County office which is described on the invoice within sixty (60) calendar days after the date of the invoice, the County is entitled to recover interest thereon. For all disputed amounts, the City shall provide the County with written notice of the dispute including the invoice date, amount, and reasons for dispute within ten (10) calendar days after receipt of the invoice. The parties shall memorialize the resolution of the dispute in writing. For any disputed amounts, interest shall accrue if payment is not received within sixty (60) calendar days after the dispute resolution is memorialized.
- 9.3 Interest shall be at the rate of ten percent (10%) per annum or any portion thereof, calculated from the last day of the month in which the services were performed, or

in the case of disputed amounts, calculated from the date the resolution is memorialized.

- 9.4 Notwithstanding the provisions of California Government Code Section 907, if such payment is not delivered to the County office which is described on said invoice within sixty (60) calendar days after the date of the invoice, or in the case of disputed amounts, from the date the resolution is memorialized, the County may satisfy such indebtedness, including interest thereon, from any funds of the City on deposit with the County without giving further notice to the City of the County's intention to do so.

## **10.0 NOTICES**

- 10.1 Unless otherwise specified herein, all notices or demands required or permitted to be given or made under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first class registered or certified mail, postage prepaid, addressed to the parties at the following addresses and to the attention of the person named. Addresses and persons to be notified may be changed by either party by giving ten (10) calendar days prior written notice thereof to the other party.

- 10.2 Notices to the County shall be addressed as follows:

Los Angeles County Sheriff's Department  
Contract Law Enforcement Bureau  
Attn: Unit Commander  
211 W. Temple Street. 7<sup>th</sup> Floor  
Los Angeles, California 90012  
Phone #: 213-229-1647

- 10.3 Notices to the City of shall be addressed as follows:

City of Paramount  
Attn: City Manager  
Address:  
Phone #:

## **11.0 AMENDMENTS**

- 11.1 Except for changes pursuant to Paragraphs 8.2 and 8.4 of this Agreement, all changes, modifications, or amendments to this Agreement must be in the form of a written Amendment duly executed by the County Board of Supervisors and an

authorized representative of the City.

- 11.2 Notwithstanding Paragraph 11.1 above, the Sheriff or his designee is hereby authorized to execute, on behalf of the County, any Amendments and/or supplemental agreements referenced in Sections 3.0, 4.0, and 9.0 of this Agreement.
- 11.3 In accordance with Paragraphs 8.2 and 8.4 of this Agreement, the Sheriff or his designee is hereby authorized to publish, on behalf of the County, the annual revised Attachment B, Contract City Law Enforcement Services and Equipment Master Rate Sheet, of this Agreement. The revised Attachment B, Contract City Law Enforcement Services and Equipment Master Rate Sheet, of this Agreement shall serve as an Amendment to this Agreement, but shall not require the signature of either party.

## **12.0 AUTHORIZATION WARRANTY**

- 12.1 The City represents and warrants that the person executing this Agreement for the City is an authorized agent who has actual authority to bind the City to each and every term, condition, and obligation of this Agreement and that all requirements of the City have been fulfilled to provide such actual authority.
- 12.2 The County represents and warrants that the person executing this Agreement for the County is an authorized agent who has actual authority to bind the County to each and every term, condition, and obligation of this Agreement and that all requirements of the County have been fulfilled to provide such actual authority.

## **13.0 ENTIRE AGREEMENT**

This Agreement, including Attachment A, Attachment B, and Attachment C, and any Amendments hereto constitute the complete and exclusive statement of understanding of the parties which supersedes all previous agreements, written or oral, and all communications between the parties relating to the subject matter of this Agreement. No change to this Agreement shall be valid unless prepared pursuant to Section 11.0, Amendments, of this Agreement.

**MUNICIPAL LAW ENFORCEMENT SERVICES AGREEMENT  
BY AND BETWEEN  
COUNTY OF LOS ANGELES  
AND CITY OF PARAMOUNT**

IN WITNESS WHEREOF, the County of Los Angeles, by order of its Board of Supervisors, has caused this Agreement to be executed by the Sheriff of Los Angeles County, and the City has caused this Agreement to be executed by its duly authorized representative, on the dates written below.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
ALEX VILLANUEVA  
Sheriff

Date \_\_\_\_\_

CITY OF PARAMOUNT

By \_\_\_\_\_

Date \_\_\_\_\_

ATTEST:

By \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:  
MARY C. WICKHAM  
County Counsel

By \_\_\_\_\_  
Principal Deputy County Counsel

APPROVED AS TO FORM:  
CITY ATTORNEY

By \_\_\_\_\_



**LOS ANGELES COUNTY SHERIFF'S DEPARTMENT  
CONTRACT CITY LAW ENFORCEMENT SERVICES  
SERVICE LEVEL AUTHORIZATION (SH-AD 575)**

CITY: ParamountFISCAL YEAR: 2019-2020EFFECTIVE DATE: 7/1/2019

DEPUTY SHERIFF SERVICE UNIT													
RANK	RELIEF FACTOR	SERVICE CODE	NEW	PREV.	CHANGE	ANNUAL RATE	ESTIMATED TOTAL ANNUAL COST	LIABILITY 11%	TOTAL ANNUAL COST W/LIABILITY	ANNUAL HOURS PER SERVICE UNIT	ANNUAL HOURS SCHEDULED	ANNUAL MINUTES SCHEDULED	PERSONNEL REQUIRED
Deputy Sheriff	Non-Relief	310	5.00	5.00	0.00	\$ 277,340.00	\$ 1,386,700.00	\$ 152,537.00	\$ 1,539,237.00	1,789	8,945	536,700	5.000
Deputy Sheriff	40-Hour Unit	306	2.00	2.00	0.00	\$ 305,074.00	\$ 610,148.00	\$ 67,116.28	\$ 677,264.28	2,086	4,172	250,320	2.332
Deputy Sheriff	56-Hour Unit	307	10.00	10.00	0.00	\$ 427,104.00	\$ 4,271,040.00	\$ 469,814.40	\$ 4,740,854.40	2,920	29,200	1,752,000	16.320

DEPUTY SHERIFF SERVICE UNIT (BONUS)													
RANK	RELIEF FACTOR	SERVICE CODE	NEW	PREV.	CHANGE	ANNUAL RATE	ESTIMATED TOTAL ANNUAL COST	LIABILITY 11%	TOTAL ANNUAL COST W/LIABILITY	ANNUAL HOURS PER SERVICE UNIT	ANNUAL HOURS SCHEDULED	ANNUAL MINUTES SCHEDULED	PERSONNEL REQUIRED
					0.00				\$ -		0	0	0.000
					0.00				\$ -		0	0	0.000

GROWTH/GRANT DEPUTY UNIT													
RANK	RELIEF FACTOR	SERVICE CODE	NEW	PREV.	CHANGE	ANNUAL RATE	ESTIMATED TOTAL ANNUAL COST	LIABILITY 11%	TOTAL ANNUAL COST W/LIABILITY	ANNUAL HOURS PER SERVICE UNIT	ANNUAL HOURS SCHEDULED	ANNUAL MINUTES SCHEDULED	PERSONNEL REQUIRED
					0.00				\$ -		0	0	0.000
					0.00				\$ -		0	0	0.000

SUPPLEMENTAL POSITIONS													
RANK	RELIEF FACTOR	SERVICE CODE	NEW	PREV.	CHANGE	ANNUAL RATE	ESTIMATED TOTAL ANNUAL COST	LIABILITY 11%	TOTAL ANNUAL COST W/LIABILITY	ANNUAL HOURS PER SERVICE UNIT	ANNUAL HOURS SCHEDULED	ANNUAL MINUTES SCHEDULED	PERSONNEL REQUIRED
Sergeant	Non-Relief	353	1.00	1.00	0.00	\$ 247,580.00	\$ 247,580.00	\$ -	\$ 247,580.00	1,789	1,789	107,340	1.000
					0.00				\$ -		0	0	0.000

Estimated Cost for Service Units: \$ 6,515,468.00      Total Liability (11%): \$ 689,467.68      Estimated Subtotal: \$ 7,204,935.68  
 Public Safety Equipment Cost (See page 3): \$ 5,055.00  
**Estimated Total Annual Cost: \$ 7,209,990.68**

*The terms of this Service Level Authorization (SH-AD 575) will remain in effect until a subsequent SH-AD 575 is signed and received by LASD.  
 Notwithstanding, annual rates shall be revised annually per Sections 8.2 and 11.3 of the MLESA.*

LASD Approval By:

Report Prepared By:

UNIT COMMANDER NAME

SIGNATURE

DATE

Kevin Piper  
SERGEANT5/9/2019  
DATE

City Approval By:

"I certify that I am authorized to make this commitment on behalf of the City."

Processed at CLEB By:

CITY OFFICIAL NAME

SIGNATURE

DATE

SERGEANT

DATE





**LOS ANGELES COUNTY SHERIFF'S DEPARTMENT**  
**CONTRACT CITY LAW ENFORCEMENT SERVICES**  
**SERVICE LEVEL AUTHORIZATION (SH-AD 575)**  
**DEPLOYMENT OF PERSONNEL**

**City:** Paramount **Fiscal Year:** 2019-2020 **Effective Date:** 7/1/2019

SERVICE UNIT	TOTAL UNITS PURCHASED	GENERAL LAW			TRAFFIC LAW			MOTOR DEP	SAD	D.B.	TEAM LEADER	TOTAL UNITS ASSIGNED
		EM	AM	PM	EM	AM	PM					
DEPUTY SHERIFF												
Non-Relief	5.00							5			5	
40-Hour Unit	2.00	1 1									2	
56-Hour Unit	10.00	3	3	4							10	
70-Hour Unit	0.00										0	
Motor (Non-Relief)	0										0	
DEPUTY BONUS												
Non-Relief	0										0	
40-Hour Unit	0										0	
56-Hour Unit	0										0	
70-Hour Unit	0										0	
GROWTH DEPUTY												
Deputy	0										0	
SAD	0										0	
Bonus I	0										0	
Motor (Non-Relief)	0										0	
GRANT DEPUTY												
Deputy	0										0	
SAD	0										0	
Bonus I	0										0	
Motor (Non-Relief)	0										0	
Routine City Helicopter Billing Agreement								YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>			
License Detail - Business License & Renewal Applications								YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>			
License Detail - Acts on Violations Observed within the City								YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>			
S.T.A.R. Deputy Program								YES <input type="checkbox"/>	NO <input type="checkbox"/>			
Other Supplemental Services								YES <input type="checkbox"/>	NO <input type="checkbox"/>			
NOTE: License Detail is billed on an hourly basis and billed monthly as service is provided.												

Sworn							
	Lieutenant	Sergeant	Bonus Deputy	Motor Deputy	Deputy	SAD	Total
Hours	0	1,789	0	0	42,317	0	44,106
Minutes	0	107,340	0	0	2,539,020	0	2,646,360
Personnel	0.000	1.000	0.000	0.000	23.652	0.000	24.652

Civilian			
	SSO	LET/CSA/CA/PCO	Clerical
Hours	0	0	0
Minutes	0	0	0
Personnel	0.000	0.000	0.000

FOR CONTRACT LAW ENFORCEMENT BUREAU USE ONLY			
BILLING MEMO REQUIRED AND SUBMITTED:	YES <input type="checkbox"/>	NO <input type="checkbox"/>	N/A <input type="checkbox"/>
(PERSONNEL TRANSACTION REQUEST) "PTR" REQUIRED AND SUBMITTED:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
ORGANIZATIONAL CHART REQUIRED AND SUBMITTED:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
DUTY STATEMENT REQUIRED AND SUBMITTED:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
SMS DEPLOYMENT CONTRACT UPDATED:	YES <input type="checkbox"/>	NO <input type="checkbox"/>	N/A <input type="checkbox"/>
MINUTE PROGRAM IN RAPS UPDATED:	YES <input type="checkbox"/>	NO <input type="checkbox"/>	N/A <input type="checkbox"/>

Initials

City Official: \_\_\_\_\_

Unit Commander: \_\_\_\_\_



LOS ANGELES COUNTY SHERIFF'S DEPARTMENT  
CONTRACT CITY LAW ENFORCEMENT SERVICES  
SERVICE LEVEL AUTHORIZATION (SH-AD 575)  
PUBLIC SAFETY EQUIPMENT

CITY: Paramount FISCAL YEAR: 2019-2020

**START-UP VEHICLE**

VEHICLE TYPE	YEAR	SERVICE CODE	#	RATE	TOTAL COST

**EQUIPMENT**

MDC TYPE	YEAR	SERVICE CODE	#	RATE	TOTAL COST
MDC Data & Maintenance Only	Year 3+	NEW	3	\$ 1,685.00	\$ 5,055.00
ALPR WITH INSTALL	YEAR	SERVICE CODE	#	RATE	TOTAL COST

**Total Public Safety Equipment Cost: \$ 5,055.00**

Initials

City Official: \_\_\_\_\_

Unit Commander: \_\_\_\_\_

# CONTRACT CITY LAW ENFORCEMENT SERVICES AND EQUIPMENT MASTER RATE SHEET

Liability Rate: 11.0%

DSSU Rates			
Rank	Relief Factor	Annual Rate	Service Code
Deputy Sheriff	Non-Relief	\$ 277,340	310
Deputy Sheriff	40-Hour Unit	\$ 305,074	306
Deputy Sheriff	56-Hour Unit	\$ 427,104	307
Deputy Sheriff	70-Hour Unit	\$ 533,880	308
Special Assignment Deputy	Non-Relief	\$ 277,340	310
Catalina Deputy	Non-Relief	\$ 251,447	324

DSSU Bonus I Rates			
Rank	Relief Factor	Annual Rate	Service Code
Deputy Sheriff, Bonus I	Non-Relief	\$ 297,689	305
Deputy Sheriff, Bonus I	40-Hour Unit	\$ 327,458	301
Deputy Sheriff, Bonus I	56-Hour Unit	\$ 458,441	302
Deputy Sheriff, Bonus I	70-Hour Unit	\$ 573,051	303

Growth/Grant Deputy Rates			
Rank	Relief Factor	Annual Rate	Service Code
Growth Deputy Generalist	Non-Relief	\$ 187,904	335
Growth Deputy Generalist	40-Hour Unit	\$ 219,096	NEW
Growth Deputy Generalist	56-Hour Unit	\$ 306,659	NEW
Growth Deputy Generalist	70-Hour Unit	\$ 383,324	NEW
Growth Special Assignment Deputy	Non-Relief	\$ 187,904	335
Growth Deputy Bonus I	Non-Relief	\$ 204,614	336
Growth Motor Deputy	Non-Relief	\$ 204,614	336
Grant Deputy Generalist	Non-Relief	\$ 187,904	386
Grant Special Assignment Deputy	Non-Relief	\$ 187,904	386
Grant Deputy Bonus I	Non-Relief	\$ 204,614	385
Grant Motor Deputy	Non-Relief	\$ 204,614	385

Supplemental Rates			
Rank	Relief Factor	Annual Rate	Service Code
Captain	Non-Relief	\$ 372,948	321
Lieutenant	Non-Relief	\$ 292,903	342
Sergeant	Non-Relief	\$ 247,580	353
Motor Sergeant	Non-Relief	\$ 260,980	348
Motor Deputy	Non-Relief	\$ 297,689	305A
Watch Deputy	Non-Relief	\$ 197,964	354
Community Services Assistant (w/ veh)	Non-Relief	\$ 67,799	325
Community Services Assistant (w/out veh)	Non-Relief	\$ 67,262	327
Crime Analyst	Non-Relief	\$ 136,806	329
Custody Assistant	Non-Relief	\$ 110,950	331
Forensic ID Specialist II	Non-Relief	\$ 166,233	356
Information Systems Analyst I	Non-Relief	\$ 151,728	332
Intermediate Clerk	Non-Relief	\$ 75,027	338
Law Enforcement Technician (w/ veh)	Non-Relief	\$ 104,538	340
Law Enforcement Technician (w/out veh)	Non-Relief	\$ 100,525	339
Operations Assistant I	Non-Relief	\$ 99,045	343
Operations Assistant II	Non-Relief	\$ 123,045	344
Operations Assistant III	Non-Relief	\$ 140,907	345
Secretary V	Non-Relief	\$ 107,191	346
Security Assistant	Non-Relief	\$ 52,874	362
Security Officer	Non-Relief	\$ 83,761	347
Senior Information Systems Analyst	Non-Relief	\$ 198,501	334
Station Clerk II	Non-Relief	\$ 91,989	351
Skynight Observer	Non-Relief	\$ 297,689	349
Supervising Station Clerk	Non-Relief	\$ 111,223	352

**CONTRACT CITY LAW ENFORCEMENT SERVICES AND EQUIPMENT  
MASTER RATE SHEET**

<b>Vehicle &amp; Equipment Rates</b>			
<b>Start-Up Vehicle</b>	<b>Year</b>	<b>Annual Rate</b>	<b>Service Code</b>
B/W Patrol Vehicle	2019-2020	\$ 86,906.58	378
B/W Tahoe	2019-2020	\$ 85,155.98	399
B/W Motorcycle	2019-2020	\$ 44,988.18	381
Solid Patrol Vehicle	2019-2020	\$ 81,417.79	NEW
Solid Sedan	2019-2020	\$ 48,384.52	379
CSO/SSO Sedan	2019-2020	\$ 64,661.60	NEW
K-9 Vehicle	2019-2020	\$ 87,811.35	NEW

<b>Equipment</b>	<b>Year</b>	<b>Annual Rate</b>	<b>Service Code</b>
MDC New Purchase, Data & Maintenance	Year 1	\$ 13,142	NEW
MDC (CF-31/19) Only Initiated FY 18/19	Year 2	\$ 7,771	376D
MDC Data & Maintenance Only	Year 3+	\$ 1,685	NEW
ALPR New Install 1st Year (5yr Program)	Year 1	\$ 5,000	NEW
ALPR System 2nd Year	Year 2	\$ 4,650	NEW
ALPR System 3rd Year	Year 3	\$ 4,650	NEW
ALPR System 4th Year	Year 4	\$ 4,650	NEW
ALPR System 5th Year	Year 5	\$ 4,650	NEW

**Annual revised rates shall be readjusted annually per Sections 8.2 and 11.3 of the MLESA.**

**PUBLIC SAFETY EQUIPMENT USE REQUIREMENTS**

**1.0 TRANSFER OF PUBLIC SAFETY EQUIPMENT**

- 1.1 The County, through the Sheriff's Department, hereby transfers the public safety equipment set forth on Attachment A, Los Angeles County Sheriff's Department Service Level Authorization (SH-AD 575) Form, of this Agreement ("Equipment") for the exclusive use of the City during the term of the Agreement.

**2.0 USE OF EQUIPMENT**

- 2.1 The City may use the Equipment for any lawful purpose, including use in connection with public safety activities in all areas under the City's jurisdiction.
- 2.2 The City shall not use or operate the Equipment in violation of any federal, state, or local law, rule, regulation, or ordinance.
- 2.3 The Equipment shall not be used or operated as follows:
  - 2.3.1 In a manner subjecting the Equipment to depreciation above the normal depreciation associated with public safety use; and/or
  - 2.3.2 For an illegal purpose or by a person under the influence of alcohol or narcotics.

**3.0 SAFEKEEPING AND MAINTENANCE**

- 3.1 The City shall exercise due care for the safekeeping of the Equipment during the term of the Agreement.
- 3.2 The City shall ensure that the Equipment is kept in good working order and condition, shall ensure that the Equipment is scheduled and available to County for the performance of its regularly scheduled maintenance by the County, and shall comply in every respect with any manufacturer's/owner's manual that comes with the Equipment.
- 3.3 The County shall perform all maintenance and repairs required for the proper operation of the Equipment. Except as otherwise set forth herein, such maintenance and repairs are provided in exchange for the City's payment of the annual billing rates set forth on Attachment B, Contract City Law Enforcement Services and Equipment Master Rate Sheet, of the Agreement. The City has the right to inspect said Equipment prior to acceptance of the Equipment following maintenance and repairs by the County.
- 3.4 Maintenance and repairs provided by the County under the Agreement may be

performed by the County, its third party vendors, and/or the manufacturer of the Equipment.

- 3.5 The County shall assume responsibility for ensuring that the Equipment has been inspected or otherwise tested in accordance with the laws of the State of California and the United States prior to use by the City.
- 3.6 The City shall inspect the Equipment upon initial delivery and return from County following maintenance and repair, and, by acceptance thereof, finds the Equipment in good working order and condition.
- 3.7 The Equipment shall be maintained and repaired solely by the County. The City and any of its third party vendors are prohibited from performing any maintenance and repairs on the Equipment.
- 3.8 All regularly scheduled maintenance shall be performed by the County, and the City shall timely present the Equipment to the County for the performance of regularly scheduled maintenance at the direction of, and in accordance with the policies and procedures of, the Sheriff's Department's Communications and Fleet Management Bureau. The Sheriff's Department shall make every effort to perform any maintenance in a timely manner.
- 3.9 Any Equipment requiring maintenance and repair by the County for any extended length of time, as determined by the Sheriff's Department's Communications and Fleet Management Bureau, may, at the sole discretion of the County, receive a temporary replacement piece of Equipment. All terms and conditions set forth herein shall apply to the City's use of any temporary replacement Equipment provided by the County. The County shall not be responsible for any damages or liability resulting from the City's loss of use of the Equipment during the performance of maintenance and repair services by the County.

#### **4.0 INSPECTION BY COUNTY**

- 4.1 The County shall have the right to inspect the Equipment, immediately upon request by the County, at any time during the term of the Agreement. The City shall provide the County with such operating, and other information, or copies of any such records maintained by the City with respect to the Equipment, as the County or any government agency may require from time to time.

#### **5.0 TITLES**

- 5.1 The County shall retain ownership of the Equipment used by the City during the term of the Agreement. Legal title to the Equipment is, and shall, at all times, remain in the name of the County. The Equipment shall not be transferred or delivered by the City to any persons other than the County without the County's prior written consent.

## **6.0 INDEMNIFICATION**

- 6.1 The City agrees to indemnify, defend, and hold harmless the County from any and all liability, losses, or damages the County may suffer and from any claims, demands, costs, or judgments against the County arising out of City's use or operation of the Equipment. This indemnification does not extend to (1) any liability resulting from inherent defects or malfunctions in such Equipment related to manufacturer's acts or omissions, or (2) negligent or wrongful maintenance or repair of the Equipment provided by the County.

## **7. RISK OF LOSS**

- 7.1 The City shall assume all risk of loss to the Equipment from the time it is delivered by the County to the City, and inspected and accepted by the City, until (1) the Equipment is returned to the County upon expiration or termination of the Agreement, or (2) the County regains temporary possession of the Equipment for purposes of providing maintenance and repair.
- 7.2 Upon inspection/acceptance of the Equipment, the City shall be responsible for any and all damage to the Equipment, except those damages resulting from (1) inherent defects or malfunctions in such Equipment related to manufacturer's acts or omissions, or (2) the negligent or wrongful maintenance or repair of the Equipment provided by the County.
- 7.3 In the event of damage to the Equipment or the Equipment is in need of repair, the City shall notify the County to that effect and follow such instructions that the County may provide with respect to repair or disposal of the Equipment. If the Equipment is lost, stolen, destroyed, or declared to be a total constructive loss (subject to the County's agreement as to such condition), the City shall properly notify the County thereof and hold any Equipment for disposal by the County. With respect to any loss, theft, or destruction of the Equipment, the County and the City shall negotiate the value for comparable equipment in a condition similar to the lost, stolen, or destroyed Equipment immediately prior to any such loss. The City shall reimburse the County for the value of the lost, stolen, or destroyed Equipment.

## **8.0 BILLING RATES**

- 8.1 As further discussed in Section 8.0, Billing Rates, of the Agreement, the City shall pay the County for the use of the Equipment provided under the Agreement at the annual billing rates set forth on Attachment B, Contract City Law Enforcement Services and Equipment Master Rate Sheet, of the Agreement, as established by the County Auditor-Controller.