

April 25, 1, 2013

Pursuant to California Penal Code sections 933 and 933.05 all agencies and elected officials responded to the recommendations documented in the 2011-2012 Los Angeles County Civil Grand Jury Final Report published on June 29, 2012. The 2012-2013 Los Angeles County Civil Grand Jury captured these responses and they are provided herein for review.

Los Angeles County Civil Grand Jury

A handwritten signature in black ink that reads "Jeffery Clements". The signature is written in a cursive style with a large, prominent initial "J".

Jeffery Clements, Chairperson

Continuity Committee 2012-2013

## City of Vernon response to questionnaire

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**From:** "Kung, Alex" <akung@ci.vernon.ca.us>  
**To:** CivilGrandJury@LASuperiorCourt.org  
**CC:** MWhitworth@ci.vernon.ca.us; Kenomoto@ci.vernon.ca.us  
**Date:** Thursday - February 14, 2013 7:14 PM  
**Subject:** City of Vernon response to questionnaire  
**Attachments:** TEXT.htm; Mime.822

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Tom,

In response to the Civil Grand Jury's recommendations:

1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

Response: In December 2012, the city hired a new Finance Director who has been tasked to develop a five year financial plan which would include revenue and expenditure policies to guide city officials to develop sustainable, balanced budgets.

2. All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.

Response: The city has historically adopted a balanced budget for every fiscal year. The city's departments use monthly monitoring reports to track expenditures and operate within budget constraints. The city's Finance Director provides detailed quarterly budget reports to the city council at public meetings.

3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

Response: In an effort to not rely on one-time revenues, but instead develop sustainable revenue sources to fund on-going expenditures, the city has placed two tax measures on its April 9, 2013 election ballot. The two proposed tax measures consist of an increase to the city's existing business license tax, and a utility users' tax, which, if approved, would generate approximately \$6.1 million. With regard to the city's enterprise activities, cost analysis studies are performed regularly to insure that rates are set at appropriate levels.

4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

Response: The city's Finance Director is developing long term financial modeling for better planning to ensure the delivery of basic services before funding projects of lower priority.

5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or "rainy day" fund to be supplemental operating revenue in years of short fall.

Response: The city's Finance Director is developing long term financial modeling for better planning to ensure the delivery of basic services before funding projects of lower priority which would include reserves in line with those recommended by the Governmental Accounting Standards Board (GASB).

10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

Response: On December 18, 2012 the City Council adopted a new Competitive Bidding and

Purchasing Ordinance (Ordinance No. 1200). The Finance Director will conduct a competitive selection process, including the issuance of a request for proposal, to select an external auditor for the city's next fiscal year audit.

14. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies.

Response: The city's Finance Director is currently developing budget policies which would incorporate elements recommend by the Government Finance Officers Association (GFOA), and include a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.

21. All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

Response: As required, annually, the city timely submits to the State Controller's office for posting on its website, the actual compensation received by the city's officials and employees.

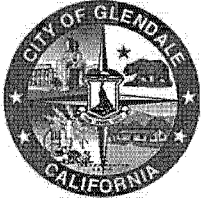
22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions.

Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

Response: In May 2011 the city conducted a comprehensive review of the salaries of its city councilmembers and department heads, in comparison to comparable cities. Salaries exceeding the normal range were adjusted downward (City Resolution # 2011-85), while salaries below the normal range remained the same due to budgetary constraints. The city's Human Resources Director has issued a request for proposals for a citywide classification and compensation study of all employee positions. The study is expected to be completed in the Fall of 2013.

Alex Kung  
Assistant to the City Administrator  
City of Vernon  
City Administration  
323.583.8811 Ext. 355  
323.826.1422 Fax

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March 14, 2013

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street,  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

**RE: City of Glendale's Response to 2011-2012 Civil Grand Jury Recommendations**

Dear Presiding Judge:

The following are the responses of the City of Glendale to the recommendations found in the 2011-2012 Report of the Civil Grand Jury.

1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

**Agree** – The City of Glendale has a long standing practice of presenting a proposed budget to the City Council in May of each year, followed by a series of public study sessions. Additionally, the Financial Policies are published in the Annual Budget Document.

2. All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.

**Agree** – As far back as we can recall, the City of Glendale has adopted a balanced budget and operated within its constraints, and is committed to doing the same.

3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

**Agree** – The City has the goal of not utilizing one-time revenues to fund recurring expenditures; however, as a result of the recession, there have been very limited and infrequent uses of one-time revenues in order to preserve essential operations.

4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

**Agree** – The City utilizes five-year forecasting models to project revenues and expenditures over that timeframe; however, budgets are adopted on a one-year basis per the City of Glendale Charter.



5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or “rainy day” fund to be supplement operating revenue in years of short fall.

**Agree** – The City Council has adopted a resolution in 2006 for a reserve policy, which requires the City to maintain a minimum of 30% general fund reserve, with a desired level to be 35%. As of June 30, 2012, the City has a 35.3% general fund reserve.

6. Charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City. The following cities should develop and adopt such a strategic plan: Arcadia, Compton, Industry, Inglewood.

**Agree** – The City has an adopted plan for City-wide strategic goals and characteristics, as published in the annual budget.

7. Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time. The following cities should develop such performance measures for indicators: Arcadia, Bell, Compton, Industry, Inglewood, Lancaster, Temple City.

**Agree** - Since 2005, the City has had a key performance indicators program, which was restructured in 2012 and are reported quarterly to the City Council.

8. Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter city councils should continue providing specific annual goals for the city’s executive (City Manager or City Administrator) and conduct meaningful evaluations annually. The following cities should do so: Alhambra, Bell, Industry, Inglewood, Lancaster.

**Agree** – An annual evaluation of the City Manager and City Attorney are conducted by the City Council.

9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor. The following cities should formally establish an audit committee: Alhambra, Arcadia, Bell, Cerritos, Compton, Industry, Inglewood, Irwindale, Palmdale, Pomona, Santa Monica, Signal Hill, Temple City, Torrance, Whittier.

**Agree** – Since 1997, the City has had an established audit committee, subject to the Brown Act, which meets six times annually.

10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

**Agree** – The City utilizes an RFP process, to select an independent external auditor on a regular basis. The results the RFP are reviewed and accepted by the audit committee, and subsequently presented and adopted by the City Council. The external auditors reviewed the City’s information systems security protocols as a non-audit service engagement, which were later reviewed by the audit committee.

11. Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years. The following cities should review and update accounting policies and procedures at least once every three years: Alhambra, Arcadia, Bell, Burbank, Industry, Inglewood, Lancaster, Pasadena, Pomona, Santa Monica, Temple City.

**Agree** – The City maintains accounting procedure manuals and updates them periodically.

12. Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns. The following cities should adopt such policies and procedures: Alhambra, Arcadia, Burbank, Industry, Inglewood, Irwindale, Santa Monica, Temple City.

**Agree** – The City maintains a secure and anonymous hotline for reporting fraud, abuse and questionable practices.

13. Charter cities should periodically review and update internal control procedures over financial management. The Following cities should review and update internal control procedures over financial matters: Bell, Industry, Inglewood.

**Agree** – The City Auditor routinely reviews various aspects of internal control procedures, and reports deficiencies in audit reports to the audit committee. These deficiencies are then corrected to the extent possible.

14. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, Lancaster, Pomona, Redondo Beach, Temple City, Torrance, Vernon, Whittier.

**Agree** – The City has adopted a general fund reserve resolution requiring a minimum of 30% general fund unassigned reserve, which is far greater than the two months (or 16%) recommended herein. This includes both the unassigned and Charter required reserves.

15. Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR). The city of Bell should do so.

**Agree** - The City publishes a timely CAFR annually.

16. Charter cities that have not published financial reports on the city's website should do so. The city of Industry should do so.

**Agree** - The CAFR is published on the City's website.

17. Charter cities should develop controls over sole sourced contracting to prevent preferential granting of contracts. The following cities should develop such controls: Bell, Industry, Irwindale, Temple City.

**Agree** – Both the City's Charter and Administrative Policy Manual address sole sourced contracting, requiring Council approval when the value of contracts reach a certain threshold.

18. Charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes. The following cities should develop such policies and procedures: Arcadia, Bell, Cerritos, Industry, Inglewood, Irwindale, Pasadena, Whittier.

**Agree** – The City’s Administrative Policy Manual addresses the selection of architectural and engineering services.

19. All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts. The following cities should do so: Alhambra, Bell, Cerritos, Inglewood, Irwindale, Lancaster, Temple City, Torrance, Whittier.

**Agree** – The City has an extensive purchasing and procurement policy, which was recently the subject of an internal audit. Further enhancements are being implemented currently.

20. All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm. The following cities should do so: Bell, Cerritos, Inglewood, Irwindale, Lancaster, Whittier.

**Agree** - The City has an extensive purchasing and procurement policy, which was recently the subject of an internal audit. Further enhancements are being implemented currently.

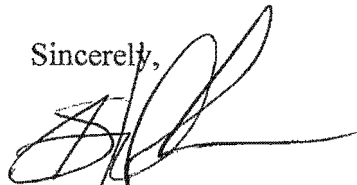
21. All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

**Agree** – The Human Resources, annually presents the salary and benefits schedule for all City employees to City Council. City also prepares and publicly produces an annual listing of all W-2 income for all employees.

22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

**Agree** – The Human Resources department frequently conducts salary surveys with ten survey cities of like size before justifying any salary increases.

Sincerely,



Scott Ochoa  
City Manager

**RECOMMENDATIONS**

**Responses are required from the following charter cities:**

Alhambra	Arcadia	Bell	Burbank	Cerritos
Compton	Culver City	Downey	Glendale	Industry
Inglewood	Inwindale	Lancaster	Palmdale	Pasadena
Pomona	Redondo Beach	Santa Monica	Signal Hill	Temple City
<u>Torrance</u>	Vernon	Whittier		

1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

The City of Torrance concurs with this recommendation.

2. All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.

The City of Torrance concurs with this recommendation.

3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

The City of Torrance concurs with this recommendation.

4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

The City of Torrance concurs with this recommendation.

5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or "rainy day" fund to be supplement operating revenue in years of short fall.

The City of Torrance concurs with this recommendation.

9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor. The following cities should formally establish an audit committee: Alhambra, Arcadia, Bell, Cerritos, Compton, Industry, Inglewood, Irwindale, Palmdale, Pomona, Santa Monica, Signal Hill, Temple City, Torrance, Whittier.

The City Council has established two committees that oversee City finances:

- The Finance and Governmental Operations Committee, comprised of three Council members, receives and discusses (in a public meeting) the finances of the City and will now agendaize the "Annual Audit";
  - The Investment Oversight Committee staffed by the City Manager, City Attorney, Finance Director, City Treasurer, and Deputy City Treasurer is charged with the oversight of the City's pooled investments.
10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

The City of Torrance concurs with this recommendation.

14. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, Lancaster, Pomona, Redondo Beach, Temple City, Torrance, Vernon, Whittier.

The City of Torrance does have "Reserve Funding" policies and funding goals (attachment A).

- Economic Anomaly – 10% of GF, P&R, CAC, Animal control, & EMS
- Benefit Rate Mitigation – 10% of Public Safety salary costs and 4% of Miscellaneous salary costs – all funds
- General Liability/Workers Compensation – Actuary report

19. All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts. The following cities should do so: Alhambra, Bell, Cerritos, Inglewood, Irwindale, Lancaster, Temple City, Torrance, Whittier.

The City of Torrance concurs with this recommendation and has documented our policies and procedures to include the above.

21. All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

The City of Torrance concurs with this recommendation.

22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

The City of Torrance concurs with this recommendation.

**ACRONYMS**

<b>AICPA</b>	American Institute of Certified Public Accountants
<b>CAFR</b>	Comprehensive Annual Financial Reports
<b>CalPERS</b>	California Public Employees Retirement System
<b>CFO</b>	Chief Financial Officer
<b>CGJ</b>	Los Angeles County Civil Grand Jury
<b>CPCC</b>	California Public Contract Code
<b>FPPC</b>	California Fair Political Practices Commission
<b>FY</b>	Fiscal Year
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GAAS</b>	Generally Accepted Auditing Standards
<b>GAS</b>	Government Auditing Standards
<b>GASB</b>	Governmental Accounting Standards Board
<b>GFOA</b>	Government Finance Officers Association
<b>IIA</b>	Institute of Internal Auditors
<b>RFP</b>	Request for Proposal
<b>SWOT</b>	Strengths, Weaknesses, Opportunities, and Threats

**APPENDICES**

<b>A</b>	Glossary of Terms
<b>B</b>	Sample Questionnaire
<b>C</b>	Positions with Compensation in excess of \$200,000 in 2011
<b>D</b>	Charter Cities Comments and Additional Documentation

**EXHIBIT**

<b>1</b>	General Law City v. Charter City
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# CITY OF INGLEWOOD

Office of the City Manager



ARTIE FIELDS  
City Manager

February 6, 2013

Mr. Jeff Clemens  
Chairperson  
Los Angeles County Civil Grand Jury  
210 West Temple Street, Room 11-506  
Los Angeles, California 90012

Dear Mr. Clemens:

The information below represents the responses for the City of Inglewood to the 2011-2012 Civil Grand Jury Final Report's recommendations. The response was delayed due to work associated with the completion and implementation of the City's annual fiscal year budget process.

## RESPONSES

1. **All Charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities officials to develop sustainable, balanced budgets.**
  - R1. The City agrees with the recommendation. The City's Financial Policies, policy #3 states that, "It is the policy of the City of Inglewood to fund current expenditures for operating budgets with current revenues".
2. **All Charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.**
  - R2. The City agrees with the recommendation. The City's Financial Policies, policy #3 states that, "It is the policy of the City of Inglewood to fund current expenditures for operating budgets with current revenues."
3. **All Charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.**
  - R3. The City agrees with the recommendation. The City's Financial Policies, policy#12 states that, "It shall be the policy of the City of Inglewood to not use one-time revenues for on-going expenditures.



4. **All Charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.**
- R4. The City agrees with the recommendation. The City Manager is considering the development of a multi-year budget within the next two fiscal years. In addition, the City of Inglewood adopted a 5 Year Capital Improvement Plan (CIP) that provides for multi-year budgets for better planning and preparation of future expenses for funding projects of lower priority.
5. **All Charter cities reviewed in this report should adopt a method and practice of saving into a reserve or “rainy day” fund to be used to supplement operating revenue in years of short fall.**
- R5. The City agrees with the recommendation. The City’s Financial Policies, policy #4 requires the City establish and maintain at least a reserve fund balance for the General Fund equal to 8% of the current year’s expenditure appropriation and adequate operating reserves for all other funds. Prior to the recession, the method and practice of saving into reserves for a “rainy day” for future operations was practiced.
6. **Charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City.**
- R6. The City agrees with the recommendation. The City will strive to articulate its mission, vision and priorities in its budget document for the upcoming FY 2013 – 2014 budget preparation process.
7. **Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time.**
- R7. The City agrees with the recommendation. The City is currently developing data and implementing processes for reporting performance measures to evaluate the outcomes and progress of the cities operating departments in the FY2013-2014 Budget.
8. **Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter city councils should continue providing specific annual goals for the city’s executive (City Manager or City Administrator) and conduct meaningful evaluations annually.**
- R8. The City agrees with the recommendation, but presently maintains its current system which consists of the City Council providing constant feedback and

direction to the City Manager while setting goals and monitoring progress as a part of its overall ongoing oversight responsibility of the city manager.

**9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor.**

R9. The City agrees with the recommendation but it has not been implemented. The Finance Department is responsible for the work performed by the selected auditing firm and currently does not have an audit committee.

**10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.**

R10. The City agrees with the recommendation. Article XXXIV, Section 1 of the City's Charter calls for Council to employ a public accountant or firm of public accountants to perform annual audits. An independent audit firm was used for the FY2010-2011 audit reports that were prepared and completed on time. These reports were presented to Council on July 31, 2012.

**11. Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be annually and updated at least once every three years.**

R11. The recommendation has been implemented. On April 24, 2012 the City adopted by resolution updating the internal control policies as part of the City's Standard Operating Procedures to address financial procedures and information technology.

**12. Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns.**

R12. The recommendation has been implemented. On August 14, 2012 the City of Inglewood adopted a resolution implementing the "Ethical Standards and Conflict of Interest" and the "Fraud in the Workplace Policy/Procedures."

**13. Charter cities should periodically review and update internal control procedures over financial management.**

R13. The City agrees with the recommendation. A Report of the City's internal controls over financial reporting and on compliance and other matters based on the audit of financial records are performed annually. The last report was presented to Council on July 31, 2012.

14. **Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies.**

R14. No response required from Inglewood, per the Final Report.

15. **Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR).**

R15. No response required from Inglewood, per the Final Report.

16. **Charter cities that have not published financial reports on the city's website should do so.**

R16. No response required from Inglewood, per the Final Report.

17. **Charter cities should develop controls over sole sourced contracting to prevent preferential granting of contracts.**

R17. The City agrees with the recommendation. The City adopted a Purchasing System referenced in the Inglewood Municipal Code (IMC) Chapter 2. Article 5, Section 2-190 thru Section 2-200 adopted 11-25-80 by ordinance #2387 and amended 4-11-06 by ordinance #06-04.

18. **Charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes.**

R18. The City agrees with the recommendation. City is considering development of policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes.

19. **All charter cities reviewed in this report should provide policies and procedures or ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts**

R19. The City is taking this recommendation under advisement, because it requires further analysis. Although we do not have a formal written policy as of yet, City staff routinely negotiates with Contractors for substantial contract change orders to ensure that they fair and reasonable. We are considering establishing internal controls over substantial contract change orders so that the same contractors are not repeatedly awarded contracts.

20. **All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm.**

R20. The City agrees with the recommendation. The City adopted a Purchasing System referenced in the Inglewood Municipal Code (IMC) Chapter 2, Article 5, Section 2-190 thru Section 2-200 adopted November 25, 1980 by Ordinance #2387 and amended April 11, 2006 by Ordinance #06-04. This information references the regulatory guidelines for Purchasing and Procurement.

**21. All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.**

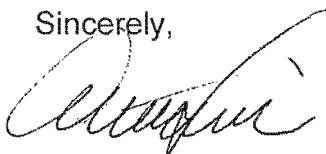
R21. The City agrees with the recommendation. The City periodically conducts classification and compensation studies evaluating all civilian and sworn position classifications. In the past, the City has conducted a class and compensation study approximately every 2-3 years in conjunction with the collective bargaining process. Since the economic downturn has resulted in reductions in the City's workforce, work furloughs, pay reductions, and other give-backs, the issue hasn't been brought up in the last two bargaining cycles.

**22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city positions(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.**

R22. The City agrees with the recommendation. However, in light of the comments reflected in response #R21, the City does not have any immediate plans to accomplish a class and comp study, because 1) City hiring is minimal and sporadic given our budgetary shortfalls, and 2) the cost and resources necessary to perform such a study would necessitate the use of funds that are currently earmarked for higher priority, basic operational tasks. Finally, there is unlikely to be a position where the compensation rate is higher than the 'normal salary ranges' of other jurisdictions.

Thank you for providing us an opportunity to comment on the report.

Sincerely,



Artie Fields  
City Manager

C I T Y   O F   B U R B A N K  
O F F I C E   O F   T H E   C I T Y   M A N A G E R

February 13, 2013


Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street,  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Dear Jeffery Clements,

On behalf of the City of Burbank, enclosed you will find the City's response to the findings of the 2011-2012 Civil Grand Jury's Final Report. As discussed with you directly, the City is experiencing various organizational changes/transitions, including the departure of its permanent City Manager in October of 2012. As such, the City's response did not meet the Civil Grand Jury's original deadline. Therefore, we very much appreciate your patience.

The City Council approved these responses at its meeting on February 12, 2013. Per the instructions provided by your agency, the City has responded to the twenty-two recommendations listed in the report. Upon review of the City's responses please feel free to contact me with any additional questions.

Thank you,

  
Ken Pulskamp  
Interim City Manager

Enclosure

## 2011 – 2012 Civil Grand Jury Final Report Recommendations

### City of Burbank's Responses

#### Key\*:

1 - The recommendation has been implemented, with a summary regarding the implementation action.

2 - The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.

3 – The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency where applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.

4 - The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefore.

*\*Per the request of the Civil Grand Jury (page iii in Exhibit B), Cities' responses to the recommendation of the Final Report must use one of the four actions (numbers 1 – 4) listed above and subsequent rationale (i.e. a summary of the implemented action). Accordingly, staff's responses to the recommendations below will include the appropriate number from the key above and supporting rationale/ comments.*

#### Recommendations

1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

1 – Implemented per the City's Financial Policies (all of which are available on the City's website: burbankca.gov or burbankusa.com).

2. All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.

1 – Implemented per the City's Financial Policies.

3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.
  - 4 – This recommendation will not be implemented as the use of one-time revenues, while not the goal, is sometimes necessary to bridge budgetary gaps to adopt a balanced budget. For example, in 2010 the City Council adopted a philosophy of using one-time funds to help bridge the gap while a thoughtful multi-year plan aimed at correcting the structural imbalance was implemented.
4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.
  - 4 – This recommendation will not be implemented as the City already produces a five year budget forecast on an annual basis for Council review. Therefore the adoption of a multi-year budget is not necessary.
5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or “rain day” fund to be supplement operating revenue in years of short fall.
  - 1 – Implemented per the City’s Financial Policies.
6. Charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City. The following cities should develop and adopt such a strategic plan: Arcadia, Compton, Industry, and Inglewood.
  - 1 – Implemented as this has been the City’s past and continued practice.
7. Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time. The following cities should develop such performance measures for indicators: Arcadia, Bell, Compton, Industry, Inglewood, Lancaster, and Temple City.
  - 1 – Implemented as this has been the City’s past and continued practice.
8. Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter city councils should continue providing specific annual goals for the city’s executive (City Manager or City Administrator) and conduct meaningful evaluations annually. The following cities should do so: Alhambra, Bell, Industry, Inglewood, and Lancaster.

1 - Implemented as this has been the City's past and continued practice.

9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor. The following cities should formally establish an audit committee: Alhambra, Arcadia, Cerritos, Compton, Industry, Inglewood, Irwindale, Palmdale, Pomona, Santa Monica, Signal Hill, Temple City, Torrance, and Whittier.

1 - Implemented as this has been the City's past and continued practice.

10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

1 - Implemented as this has been the City's past and continued practice.

11. Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years. The following cities should review and update accounting policies and procedures at least once every three years: Alhambra, Arcadia, Burbank, Industry, Inglewood, Lancaster, Pasadena, Pomona, Santa Monica, and Temple City.

2- The City is engaging in a Request for Proposal (RFP) process to finalize an accounting internal controls, policies and procedures manual to be implemented in Calendar Year (CY) 2014.

12. Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns. The following cities should adopt such policies and procedures: Alhambra, Arcadia, Burbank, Industry, Inglewood, Irwindale, Santa Monica, and Temple City.

2 - The City is scheduled to adopt a formal fraud policy in CY 2014.

13. Charter cities should periodically review and update internal control procedures over financial management. The following cities should review and update internal control procedures over financial matters: Bell, Industry, and Inglewood.

1 - Implemented as the City of Burbank maintains an internal, independent audit function/process that provides an annual review and subsequent recommendations to the City concerning internal control



procedures. In addition, the City is engaging in a RFP process to finalize an accounting internal control, policies and procedures manual to be implemented in CY 2014.

14. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, Lancaster, Pomona, Redondo Beach, Temple City, Torrance, Vernon, and Whittier.

1- Implemented per the City's Financial Policies which requires the City to maintain a 20% unappropriated General Fund reserve amount. This reflects a "working capital" reserve of 15% and an "emergency contingency" reserve of 5%.

15. Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR). The city of Bell should do so.

1 – Implemented as this has been the City's past and continued practice.

16. Charter cities that have not published financial reports on the city's website should do so. The city of Industry should do so.

1 – Implemented as this has been the City's past and continued practice.

17. Charter cities should develop controls over sole sourced contracting to prevent preferential granting of contracts. The following cities should develop such controls: Bell, Industry, Irwindale, and Temple City.

1 – Implemented as reflected in the City's purchasing ordinance and administrative procedures.

18. Charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes. The following cities should develop such policies and procedures: Arcadia, Bell, Cerritos, Industry, Inglewood, Irwindale, Pasadena, and Whittier.

1 – Implemented as this has been the City's past and continued practice.

19. All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts. The following cities

should do so: Alhambra, Bell, Cerritos, Inglewood, Irwindale, Lancaster, Temple City, Torrance, and Whittier.

1 – Implemented as evidenced in the City's purchasing policies.

20. All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm. The following cities should do so: Bell, Cerritos, Inglewood, Irwindale, Lancaster, and Whittier.

1 – Implemented as this has been the City's past and continued practice.

21. All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

1 – Implemented as this has been the City's past and continued practice (this information is readily available on the City's website).

22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

1 – Implemented as this has been the City's past and continued practice to provide City Council with this information.



# City of Whittier

13230 Penn Street, Whittier, California 90602-1772  
(562) 567-9999 [www.cityofwhittier.org](http://www.cityofwhittier.org)

Owen Newcomer  
Mayor

Bob Henderson  
Mayor Pro Tem

Joe Vinatieri  
Council Member

Cathy Warner  
Council Member

Fernando Dutra  
Council Member

Jeffrey W. Collier  
City Manager

September 27, 2012

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Subject: 2011-12 Grand Jury Report on Charter Cities

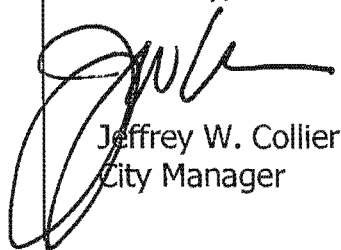
Dear Presiding Judge:

The City of Whittier is responding to both the findings and recommendations of the 2011-12 California Grand Jury Final Report on Charter Cities Fiscal Health, Governance and Management Practices.

Inquiries related to this report and the City of Whittier's responses should be addressed to:

Rod Hill  
City Controller & Director of Human Resources  
13230 Penn Street  
Whittier, CA 90602  
[rhill@cityofwhittier.org](mailto:rhill@cityofwhittier.org)

Sincerely,



Jeffrey W. Collier  
City Manager

# CITY OF WHITTIER

## Responses to 2011-12 Los Angeles County Civil Grand Jury Final Report

### FINDINGS

#### **Financial Health**

1. Most charter cities expended more than they received in revenues – (1) the City's expenditures exceeded revenues primarily due to Capital Outlay/Projects, which were cash funded through the accumulation of assets/cash. The City of Whittier doesn't believe this finding is an indication of reduced financial health for Whittier, because the City generally attempts to fund Capital Projects without the use of debt financing.
2. Most charter cities' total net assets and fund balances declined in FY 2009-10, and several cities had ratios of total net assets to total liabilities lower than desirable – (1) This Grand Jury Report indicates the City of Whittier's Net Assets actually increased and the decline in Fund Balance is related to the use of accumulated assets for the construction of capital assets. In this case, Fund Balance was used for the Construction of a New Police Station.

#### **Governance Practices**

1. Strategic Plans varied in providing appropriate strategic focus and direction to charter cities – (1) The City of Whittier has a mission statement defining the global and long-term direction for the organization. In addition, the City utilizes a Council Adopted Workplan to set current focus and direction for the Agency.
2. Many charter cities have not developed an effective performance and reporting measurement that demonstrates the success of their organization activities and goals – (1) some activities and goals may be difficult to reasonably quantify, but the City of Whittier attempts to accomplish this measure through both the Council adopted Workplan and Budget.
3. All charter cities stated they have formal policy agreements, or other documents that define the roles of the City Council and the City Manager – (1) The City of Whittier's City Charter defines these roles.
4. Most charter cities established specific goals for executives at least annually – (1) through the management appraisal process, the City establishes goals for executives on an annual basis.

City of Whittier  
Responses to 2011-12 CGJ Final Report

5. All but one city adopted a Conflict of Interest Code – (1) The City of Whittier has an adopted Conflict of Interest Code.
6. All cities stated they had adopted an Investment Policy – (1) The City of Whittier has an adopted Investment Policy.

### **Financial Management Practices**

1. All charter cities formally establish an audit committee responsible for monitoring and overseeing financial reporting – (2) While the City understands the GFOA's recommended practice, Whittier believes that the Council as a whole takes responsibility for the financial statements and the auditors provide a mechanism for Council to directly discuss the audit with them through the SAS114 guidance. In addition, the City Charter defines the entire City Council as being responsible for the annual audit.
2. All charter cities should continue to require auditors to comply with Independence Standards and most select their auditors through a competitive process – (1) Whittier requires auditors to maintain independence and selects auditors through a Request for Proposal process.
3. Most charter cities could improve documentation and maintenance of accounting policies and procedures – (1) The City believes policies and procedures are adequately documented, but may find benefit to standardizing documentation.
4. Most charter cities could improve policies and procedures for reporting fraud, abuse and questionable practices – (1) The City has an Ethics (Fraud) Policy in place and believes it provides appropriate information and mechanisms for reporting concerns.
5. Most charter cities could improve their internal control procedures over financial management – (1) Management continuously monitors for ways to improve internal controls, and related processes are adjusted accordingly.
6. Most charter cities did not have formal internal audit function – (1) Whittier doesn't have a separate formal internal audit function, however the Controller's office is responsible for conducting internal reviews and audits as appropriate.

7. Many charter cities' policies and procedures governing General Fund Unrestricted Fund Balance could be improved – (1) Whittier's unrestricted General Fund Balance is reported and updated to City Council several times annually, and appropriation of funds must be approved by City Council.
8. All charter cities maintained adequate financial system and financial statements – (1) Whittier maintains a modern financial information system and audited financial information is formally presented to Council, submitted to appropriate regulatory agencies and posted on the City's website.

### **Procurement & Contracting Practices**

1. All charter cities formally adopt policies and procedures defining competitive bidding requirements and practices. Control over sole source contracting could be improved in some cities. – (1) Whittier has approved purchasing guidelines that identify specifically when competitive bidding is required. In addition, all sole sources must be approved by the City Manager or designee, and certain thresholds require City Council approval. The City also has a Standard Operating Procedure dedicated to purchasing.
2. Policies and procedures for selecting and negotiating prices for architectural and engineering services could be improved as they are seldom based on merit, credentials and experience. – (1) Whittier selects architectural and engineering services based on various criteria, including: past experience, recommendations, and qualifications.
3. Policies and procedures for ensuring prices negotiated for substantial contract change orders are a potential for self-dealing and all charter cities need to establish formal policies to ensure fair pricing on substantial change orders. – (1) the City of Whittier administratively, manages change orders and departments are only allowed to exceed approved purchase order limits by 10%, anything in excess of this amount requires approval by original approval authority, or the next higher level of authority if the desired increase causes the purchase order to reach that threshold.
4. Policies and procedures for documenting compliance with procurement requirements and providing contract compliance and oversight could be improved to eliminate dealing with same parties. – (1) while there may be some truth to the fact that policies and procedures could be improved, there may not be a direct connection to eliminating dealings with same parties. Whittier currently has various levels of purchasing requirements based on the transaction amount.

## **RECOMMENDATIONS**

1. Adopt Financial Planning Policies to Develop Balanced Budgets – (1) Whittier has adopted a 5-year cash-flow projection model to assist in development of balanced budgets. In addition, the City Council has a policy of adopting balanced operating budgets. Whittier has implemented expenditure reductions at varying levels for 9 of the past 10 fiscal years in an attempt to appropriately deal with declining revenues and increasing expenditures.
2. Balanced Budgets and Operate within Budget Constraints – (1) the City Council has a policy of adopting balanced operating budgets and Whittier operates within its budget constraints. It should be noted that assets may be accumulated overtime to fund construction of capital projects.
3. Commit to Not Using One-Time Revenues to Fund Recurring or On-going Expenditures – (1) this has been Whittier's long standing policy. The City attempts to match re-occurring revenues with on-going expenditures and one-time revenues with one-time expenditures. Items such as the elimination of Redevelopment can have a negative impact on this issue.
4. Adopt Multi-Year Budgets for Better Planning to Ensure the Delivery of Basic Services – (4) Due to the volatility of the current economy and changing demands on the City, Whittier believes the adoption of annual budgets works best for the City at this time. Although it should be noted that the City utilizes a 5-year cash-flow projection model to assist in development of balanced budgets.
5. Adopt a Method and practice of saving into a Reserve Fund to Supplement Revenues – (1) this is a long standing practice for Whittier. The City established a Contingency Reserve in excess of \$5.7m specifically to cover revenue shortfalls. While this Reserve has been in place for nearly 10 years, the City has only utilized \$20k of this balance during its existence.
6. All charter cities should formally establish an audit committee making it directly for working with the independent auditors – (4) while the City understands the GFOA's recommended practice, it believes this is an impractical recommendation for most agencies given reduced resources. The auditors require communication with agency staff and it wouldn't be efficient to have their source of communication or direction as a part-time audit committee. The Council as a whole takes responsibility for the financial statements and the auditors provide a mechanism for Council to directly communicate with them through the SAS114 guidance. In addition, the City Charter defines the entire City Council as being responsible for the annual audit.

City of Whittier  
Responses to 2011-12 CGJ Final Report

7. Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress overtime – (1) the City of Whittier accomplishes this recommendation through the use of both the Council approved Workplan and adopted Budget documents.
8. Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter city councils should continue providing specific annual goals for the City Manager and conduct meaningful evaluations annually – (1) The City of Whittier accomplishes these recommendations through the City Charter and the annual management appraisal process.
9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor – (4) While the City of Whittier understands the GFOA's recommended practice, Whittier believes that the Council as a whole takes responsibility for the work of the independent auditors and that SAS114 provide a mechanism for Council to directly discuss the audit with auditors as it deems appropriate.
10. Require compliance with standards of independence and select through competitive process – (1) Whittier requires auditors to maintain independence and generally selects auditors through a Request for Proposal process.
11. Review and Update accounting policies and procedures to ensure the appropriate detail and define specific authority and responsibility of employees. Review policies annually and update every three years. – (1) City currently has various accounting policies and procedures, and these are reviewed annually. Consideration will be given towards consolidating and updating these policies and procedures on a regular basis.
12. Update Policies and Procedures for reporting fraud, abuse and questionable practices, including a mechanism for confidential reporting of concerns – (1) the City has an Ethics (Fraud) Policy in place and individuals have the ability to communicate concerns confidentially to management via writing.
13. Periodically review and update internal control procedures over financial management – (1) the City currently monitors internal controls on an on-going basis and procedures are modified as necessary.

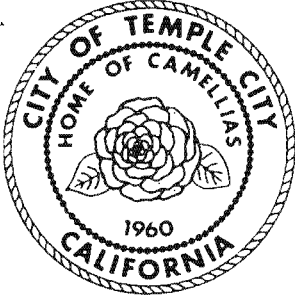


City of Whittier  
Responses to 2011-12 CGJ Final Report

14. Adopt a policy requiring an unrestricted fund balance of no less than two months of operating revenues or expenditures – (4) Whittier maintains various contingency reserves (including one in compliance with GASB 54) equal to approximately two months of operating expenditures and to further restrict the City's unreserved fund balance may create an unnecessary restriction on the agency's ability to independently manage its finances.
15. Charter Cities must develop and publish a timely Comprehensive Annual Financial Report – (1) The City of Whittier has historically prepared and publish the CAFR within 180 days of Fiscal year-end. In addition, the City has received the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for the past 20+ years.
16. Charter Cities that have not published financial reports on the City's website should do so – (1) The City of Whittier annually publishes both the City's CAFR and Budget on the City Website.
17. Charter Cities should develop controls over sole source contracting to prevent preferential granting of contracting – (1) Whittier has Council approved purchasing guidelines and they identify specifically when competitive bidding is required. The City also has a Standard Operating Procedure dedicated to purchasing. In addition, all sole sources must be approved by the City Manager or designee, and certain thresholds require Council approval.
18. Charter Cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with State codes – (4) The City of Whittier has utilized set policies and procedures for selecting architectural and engineering services, however implementation of this recommendation may be unduly burdensome on the agency.
19. All Charter Cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors are not repeatedly awarded contracts – (1) The City of Whittier internally manages change orders, and change orders outside the administrative guidelines require authorization from the original approval authority. Change orders related to quantity or volume variations require verification and justification by the originating department to the approving authority prior to approval.

City of Whittier  
Responses to 2011-12 CGJ Final Report

20. All Charter Cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm – (4) Whittier has Council approved purchasing guidelines and standard operating procedures. In addition, many of the transactions are reviewed annually during the course of various audits.
21. All Charter City Councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities – (1) The City of Whittier posts compensation information on both the City's website and the State Controller's website.
22. All Charter City Councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city positions whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities – (1) the City of Whittier regularly conducts surveys of similar cities in the area to determine appropriate salary ranges for all City employees.



9701 LAS TUNAS DRIVE • TEMPLE CITY • CALIFORNIA 91780-2249 • (626) 285-2171

September 21, 2012

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

To whom it may concern:

Pursuant to California Penal Code Section 933.05, the City of Temple City (City) is providing the following responses to the 2011-2012 Los Angeles County Civil Grand Jury Report (CGJ Report) dated June 26, 2012:

1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

**The City agrees with this recommendation and will adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.**

2. All charter cities reviewed in this report should develop a balanced budget and commit to operating budget constraints.

**The City agrees with this recommendation and has developed a balanced budget for the Fiscal Year (FY) 2012-13, and plans to continue this practice in the future. The City is also committed to operating within the budget constraints.**

3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

**The City agrees with this recommendation and commits to not using one-time revenues to fund recurring or on-going expenditures.**

4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

**The City agrees with this recommendation and adopted a FY 2011-13 City Budget. The City plans to continue with the practice of adopting a biennial budget.**

5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or "rainy day" fund to be supplement operating revenue in years of short fall.

**The City agrees with this recommendation and on June 5, 2012, adopted an ordinance requiring budget reserve fund balance requirements. The adopted ordinance is attached.**

6. Charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City.

**The City agrees with this recommendation and has adopted a strategic plan.**

7. Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time.

**The City agrees with this recommendation and has developed and reported on performance measures and indicators to evaluate outcomes or progress on priorities.**

8. Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter city councils should continue providing specific annual goals for the city's executive (City Manager or City Administrator) and conduct meaningful evaluations annually.

**The City agrees with this recommendation and has a governance policy that specifically defines the relationship between the council and the executive. The City Council continues to provide specific annual goals for the City Manager and conducts meaningful annual evaluations.**

9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor.

**The City agrees with this recommendation however will further analyze implementation. The City currently has a City Council appointed Budget Ad Hoc Committee (i.e., Mayor and Council member) that provides guidance on financial management practices. Staff will discuss this recommendation further with the City Council Budget Ad Hoc Committee for a final recommendation to the City Council.**

10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

**The City agrees with this recommendation and selects the auditor through a competitive process and the independent auditor does not provide non-audit services.**

11. Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years.

**The City agrees with this recommendation and will establish a policy requiring policies and procedures to be reviewed annually and updated at least every three years.**

12. Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns.

**The City agrees with this recommendation and will adopt policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns.**

13. Charter cities should periodically review and update internal control procedures over financial management.

**The City agrees with this recommendation and periodically reviews and updates internal control procedures over financial management.**

14. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies.

**The City agrees with the recommendation however further discussions with the City Council appointed Budget Ad Hoc Committee will be necessary as a Budgeted Reserve Fund Balance Ordinance has recently been adopted.**

15. Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR).

**The City agrees with this recommendation and prepares and publishes timely Comprehensive Annual Financial Reports (CAFR).**

16. Charter cities that have not published financial reports on the city's website should do so.

**The City agrees with this recommendation and publishes its financial reports on the City's website.**

17. Charter Cities should develop controls over sole sourced contracting to prevent preferential granting of contracts.

**The City agrees with this recommendation and will develop controls over sole sourced contracting to prevent preferential granting of contracts.**

18. Charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes.

**The City agrees with this recommendation and has developed policies and procedures for selecting and negotiating fair prices of architectural and engineering services consistent with state codes.**

19. All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts.

**The City agrees with this recommendation and will develop policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and will establish internal controls over contracts so that same contractors are not repeatedly awarded contracts.**

20. All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm.

**The City agrees with this recommendation and has developed policies and procedures for documenting compliance and with procurement requirements and provides contract compliance and oversight with an outside audit firm.**

21. All charter city councils and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

**The City agrees with this recommendation and the City Council and citizens of the City can annually review the actual compensation received by employee of their cities. Annual salaries are provided on the City's website.**

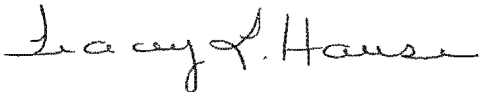
22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

**The City agrees with this recommendation and is in the process of completing classification and compensation study which will provide the comparison information recommended.**

Implementation of all recommendations will be completed by June 30, 2013.

If you have any questions please do not hesitate to contact me.

Sincerely,



Tracey L. Hause  
Administrative Services Director

C: City Council Members  
Jose E. Pulido, City Manger

Attachment: Ordinance No. 12-953

**ORDINANCE NO. 12-953**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE CITY, CALIFORNIA, ADDING A NEW CHAPTER 10 "BUDGET RESERVE FUND BALANCE REQUIREMENTS" TO TITLE 2 "ADMINISTRATION" OF THE TEMPLE CITY MUNICIPAL CODE.

**WHEREAS**, to ensure adequate fiscal resources and stable delivery of City services during emergencies, fiscal emergencies, annual revenue fluctuation, liquidity shortages, or severe economic downturns, the City desires to establish a General Fund reserve requirements, and;

**WHEREAS**, to ensure fiscal prudence and responsibility the City desires to also establish criteria for use of General Fund reserves; and

**WHEREAS**, the City desires to adopt these requirements and criteria by Ordinance and codify its provisions in the City of Temple City Municipal Code.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TEMPLE CITY HEREBY ORDAINS AS FOLLOWS:**

**SECTION 1. Addition of Chapter 10 to Title 2 of the Temple City Municipal Code.** The City Council hereby adds a new Chapter 10 " Budget Reserve Fund Balance Requirements ) to Title 2 "Administration" of the Temple City Municipal Code, which shall read as follows:

**Chapter 10**

**BUDGET RESERVE FUND BALANCE REQUIREMENTS**

**2550: PURPOSE**

**2560: DEFINITIONS**

**2570: BUDGET RESERVE FUND BALANCE TARGETS**

**2550: PURPOSE**

The primary purpose of this Chapter is to ensure adequate fiscal resources and stable delivery of City services during emergencies, fiscal emergencies, annual revenue fluctuations, liquidity shortages, or severe economic downturns so that in the event of these occurrences the City is able to continue providing essential city services and satisfying expenditure obligation. The secondary purpose of this Chapter is to enable realistic long-term planning, assist in development of annual budgets, require the prudent use of resources, and to implement of sound fiscal management practices. To achieve these purposes, this Chapter requires the City to:

1. Establish adequate reserves.
2. Establish sound fiscal reserve requirements.
3. Ensure the City satisfies its short-term and long-term financial obligations.
4. Establish a periodic review of the City's fund balances and reserves.
5. Enhance the City's credit rating.

To achieve the purposes of this Chapter it is contemplated that the City will establish various Budget Reserve Fund Balance accounts facilitating funding of emergencies, contingencies, liabilities and planned major capital projects. .



## 2560: DEFINITIONS

For the purposes of this Chapter 10, the following terms shall have the following meanings:

(a) **"Emergency"** shall mean, in accordance with Section 2701, the actual or threatened existence of conditions of disaster or of extreme peril to the safety of persons and property within the city caused by such conditions as air pollution, fire, flood, storm, epidemic, riot or earthquake, or other conditions, including conditions resulting from a labor controversy, which conditions are or are likely to be beyond the control of the services, personnel, equipment and facilities of the city, requiring the combined forces of other political subdivisions to combat.

(b) **"Fiscal Emergency"** shall mean the occurrence of any one or more of the following:

(1) the existence of a default on a debt obligation for more than thirty days, or the reasonable probability that the City will default on a debt obligation, or that the City will not be able to cure a default on a debt obligation within thirty days;

(2) the existence of a failure for lack of funds to make payment of all payroll to officials, officers, or employees of the municipal corporation for more than one payment cycled ;

(3) the existence of a condition in which accounts due and payable at the end of the preceding fiscal year, less the year-end balance, exceeded one-twelfth of the available revenues during the preceding fiscal year;

(4) the existence of a condition in which the aggregate of deficit amounts of all deficit funds at the end of the preceding fiscal year, less the year-end balance, exceeded one-twelfth of the total of the general fund budget for that year and the receipts to those deficit funds other than from transfers from the general fund;

(5) the existence of a condition in which, at the end of the preceding fiscal year, moneys and marketable investments in or held for the unsegregated treasury of the municipal corporation, minus outstanding checks and warrants, were less than the aggregate of the positive balances of the general fund and those special funds whose purposes the unsegregated treasury meets, and such deficiency exceeded one-twelfth of the total amount received into the unsegregated treasury during the preceding fiscal year.

(c) **"Economic Stabilization Reserve"** shall mean, as provided in GASB 54 (Governmental Accounting Standards Board), an identified fund for which the specified purpose is stabilizing the delivery of city services during periods of operational deficits resulting from deferral of federal, state, or county remittance and which may also be used as a short-term bridge from unexpected and drastic downturns in the economy. Pursuant to GASB 54 stabilization is regarded as a specified purpose only if the circumstances or conditions that signal the need for stabilization (a) are identified in sufficient detail and (b) are not expected to occur routinely.

## 2570: MINIMUM BUDGET RESERVE FUND BALANCE

The City will maintain combined General Fund reserves as follows:

**(a) Emergency/Disaster Reserve - \$1,000,000.**

(1) Use of these funds is allowable only when the following conditions have been met: (i) The City Council has declared the existence of either an "Emergency" or "Fiscal Emergency"; and (ii) The use of the reserve has been approved by 4/5<sup>th</sup> vote of the membership of the City Council.

(2) Within 6 months after the Council's determination in paragraph (1) above the City Manager shall present a plan to the City Council to replenish this fund .

(3) If all or a portion of the Reserve is utilized, the Reserve will be restored to the original level as adopted within the next five years or whenever reasonably possible.

**(b) Liquidity Reserve - \$2,000,000.**

(1) Funds are to be set-aside to provide cash flow for timing of revenues and expenditures. For example, while payroll costs are bi-weekly and fairly predictable, state and county tax payments can vary. The City may also from time to time have major projects that are grant funded on a reimbursement basis that require large cash outlays. A "Liquidity Reserve" is established to provide the cash-on-hand needed in between large revenue payments and grant reimbursements and will alleviate the need for short-term borrowing.

(2) If all or a portion of the Reserve is utilized, the Reserve will be restored to the original level as adopted within the next five years or whenever reasonably possible.

**(c) Local Economic Uncertainty Reserve - \$500,000**

(1) Funds are to be set aside for the purpose of stabilizing the delivery of City services during periods of operational budget deficits resulting from the conditions as described in the definition above "Economic Stabilization Reserve.

(2) Use of the funds are allowable only when the City Council, upon the 4/5<sup>th</sup> vote of its membership, has approved the use of the fund.

(3) If all or a portion of the Reserve is utilized, the Reserve will be restored to the original level as adopted within the next five years or whenever reasonably possible

**(d) Other Reserve Designations. The City Council may at any time designate specific fund balance levels for future development of projects which it has determined to be in the best long-term interests of the City.**

**(e) The City Manager must include a recommendation for the amounts to be appointed to these reserves during the annual budget process.**

**SECTION 2. Severability.** The City Council hereby declares that, should any provision, section, subsection, paragraph, sentence, clause, phrase, or word of this Ordinance or any part thereof, be rendered or declared invalid or unconstitutional by any final court action in a court of competent jurisdiction or by

reason of any preemptive legislation, such decision or action shall not affect the validity of the remaining section or portions of the Ordinance or part thereof. The City Council hereby declares that it would have independently adopted the remaining provisions, sections, subsections, paragraphs, sentences, clauses, phrases, or words of this Ordinance irrespective of the fact that any one or more provisions, sections, subsections, paragraphs, sentences, clauses, phrases, or words may be declared invalid or unconstitutional.

**SECTION 3. Publication.** The City Clerk shall certify to the passage and adoption of this Ordinance and to its approval by the Mayor and shall cause the same to be published according to law.

PASSED, APPROVED, AND ADOPTED this 5th day of June, 2012.

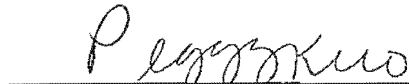
  
MAYOR PRO TEM

ATTEST:

  
Deputy City Clerk

I, Peggy Kuo, Deputy City Clerk of the City of Temple City, hereby certify that the foregoing Ordinance No. 12-953 was introduced at the regular meeting of the City Council of the City of Temple City held on the 15<sup>th</sup> day of May, 2012 and was duly passed, approved and adopted by said Council at the regular meeting held on 5<sup>th</sup> of June, 2012 by the following vote:

AYES: Councilmember-Blum, Chavez, Vizcarra, Sternquist  
NOES: Councilmember- None  
ABSENT: Councilmember-Yu

  
Deputy City Clerk



## CITY OF SIGNAL HILL

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2175 Cherry Avenue ♦ Signal Hill, California 90755-3799

September 18, 2012

The Honorable Lee Smalley Edmon  
Presiding Judge  
Los Angeles County Superior Court  
210 West Temple Street  
11<sup>th</sup> Floor, Room 11-506  
Los Angeles, CA 90012

**Re: City of Signal Hill Response the Civil Grand Jury Report**

Dear Presiding Judge Edmon:

The City of Signal Hill appreciates the efforts the Los Angeles County Civil Grand Jury spent in studying the financial health and practices of 23 of the 25 charter cities in Los Angeles County as reported in the "2011-2012 Los Angeles County Civil Grand Jury Final Report – Charter Cities, June 26, 2012" ("the Report"). This letter is sent as the City's response under California Penal Code Section 933.5 to the Report. The City has previously adopted 19 of the Civil Grand Jury's 22 recommendations for general best management practices. This letter provides a detailed response to the three remaining Civil Grand Jury recommendations and for the six Signal Hill findings as found on Pages 91 and 92 of the Report.

The main purpose of the Civil Grand Jury was to examine the financial and management abuses from the City of Bell and the City of Vernon. Unfortunately these abuses have harmed the reputation of all cities. The press has widely reported that the abuses stemmed from their status as "charter cities," as opposed to being "general law cities."

Our City Attorney is the new city attorney for the City of Bell. It is his opinion that the City of Bell's charter was not at fault, since it contains some very good financial controls. A major problem in Bell appears to be that elected and appointed officials seemed to not understand or comply with their charter. We believe that the pending criminal cases against the Bell City Council and city administration will bear this observation out.

We agree with the Civil Grand Jury's findings that cities should establish rigorous policies and procedures to encourage and facilitate the reporting of fraud, abuse and questionable practices. Signal Hill was one of the charter cities praised by the Civil Grand Jury as having comprehensive and detailed policies and procedures for fraud and abuse, including definitions, clear responsibilities for employee and management personnel, and guidelines and steps for investigating allegations and reporting the results (see Page 91).

The newspapers also reported that many of the county's charter cities "lack strategic planning and have spotty financial controls." We are pleased to report that Signal Hill performed well in all of these areas. The Civil Grand Jury reported that Signal Hill has a strategic plan and budget performance measures. We noted that the strategic plan needs updating, especially since the State ordered dissolution of redevelopment agencies in California which has adversely impacted our community's planning.

The Civil Grand Jury found that the City's assets are stable, with only a 1.2% drop during the FY2009-2010 year. The Grand Jury recommended that charter cities have two months of reserve funds and that they should establish "rainy day" reserve accounts. Signal Hill currently has six months of reserve funds and established its Economic Uncertainties Fund in 1998.

We believe that the Civil Grand Jury's report could have been improved if it examined the 65 general law cities in Los Angeles County for their financial health and practices, as compared with the 23 charter cities. We also believe that the Report would have been improved if it studied the financial health and practices of the City of Los Angeles and the City of Long Beach, which are charter cities as well.

#### One Year Snap Shot – Depth of the Great Recession

The City Council reviewed the Report at their August 21, 2012 meeting. They noted that that the Report was only based on one year (the FY2009-2010 Comprehensive Annual Financial Report). This Report was at the depth of the Great Recession, which began in the fourth quarter of 2008. Signal Hill's revenues declined 21% that year, with sales tax revenues declining over \$1.635 million alone. The international banking crisis and the worldwide financial meltdown lead to a decline in all investments. The City's investments dropped \$1.553 million that year. The Council noted that it would be more appropriate for the Civil Grand Jury to rely on five years of financial reports to get a realistic picture of the city finances, since a longer term study would more reliably illustrate trends. In Signal Hill's case, our reserve funds have rebounded to pre-Great Recession levels. The Report was prepared with data that is over two years old.

The Civil Grand Jury found that 17 of the 23 charter cities expended more than they received in revenues for FY2009-2010. However, the Report failed to disclose that a major contributor to city deficits was the State's "raids" on local revenues to balance

their chronically deficit-plagued budget. The State “borrowed” over \$355,000 from the City’s property taxes under Proposition 1A that year. The State also raided the Signal Hill Redevelopment Agency for over \$5.186 million that year, with corresponding impacts on the City’s budget.

### Exaggerated Asset to Liability Ratio

We believe that the Report mischaracterized Signal Hill’s asset to liability ratio, thereby misrepresenting the City’s financial strength and giving the false impression of financial weakness. The Long Beach Press Telegram relied on the Report in an article entitled “*San Bernardino, A City in Crisis – Boom to Bust,*” which appeared in the Sunday, July 15, 2012 edition. The reporters relied on the Civil Grand Jury’s recommendations that cities have a ratio of twice as many assets to liabilities (a ratio of 2.0 or better) and the Grand Jury’s Table 5 on assets to liabilities to report financial weakness. The story was widely picked up by papers affiliated with the Press Telegram.

The Civil Grand Jury reported in Table 5 that Signal Hill had a 1.52 ratio of assets to liabilities. The problem with the methodology is that the Report combined Signal Hill’s General Fund assets and liabilities, with the assets and liabilities of the Signal Hill Redevelopment Agency. These are two separate legal entities and they are not responsible for each other’s assets or debts.

The Signal Hill Redevelopment Agency issued over \$89 million in bonds for the clean-up of contaminated properties and the construction of infrastructure over the past two decades. These bonds are paid with future property tax revenues from the project area. The Report did not include any future property tax revenues as assets. This communicated a much worse picture of the asset to liability ratio than exists. In reality the City of Signal Hill has few debts. Segregating the former RDA’s bonded debts or adding in the property tax revenues as an asset, results in an asset to liability ratio of 8.1, which is the healthiest of the 23 cities surveyed in the Report. It is unfortunate that due to limited budget, the Report’s authors did not contact the City with any questions on our Redevelopment Agency.

### Civil Grand Jury Findings

#### 1) Governance (Page 91)

The City agrees with the findings of the Civil Grand Jury that we have adopted a Strategic Plan and that City Manager’s goals are outlined for annual review by the City Council. The City’s budget contains historic performance measure information. We agree that Conflict of Interest and Investment policies have been adopted.

2) Audit Committee/Audit Procurement (Page 91)

The City agrees with the findings of the Civil Grand Jury on the competitive bid information on the current auditor. The City will be completing a Request for Proposals for a competitive selection of the auditor at the termination of the existing contract in March of 2013. The City will be establishing an Audit Committee within the next six months as recommended.

3) Accounting Policies and Procedures/Internal Controls (Page 91)

As stated by the Civil Grand Jury, the City has comprehensive accounting policies, procedures and internal controls. We agree that the City continuously reviews and adopts these policies according to the latest GASB and GFOA recommended practices. We disagree with the statement in the Report on Page 91 that it was not clear when the policies were adopted or revised. The City provided your reviewer with over 100 policies in a large binder. These policies are dated and contain revisions dates if applicable.

4) Report of Fraud, Abuse and Questionable Practices/Internal Audit (Page 91)

The City agrees with the findings of the Civil Grand Jury that the City has adopted "Ethical Work Practices for Employees Conflict of Interest" policy in March 2001. We agree that the City has adopted a "Workplace Integrity and Fraud Prevention" policy in July of 2010. We agree that the internal audit function is part of the job descriptions of the finance staff.

5) Financial and Public Reporting Practices/General Fund Unrestricted Balance

The City agrees with the findings of the Civil Grand Jury that the City has established an Economic Uncertainties Reserve Fund and we maintain a combined General Fund reserve and economic uncertainties reserve equal to a minimum of six months operating expenses.

6) Procurement and Contracting

The City agrees with the findings of the Civil Grand Jury that the Municipal Code requires all purchases over \$250 to be made through bid, with those over \$15,000 by formal bid and contract. Exceptions include emergencies, services only available from one vendor, or made under an open purchase order.

Best Management Practices

The City has previously adopted 19 of the 22 best management practices recommended by the Civil Grand Jury. The three exceptions include:

- Adoption of a Two-Year Budget

The City Council discussed this recommendation in detail at their August 21<sup>st</sup> meeting. The City currently has a five-year budget projection, which examines the major revenues and expenditures. The Council is supportive of the Grand Jury's recommendation. However, the City is currently recruiting for its Administrative Services Officer/Finance Director. It is anticipated that the new director would start in January of 2013, which coincides with the preparation of the FY2013-2014 budget. Under AB 26 and AB 1484 the City is required to dissolve the RDA. This work is time consuming, labor intensive and complicated. We must complete two audits by the end of the calendar year involving our former RDA. The Council found that the timing was not ideal to make the change to a two-year budget, but that we will review the recommendation in twelve months. The Council also expressed concern over the uncertainties of completing a two-year budget that with the State's continual "raiding" of local funds and the uncertainties of the RDA dissolution process.

- Formation of an Audit Committee

The City Council discussed this recommendation at their August 21<sup>st</sup> meeting. The City will form an Audit Committee in the next six months.

- Routine Change of Auditors at the End of the Contract

The City Council discussed this recommendation at the August 21<sup>st</sup> meeting. The City is committed to a Request for Proposal at the end of the current auditor's contract. We understand the Grand Jury's concern that continuing to use the same auditor has resulted in issues in the City of Bell. The Council also discussed the time and resources devoted by staff and new auditors in building the new audit. There was discussion in favor of having six to seven year contracts, as opposed to the current five year contract.

### Conclusion

Cities can always improve their practices and the Report's recommendations are generally well thought out. We have concerns with the methodology the Report's authors used in assessing supposed financial weakness of our City, which combined RDA debt with City debt, then gave no value to future property taxes legally dedicated to payback the RDA's debt. The Report could also have been improved by reviewing financial data from more than one year and at the bottom of the Great Recession. The Report could also have been improved by including a survey of general law cities in Los Angeles County.

The City of Signal Hill appreciates the efforts of the Civil Grand Jury in attempting to document if the abuses of the City of Bell and the City of Vernon are endemic to charter cities. We don't believe that this is the case as shown by an objective review of the



Report. Bell's problems seem to point to disregard for financial policies by their elected and appointed officials.

Please do not hesitate to contact me if the Civil Grand Jury has any questions or needs additional information. I can be reached at (562) 989-7302 or at [kfarfsing@cityofsignalhill.org](mailto:kfarfsing@cityofsignalhill.org).

Sincerely,



Kenneth C. Farfsing  
City Manager

Reviewed by: Maida Alcantara  
Administrative Services Officer/Finance Director

cc: Mayor and Members of the City Council  
City Attorney  
Department Heads  
Signal Tribune Newspaper



Office of the City Manager  
PO Box 2200  
Santa Monica, CA 90407-2200

November 26, 2012

Los Angeles County Civil Grand Jury  
210 West Temple Street, Room 11-506  
Los Angeles, CA 90012  
Attention: Jeffery Clements

**Re: Response to 2011-2012 Los Angeles County Grand Jury Final Report**

Thank you for your letter. Attached is a copy of the letter and response that was sent to your office in early September. If you have any questions regarding our response, please do not hesitate to contact Elaine Polachek, Assistant City Manager.

Sincerely,

A handwritten signature in black ink, appearing to read "Rod Gould".

Rod Gould  
City Manager

Encl.



Office of the City Manager  
PO Box 2200  
Santa Monica, CA 90407-2200

August 30, 2012

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

**Re: Response to 2011-2012 Los Angeles County Grand Jury Final Report**

The City of Santa Monica appreciates and values the Grand Jury's report on "Charter Cities Fiscal Health, Governance and Management Practices." Like the Grand Jury, the City of Santa Monica values transparency and has worked hard to ensure that we are fiscally prudent and responsible in managing the public's resources to deliver high quality services.

Like all cities in California, Santa Monica is experiencing new fiscal challenges with the elimination of Redevelopment and the continued effects of the Great Recession. Santa Monica, through its conservative fiscal management, has withstood these challenges better than most cities.

We generally agree with the Grand Jury's report and have either implemented or were already in the process of implementing most of the recommendations set forth in the report. Attached you will find explicit responses to the Grand Jury's recommendations related to all cities and those that specifically referenced Santa Monica. We did not provide responses to those questions where Santa Monica was not referenced as it was mutually recognized that those items were already standard practice for our City.

If you have any questions about our response, please do not hesitate to contact Elaine Polachek, Assistant City Manager.

Sincerely,

A handwritten signature in black ink, appearing to read "Rod Gould", with a long horizontal line extending to the right.

Rod Gould  
City Manager

## City of Santa Monica Reponses to Grand Jury Report

- 1) *All charter Cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.*

Agree. The recommendation has been implemented. The City adopts/reaffirms its financial, revenue and expenditure policies with each budget. Fiscal policies are shown starting on page 240 of the Adopted Budget:

[http://www.smgov.net/uploadedFiles/Departments/Finance/Annual\\_Budgets/2011-13\\_Proposed\\_Biennial\\_Budget/12%20Reference.pdf](http://www.smgov.net/uploadedFiles/Departments/Finance/Annual_Budgets/2011-13_Proposed_Biennial_Budget/12%20Reference.pdf)

- 2) *All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.*

Agree. The recommendation has been implemented. The City of Santa Monica adopts a balanced budget each year. Each fiscal year, unused budget amounts for capital projects are carried forward to the follow fiscal year to complete one-time projects funded with one-time funds. This roll-over of one-time projects causes each year's expenditure budget to appear to exceed revenue. However, every fiscal year, on-going expenditures do not exceed on-going revenue.

- 3) *All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.*

Agree. The recommendation has been implemented. The City of Santa Monica has the following related financial policies, which are reaffirmed each year along with budget adoption, and which are strictly adhered to:

- The City will adopt a balanced budget annually by June 30.
- Current revenues will be sufficient to support current operating expenditures.

- 4) *All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.*

Agree. The recommendation has been implemented. The City of Santa Monica operates under a two year budget process for both its operating and capital expenditures. The two-year operating budget was put into place, with City Council adoption of the first year and approval of the second year, on July 1, 2011. The City Council adopted the second year of the biennial operating budget with very few changes in June 2012. The biennial capital improvements program budget was put into place on July 1, 2012. The operating and capital budgeting process is informed by a five year forecasting tool that is updated and presented to the City Council every six months.

<http://www.smgov.net/Departments/Finance/content.aspx?id=26654>

- 5) *All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or "rainy day" fund to supplement operating revenue in years of short fall.*

Agree. The recommendation has been implemented. In its fiscal year 2011/13 budget, the City of Santa Monica augmented its existing Economic Uncertainty designation by \$1.5 million, which brought the total to \$9.7 million. To address continued uncertainties related to economic recovery and provide the City with additional protection should an unexpected downturn or shock loss occur, the City increased its operating and capital minimum contingency reserve from 10% of General Fund operating and capital expenses to 15% in January 2012.

- 9) *Charter cities should formally establish an audit committee making it directly responsible for the work of the Independent auditor.*

Agree. The recommendation has not yet been implemented and is scheduled for Council consideration in winter 2012. The recommendation is consistent with our auditor's recommendation that the City Council consider the creation of an audit committee. Staff will be bringing forward a recommendation to establish an audit committee during the City Council's annual fall retreat. Also under consideration will be whether the new audit committee would approve non-audit services provided by the City's auditor.

- 10) *All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor.*

Agree. The recommendation has been implemented and the City will continue to require compliance with standards.

- 11) *Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years.*

Agree. The City maintains compliance with governmental accounting principles (GAAP) and best practices. During Fiscal Year 2012/13, the City will be completing a review of its policies and procedures and updating its documentation where applicable following the review.

- 12) *Charter Cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns.*

Agree. The City of Santa Monica has various policies that address ethical behavior such as those related to not accepting gifts and nepotism. Additionally, many professional organizations, such as ICMA and GFOA, have ethics standards for professionals in the organization. The City also incorporates standards related to ethical behavior within its purchasing policies and within various training programs the City offers or requires, such as the City's pre-supervisory academy. Reports of suspected abuse can be reported to the City Attorney, Human Resources or Police Departments.

*21) All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.*

Partially agree. The City agrees that regular review of compensation is necessary. Annual review is neither practical nor facilitative of long term strategies to manage costs. Santa Monica posts all employee contracts and salary schedules online for the public to be able to access and review: ([http://www.smgov.net/Departments/HR/Labor\\_Relations.aspx](http://www.smgov.net/Departments/HR/Labor_Relations.aspx)). The City reviews its compensation packages in the context of collective bargaining negotiations. Review is not practical on an annual basis and the City favors longer term strategies to manage its compensation costs. This is reflective in multi-year agreements with some employee groups. Compensation packages are also reviewed within the longer-term context of the two-year budget and five-year forecast. The only exception is the Executive Pay Plan, which consists of the City Manager, the City Attorney, Department Directors, Assistant City Manager, Deputy City Manager and the City Clerk. As this is an unrepresented group, their compensation must be reviewed annually.

*22) All charter city councils of the cities reviewed in this report should have access to prevailing wage rates and/or salary ranges for comparable cities in order to identify any individual position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.*

Agree. The recommendation has been implemented. The City reviews salaries related to comparable positions and internal equity. When reviewed, the City utilizes the services of a salary and compensation consultant to confirm the applicable comparables. Additionally, the City has adopted formal policies related to classification and compensation studies, including those contained within Memorandums of Understandings.



Michael A. Gin  
Mayor

415 Diamond Street, P.O. Box 270  
Redondo Beach, California 90277-0270  
www.redondo.org

tel 310 372-1171  
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September 18, 2012

Presiding Judge Lee Smalley Edmon  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Dear Judge Edmon,

The City of Redondo Beach thanks the Civil Grand Jury for the research and effort that went into creating their 2011-12 Report. We hope the responses and clarifications that we have provided below will be valuable information as we all work towards greater openness, transparency, and fiscal responsibility for all levels of government.

This serves as the City of Redondo Beach's formal response to the findings and recommendations in the Los Angeles County Grand Jury Report *Charter Cities Fiscal Health, Governance and Management Practices*. Our response provides clarifications, answers and validations for the City's policies and practices that have earned the City a Standard & Poors bond rating of AA+ in addition to numerous state and national awards for budgeting and financial management.

#### CITY OF REDOINDO BEACH RESPONSE TO GRAND JURY REPORT

Introduction (pg.7): "Charter cities are given greater authority and flexibility, by California law, than general law cities over municipal affairs. The 2011-12 Los Angeles County Civil Grand Jury (CGJ) members expressed concern about the potential abuse of this flexibility."

*City Response:* The Grand Jury appears to have started its work with the erroneous assumption that there are inherent flawed characteristics in charter cities that can lead to failures in municipal government in comparison to the characteristics of general law cities. The Grand Jury should consider testing this assumption with the necessary comparative research on general law cities. In general, charter cities allow private citizens to exert greater control and influence over municipal affairs. Charter amendments must be publicly vetted by City Councils and be enacted by a vote of the people.

Total Funds – Revenues, Expenditure, and Net Revenues (pg. 10): “Cities must balance their budgets, and they often do so by spending down reserve funds, liquidating city assets, or increasing city debt or liabilities. Cities may have to make more substantial reductions in city services, or may even face the possibility of insolvency or bankruptcy.”

*City Response:* Every charter city has to find its own path for budget balancing to deal with the revenue shortfalls caused by the economic recession and the actions by the State government. Service cuts are being made by all cities to align available revenues with expenditures. The Grand Jury’s assessment of the fiscal options for cities appears to be incomplete. The report should include the expenditure reduction techniques of 1) renegotiation of labor agreements, 2) outsourcing services, or, 3) transfer of services to non-profits. The report should also discuss revenue enhancements from 1) economic development, 2) adjustments to fees and charges, or, 3) tax measures for voter approval.

The report should address the need to maintain fiscal health through reform to public employee pension programs, workers compensation and health care - - all of which are driving labor costs higher than revenues available to pay for them. Lastly, the Grand Jury report is silent on the long-term negative impact on cities by the State of California in its actions to impose unfunded mandates and devour local revenues for their purposes. This includes the elimination of redevelopment agencies, grants, subventions and tax support.

Financial Health Best Practice #4 (pg. 17): “All charter cities should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.” (pg. 56) “All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure delivery of basic services before funding projects of lower priority.”

*City Response:* In our City’s view, multi-year budgets do not improve financial conditions or protect cities from financial stress caused by an economic recession or the unfunded mandates and revenue take-aways by the State and Federal governments. City managements’ focus on cash-flow and City Councils’ timely and decisive policy actions are more important than reliance on multi-year budget plans. Multi-year budgets can lull cities into policy and bureaucratic complacency in the midst of the dynamic economic and fiscal change being experienced now and into the foreseeable future.



More valuable to Redondo Beach, the City uses a 3-year financial model as a tool to forecast our best case - worst case - probable case financial scenario. This is built upon selected economic, fiscal and legislative indicators provided by experts in their fields. The City does annually adopt a 5-year capital improvement projects plan for the scheduling of funding and construction of facilities and infrastructure. Finally, as a legal note, City of Redondo Beach's voter approved Charter constrains the City Council's authority to adopt only a one-year municipal budget, thus not permitting multiyear budgeting.

General Fund Unrestricted Fund Balance (pg. 40-41): "GFOA recommends, at a minimum, that general purpose-governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures". (pg. 45) "All charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general expenditures should develop such policies." (pg. 57) "Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, Lancaster, Pomona, Redondo Beach, Temple City, Torrance, Vernon, Whittier."

*City Response:* The City of Redondo Beach maintains one month unrestricted fund balance in the general fund. This is listed in the Grand Jury Report Table 31. The Grand Jury's reliance on the measure of two months of unrestricted fund balance as a key indicator of fiscal health is somewhat misleading. This can be stated because absent from the Grand Jury's research; findings and recommendations are cities' (funded or unfunded) liabilities for: 1) PERS 2) workers compensation 3) post-retirement health benefits 4) vehicle & equipment replacement 5) liability & insurance and 6) capital projects. The unfunded financial liability of cities in the aforementioned six areas can dramatically alter the Grand Jury's results in their fiscal evaluation of any city in Los Angeles County. Therefore, too much reliance has been placed on the GFOA two-month standard when consideration should have been made of the other six areas by the Grand Jury.

While the City of Redondo Beach maintains an unrestricted fund balance slightly lower than the GFOA recommendation, the City has adopted policies and allocates funding for the six areas of PERS, workers compensation, post-retirement health benefits, vehicle & equipment replacement, liability & insurance and capital projects. This is done with resources that might otherwise used to fund two months of General Fund

unrestricted fund balance. In simple terms, the City defines its sustainable general financial health as meeting payroll requirements each month with ongoing revenues, maintaining a one-month unrestricted fund balance and handling funding for the six areas described above.

Important to note for Redondo Beach, labor associations representing City employees agreed to 6% compensation cuts to help the City bridge budget gaps in the past three years. In accordance with those binding labor agreements, compensation restoration would come ahead of allocating more general fund money to meet the Grand Jury's proposed two month-unrestricted fund balance goal.

Redondo Beach – Governance: (pg. 90) “No performance indicators focused on outcomes or results.”

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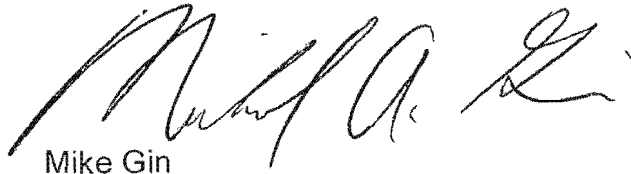
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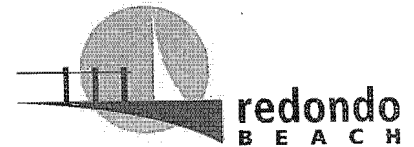
City Response: The City Manager under the Charter is responsible for delivery of the annual budget to the City Council by May 16<sup>th</sup> of each year and the Financial Services Department in practice is responsible for accounting and fiscal administration.

Thank you for receiving the City of Redondo Beach’s response to the Los Angeles County Grand Jury Report *Charter Cities Fiscal Health, Governance and Management Practices*.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Gin", written in a cursive style.

Mike Gin



Michael A. Gin  
Mayor

415 Diamond Street, P.O. Box 270  
Redondo Beach, California 90277-0270  
www.redondo.org

tel 310 372-1171  
ext. 2260  
fax 310 379-9268

October 1, 2012

Presiding Judge Lee Smalley Edmon  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Dear Judge Edmon,

The City of Redondo Beach thanks the Civil Grand Jury for the research and effort that went into creating their 2011-12 Report. We hope the responses and clarifications that we have provided below will be valuable information as we all work towards greater openness, transparency, and fiscal responsibility for all levels of government.

This serves as the City of Redondo Beach's formal response to the findings and recommendations in the Los Angeles County Grand Jury Report *Charter Cities Fiscal Health, Governance and Management Practices*. Our response provides clarifications, answers and validations for the City's policies and practices that have earned the City a Standard & Poors bond rating of AA+ in addition to numerous state and national awards for budgeting and financial management.

#### CITY OF REDOINDO BEACH RESPONSE TO GRAND JURY REPORT

Introduction (pg.7): "Charter cities are given greater authority and flexibility, by California law, than general law cities over municipal affairs. The 2011-12 Los Angeles County Civil Grand Jury (CGJ) members expressed concern about the potential abuse of this flexibility."

*City Response:* The Grand Jury appears to have started its work with the erroneous assumption that there are inherent flawed characteristics in charter cities that can lead to failures in municipal government in comparison to the characteristics of general law cities. The Grand Jury should consider testing this assumption with the necessary comparative research on general law cities. In general, charter cities allow private citizens to exert greater control and influence over municipal affairs. Charter amendments must be publicly vetted by City Councils and be enacted by a vote of the people.

Total Funds – Revenues, Expenditure, and Net Revenues (pg. 10): “Cities must balance their budgets, and they often do so by spending down reserve funds, liquidating city assets, or increasing city debt or liabilities. Cities may have to make more substantial reductions in city services, or may even face the possibility of insolvency or bankruptcy.”

*City Response:* Every charter city has to find its own path for budget balancing to deal with the revenue shortfalls caused by the economic recession and the actions by the State government. Service cuts are being made by all cities to align available revenues with expenditures. The Grand Jury’s assessment of the fiscal options for cities appears to be incomplete. The report should include the expenditure reduction techniques of 1) renegotiation of labor agreements, 2) outsourcing services, or, 3) transfer of services to non-profits. The report should also discuss revenue enhancements from 1) economic development, 2) adjustments to fees and charges, or, 3) tax measures for voter approval.

The report should address the need to maintain fiscal health through reform to public employee pension programs, workers compensation and health care - - all of which are driving labor costs higher than revenues available to pay for them. Lastly, the Grand Jury report is silent on the long-term negative impact on cities by the State of California in its actions to impose unfunded mandates and devour local revenues for their purposes. This includes the elimination of redevelopment agencies, grants, subventions and tax support.

Financial Health Best Practice #4 (pg. 17): “All charter cities should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.” (pg. 56) “All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure delivery of basic services before funding projects of lower priority.”

*City Response:* In our City’s view, multi-year budgets do not improve financial conditions or protect cities from financial stress caused by an economic recession or the unfunded mandates and revenue take-aways by the State and Federal governments. City managements’ focus on cash-flow and City Councils’ timely and decisive policy actions are more important than reliance on multi-year budget plans. Multi-year budgets can lull cities into policy and bureaucratic complacency in the midst of the dynamic economic and fiscal change being experienced now and into the foreseeable future.

More valuable to Redondo Beach, the City uses a 3-year financial model as a tool to forecast our best case - worst case - probable case financial scenario. This is built upon selected economic, fiscal and legislative indicators provided by experts in their fields. The City does annually adopt a 5-year capital improvement projects plan for the scheduling of funding and construction of facilities and infrastructure. Finally, as a legal note, City of Redondo Beach’s voter approved Charter constrains the City Council’s authority to adopt only a one-year municipal budget, thus not permitting multiyear budgeting.

General Fund Unrestricted Fund Balance (pg. 40-41): “GFOA recommends, at a minimum, that general purpose-governments, regardless of size, maintain unrestricted

fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures”. (pg. 45) “All charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general expenditures should develop such policies.” (pg. 57) “Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, Lancaster, Pomona, Redondo Beach, Temple City, Torrance, Vernon, Whittier.”

*City Response:* The City of Redondo Beach maintains one month unrestricted fund balance in the general fund. This is listed in the Grand Jury Report Table 31. The Grand Jury’s reliance on the measure of two months of unrestricted fund balance as a key indicator of fiscal health is somewhat misleading. This can be stated because absent from the Grand Jury’s research, findings and recommendations are cities’ (funded or unfunded) liabilities for: 1) PERS 2) workers compensation 3) post-retirement health benefits 4) vehicle & equipment replacement 5) liability & insurance and 6) capital projects. The unfunded financial liability of cities in the aforementioned six areas can dramatically alter the Grand Jury’s results in their fiscal evaluation of any city in Los Angeles County. Therefore, too much reliance has been placed on the GFOA two-month standard when consideration should have been made of the other six areas by the Grand Jury.

While the City of Redondo Beach maintains an unrestricted fund balance slightly lower than the GFOA recommendation, the City has adopted policies and allocates funding for the six areas of PERS, workers compensation, post-retirement health benefits, vehicle & equipment replacement, liability & insurance and capital projects. This is done with resources that might otherwise be used to fund two months of General Fund unrestricted fund balance. In simple terms, the City defines its sustainable general financial health as meeting payroll requirements each month with ongoing revenues, maintaining a one-month unrestricted fund balance and handling funding for the six areas described above.

Important to note for Redondo Beach, labor associations representing City employees agreed to 6% compensation cuts to help the City bridge budget gaps in the past three years. In accordance with those binding labor agreements, compensation restoration would come ahead of allocating more general fund money to meet the Grand Jury’s proposed two month-unrestricted fund balance goal.

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Thank you for receiving the City of Redondo Beach's response to the Los Angeles County Grand Jury Report *Charter Cities Fiscal Health, Governance and Management Practices*.

Sincerely,

A handwritten signature in black ink that reads "Pat Awst - PROTEM". The signature is written in a cursive, flowing style.

Michael A. Gin

FOR Mayor



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# City of Redondo Beach

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415 Diamond Street, Redondo Beach, CA 90277

January 7, 2013

Jeffery Clements  
Chairman, Continuity Committee  
2012-13 Los Angeles County Civil Grand Jury

Frederick Piltz, Foreperson  
2012-13 Los Angeles County Civil Grand Jury

Los Angeles County Grand Jury  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 900012

Re: Grand Jury Letter of 11/15/12 – Response to Grand Jury Recommendations

Dear Mr. Clements and Mr. Piltz,

The City of Redondo Beach received your letter of November 15, 2012 noting that the City had not responded to Grand Jury recommendations numbers 4 and 14. Mayor Mike Gin and I reviewed the City's response to the Grand Jury report and believe you may have overlooked our specific responses to numbers 4 and 14 detailed in our letter to you.

In response to number 4, we wrote in our letter the following answer:

*Financial Health Best Practice #4 (pg. 17): "All charter cities should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority." (pg. 56) "All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure delivery of basic services before funding projects of lower priority."*

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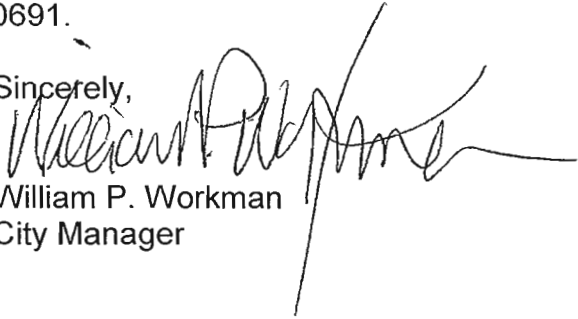
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The City conducts multi-year financial planning through its strategic plan, its five-year capital improvement plan and planning for city services through its three-year fiscal modeling. Important for the Grand Jury to understand, the voter approved Redondo Beach City Charter mandates we budget one-year at a time. Additionally, due to the volatility of municipal finances in California, it is our City's practice to use private sector techniques in focusing on quarterly cash flow, expenditure controls, productivity and economic development rather fall into complacency relying on multi-year budgets based on imprecise predictions of future revenues and expenditures.

The City maintains a one-month unrestricted General Fund balance rather than the two-month reserve suggested by the Grand Jury. However, as our September response explains, we prudently maintain unrestricted General Fund balances (accessible by the City Council) for specific purposes such as general liability protection and vehicle replacements. These unrestricted General Fund specific purpose fund balances combined with the City's one-month unrestricted General Fund balance equals nearly six months of General Fund reserve. In contrast, other cities may have two-months of unrestricted General Fund balance but leave unfunded millions of dollars general liability and vehicle replacements.

If you have any questions or need further clarification, please call me at 310-318-0691.

Sincerely,

  
William P. Workman  
City Manager



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# City of Redondo Beach

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415 Diamond Street, Redondo Beach, CA 90277

January 7, 2013

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Chairman, Continuity Committee  
2012-13 Los Angeles County Civil Grand Jury

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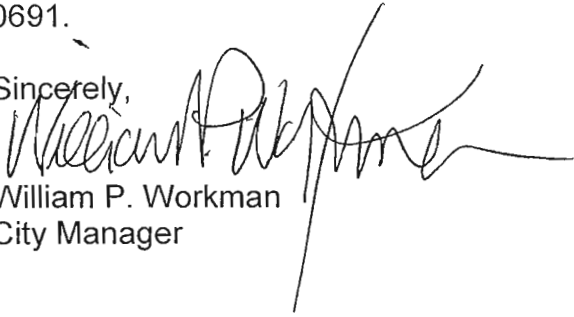
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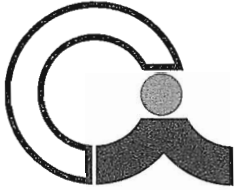
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If you have any questions or need further clarification, please call me at 310-318-0691.

Sincerely,

  
William P. Workman  
City Manager



# CITY OF INDUSTRY

Incorporated June 18, 1957

September 26, 2012

**BY OVERNIGHT MAIL**

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 W. Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

**Re: City of Industry Responses to Civil Grand Jury Report:  
*Charter Cities Fiscal Health, Governance & Management Practices***

To the Honorable Presiding Judge:

The City of Industry has reviewed the Civil Grand Jury Final Report regarding charter cities' fiscal health, governance and management practices. In preparing the attached responses to the Civil Grand Jury's recommendations, the City of Industry considered factors such as, but not limited to, the City's small staff size, current practices, as well as pending revisions to certain policies, procedures and practices noted in the Report.

Sincerely,

KEVIN RADECKI  
CITY MANAGER, CITY OF INDUSTRY

Recommendation 1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balance budgets.

The City of Industry agrees with this recommendation. The recommendation has not yet been implemented, but will be implemented within the current 2012-2013 fiscal year.

Recommendation 2. All charter cities reviewed in the report should develop a balanced budget and commit to operate within budget constraints.

The City of Industry agrees with this recommendation, noting that the City, in practice, already develops a balanced budget and operates within budget constraints when feasible. However, the City will implement a formal policy reaffirming this practice, formally requiring the City to develop a balanced budget and commit to operating within the budget constraints so long as it is reasonable and feasible to do so. The recommendation has not yet been implemented, but will be implemented within the current 2012-2013 fiscal year.

Recommendation 3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

The City of Industry agrees with this recommendation, noting that the City, in practice, does not use one-time revenues to fund recurring or on-going expenditures. However, the City will implement a formal policy reaffirming this practice. The recommendation has not yet been implemented, but will be implemented within the current 2012-2013 fiscal year.

Recommendation 4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

The City of Industry agrees with this recommendation. The recommendation has been implemented as evidenced by the City's practice of adopting a two-year budget. However, the City will formalize this practice as part of the City's updated financial policies, to be implemented within the current 2012-2013 fiscal year.

Recommendation 5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or "rainy day" fund to be supplement operating revenue in years of short fall.

The City of Industry agrees with this recommendation, noting that the City already has a “rainy day” fund established. However, the City will implement a formal policy to determine how to maintain sufficient levels in the reserve each year. The recommendation has not yet been implemented, but will be implemented within the current 2012-2013 fiscal year.

Recommendation 6. The City of Industry should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City.

The City of Industry agrees with this recommendation. The recommendation has not yet been implemented, but will be implemented within the current 2012-2013 fiscal year.

Recommendation 7. The City of Industry should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time.

The City of Industry agrees with this recommendation. The recommendation has not yet been implemented, but will be implemented within the current 2012-2013 fiscal year.

Recommendation 8. The Industry City Council should continue to maintain a governance policy that specifically defines the relationship between the council and executive. The Industry City Council should continue providing specific annual goals for the city's executive (City Manager) and conduct meaningful evaluations annually.

The City of Industry agrees with this recommendation. The City Charter and City Municipal Code specify the roles and responsibilities of the City Manager and City Council. However, in an effort to strengthen the city manager form of government, this recommendation will be presented to the City Council within the current 2012-2013 fiscal year, in order to consider possible Code amendments and administrative policies.

Recommendation 9. The City of Industry should formally establish an audit committee making it directly responsible for the work of the independent auditor.

The City of Industry agrees with this recommendation insofar as the City should formally establish an audit committee to oversee the independent auditor.



However, the City disagrees with the recommendation that the Audit Committee should be “directly responsible” for the work of the independent auditor, to the extent that the Audit Committee members would be liable for any actions taken by the independent auditor. The recommendation has not yet been implemented, but will be implemented provided that the Audit Committee will “oversee,” rather than be “directly responsible for” the work of the independent auditor. A resolution establishing the Audit Committee will be prepared and presented to the Council within the current 2012-2013 fiscal year.

Recommendation 10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

The City of Industry agrees with this recommendation, noting that in practice, the City does not allow external auditors to provide non-audit services. However, the City will implement a formal policy reaffirming this practice and requiring external auditors to comply with standards of independence. In addition, the auditor selection process will be encompassed by the City’s updated consultant services policy. The recommendation has not yet been implemented, but will be implemented through a resolution within the current 2012-2013 fiscal year.

Recommendation 11. The City of Industry should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years.

The City of Industry agrees with this recommendation. The recommendation has not yet been implemented, but will be implemented within the current 2012-2013 fiscal year.

Recommendation 12. The City of Industry should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns.

The City of Industry agrees with this recommendation. In keeping with the small size of the City staff, the City will adopt a fraud policy that includes appropriate and practical methods for confidential, anonymous reporting. Several members

of the City staff will assume responsibility for investigating reports of fraud. Implementation of such a policy will occur within the current 2012-2013 fiscal year.

Recommendation 13. The City of Industry should periodically review and update internal control procedures over financial management.

The City of Industry agrees with this recommendation. The recommendation has not yet been implemented, but will be implemented within the current 2012-2013 fiscal year.

Recommendation 14. The City of Industry should adopt a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.

The City of Industry agrees with this recommendation in principle, so long as it is economically feasible and advisable to implement. Although the City already maintains an "unrestricted fund," as such term is defined by the Civil Grand Jury Report, in an amount in excess of the Report's recommendation, the City will implement a formal policy to determine how to maintain sufficient levels in the unrestricted fund balance each year. The recommendation has not yet been implemented, but will be implemented within the current 2012-2013 fiscal year.

Recommendation 16. The City of Industry should publish financial reports on the City's website.

The City of Industry agrees with this recommendation. The recommendation has been implemented by posting financial reports, including the 2011 Financial Statements with Independent Auditor's Report, on the City's website.

Recommendation 17. The City of Industry should develop controls over sole sourced contracting to prevent preferential granting of contracts.

The City of Industry agrees with this recommendation. The City will implement a purchasing policy that will establish the circumstances under which sole sourced contracting is permitted and will ensure appropriate controls over such sole sourced contracting. The policy will be implemented within the current 2012-2013 fiscal year.

Recommendation 18. The City of Industry should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services

consistent with state codes.

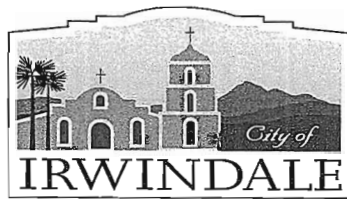
The City of Industry agrees with this recommendation. The recommendation has not yet been implemented, but will be implemented within the current 2012-2013 fiscal year.

Recommendation 21. All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

The City of Industry agrees with this recommendation as it pertains to City Council review and access to information by the public. City staff will annually present the City Council with actual compensation information during the budget review. The recommendation will be implemented within the current 2012-2013 fiscal year.

Recommendation 22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

The City of Industry agrees with this recommendation. The recommendation has been implemented, as the information is available upon request to all public agencies and members of the public. Should the City approve an exceptional salary, it will, as part of the approval process, provide an explanation and justification for the salary offered such as the unique job responsibilities of the position or the qualifications of the employee.



September 27, 2012

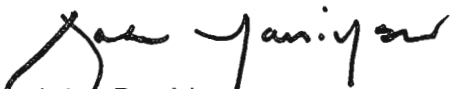
Presiding Judge  
Los Angeles County Superior Court  
Clara Shorridge Foltz Criminal Justice Center  
210 West Temple Street,  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Dear Sir or Madam:

Enclosed please find the City of Irwindale's response to the 2011-12 Los Angeles County Civil Grand Jury Final Report for Charter Cities Fiscal Health, Governance and Management Practices.

Please feel free to contact Eva Contreras, Finance Manager at [econtreras@ci.irwindale.ca.us](mailto:econtreras@ci.irwindale.ca.us) or 626-430-2221 if you have any follow-up questions.

Sincerely,

  
John Davidson  
City Manager



**CITY OF IRWINDALE  
RESPONSE TO 2011-12 LOS ANGELES GRAND JURY FINAL REPORT**

<b>FINDING</b>	<b>AGREE/DISAGREE WITH FINDING</b>	<b>EXPLANATION</b>	<b>ACTION</b>
1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets	AGREE		The City will prepare policies to be included in next year's budget document, if not sooner.
2. All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.	AGREE, PARTIALLY	While the optimal definition of a balanced budget is revenues equaling or exceeding expenditures, this is not always possible especially during recessionary times. A balanced budget could also be defined as revenues plus economic contingency reserves equal to expenditures. These reserves are built during good years in order to allow a City time to work on stabilizing a deficit situation during difficult economic times. Starting in 2007 through 2010, the nation experienced the biggest recession since the great depression, which even the best economists did not anticipate. While a balanced budget is ideal, it is not always possible. Sometimes there is a need to use economic contingency reserves or rainy day to continue to provide essential services. These reserves are specifically maintained for this purpose.	The City will continue its diligent efforts to reduce costs through labor negotiations and other cost reduction efforts, as well as, seeking new revenue opportunities in order to ultimately obtain a structurally balanced budget. This may take a few budget cycles to complete, however the City will comply with the General Fund Reserve Policy as approved by the City Council in June 2010 requiring a minimum of \$5,000,000 which represents currently 27% of budgeted expenditures. The Government Finance Officers Association recommends a 15% economic contingency reserve balance.
3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.	AGREE, PARTIALLY	This is an ideal strategy, but not always realistic. See answer to number 2.	As outlined in 2 above, the City will attempt to minimize the use of one-time revenues to fund on-going expenditures.

**CITY OF IRWINDALE  
RESPONSE TO 2011-12 LOS ANGELES GRAND JURY FINAL REPORT**

<b>FINDING</b>	<b>AGREE/DISAGREE WITH FINDING</b>	<b>EXPLANATION</b>	<b>ACTION</b>
4. All charter cities in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.	DISAGREE	Multi-year budgets are great during favorable economic times. During the past six years of the worst recession since the Great Depression, no one, not even the best economists could predict the volatility that took place. Cities are almost year round performing budgeting because revenues have dropped significantly and the expenditure side must react to this volatility. We have been preparing financial projections for City Council 2-4 times a year with the best information that is available at the time. Until the sluggish economy rebounds, it is prudent for Finance Directors to be informing their City Councils and adjusting budgets as necessary throughout the year. A multi-year budget would be a wasteful exercise at this point in time.	This recommendation will not be implemented at this time.
5. All charter cities reviewed in this report should adopt a method and practice for saving into a reserve or "rainy day" fund to be supplemental to operating revenue in years of shortfall.	AGREE		As noted in number 2 above, the City Council already has an Economic Contingency Reserve (or what others call a Rainy Day fund).
6. N/A TO IRWINDALE			
7. N/A TO IRWINDALE			
8. N/A TO IRWINDALE			
9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor.	DISAGREE	As noted in our response to the questionnaire, being a small City, the full City Council acts as the Audit Committee. The Auditor	This recommendation will not be implemented.

**CITY OF IRWINDALE  
RESPONSE TO 2011-12 LOS ANGELES GRAND JURY FINAL REPORT**

FINDING	AGREE/DISAGREE WITH FINDING	EXPLANATION	ACTION
		<p>communicates early on in the audit process each year by sending a SAS114 audit planning letter directly to the Mayor and City Council to outline the planning, scope and timing of the upcoming audit and to serve as a way to establish two-way communication with the auditors. In addition, annually our independent auditors present the final audit reports and audit committee letter to the City Council at a public meeting within 6 months of the close of the fiscal year as required by State Law. Adding another layer of oversight would result in delays, confusion, and increased costs and would add no value to a City the size of Irwindale.</p>	
<p>10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive bid process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.</p>	<p style="text-align: center;">AGREE</p>		<p>The City required the current audit firm to change partners upon starting the current contract for fiscal year ended June 30, 2010. As outlined to the City Council with approval of the current contract, it is Staff's intent to select an auditor through a competitive bid process at the termination of the current contract which will end after completion of the audit for fiscal year end June 30, 2014.</p>
<p>11. N/A TO IRWINDALE</p>			
<p>12. Charter cities should review and update policies and procedures reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential</p>	<p style="text-align: center;">AGREE</p>		<p>We will draft and implement a policy by November 2012.</p>

**CITY OF IRWINDALE  
RESPONSE TO 2011-12 LOS ANGELES GRAND JURY FINAL REPORT**

FINDING	AGREE/DISAGREE WITH FINDING	EXPLANATION	ACTION
anonymous reporting of concerns.			
13. N/A TO IRWINDALE			
14. N/A TO IRWINDALE			
15. N/A TO IRWINDALE			
16. N/A TO IRWINDALE			
17. Charter cities should develop controls over sole sourced contracting to prevent preferential granting of contracts.	AGREE		The City Council will consider the draft Purchasing Policy on October 10, 2012. Section 3.4 of the Draft Policy controls sole source purchases. See attached.
18. Charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes.	AGREE		The City Council will consider the draft Purchasing Policy on October 10, 2012. Section 5 of the Draft Policy requires that services over \$20,000 require a formal bid process. See attached.
19. All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts.	AGREE		The City Council will consider the draft Purchasing Policy on October 10, 2012. Section 3.8 of the Draft Policy requires a change order that exceeds \$1,000 or causes the total purchase to exceed \$20,000 then the formal bidding procedure must be followed (Section 5 of the Draft Policy). See attached
20. All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm.	AGREE, PARTIALLY	The City undergoes an annual audit by an outside accounting firm to confirm that generally acceptable accounting principles are followed, which includes the City's purchasing procedures.	The City Council will consider the draft Purchasing Policy on October 10, 2012, which documents compliance with procurement requirements and provide contract compliance. During the City's Annual audit, the auditors review purchases to ensure that the Irwindale



**CITY OF IRWINDALE  
 RESPONSE TO 2011-12 LOS ANGELES GRAND JURY FINAL REPORT**

<b>FINDING</b>	<b>AGREE/DISAGREE WITH FINDING</b>	<b>EXPLANATION</b>	<b>ACTION</b>
			Municipal Code Section 3.44 is being followed, as well as ensuring that the Purchasing Policy is being adhered to. See attached.
21. All charter city councils, and citizens of the cities, reviewed in this report should annual review the actual compensation received by employees of their cities.	AGREE		The City Council adopts a Compensation Resolution each year in a public meeting outlining the salaries given to all City employees.
22. All charter city councils of cities reviewed in this report should have access to prevailing wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.	AGREE		All department heads are hired on an individual contract approved by the City Council in a public meeting. Each time the City needs to recruit for a department head position, the City Council has an opportunity to review salaries for that position being offered in comparable cities.

Attachment "F"

CITY OF IRWINDALE  
Emergency Justification Form

Purchase Order Number: \_\_\_\_\_ Amount \$ \_\_\_\_\_

Vendor Name: \_\_\_\_\_

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

Emergency purchases should be made only:

1. To preserve or protect life, health or property; or
2. Upon natural disaster; or
3. To correct or forestall a shutdown to maintain essential public services; or
4. Other unforeseeable events.

This form should be forwarded to Purchasing, with a prepared requisition, and any delivery timeframe, documents, etc. Attach any cost comparisons, quotations, Council agenda statements, resolutions, or other pertinent information:

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Department/Division: \_\_\_\_\_

Department Head Signature: \_\_\_\_\_ Date: \_\_\_\_\_

City Manager Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(Emergency purchases estimating/totaling over \$3,000 require City Manager signature)

Council Resolution Number: \_\_\_\_\_ Council Date: \_\_\_\_\_  
(Emergency purchases estimating/totaling over \$20,000 require Council approval. Attach resolution)

Purchasing Officer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

IF THE AWARD IS TO BE MADE TO OTHER THAN THE LOW BIDDER, PLEASE PREPARE A COMPLETE AND FULL JUSTIFICATION OF THE REASON FOR REJECTION. You may write your justification below and obtain the necessary authorized signatures (i.e. department head). If you have any questions, please call me at Ext. 294.

REMARKS: (All bids are periodically audited; therefore, all exceptions to and rejections of low bids shall be documented.)

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Bids obtained by: \_\_\_\_\_ Date: \_\_\_\_\_

Department Head Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Purchasing Officer Signature: \_\_\_\_\_ Date: \_\_\_\_\_



# **CITY OF IRWINDALE PURCHASING POLICY**

# **DRAFT**

Scheduled to be adopted by City Council on  
October 10, 2012

Date: \_\_\_\_\_

## **SECTION 1**

### **1. PURPOSE**

The purpose of this policy is to provide the City of Irwindale ("City") a means of assuring continuity and uniformity in its purchasing operation, and to define the responsibilities for purchasing supplies, services and equipment for the City. These guidelines are not intended to address every issue, exception, or contingency that may arise in the course of purchasing activities. Employees are to exercise good judgment in the use of City resources, including keeping within the budget authorized by the City Council.

### **2. POLICY STATEMENT**

This policy was developed under the authority of Chapter 3.44 of Title 3 of the Irwindale Municipal Code. The City Manager, at his/her sole discretion shall appoint the Purchasing Manager/Purchasing Officer (collectively "Purchasing Officer"). The Purchasing Officer may delegate the administration of the program and is charged with the responsibility and authority for coordinating and managing the procurement of the City's supplies, services and equipment according to this policy.

This policy is to be adhered to by the Purchasing Officer and all departments when procuring supplies, services and equipment. This policy strives to define decision making with prudent review and internal control procedures and to maintain departmental responsibility and flexibility in evaluating, selecting, and purchasing, supplies, equipment and services.

Excluded from this policy is the purchase of supplies, services and equipment which is included within the specification of a "Public Works Contract" construction project and is subject to the regulations contained in the State of California Public Contract Code. Also excluded is the award of Professional Design and Consulting Services, governed by California Government Code Section 4525-4529. See Section 11 herein.

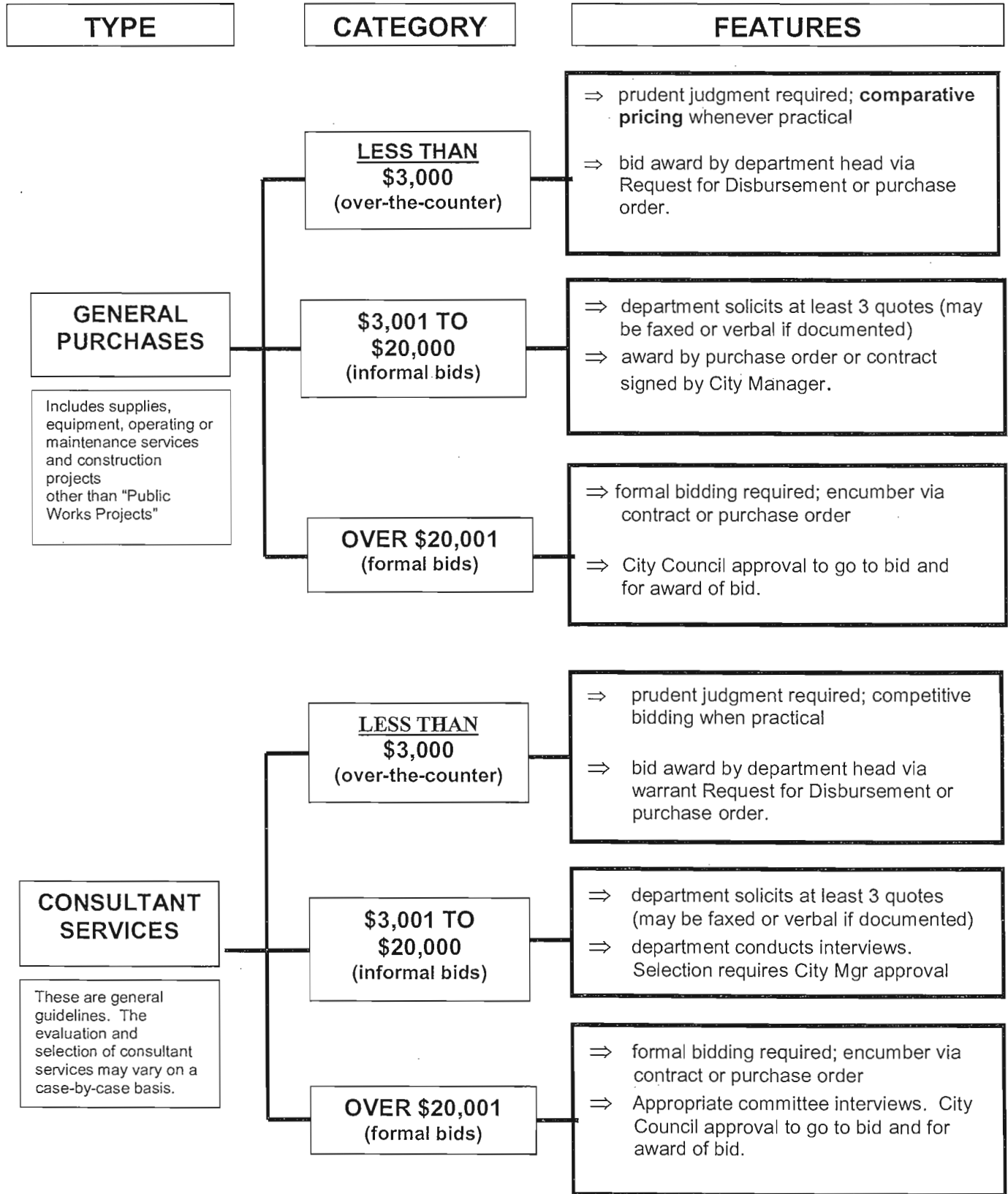
### **3. UNAUTHORIZED PURCHASES**

Except for urgencies, departmental purchases, or other authorized exemptions stated in these guidelines, no purchase of supplies, services, or equipment shall be made without an authorized purchase order. Otherwise:

- a. Such purchases are void and not considered an obligation of the City.
- b. Invoices without an authorized purchase order may be returned to the vendor unpaid.

Purchase orders shall be issued prior to ordering supplies, equipment and services and not "after the fact" for work already done or materials already ordered.

## PURCHASING SYSTEM OVERVIEW



#### **4. RESPONSIBILITIES OF THE PURCHASING OFFICER**

The Purchasing Officer is responsible for 1) the procurement of general supplies, services and equipment; 2) the administration of the purchasing policy; and 3) the management of surplus City property. To perform these functions efficiently and assist departments, the Purchasing Officer shall:

- a. Be charged with the responsibility and authority for coordinating and managing the procurement of the City's general supplies, services and equipment from the lowest responsive and responsible bidder when required by this policy.
- b. Ensure full and open competition on all purchases as required by this policy.
- c. Identify, evaluate and utilize purchasing methods which best meet the needs of the City (i.e., cooperative purchases, blanket purchase orders, contractual agreements, etc.).
- d. Assist all departments with research and recommendations in developing specifications; review specifications for completeness of information to ensure specifications are not unnecessarily restrictive.
- e. Coordinate vendor relations, locate sources of supply, and evaluate vendor performance.
- f. Recommend revisions to purchasing procedures when necessary and keep informed of current developments in the field of public purchasing.
- g. Prescribe and maintain all forms and records necessary for the efficient operation of the purchasing function.
- h. Act as the City's agent in the transfer and disposal of surplus equipment and materials.
- i. Investigate the cost of recycled and non-recycled products to determine if the purchase of recycled products is practical and economical. To be considered economical, the added costs should not exceed 10% of the lowest non-recycled product price.
- j. Make purchase award recommendations to the appropriate authority.

#### **5. RESPONSIBILITIES OF DEPARTMENTS**

Departments are charged with the following responsibilities in the purchasing process:

- a. To provide to the Purchasing Officer at the beginning of each fiscal year, an updated Signature Authorization Form (Attachment "A") designating those

individuals who are delegated the authority to make purchases per the policies and procedures as described in this policy.

- b. To anticipate requirements sufficiently in advance to allow adequate time to obtain goods in accordance with the best purchasing practices.
- c. To communicate and coordinate purchases with the Purchasing Officer, as necessary.
- d. To provide detailed, accurate specifications to ensure goods obtained are consistent with requirements and expectations.
- e. To prepare requisitions in accordance with instructions so as to minimize the processing effort.
- f. To inform the Purchasing Officer of any vendor relation problems, shipping problems (i.e., damaged goods, late delivery, wrong items delivered, incorrect quantity delivered, etc.) and any situations which could affect the purchasing function.
- g. To minimize urgent and sole source purchases and to provide written documentation when such purchases may be necessary.
- h. To assist the Purchasing Officer with the review of all bids received for compliance with specifications, and provide the Purchasing Officer with written documentation regarding their findings.
- i. To notify vendors of purchase award when authorized by Purchasing Officer.
- j. To not "split" orders for the purpose of avoiding procurement requirements. See Definitions Section 12.
- k. To consider the use of recycled products when practical and economically feasible. To be considered economical, the added costs should not exceed 10% of the lowest non-recycled product price.

## **6. VENDOR RELATIONS**

It is to the City's advantage to promote and maintain good relations with vendors. The Purchasing Officer and operating department staff shall conduct their dealings with vendors in a professional manner and shall promote equal opportunity and demonstrate fairness, integrity, and courtesy in all vendor relations. When feasible to do so, vendors within the City should be utilized for supplies, services and equipment.



## SECTION 2

### PURCHASING METHODS

Purchasing dollar limits are "per order". This policy specifically prohibits splitting an order to circumvent the specified dollar limits. Departments shall contact the Purchasing Officer to coordinate volume bids of repetitive requirements (i.e., the frequent purchase of items such as chemicals, paper goods, etc., which annually exceed the specified limits). The PO/Contract Check List (Attachment "B") must accompany all purchases exceeding \$3,000.

#### 1. PURCHASES OF LESS THAN \$3,000 – MINOR PURCHASES

For purchases of less than \$3,000, the authority to award is the Department Head. Comparative pricing is not required but shall be used when practical. Prudent judgment shall be used at all times. All departments may purchase supplies, equipment, and services, of less than \$3,000 without competitive bidding and without a purchase order. This value represents a one-time per fiscal year purchase or the total value of multiple purchases of the same item or group of similar items throughout the fiscal year. A purchase order may be requested by the department if required by the vendor or if the department wishes to use the purchase order as a mechanism to encumber funds.

#### 2. PURCHASES BETWEEN \$3,001 - \$20,000 – INFORMAL BIDS

The authority to award is identified in the table below

Signature Authority	Amount
City Manager	\$20,000
Assistant City Manager	\$10,000
Department Head*	\$7,500
Purchasing Manager/Officer	\$5,000

\*Chief of Police, Director Public Works/City Engineering,  
Director of Finance, and Director of Planning

All departments shall obtain three oral or written competitive quotations whenever possible for purchases. The Department Head/Manager must complete the Informal Bid/Quote Form (Attachment "C"). The Purchasing Officer may be requested to assist in this process. The department shall submit a requisition, which includes the recommended vendor, with all supporting documentation to the Purchasing Officer. Supporting documentation shall include:

- a. Competitive price quotes obtained.
- b. Names of vendors contacted.
- c. Description of the items required.

d. Certificates of insurance as applicable.

The Purchasing Officer shall review the recommendation and supporting documentation and may contact additional sources for quotations.

The City Manager or designee may award purchase to the lowest responsive and responsible bidder whose quote fulfills the intended purpose, quality, and delivery needs of the solicitation, provided that an unencumbered appropriation for that item exists. In lieu of awarding the purchase, the City Manager or designee may reject bids, or may negotiate further to obtain terms more acceptable to the City.

### **3. PURCHASES OF \$20,001 OR MORE – FORMAL BID**

Purchases that exceed \$20,001 require a Formal Bid Process, and City Council approval. See Section 4.

### **4. PETTY CASH: PURCHASES OF \$50 OR LESS**

The high cost of payment processing makes it imperative that small-dollar purchases be made by cash. For purposes of making purchases where the estimated cost is less than \$50.00 per day, there is a purchasing petty cash fund. The purchasing petty cash fund shall be replenished by periodic claims submitted to the City Finance Director, supported by sales slips or invoices for each purchase, and indicating the department for which the purchase is made and the authorized personnel requesting such purchase. If the vendor is heavily patronized by the City, the vendor should be requested to establish a credit account with the City. The Receptionist is responsible for disbursing and accounting for the petty cash and the petty cash fund should be used only for minor purchases of up to \$50.

### **5. CREDIT CARD USAGE**

Under certain circumstances, the use of a City credit card may be the most appropriate method for certain purchases. The following policies and procedures are established to insure internal control and timely payment of charges.

1. City credit cards will be signed out on an as-needed basis to City Council or staff at the sole discretion of the Purchasing Officer or the appointed designee, in conformity with internal control procedures. Failure to comply with established procedures may result in discontinuance of use by the employee/department.
2. Because of Internal Revenue Service (IRS) tax reporting requirements, except for Emergency Purchases, City credit cards may not be used to purchase services provided by vendors who are doing business as partnerships or sole proprietors.

Examples of this include, but are not limited to:

- a. Labor charges for auto repair
- b. Plumbers
- c. Construction contractors

3. City credit cards shall be available to the City Council and staff for the conduct of official City business, included, but not limited to the following purposes:

- a. Gasoline purchases.
- b. Authorized travel expenses and hotel charges which shall subsequently be documented on the travel reconciliation report.
- c. To charge the cost of meals when required in the conduct of official business, except when an employee is traveling on a per diem basis. (Refer to Travel Policy)
- d. Other circumstances where the use of a credit card best meets the City's purchasing needs as determined by the Purchasing Officer or the appointed designee.

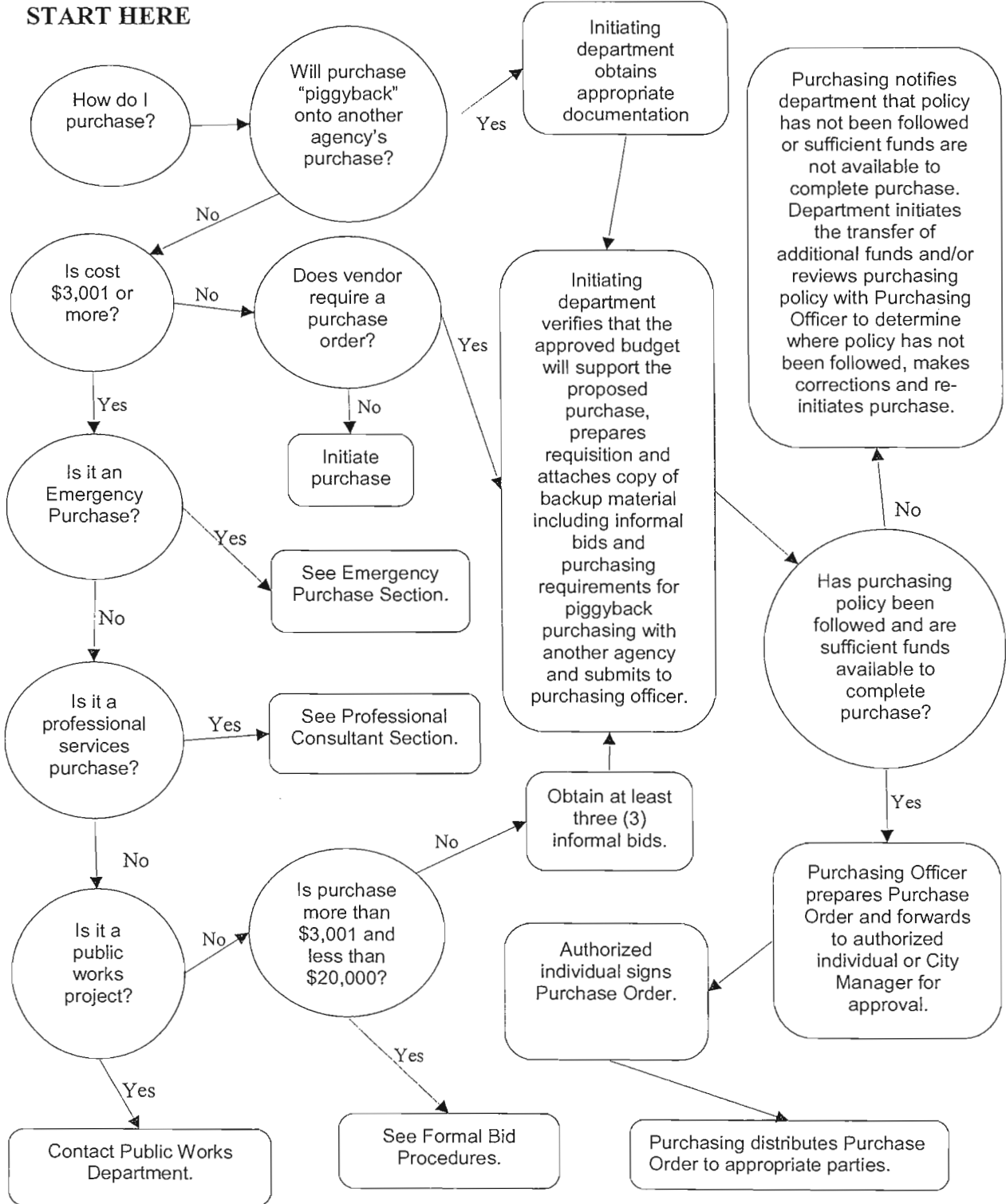
4. Credit Cards and gasoline cards may be signed out by an employee authorized to purchase items and may be distributed by that authorized employee to personnel under their supervision as long as that authorized employee later approves the receipt. Once the purchase is complete, the credit card shall be returned. Gas and Home Depot credit cards may be assigned to specific individuals to carry at all times.

5. A City credit card may not be used to obtain a cash advance.

6. The credit card can be checked out from the Finance Department. The Credit Card Authorization Form (Attachment "D") must be completely filled out, including account number to be charged and approval signature(s) prior to use of the City credit card. The credit card should be returned the same day unless other arrangements have been made. Departments are required to turn in actual receipts to support the purchase when the credit card is returned to the Finance Department.

7. No personal items shall be charged on any City credit card.

# THE PURCHASING PROCESS



## SECTION 3

### PURCHASE ORDERS

#### 1. BLANKET PURCHASE ORDERS

A Blanket Purchase Order is an agreement whereby the City contracts with a vendor to provide equipment or supplies on an as-needed and often over-the-counter basis. Blanket Purchase Orders provide a mechanism whereby items which are uneconomical to stock may be purchased in a manner that allows field operations timely access to necessary materials. Blanket Purchase Orders shall not be used to purchase services, capital assets or items maintained in stock.

The Purchasing Officer shall request confirmation of Blanket Purchase Orders annually, before the beginning of the fiscal year. Requests for Blanket Purchase Orders may also be submitted to the Purchasing Officer on an as-needed basis. The Purchasing Officer shall review Blanket Purchase Order requests based upon the following criteria:

- a. Geographic location.
- b. Responsiveness and capabilities.
- c. Average dollar value and type of items to be purchased.
- d. Frequency of need.

All Blanket Purchase Orders shall include the following information:

- a. A general description of the equipment or supplies which may be charged.
- b. The period of time the order will remain open, not to exceed one year.
- c. The maximum total amount which may be charged on the purchase order.
- d. The maximum amount which may be charged each time the employee implementing a purchase enters the vendor's place of business, or if unspecified, \$250 per purchase, for a total not to exceed \$750 per month.
- e. Items excluded from the purchase, if applicable.
- f. The phone number of the purchasing agent for questions or approval of charges which exceed the limit.
- g. Identification of the department(s) and employee(s) who may charge against the order.
- h. Requirement that the employee show their City Employee Identification Card.
- i. Requirement that employees print and sign their names when picking up goods.
- j. City account number(s) to be charged.

Once a Blanket Purchase Order is issued to a vendor, any authorized City employee may contact the vendor directly to place orders per the terms and conditions specified in the Blanket Purchase Order.

## **2. CONTRACT PURCHASES ORDERS**

Contract Purchase Orders are the preferred method of purchasing repetitive-use items or services which may be common to several departments or within one department. Establishing Contract Purchase Orders provides a means of obtaining volume pricing based upon the combined needs of all departments, reduces the administrative costs associated with seeking redundant competitive bids and processing a Purchase Order each time an order is placed, and allows departments to order as needed, reducing the requirement to maintain large inventories of stock.

If a Contract Purchase Order exists, departments shall order all of their requirements from the successful vendor. No other source shall be used without prior approval of the Purchasing Officer. Departments shall submit, in writing to the Purchasing Officer, any performance problem encountered immediately following the occurrence so that corrective action may be taken.

Contract Purchase Orders are annual and may include option for renewal for specific products, product types, or services at agreed upon prices or pricing structure and for a specified period of time.

If a vendor requires a Purchase Order to process an order, the department shall submit a purchase order requisition to the Purchasing Officer to initiate a purchase order.

## **3. COOPERATIVE (PIGGYBACK) PURCHASES**

The Purchasing Officer may participate in purchases and contracts established by other political jurisdictions, provided the cooperative agreement is established following a competitive bid process. The City Manager may authorize the award of cooperative purchase agreements up to \$20,000. City Council approval is required for the award of any cooperative purchase more than \$20,000.

## **4. SOLE SOURCE PURCHASES**

It is the City's policy to solicit competitive bids for its requirements. Sole source purchasing shall not be used unless there is clear and convincing evidence that only one source exists to fulfill the City's requirements. Sole source specifications should be avoided whenever possible as they minimize or eliminate competition.

As allowed by Municipal code 3.44.060, sole source purchases may be authorized when:

- a. The commodity can be obtained from only one vendor, as the one vendor is the only one that offers the item for sale, lease, or rental.

- b. The item being purchased is available from only one vendor within the time frame or under the terms and conditions which reasonably meet the needs of the using department.
- c. The item being purchased is required to match or be compatible with other items presently on-hand, and the purchase is made from the manufacturer or supplier who supplied the original terms.

All sole source purchases shall be supported by written documentation signed by the appropriate department head and forwarded to the Purchasing Officer. Final determination that an item is a valid sole source purchase will be made by the Purchasing Officer. The following procedures must be followed:

- a. Sole source shall not be claimed by the requesting department in an effort to eliminate the need for the competitive quote process.
- b. Sole source purchases shall be supported by a Sole Source Justification form (Attachment "B") signed by the requestor's Department Head.
- c. The form must be sent to Purchasing with the other required purchasing paperwork.
- d. If the using department wishes to place the order directly, they must contact the Purchasing Officer prior to making any commitments to the vendor. Upon receipt of the completed Sole Source Justification form and with the Purchasing Officer's approval, a Purchase Order number will be given.
- e. With the Purchasing Officer's approval, an agreement may be negotiated by the department with the designated sole source vendor, to achieve an agreement that is advantageous to the City.
- f. Council action will be required if the price exceeds \$20,000.

## 6. EMERGENCY PURCHASES PROCEDURES

Chapter 2.08.090 of the Irwindale Municipal Code states, "In case of accident, disaster, or other circumstance creating a public emergency, the City manager may award contracts and make purchases for the purpose of meeting said emergency; but he shall file promptly with the council a certificate showing such emergency and the necessity for such action, together with an itemized account of all expenditures. (Ord. 184 §1(part), 1966: Ord. 62 §1(part), 1959: prior code §2208)."

Emergency purchases may be made without competitive bidding when time is of the essence, and shall be made only for the following reasons:

- a. To preserve or protect life, health or property;
- b. Upon natural disaster;
- c. To correct or forestall a shutdown to maintain essential public services; or
- d. Other unforeseeable events.

Since emergency purchases do not normally provide the City an opportunity to obtain competitive quotes or properly encumber funds committed, sound judgment shall be used in keeping such orders to an absolute minimum. In addition, the following requirements shall apply:

- a. The Emergency Justification Form (Attachment "D") must be completed and submitted to the Purchasing Officer the next workday.
- b. Purchase The Purchasing Officer shall be contacted as soon as possible for an advance purchase order number, which may be given verbally, to cover the urgent transaction. If unable to contact the Purchasing Officer, place the order and contact the Purchasing Officer the next workday.
- c. A completed purchase requisition shall be submitted to the Purchasing Officer within two working days, or as soon as the information is available. All purchase requisitions for urgent purchases shall be signed by the appropriate Department Head.
- d. Documentation explaining the circumstances and nature of the emergency purchase shall be submitted by the appropriate Department Head as follows:
  1. Purchases less than \$3,000: Use standard purchasing procedures.
  2. Purchases in the amount of \$3,001 - \$20,000: Report to the City Manager by processing memo of "Emergency Purchase Exceeding \$3,000" and then processing a requisition within one week.
  3. Purchases of more than \$20,000: 1) Report to City Manager within two working days, and 2) Report to the City Council at its next scheduled meeting for ratification.

If the emergency purchase causes any budget line item to exceed the approved budget, it shall be the responsibility of the department requesting the purchase to obtain subsequent City Council approval for an additional appropriation or to make a department transfer to cover the purchase.

## **7. PURCHASE ORDER EXEMPTIONS**

Certain purchases are not readily adaptable to the open market and formal bidding process. These purchases are generally for items where the competitive bid process is not applicable. A Request for Disbursement Form should be completed with appropriate account number coding and approvals with the invoice attached in order for a payment to be processed by the Finance Department. Following is a list of allowable exemptions:

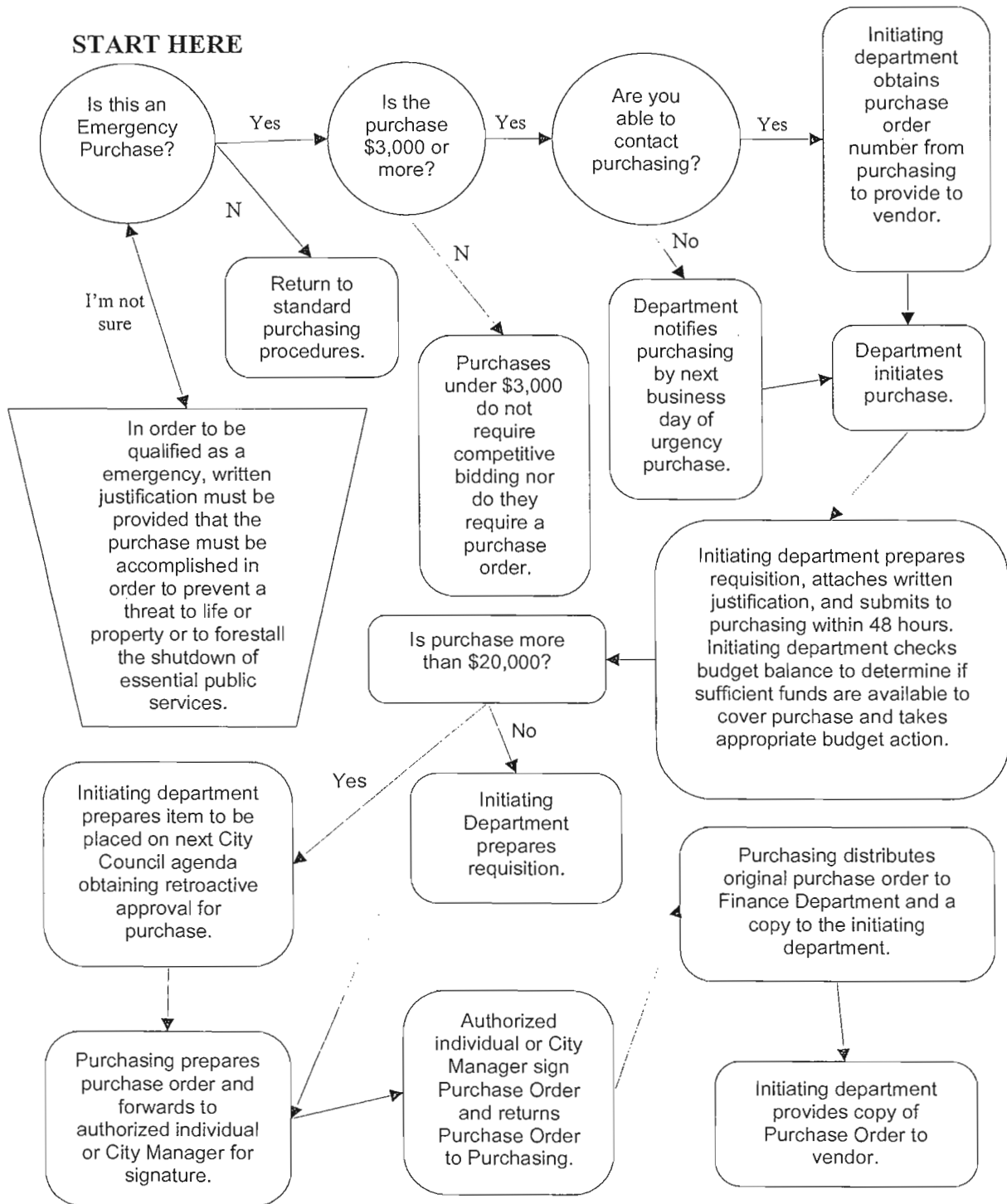


Advertisements and Notices  
Attorney Services  
Property Rentals  
Subscriptions  
Travel Expense/Advances  
Payments to other Government Units  
Courier/Delivery/Messenger Services  
Department Purchases Under \$3,000  
(see Section 2-1)

Membership Dues  
Utility Payments  
Petty Cash Replenishment  
Real Property/Easement Acquisition  
Trade Circulars or Books  
Insurance Claims and Premiums  
Fuel  
Medical Payments (physicians, lab,  
etc.)

Exemptions are limited to those items listed above. Departments may submit written requests for additional exemptions to the Purchasing Officer. If warranted, additional exemptions will be added to this list.

# EMERGENCY PURCHASING PROCEDURES FLOWCHART



## **8. Change Orders**

Purchase Orders represent a contract between the City and the Vendor. Any substantial change to a Purchase Order shall be documented as a change order. Change Orders shall be reviewed by the Purchasing Officer and shall be approved by the City Manager. A purchase order may not be increased by more than 10% or \$1,000, whichever is less, without a change order, except for taxes, shipping and handling as discussed below. If the change itself exceeds \$1,000 or it causes the total purchase to exceed \$20,000, the formal bidding procedure must be followed (See Section 5).

Taxes, shipping and handling may cause the purchase order to exceed the authorized purchase order amount. These items do not require a Change Order, even if they exceed 10% of the original purchase order amount.

The Purchase Order/Contract Change Order Form (Attachment "F") shall be used to change a quantity, description, size, color, vendor name or address, unit price, delivery location, terms and conditions and to delete or add to the order. It shall also be used to terminate a purchase order and to correct errors in the original purchase order.

## **7. Authorized Signers**

The Signature Authorization Form (Attachment "A") is the authority limits given to individuals by the City Manager or their Department Head. This form shall be updated each fiscal year to maintain personnel accuracy.

## **8. Recycled Materials and Products**

Products that minimize environmental impacts, toxics, pollution, and hazards to worker and community safety to the greatest extent practicable should be considered. Product that include recycled content, are durable and long-lasting, conserve energy and water, use agricultural fibers and residues, reduce green house gas emissions, use unbleached or chlorine free manufacturing process, are lead-free and mercury-free, and use wood from sustainably harvested forests can and should be purchased at competitive prices.

## **9. Billing and Payment**

The City requires invoices for each purchase order issued to the vendor. The purchase order must appear on all invoices, shipping tags, and correspondence relevant to the order. Payment is made after receipt of invoice and delivery and acceptance of material as specified on the purchase order and signed off by the department receiving the goods or services. Unless otherwise specified on the purchase order, invoice should be submitted to:

City of Irwindale  
Accounts Payable  
5050 N. Irwindale Avenue  
Irwindale, CA 91706

Directing invoices to any other department (unless otherwise so instructed) will delay payment. The City tries to pay all invoices within thirty (30) days of receipt of invoice and acceptance of the order. Questions regarding payment of invoices should be made to the Finance Department, Attn: Accounts Payable and will require specific Purchase Order information.

## **10. Insurance**

In all instances in which vendor personnel enter City property to repair, install, service, construct, consult, etc., the City requires a certificate of insurance verifying coverage per City insurance requirements. Whenever insurance is required on a purchase order, the vendor will be supplied with complete requirements for coverage.

## **11. Business and Profession Tax**

Chapter 5 of the Irwindale Municipal Code states that a City business license is required for all business, trades or professions who operate any kind of business within the City, whether or not the business is located within the City or located elsewhere. Business who are exempt by the federal or state law are not required to pay for a City business license, however they are required to complete a business license application.

## SECTION 4

### FORMAL BIDS

#### 1. FORMAL BID PROCESS

Except as otherwise exempted in the policy, supplies, services and equipment with an estimated value of \$20,001 or more shall be made following a Formal Bid Process using a Request for Quote (RFQ) or Request for Proposal (RFP).

To initiate a RFQ or RFP, the department making the request shall provide specifications (see item 2. below) for the item to be purchased and documentation showing the existence of an unencumbered appropriation for the item in the current approved budget. The Purchasing Officer or requesting department shall solicit formal bids as prescribed by the City of Irwindale Municipal Code Chapter 3.44.090

Formal bids shall be posted at City Hall and shall be published at least once in a newspaper of general circulation as required by State law, and, if applicable, in appropriate trade publications. The date of publication shall be at least 10 days before the due date. All formal bids shall be sealed and shall be publicly opened and read at the date, time, and place indicated in the published notice.

Bids shall be reviewed for compliance with specifications by the requesting department. All deviations from the specifications shall be fully documented by the requesting department and the impact of the deviations on the performance or suitability of the bid item shall be detailed. Staff will prepare and forward a recommendation for approval of purchase. Informal bids shall be approved by the City Manager. Formal bids shall be approved by the City Council.

#### 2. SPECIFICATIONS

It is the responsibility of each department to provide detailed, accurate specifications when requisitioning supplies, equipment and services. Accurate specifications are essential for effective bidding.

a) Sole Source Specifications:

Sole source specifications shall be avoided whenever possible, as they minimize or eliminate competition. The appropriate authority (City Manager, if total purchase is less than \$20,000; City Council, if total purchase is \$20,001 or more) may waive bidding requirements if sufficient written justification for a sole source purchase exists. An example of sole source is where equipment or supplies are required in order to be compatible with existing equipment or to perform a complex or unique

function. Written documentation signed by the appropriate department head shall accompany the requisition for any sole source request.

b) Standardization:

Standardization of specifications for items common to several divisions and/or departments can facilitate the purchasing process. The Purchasing Officer and departments shall work together to establish standard specifications for such items.

c) Brand Name, or Equal, Specifications:

In purchasing equipment or supplies needed to be compatible with existing equipment, or to perform complex or unique functions, the Purchasing Officer may limit bidding to a specific product type or a brand name product.

Use of brand names in specifications shall be for the purpose of describing the standard of quality, performance, and characteristics the City desires and not be intended to limit or restrict competition. If a brand name is incorporated into a specification, a minimum of two acceptable brands shall be listed whenever possible and shall be followed by the statement "or approved equal" unless the sole source rule applies.

Using specifications provided by a specific manufacturer should be avoided, however, if used, the name of the manufacturer, model number, etc., should be indicated. The bid document shall clearly state that the use of the manufacturer's specifications are for the sole purpose of establishing the level of quality desired. The Purchasing Officer reserves the right to determine and approve any product submitted as an "or equal."

d) Vendor Assistance in Writing Specifications:

There may be occasions when vendor assistance is required to develop a specification. Such specifications shall be written in general terms and the vendor shall be informed that the information they provide may be used to develop specifications for a competitive bid process. The vendor shall be allowed to submit a bid, but will not be given any preference over the other bids

### **3. AWARD OF BID**

Bids shall be awarded to the "responsive" and "qualified" bidder who submits the lowest bid.

- i. In determining the lowest “responsive” bid, the following elements shall be considered in addition to price: A responsive bid is one which is in substantial conformance with the requirements of the invitation to bid, including specifications and the City’s contractual terms and conditions. Bidders who substitute terms and conditions or who qualify their bids in such a manner as to nullify or limit their liability shall be considered non-responsive bidders.
  - ii. Conformance with the requirements of the invitation to bid may also include providing proof of insurance, completing all forms, including references, and all other information as requested in the bid document.
  - iii. The successful bidder must demonstrate the ability to successfully fulfill a contract, including rendering of subsequent and continuing service. Staff may request proof of a prospective bidder’s reliability. Prospective bidders may be requested to furnish proof of financial resources, a list of current or previous customers, and other pertinent data. Such action may also be taken after receipt of bids.
  - iv. A bidder may be determined to be non-responsive if a prospective bidder fails to furnish proof of qualifications when required.
- a) In determining the lowest “qualified” bidder, the following elements shall be considered in addition to price:
- i. That the products offered provide the quality, fitness, and capacity for the required usage.
  - ii. That the bidder has the ability, capacity and skill to perform the contract satisfactorily and within the time required.
  - iii. That the bidder’s experience(s) regarding past purchases by the City or other public agencies demonstrates the reliability of the bidder to perform the contract.
  - iv. Whenever goods are subject to sales tax, in-town vendors shall be given a one percent (1%) deduction from the bid, where it is determined that if the bid were accepted by the City as the lowest responsible bid received, the City would receive a refund of the 1% sales and use tax imposed by Chapter 3 of the Irwindale Municipal Code.
- b) When a bid is recommended to be awarded to other than the low bidder, written justification is required. The written statement, signed by the

appropriate department head, shall be attached to the purchase requisition.

- c) The Purchasing Officer or the requesting department may recommend rejection of any or all bids if it is determined to be in the best interests of the City. Reasons for rejection may include, but are not limited to, the following: a bid is determined to be non-responsive, the number of bids received is inadequate, bids received are not reasonably uniform in price, or the lowest bid received is deemed to be too high. The Purchasing Officer may, in any given case, reject all bids with or without cause and submit the supplies, equipment or service involved to a new bidding process. If all bids are rejected, the Purchasing Officer may be authorized to re-solicit bids, negotiate a contract for the purchase, or abandon the purchase.
- d) If two or more bids are received which are in all respects equal, the Purchasing Officer may accept the one deemed to be in the best interests of the City.



## SECTION 5

### PROFESSIONAL CONSULTANT SELECTION

#### 1. Selection of Consultants for Professional Services (General):

- a. The following criteria shall be used to determine approval authority for Professional Consultant Service Contracts:

Contracts under \$3,000	Department Head Approval
Contracts of \$3,001 - \$20,000	City Manager Approval
Contracts of \$20,001 or greater	City Council Approval

- b. This policy specifically prohibits splitting a purchase to circumvent the limits set forth in Section 2.
- c. The appropriate department head, with the approval of the City Manager, shall prepare a scope of work consistent with budget and project authorization of the City Council. The Request for Proposal (RFP) shall outline the City requirements and project description. The list of solicited firms will be drawn from firms who, in the opinion of the department head, can perform the work. A Request for Qualifications may first be necessary if the required services are particularly specialized or if the qualifications of the available consultants are unknown. The list of solicited firms may be limited to a minimum of 3 to 5 due to time constraints or specialties involved.
- d. The initial review of proposals shall be conducted by the involved department head(s), who shall make a recommendation to the City Manager regarding which consultants should be invited to interviews.

Interviews (Contracts less than \$20,000) will be conducted by the appropriate department staff members.

Formal interviews (for Contract of \$20,001 or more) will be conducted by a committee consisting of staff which deals with the subject matter of the proposal. The Committee will make a recommendation to the City Council for final selection.

- e. Qualifications should be the determining factor in the selection of a professional consultant. Staff shall then negotiate the final fee based upon the agreed scope of work.
- f. Prior to approval of a contract, the department head shall conduct appropriate background and reference checks and ensure that adequate bonding or security, if required, is posted.

- g. Consultants shall comply with all regulations and laws dealing with conflict of interest disclosure and reporting. Consultants shall not be engaged if a conflict of interest exists.
- h. Approval of "Additional Work" items shall comply with the limits of Section 2.

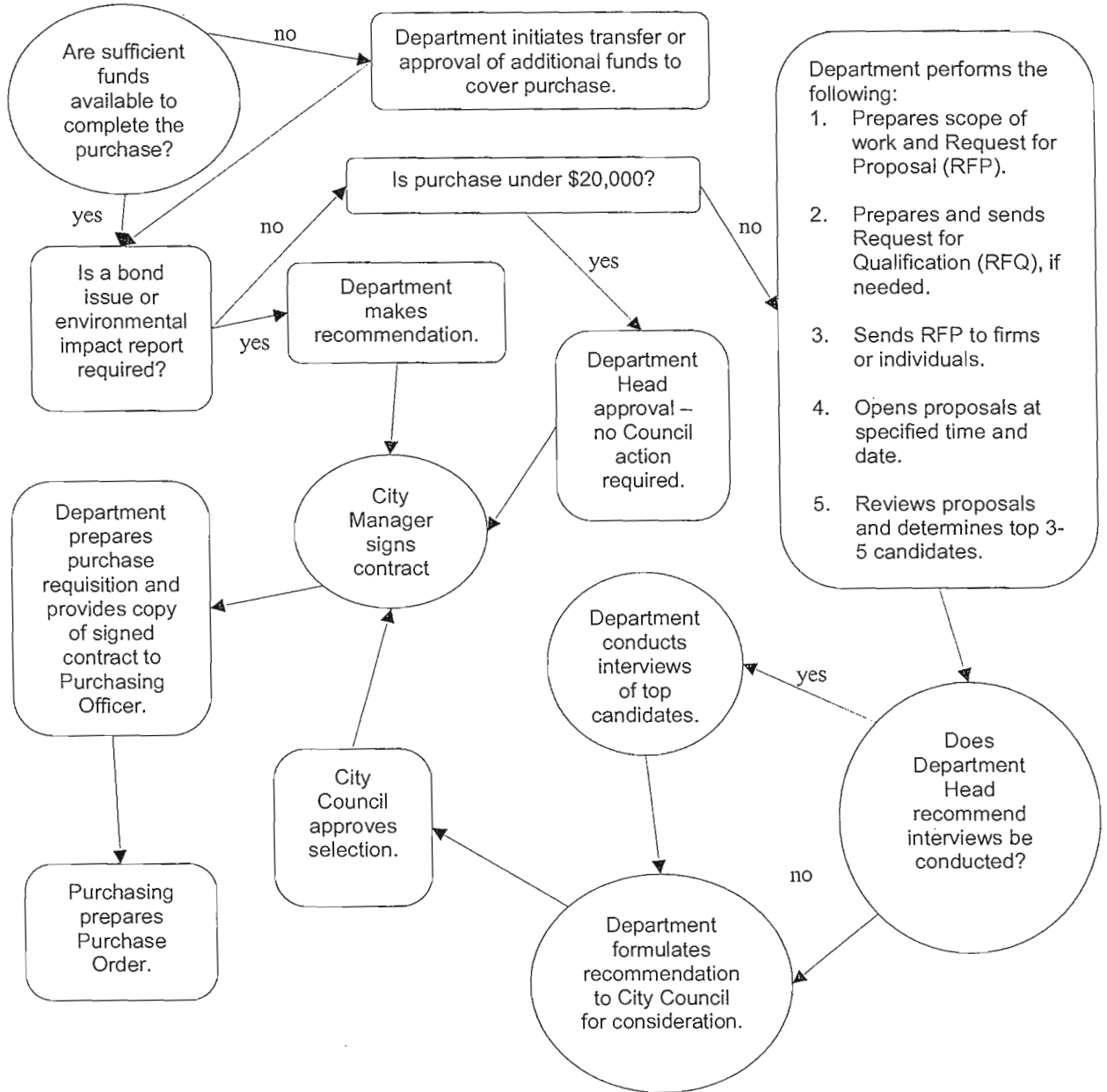
**2. Selection of Consultants for Professional Services for Continuing Services:**

- a. Professional firms providing engineering, land surveying, transit, planning, environmental, auditing, landscape architecture or other services may be retained on a continuing basis to provide professional services. The department head, with the approval of the City Manager, may contract on a project-by-project or on a retainer basis for additional work/services without going through the RFP and selection process. At least every three years these arrangements shall be reviewed and every effort shall be made to receive proposals from at least three consultants to perform the same services. This is to ensure the City is receiving the best value in their services.
- b. Beginning each fiscal year, the Purchasing Officer shall make a written request to each department head to submit to the City Manager a Department Consultant List (Attachment "H") currently under contract by their department, setting forth name of firms, type of services, cost of contracts, length of contracts and date entered into, and the number of years retained by the City.
- c. Exclusions
  - 1. The process of selecting environmental impact report consultants for non City projects shall be conducted by the Director of Planning due to time restraints and application processing requirements. The final consultant selection and fee shall be reviewed and approved by the City Manager.
  - 2. City Council shall also review and approve each bond issue in concept with approval for the selection of certain professional consultants, as needed, to be selected by the Director of Finance as approved by the City Manager.

All consultant and professional services agreements, except time and material agreements, shall be encumbered.

# SELECTION OF CONSULTANT AND PROFESSIONAL SERVICES

**START HERE**





## SECTION 6

### SURPLUS PROPERTY

The Purchasing Officer is responsible for the transfer and disposition of surplus City property. "Surplus property" is used generically to describe any City property that is no longer needed or useable by the holding department. The Purchasing Officer or designee has the authority to declare item(s) surplus per Section 3.44.150 of the municipal code.

Surplus property that may result from the termination of a lease agreement shall be specifically reported to the Purchasing Officer prior to the termination of the lease. The report shall include all information about the lease, including purchase price at the commencement of the lease, residual value at the end of the lease, the total payments through the end of the lease and the fair market value at the end of the lease. In determining the fair market value, each department shall document the methods used to make such determination including tools such as Kelly Blue Book, classified advertisements, and local vendors with similar products available.

Each department shall periodically review its equipment, material, and inventory, and shall promptly notify the Finance Department of any surplus property. A surplus property form shall be completed and submitted for each surplus property item.

#### 1. Methods of Disposition

The Purchasing Officer or designee shall determine or approve one of the following methods of disposition that is most appropriate and in the best interests of the City.

##### a. Transfer to Another Department

Surplus property may be transferred between City departments. Departments wishing to transfer surplus property to or from another department shall complete the Property Transfer/Disposal Form (Attachment "1") and submit it to the Finance Department for review. All transfers of items with an estimated value of \$1,000 or more require approval of the Department Heads from each department affected by the transfer.

##### b. Trade-In

Property declared as surplus may be offered as a trade-in for credit toward the acquisition of new property. All trade-in offers will be submitted for the review and approval of the Purchasing Officer. If surplus property is to be applied to a purchase order, the trade-in value shall be itemized on the Purchase Order. The amount charged against the expenditure account will be the value of the purchase before application of the trade-in credit.

c. Return to Manufacturer

Surplus property may, when possible, be returned to the manufacturer for buy-back or credit toward the purchase of new property.

d. Disposal

Surplus property may be offered for sale by the Purchasing Officer. All surplus property is for sale "as is" and "where is", with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility or usability or the property offered for sale. Appropriate methods of sale are as follows:

1. Public Auction - Surplus property may be sold at public auction. Public Auctions may be conducted by City staff, or the City may contract with a professional auctioneer including professional auction services.
2. Sealed Bids - Sealed bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner shall be sold to the highest responsible bidder.
3. Selling for Scrap - Surplus property may be sold as scrap if the Purchasing Officer deems that the value of the raw material exceeds the value of the property as a whole.
4. Negotiated Sale - Surplus property may be sold outright if the Purchasing Officer determines that only one known buyer is available or interested in acquiring the property.
5. No Value Item – Where the Purchasing Officer determines that specific supplies or equipment are surplus and of minimal value to the city due to spoilage, obsolescence or other cause or where the Purchasing Officer determines that the cost of disposal of such supplies or equipment would exceed the recovery value, the Purchasing Officer shall dispose of the same in such a manner as he or she deems appropriate and in the best interest of the City.

Proceeds

Proceeds from the sale or trade-in of surplus property shall be returned to the appropriate fund.

## SECTION 7

### ADMINISTRATIVE APPEALS PROCEDURES

Administrative Appeals Procedures fall into the following two categories:

#### 1. Informal

This category is for all purchases up to \$20,000. The City Manager will be the approving authority for all Administrative Appeals for this category. Appeals must be written and submitted to the City of Irwindale within five (5) working days after the aggrieved Bidder is notified of the decision. A written decision will be issued within ten (10) working days after receipt of the written appeal. The appeal decision by the City Manager is final.

#### 2. Formal

This category is for all purchases over \$20,001. The City Council is the approving authority for formal appeals for the City of Irwindale. Appeals must be written and submitted to the City Manager within five (5) working days after the aggrieved Bidder is notified of the City Manager's decision. A written decision will be issued within thirty (30) working days after receipt of the written appeal. The appeal decision made by the City Council is final.

## SECTION 8

### GIFTS AND REBATES

Every officer and employee of the City is expressly prohibited from accepting, directly or indirectly, from any person, company, firm or corporation to which any purchase order or contract is, or might be awarded, any rebate, gift, money, or anything of value whatsoever.

1. Do not discriminate in the provision of services to the public. This means not receiving gifts or other tokens of appreciation in connection with services rendered in the performance of duties for which they are already paid and not bestowing special favors upon any member of the public in return for gifts or gratuities.
2. Do not solicit any gift or accept or receive any gift whether it be money, services, loan, travel, entertainment, hospitality, promises, or any other form under circumstances where it can be reasonably inferred or expected that the gift was intended to influence in the performance of official duties or the gift is intended to serve as a reward for official action on the part of the employee.
3. Do not receive economic advantage or discount not available to all City employees. Examples of these occurrences include but are not limited to free or reduced admission to places of amusement or sporting events.
4. Every officer and employee of the City that is required to file an Annual Statement of Economic Interests (Form 700) under state law or the City's Conflict of Interest Code must also adhere to the City's Ticket and Pass Distribution Policy.



## SECTION 9

### DEFINITIONS

<b>AGREEMENT</b>	An understanding or arrangement between two or more parties. Also see " <i>Contract</i> " and " <i>Purchase Order</i> ".
<b>APPROPRIATION</b>	City Council authorization to expend public funds for a specific purpose.
<b>AS IS</b>	A term indicating that goods offered for sale in existing condition are without <i>Warranty</i> or <i>Guarantee</i> .
<b>AWARD</b>	The acceptance of a <i>Bid</i> or <i>Proposal</i> .
<b>BID</b>	An offer or proposal submitted by a Bidder setting forth the price for Goods, Services, or Construction to be provided.
<b>BIDDER</b>	An individual, firm, partnership, corporation or combination thereof, submitting a Bid, acting directly or through a duly authorized representative.
<b>BLANKET PURCHASE ORDER</b>	An <i>Agreement</i> of no more than one year between the <i>City</i> and a <i>Vendor</i> allowing authorized <i>City</i> employees to charge repetitive <i>Purchases</i> of supplies, equipment or services at pre-arranged prices, dollar limits and/or other terms and conditions.
<b>BRAND NAME</b>	A trade name which serves to identify a product or particular manufacturer.
<b>CHANGE ORDER</b>	City issued document used to modify a Purchase Order to add, delete, or revise the quantity, price or scope of Goods, Services, Professional Services or Construction being provided.
<b>CITY</b>	<i>City</i> shall mean the City of Irwindale and other such districts, authorities, or agencies as may be governed by the members of the City of Irwindale <i>City Council</i> .
<b>CITY ATTORNEY</b>	Shall mean and include the <i>City Attorney</i> of the City of Irwindale, and Legal Counsel.
<b>CITY COUNCIL</b>	Shall mean and include the <i>City Council</i> of the City of Irwindale and the Irwindale Capital Improvement Corporation. It shall also mean the governing boards of such other districts, authorities, or agencies as may be governed by the <i>City Council</i> of the City of Irwindale.

<b>CITY MANAGER</b>	Shall mean and include the <i>City Manager</i> of the City of Irwindale.
<b>COMPETITIVE BIDDING CONTRACT</b>	The submission of prices by individuals or firms competing for a <i>Contract</i> , privilege, or right to supply merchandise or services. A verbal or written, legally binding mutual promise between two parties, e.g., an accepted <i>Purchase Order</i> .
<b>CONTRACT PURCHASE ORDER</b>	A <i>Purchase Order</i> (usually issued for one year) which outlines unit prices to be charged by the <i>Vendor</i> for the term of the <i>Purchase Order</i> . This type of <i>Purchase Order</i> is generally used for such things as electrical, plumbing and other goods and services which are anticipated to be needed periodically throughout the year. The <i>Bids</i> are usually expressed at hourly rates plus parts expressed at a specific <i>Discount</i> below list price.
<b>COOPERATIVE PURCHASING</b>	A purchasing method whereby the procurement requirements of two or more governmental entities are combined in order to benefit from the volume procurement or reduction in administrative expenses.
<b>DESIGNEE</b>	A duly authorized and appointed representative of an employee that holds a superior position to the person appointed to represent him or her.
<b>DISCOUNT</b>	An allowance or deduction from a normal or list price extended by a seller to a buyer to make the unit price more competitive.
<b>DISPOSE OF</b>	To transfer or part with, to sell; to get rid of; to throw out.
<b>ENCUMBRANCE</b>	Committing budgeted funds prior to receiving supplies, equipment or services; funds are shown as an encumbrance until supplies, equipment or services are received, at which time funds are actually expended.
<b>EQUIPMENT</b>	Personal property necessary to conduct the City's business, including, but not limited to furnishings, machinery, vehicles, rolling stock, and other property used to conduct the <i>City's</i> business.
<b>FORMAL BID</b>	A <i>Bid</i> which must be submitted in a sealed envelope and in conformance with a prescribed format, to be opened and announced at a specified time at a public opening.
<b>GENERAL</b>	Services such as janitorial, uniform cleaning, maintenance, and

<b>SERVICES</b>	other services for which the performance of such activities do not require any unique skill, special background or training.
<b>GIFT</b>	Transfer of personal property made voluntarily and without consideration.
<b>GUARANTEE</b>	A pledge or assurance that something is as represented and will be replaced or repaired if it fails to meet the stated <i>Specifications</i> .
<b>INFORMAL BID</b>	Written or verbal <i>Quotations</i> for supplies, equipment and services which pursuant to this policy are not required to meet the formal bidding requirements. <i>Informal Bids</i> include unsealed written quotes, verbal quotes and quotes received via fax or e-mail.
<b>NON-RESPONSIVE BID</b>	A <i>Bid</i> that does not conform to the essential requirements of the <i>Notice Inviting Bids</i> . Non-Conforming <i>Bid</i> . Unresponsive <i>Bid</i> .
<b>NOTICE INVITING BIDS (NIB)</b>	A formal notice, published in the newspaper or elsewhere or sent directly to potential <i>Bidders</i> , notifying them that the <i>City</i> is accepting bids for a specific purpose.
<b>PROFESSIONAL SERVICES</b>	Advisory, consulting, architectural, information technology, engineering, financial, legal, surveying, research or developmental and any other services which involve the exercise of professional discretion and independent judgment based on an advanced or specialized knowledge, expertise or training gained by formal studies or experience.
<b>PROPOSAL</b>	The executed document submitted by an offer or in response to a <i>Request for Proposals</i> (and the basis for subsequent negotiation).
<b>PUBLIC CONTRACT CODE</b>	Shall mean the <i>Public Contract Code</i> of the State of California.
<b>PUBLIC PROJECT (definition is from State of California Public Contract Code)</b>	<ul style="list-style-type: none"> <li>a) A project for the erection, improvement, painting, or repair of public buildings and works.</li> <li>b) Work in or about streams, bays, waterfronts, embankments, or other work for protection against overflow.</li> <li>c) Street or sewer work except maintenance or repair.</li> <li>d) Furnishing supplies or materials for any such project, including maintenance or repair of streets or sewers.</li> </ul>
<b>PUBLICLY OWNED, LEASED or</b>	Any plant, building, structure, ground facility, utility system, real property, streets and highways or other capital improvement, for

<b>OPERATED FACILITY</b>	which the project is to be undertaken by the <i>City</i> .
<b>PURCHASE</b>	Buying, renting, leasing or otherwise acquiring or obtaining goods, services or construction; this also includes all functions and procedures pertain thereto.
<b>PURCHASE ORDER</b>	Used to communicate to a vendor the City's terms and conditions, authorizes an encumbrance of City funds and is a contractual agreement to pay for acceptable goods and services received. Used to process payment and track an expenditure in the financial system.
<b>PURCHASING OFFICE</b>	The division and/or department within the organization to which the purchasing function has been delegated by the <i>Purchasing Officer</i> .
<b>PURCHASING OFFICER</b>	The <i>City Manager</i> or his/her designated representative.
<b>QUOTATION</b>	A <i>Bid</i> . A statement of price, terms of sale, and description of goods or services offered by a prospective seller to a prospective <i>Purchaser</i> , usually for <i>Purchases</i> below the amount requiring <i>Formal Bidding</i> .
<b>REQUEST FOR PROPOSAL (RFP)</b>	All documents, whether attached or incorporated by reference, utilized for soliciting competitive <i>Proposals</i> . The <i>RFP</i> procedure permits negotiation of <i>Proposals</i> and prices as distinguished from <i>Competitive Bidding</i> and a Notice Inviting <i>Bids</i> . The procedure allows changes to be made after <i>Proposals</i> are opened and contemplates that the nature of the <i>Proposals</i> and/or prices offered will be negotiated prior to <i>Award</i> .
<b>REQUEST FOR QUOTATION (RFQ)</b>	The document generally used for seeking competition on small <i>Purchases</i> or on any <i>Purchase</i> that does not require competitive <i>Sealed Bidding</i> . Can be used for obtaining price and delivery information for <i>Sole Source</i> and emergencies. Also, see <i>Quotation</i> .
<b>RESPONSIBLE BIDDER</b>	A person who has the capability in all respects to perform in full the <i>Contract</i> requirements, and the integrity and reliability which will assure good faith performance.
<b>SEALED BID</b>	A <i>Bid</i> which has been submitted in a sealed envelope to prevent its contents from being revealed or known before the deadline for the submission of all <i>Bids</i> ; required on <i>Formal Bids</i> .
<b>SOLE SOURCE</b>	An <i>Award</i> for a commodity or service to the only reasonably known

capable supplier due to the unique nature of the requirement, the supplier, or market conditions.

<b>SPECIFICATIONS</b>	A description of what the <i>Purchaser</i> seeks to buy or accomplish, and consequently, what a <i>Bidder</i> must be responsive to in order to be considered for <i>Award of a Contract</i> . A <i>Specification</i> may be a description of the physical or functional characteristics, or the nature of a supply or service. It may include a description of any requirements for inspecting, testing, or preparing a supply or service item for delivery.
<b>SPLITTING</b>	<p>To divide a <i>Purchase</i> into two or more parts in order to avoid the requirements of the Purchasing Policy. This action is prohibited by the Policy.</p> <p>Example :</p> <p><u>Split:</u> If a department knows it will use \$11,000 of a particular supply in one fiscal year and they place two orders six months apart to keep each order below the \$10,000 limit, the action is considered <i>Splitting</i> and is not allowed under the policy.</p> <p><u>Not Split:</u> If a department hires ABC Engineering to prepare a fee study for \$8,000 and also hires the same company to oversee a capital improvement project for \$9,000, the action is not considered splitting.</p>
<b>SUPPLIES</b>	Office <i>Supplies</i> , janitorial <i>Supplies</i> , materials, goods, tools, or other commodities used in the general conduct of the <i>City's</i> business, excepting <i>Supplies</i> or materials for a <i>Public Work</i> which is regulated under the <i>Public Contract Code</i> section 20160, et seq.
<b>SURPLUS PROPERTY</b>	Any City personal property that is no longer needed or usable by the holding department.
<b>VENDOR</b>	A supplier of goods or services.
<b>WARRANTY</b>	The representation that something is true. Not to be confused with "Guarantee". A representation of utility, condition, and durability made by a Bidder or offerer for a product offered.

## ATTACHMENTS

- A. Signature Authorization Form
- B.
- C. Informal Bid/Quote Form
- D. Credit Card Authorization Form
- E. Sole Source Justification Form
- F. Emergency Justification Form
- G. Purchase Order/Contract Change Order Form
- H. Department Consultant List
- I. Property Transfer/Disposal

Attachment "A"  
CITY OF IRWINDALE

TO: All Departments  
 FROM: Laura Nomura, Finance Director  
 DATE: Effective July 1, 2011  
 SUBJECT: Annual Authorized Signatures

Please complete the following annual authorized signature designations for your department. This will supersede any previous authorizations.

ANNUAL AUTHORIZED SIGNATURE DESIGNATION										
DEPARTMENT					DIVISION:				PERIOD:	FY 2011/2012
The following persons are authorized to approve/sign these various Finance documents as specified by an "X" in the appropriate box. Please indicate dollar limit. Period indicates time frame that authorization(s) will be in effect.										
Typed/Printed Name Signature	A/P Invoice	Req for pmt	Education Expense Reimb	Purch Req	Expense/R evenue Transfer	Budget Transfer	Petty Cash	A/R Billing	Dollar Limit	
Name										
Sign.										
Name										
Sign.										
Name										
Sign.										
Name										
Sign.										
Name										
Sign.										
Name										
Sign.										
DEPARTMENT DIRECTOR SIGNATURE										DATE

Attachment "B"

**PO/Contract Check List**

**Goods – Under \$3,000\* – must have the following:**

- One (1) quote from a vendor; use local vendor whenever possible and practicable

**Goods - \$3,000 - \$20,000 – must have the following:**

- Three (3) quotes or approved sole source waiver; *copy attached*
- Piggyback Procurement Contract or Agreement entered in with \_\_\_\_\_; (i.e., WSCA, US Communities, NJIP, State of California, etc., *copy attached*
- Purchase Order Requisition completed and forwarded to Purchasing for P.O. generation

**Services - \$3,000 - \$20,000 – must have the following:**

- Three (3) quotes or approved sole source waiver (use local vendors when possible); *copy attached*
- Signed "Short form" contract; *copy attached*
- Insurance certificate(s) or waiver – if service (only); *copy attached*
- Piggyback Procurement Contract or Agreement entered in with \_\_\_\_\_; (i.e., WSCA, US Communities, NJIP, State of California, etc., *copy attached*
- Purchase Order Requisition completed and forwarded to Purchasing for P.O. generation

**Goods \$20,000 and above must have the following:**

- Completed formal bid process required; *copy attached*
- City Council approval; *copy to be attached to P.O.*
- Insurance certificate(s) or waiver; *copy attached if applicable*
- Purchase Order Requisition completed and forwarded to Purchasing for P.O. generation

**Services \$30,000 and above – must have the following:**

- Completed request for proposal process
- City Council approval; *copy to be attached to P.O.*
- Signed Standard Professional Services Agreement; *copy attached*
- Insurance certificate(s) or waiver; *copy attached*
- Piggyback Procurement Contract or Agreement entered in with \_\_\_\_\_; (i.e., WSCA, US Communities, NJIP; State of California, etc., *copy attached*
- Purchase Order Requisition completed and forwarded to Purchasing for P.O. generation

**Public Works Projects – PWC's, Goods and Services and Professional Services Agreements – \$5,000 and above must have the following:**

- Completed PWC formal invitation-to-bid process
- City Council Approval and Signed by Mayor; *copy attached to P.O.*
- Signed Standard Professional Services Agreement; *copy attached*



- Purchase Order Requisition completed and forwarded to Purchasing for P.O. generation
- Signed Debarment and Suspension form
  - Check [www.epls.gov](http://www.epls.gov) for prime, principal and subcontractor(s)
  - *Print & attach copies as verification*
- Insurance certificate(s) or waiver; *copy attached*
- Applicable Contract Bonds; *copies attached*

Attachment "C"

CITY OF IRWINDALE  
Informal Bid/Quote Form

**A minimum of 3 bids must be attached to this form in order to process a PO.**

Project Name \_\_\_\_\_ Project or Quote No. \_\_\_\_\_

Brief Description of Item(s) being purchased: \_\_\_\_\_

Quantity: \_\_\_\_\_ Size: \_\_\_\_\_ Specs: \_\_\_\_\_

1. Company Name \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ E-mail \_\_\_\_\_

Unit Cost (s) \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

2. Company Name \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ E-mail \_\_\_\_\_

Unit Cost (s) \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

3. Company Name \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ E-mail \_\_\_\_\_

Unit Cost (s) \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

Accept the lowest bid of \_\_\_\_\_  
(Name of Bidder)

Accept the bid of \_\_\_\_\_ . See remarks  
section below. (Name of Bidder)

Reject all bids. See remarks section below.

Attachment "D"

CITY OF IRWINDALE



### City MasterCard Purchase

(This form must be completed and approved prior to use of the City MasterCard)

Date of Purchase: \_\_\_\_\_

Vendor: \_\_\_\_\_

Item Purchased: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Amount Charged: \$ \_\_\_\_\_

Expenditure Account Number: \_\_\_\_\_ - - -

Department Approval: \_\_\_\_\_

City Manager Approval: \_\_\_\_\_

PLEASE ATTACH ALL RECEIPTS, TRAVEL (INFO), PURCHASE  
ORDERS, ETC...TO THIS FORM.

Attachment "E"  
CITY OF IRWINDALE  
**Sole Source Justification Form**

Item Requested: \_\_\_\_\_

Vendor: \_\_\_\_\_

Cost: \_\_\_\_\_

Which definition of "Sole Source" does this request meet?

- Exclusive Product
- Sole Source
- Proprietary
- Standardization

Justification and Explanation:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Requisition attached:  Yes  No

Requesting Department \_\_\_\_\_ Date \_\_\_\_\_

Department Head Signature \_\_\_\_\_

**Purchasing Department Use Only**

Date Received \_\_\_\_\_ Council Action Required  Yes  No

Comments

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Purchasing Officer Approval \_\_\_\_\_ Date \_\_\_\_\_



Attachment "H"

CITY OF IRWINDALE

**Department Consultant List**

Firm Name \_\_\_\_\_

Type of Service \_\_\_\_\_

Contract Cost \$ \_\_\_\_\_ Length of Contract \_\_\_\_\_

Date Entered Into \_\_\_\_\_ Total Years Retained by City \_\_\_\_\_

Firm Name \_\_\_\_\_

Type of Service \_\_\_\_\_

Contract Cost \$ \_\_\_\_\_ Length of Contract \_\_\_\_\_

Date Entered Into \_\_\_\_\_ Total Years Retained by City \_\_\_\_\_

Firm Name \_\_\_\_\_

Type of Service \_\_\_\_\_

Contract Cost \$ \_\_\_\_\_ Length of Contract \_\_\_\_\_

Date Entered Into \_\_\_\_\_ Total Years Retained by City \_\_\_\_\_

Firm Name \_\_\_\_\_

Type of Service \_\_\_\_\_

Contract Cost \$ \_\_\_\_\_ Length of Contract \_\_\_\_\_

Date Entered Into \_\_\_\_\_ Total Years Retained by City \_\_\_\_\_

Firm Name \_\_\_\_\_

Type of Service \_\_\_\_\_

Contract Cost \$ \_\_\_\_\_ Length of Contract \_\_\_\_\_

Date Entered Into \_\_\_\_\_ Total Years Retained by City \_\_\_\_\_

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_

Department Head Approval: \_\_\_\_\_ Date: \_\_\_\_\_

Attachment "I"  
CITY OF IRWINDALE  
**PROPERTY TRANSFER/DISPOSITION FORM**  
(USE ONE FORM PER ITEM)

**INSTRUCTIONS**

- |  |                                    |
|--|------------------------------------|
| 1. Complete Section A                  | 4. Section D – Approval Signatures |
| 2. Use Section B for Transfers Only    | 5. Return to Purchasing Department |
| 3. Use Section C for Dispositions Only |                                    |

**SECTION A – GENERAL EQUIPMENT INFORMATION**

**Description of Item (Complete where applicable):**

Original Purchase Price is estimated to have been less than \$5,000.  Yes  No

City Tag # \_\_\_\_\_ Vehicle Identification # \_\_\_\_\_

Model # \_\_\_\_\_ Serial # \_\_\_\_\_

Manufacturer Name \_\_\_\_\_ Year of Manufacture \_\_\_\_\_

Condition:  Good  Fair  Poor  Operational  Non operational  Beyond Repair

**SECTION B – INTERNAL TRANSFER BETWEEN DEPARTMENTS**

Estimated Surplus Value: \$ \_\_\_\_\_

Estimate from City Staff – Name: \_\_\_\_\_

Professional Appraisal (please attach a copy)

Estimated Depreciation Value – Describe: \_\_\_\_\_

Offer from Another Agency – Name: \_\_\_\_\_

**SECTION C - DISPOSITION**

No value (broken or destroyed) – Tossed  Trade in for new Replacement Equipment

Transferred to a Non-Profit:

Transferred to a Governmental Agency:

Auction:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Sale Price: \$ \_\_\_\_\_ Net Sale Price (Purchase price less any fees paid): \$ \_\_\_\_\_

Payment Method to the City  Check  Trade in Value on Purchase Order: \$ \_\_\_\_\_

**SECTION D – APPROVAL SIGNATURES**

Originating Department Approval

Dept. Head Name:	Signature:	Date:
Title:		

Receiving Department Approval (If applicable)

Dept. Head Name:	Signature:	Date:
Title:		

Authorized City Official Approving Property Transfer/Disposal

Name: Laura Nomura	Signature:	Date:
Title: Director of Finance		

Distribution: Copy to Finance, Originating Department, and Receiving Department

<b>FOR SERVICE YARD USE ONLY</b>
Date of Pickup: _____
Final Destination: _____
Service Yard Employee Signature: _____



R. Rex Parris Mayor  
Ronald D. Smith Vice Mayor  
Ken Mann Council Member  
Marvin E. Crist Council Member  
Sandra Johnson Council Member  
Mark V. Bozigian City Manager

September 28, 2012

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street, Eleventh Floor, Room 11-506  
Los Angeles, California 90012

Dear Presiding Judge:

The City of Lancaster appreciates the Court's invitation and is pleased to respond to the 2011-2012 Los Angeles County Civil Grand Jury final report on charter cities' fiscal health, governance, and management practices. We responded to those findings addressed to "all charter cities" and to Lancaster. Those findings not addressed to Lancaster, we answered as "not applicable."

We appreciate the Grand Jury's work and study of these matters. If we can be of any further assistance, please contact my office at (661) 723-6133.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Bozigian", is written over a light blue horizontal line.

Mark V. Bozigian  
City Manager

Enclosure

MVB:ad



Response to the 2011-2012 Los Angeles County Civil Grand Jury Final Report  
City of Lancaster  
October 1, 2012  
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1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

*The City of Lancaster agrees with this finding. We include these policies in our annual budget. A copy is attached.*

2. All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.

*The City of Lancaster agrees with this finding. Lancaster's foremost goal is developing a balanced budget. However, with an unstable, depressed economy coupled with the state taking various revenue sources previously allocated to municipalities, the challenge is real. We do not allow ongoing known expenditures to exceed ongoing predictable revenues. Lancaster maintains both a 10% operating reserve and a financial stability reserve. The purpose of the financial stability reserve is to provide short term funding during times of economic crisis, in order to provide time for the City to react to the economic conditions in rational, thoughtful ways. We realize any use of the financial stability reserve should be considered a one-time budget source, and that measures to reduce expenditures to match available revenue sources are paramount.*

3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

*The City of Lancaster agrees with this finding. That is why it is our policy and practice not to use one-time revenues to fund recurring or on-going expenses. Each year the city, as part of the budget development process, evaluates every single line item expense and aligns these expenses with anticipated, on-going revenues and does not commit one-time revenues to recurring expenses.*

4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

*The City of Lancaster disagrees wholly with this finding. Current economic conditions make budgeting future revenues difficult and unreliable; adopting multi-year budgets would not result in budget efficiencies. As an example, over the last several years, the State of California has taken millions of dollars from local governments with little notice and after City budgets have been adopted. To ensure effective financial planning, the City does review multi-year revenue and expenditure forecasts as part of our annual budget process.*

5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or “rainy day” fund to be supplement operating revenue in years of short fall.

*The City of Lancaster agrees with this finding. That is why Lancaster maintains a 10% operating reserve and a separate financial stability reserve and contributed to both reserves during economic boom times in the mid 2000’s. A copy of this policy is attached. Both of these reserves and, in particular, the financial stability reserve, function as the “rainy day” fund referenced in the recommendation.*

6. Charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City. The following cities should develop and adopt such a strategic plan: Arcadia, Compton, Industry, and Inglewood.

*N/A*

7. Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time. The following cities should develop such performance measures for indicators: Arcadia, Bell, Compton, Industry, Inglewood, **Lancaster**, and Temple City.

*The City of Lancaster agrees performance measures are important. As such, the City maintains discrete, targeted performance measures at an operations level to ensure accountability and better direct operations and outcomes. Three examples are highlighted below. We believe this recommendation refers to a single, overall, summary measurement system. As stated, Lancaster has opted for a more targeted and, we believe in our case, more relevant and impactful system.*

*In 2006 under a previous City administration, the City of Lancaster did utilize an overall summary level performance measurement system, the Balanced Scorecard Strategic Planning and Management System. After almost two years developing, managing and fine tuning it, the City chose to discontinue the program for several reasons. The main reason is the required time and commitment of resources to not only develop the program but to maintain it properly. Staff spent numerous hours gathering data, reporting, and discussing data. It was during these discussions that staff realized many measures, while valid, did not give insight as to how well the City is doing in regards to its mission, vision, and goals. The City does not wish to “measure” just to have measurements; we now measure progress and outcomes of programs and operations that matter most to residents.*

*Three examples of performance measures utilized by the City: In Code Enforcement, the City uses the Comcate System to manage and measure progress in roughly 10,000 open cases citywide. The system is used to measure progress towards compliance and includes documentation of every contact with citizens or businesses, time and resources expended on each case, and a pictorial history of every case; In Public Safety, the City uses multiple law enforcement data bases to report discrete public safety measures (crimes, arrests, trends, maps, projections, etc.) to our citizen Criminal Justice Commission (CJC) on a monthly basis. This same information is also available to the public through the City's website; In the City's annually adopted budget, the City does measure and report on City programs, projects, duties, and tasks in the City Statistics section of our budget book. The City also reports on accomplishments and goals for each Department in the Department sections of the budget book. This is formally adopted by Council each year and published on the City website.*

8. Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter city councils should continue providing specific annual goals for the city's executive (City Manager or City Administrator) and conduct meaningful evaluations annually. The following cities should do so: Alhambra, Bell, Industry, Inglewood, and **Lancaster**.

*The City of Lancaster agrees with this finding. That is why the relationship between the City Council and the City Manager is specifically defined in our City Charter, Municipal Code and formal employment agreement between the City Council and City Manager. Specific goals established for the City, under administration of the City Manager, are outlined in the Budget Message, adopted each year as part of the annual budget. Specific goals and direction to the City Manager are also given at each Lancaster City Council meeting, on the second and fourth Tuesday of every month. The City Manager and City Council have a meaningful and productive relationship where the City Manager speaks daily with Council Members to discuss priorities and issues; Council Members regularly discuss expectations and goals of the City with the City Manager and hold him accountable on a daily basis, not just annually through an evaluation process.*

9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor. The following cities should formally establish an audit committee: Alhambra, Arcadia, Bell, Cerritos, Compton, Industry, Inglewood, Irwindale, Palmdale, Pomona, Santa Monica, Signal Hill, Temple City, Torrance, and Whittier.

N/A

10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

*N/A*

11. Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years. The following cities should review and update accounting policies and procedures at least once every three years: Alhambra, Arcadia, Bell, Burbank, Industry, Inglewood, **Lancaster**, Pasadena, Pomona, Santa Monica, and Temple City.

*The City of Lancaster agrees with this finding. Lancaster reviews and updates policies based on the needs of the organization and feedback given by our auditors each year. For example, the City is updating its purchasing policy and a new payroll check distribution policy, both of which will be released in the near future.*

12. Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns. The following cities should adopt such policies and procedures: Alhambra, Arcadia, Burbank, Industry, Inglewood, Irwindale, Santa Monica, and Temple City.

*N/A*

13. Charter cities should periodically review and update internal control procedures over financial management. The following cities should review and update internal control procedures over financial matters: Bell, Industry, and Inglewood.

*N/A*

14. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, **Lancaster**, Pomona, Redondo Beach, Temple City, Torrance, Vernon, and Whittier.

*The City of Lancaster disagrees partially with this finding. Generally, regular operating revenues or general fund operating expenditures are not at even levels every month. Therefore, establishing a reserve level based on two months can be an arbitrary level depending upon months or methods chosen. Lancaster's City Council adopts along with the budget, a policy to maintain general fund reserves at 10% and a financial stability reserve as more fully described in responses 2 and 5 above.*

15. Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR). The City of Bell should do so.

*N/A*

16. Charter cities that have not published financial reports on the city's website should do so. The City of Industry should do so.

*N/A*

17. Charter cities should develop controls over sole sourced contracting to prevent preferential granting of contracts. The following cities should develop such controls: Bell, Industry, Irwindale, and Temple City.

*N/A*

18. Charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes. The following cities should develop such policies and procedures: Arcadia, Bell, Cerritos, Industry, Inglewood, Irwindale, Pasadena, and Whittier.

*N/A*

19. All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts. The following cities should do so: Alhambra, Bell, Cerritos, Inglewood, Irwindale, **Lancaster**, Temple City, Torrance, and Whittier.

*The City of Lancaster partially agrees with this finding. The City follows the "Greenbook" Standard Specifications for Public Works Construction, which covers Changes in Work in its General Provisions. These standards are documented in our bid documents. In addition, Lancaster is currently updating its procurement manual.*

20. All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm. The following cities should do so: Bell, Cerritos, Inglewood, Irwindale, **Lancaster**, and Whittier.

*Lancaster has purchasing policies in place and all purchases come through the purchasing staff and are reviewed for compliance. Additionally the City has an outside accounting firm that does an annual audit. These auditors check for compliance with purchasing policy and procedures annually. The City is currently updating its procurement manual and will include and implement a formal policy for documenting compliance with procurement requirements and contract compliance and oversight. This manual will be released within six months.*

21. All charter city councils and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

*The City annually complies with direction from the California State Controller to submit actual compensation data for all City employees and elected officials, which we do in a timely manner. The data, which is always reviewed with the City Council, is then published on the State Controller's website, making this information easily accessible to anyone who wishes to review.*

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22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

*The City of Lancaster agrees with this finding. Lancaster's job classifications and salary ranges are established based on a classification and total compensation study, which reviewed classification and total compensation data of eleven peer cities in our labor market. Additionally, as referenced in response 21 above, compensation data for all cities in California is available and updated annually on the California State Controller's website.*

## **FINANCIAL POLICY GUIDELINES FOR THE 2012-13 PROGRAM AND FINANCIAL PLAN**

The Program and Financial Plan (Budget) for the 2012-13 Fiscal Year is based upon certain financial policies and priorities as set forth formally or informally by the City Council. Many of these policies have evolved over time to their present state, and continue to evolve as Lancaster grows and matures. These financial policies set forth the framework for not only the development of the budget but also the ongoing operations of the City as a whole. It is important to continue developing these policies, as they are the financial foundation that supports the services to the community. Without a good financial foundation the City would not be able to provide the wide range of amenities and services that our citizens expect and deserve.

### **LONG-TERM GOALS AND POLICIES**

#### **Operating Budget Policies**

- The City will present to the City Council a Program and Financial Plan that is a balanced document. Expenditures will not exceed available resources, including funding carried over from the previous year.
- The City will maintain a General Fund Reserve that provides the necessary cash flow, a safety net for handling the unexpected, and flexibility in day-to-day operations. The City Council has formally established this reserve at 10% of operating expenditures as the minimum desired level. Lancaster, like most cities, has experienced economic cycles; during good economic times, we will increase the reserve to a higher level, as cash flow allows, to buffer downturns in the local economy.
- The City will maintain a Financial Stability Reserve that provides the funding necessary to maintain the desired levels of service during downturns in the economy.
- To ensure that the largest revenue source will cover the largest expenditure item, we closely compare the Sheriff's Department contract to the Sales and Property Tax Revenue.
- The City will allocate resources to special law enforcement programs such as, Target Oriented Policing (TOP) to specifically identify and resolve crime that has received substantial attention. Those programs, which include Christmas Shopping Patrols, Anti-Auto Theft Operations, TOP-Bomb (sheriff units available to patrol at will), and Gang Violence Suppression have been highly successful in reducing specific types of crime.
- The planning and approval process for any new capital improvement project will include an analysis of future operating costs to ensure that not only is funding available to build the project, but future operational costs can be covered once construction is complete.
- The City is deferring funding this year for the replacement program which will necessitate the City to play catch up when the economy begins to recover. The normally fully "funded depreciation" program sets aside dollars for replacement of fixed assets as they reach their useful life expectancy.



This policy minimizes the impact of equipment replacement by establishing an annual set-aside instead of having extreme fluctuations in the budget; this is especially important in those programs that have high-cost equipment, such as street maintenance. Expenditures, beyond normal maintenance, that extend the useful life of a piece of equipment may be made from this fund.

- The City will seek financial co-sponsors and partners for special events and recreational programs that are a benefit to the community. Prime examples of this include corporate sponsorship for the annual Streets of Lancaster Grand Prix, co-sponsorship of special theatrical performances for students to gain an appreciation of the performing arts, and community partnerships to provide community neighborhood impact homes and wellness homes.

### **Revenue Policies**

- The City will attempt to maintain a diversified and stable revenue system to shelter it from short-term fluctuations of any one revenue source.
- The City will diversify its general fund revenue base away from past reliance on sales tax alone. Successful lobbying efforts to obtain a share of the property tax (Lancaster received no property tax for the first 11 years) is one example of this policy.
- The City will utilize one-time non-recurring revenues for one-time expenditures or reserves and avoid using one-time revenues for on-going expenses or programs.
- The City will seek out additional sources of revenue as a way of enduring a balanced budget necessary for the quality of services expected by our citizens.
- The City will require user fees that cover the direct cost of adult recreation programs, and the cost of development services (building permits, etc.) provided to developers.
- The City will do cost comparisons with other cities to ensure that our fee structure is reasonable.
- The City will update fees annually based on the prior year annual average consumer price index for the Los Angeles-Riverside-Orange Co. All Urban Consumers percentage change.

### **Cash Management/Investment Policies**

- The City will deposit all funds within one day of receipt. Large receipts will be deposited the day they are received.
- Investment of City funds will be in accordance with the adopted Investment Policy. Safety of principal will continue to be the number one priority, followed closely by ensuring that funds will be available when needed (liquidity). Only after these two priorities have been fully satisfied will the City consider yield as an investment criterion.
- The City will aggressively collect revenues, on a timely basis.

### **Debt Policies**

- The City's General Fund does not have any long-term debt obligations. Current operations will be funded with current revenues.

### **Reserve Policies**

- The City will maintain an unallocated reserve in the General Fund equal to a minimum of 10% of expenditures and transfers to buffer any unexpected change in the revenue/expenditure picture for the fiscal year. This was formalized in June of 1996 by Resolution No. 96-111.
- The City will maintain a financial stability reserve fund to provide funds to maintain service levels during economic downturns.

### **Accounting, Auditing and Financial Reporting Policies**

- The City will have an independent audit performed annually. An interim audit will be performed mid-way through the fiscal year to ensure correct accounting and internal control procedures are followed.
- The City will produce a Comprehensive Annual Financial Report (CAFR) each year in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB). This report is submitted annually to the Government Finance Officers Association of the United States and Canada for their Excellence in Financial Reporting Awards Program. (The City has received the award for numerous consecutive years.)
- The City will maintain a strong internal audit capability.

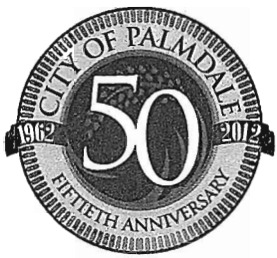
### **Capital Budget Policies**

- The City will update its multi-year plan for capital improvements; this will include modification of existing projects, and adding/deleting projects, in keeping with the General Plan as adopted by the Planning Commission and the City Council.
- The City will maintain a Capital Replacement fund for ensuring that the equipment necessary for the operations of the City is always available.
- The City will ensure that prime commercial and industrial acreage is available and ready for development, thus being able to quickly assist in the provision of jobs and diversity in the economy.

## **SHORT-TERM GOALS AND POLICIES WITHIN THE 2012-13 BUDGET**

The long-term goals and policies set forth above have been included within the FY 12-13 budget. In addition to the specifics listed in the different programs, the following general goals and policies were considered when putting this budget together.

During the compilation process, we reduced expenditures and recommended revenue adjustments, bringing the budget into balance and maintaining a current year operating reserve at the 10% level. Staffing for a city the size of Lancaster has always remained at a very efficient level, with contract services supplementing staff during peak activity levels. There are no new positions recommended for this budget cycle, and 86 positions are recommended to remain unfilled throughout the year.



# PALMDALE

*a place to call home*

September 18, 2012

JAMES C. LEDFORD, JR.  
*Mayor*

STEVEN D. HOFBAUER  
*Mayor Pro Tem*

LAURA BETTENCOURT  
*Councilmember*

MIKE DISPENZA  
*Councilmember*

TOM LACKEY  
*Councilmember*

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Your Honor:

Thank you for the opportunity to respond to the 2011-2012 Los Angeles County Civil Grand Jury on Charter Cities.

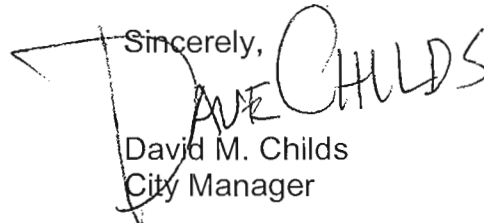
The City of Palmdale has no issue with the overall findings and recommendations outlined in the Grand Jury Final Report.

Regarding the finding and recommendation listed under Recommendation 9 as stated below, the City agrees with the finding and recommendation.

Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor. The following cities should formally establish an audit committee: **Alhambra, Arcadia, Bell, Cerritos, Compton, Industry, Inglewood, Irwindale, Palmdale, Pomona, Santa Monica, Signal Hill, Temple City, Torrance, Whittier.**

The City is in the process of drafting an ordinance to formally establish an audit committee. The ordinance is expected to be adopted by the City Council in November and will be implemented shortly thereafter.

The City of Palmdale is constantly striving to improve our best government practices, and would like to thank the Civil Grand Jury for its efforts.

Sincerely,  
  
David M. Childs  
City Manager

Cc: Palmdale Mayor and City Council  
Matthew Ditzhazy, City Attorney

Auxiliary aids provided for

communication accessibility

upon 72 hours' notice and request.



OFFICE OF THE MAYOR

September 28, 2012

Presiding Judge  
Los Angeles Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Your Honor:

On behalf of The City of Pasadena the following represents responses to the recommendations that were received from the Los Angeles County Civil Grand Jury in its 2011-2012 Annual Report. We appreciate the attention that has been given to the charter cities that are the subject of these recommendations, and we believe that our responses are helpful and in the public interest.

The Grand Jury made a total of 22 recommendations to the City of Pasadena. The following represents the Grand Jury recommendation followed by the City's response:

**Grand Jury Recommendation 1** – All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

**Response:** The City of Pasadena agrees with the recommendation. These concepts are already part of the City's financial forecasting and planning methods. Some further analysis is required to formalize any components which are not already part of an existing written policy. It is anticipated that this will be completed within six months.

**Grand Jury Recommendation 2** – All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.

**Response:** The City of Pasadena agrees with the recommendation in concept with the caveat that deliberate prudent choices may be made that allow for temporary deviations. We note that

Pasadena has adopted a balanced 2012-2013 budget, while the prior years allowed for some deliberate deficit spending which fit into our five year financial plan to deal with the economy.

We note that Pasadena was in the favorable Financial Health categories of Table 2 General Fund Revenues, Expenditures and Net Revenues, with positive General Fund net revenue; Table 3 Changes in Net Assets with a positive change in net assets; Table 5 Ratio of Total Assets to Total Liabilities; and Table 6 Governmental Activities – Ratio of Total Assets to Total Liabilities.

**Grand Jury Recommendation 3** – All charter cities reviewed in this report should commit to not using one-time revenue to fund recurring or on-going expenditures.

**Response:** The City of Pasadena agrees with the recommendation. These concepts are already part of the City's financial forecasting and planning methods. Some further analysis is required to formalize any components which are not already part of an existing written policy. It is anticipated that this will be completed within six months.

**Grand Jury Recommendation 4** – All charter cities reviewed in this report should Adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

**Response:** The City of Pasadena is reviewing this recommendation. The City believes that its current practices accomplish the intended benefit of this recommendation, but is exploring the benefits of a two year budget cycle. Currently the City uses a five year budget plan for capital improvement projects, a five year General Fund financial forecast to anticipate future challenges and opportunities, and an annual budget process that provides a careful review of current and future situations.

**Grand Jury Recommendation 5** – All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or “rainy day” fund to be supplement operating revenue in years of short fall.

**Response:** The City of Pasadena agrees with the recommendation. The City Council approved a Fund Balance Policy on August 15, 2011 which establishes a policy of a 10% reserve increasing to a 20% reserve goal after fiscal year 2014.

**Grand Jury Recommendation 6** – Charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City.

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation.

**Grand Jury Recommendation 7** – Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time.

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation.

**Grand Jury Recommendation 8** – Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the City Council and executive. Charter city councils should continue providing specific annual goals for the city’s executive (City Manager or City Administrator) and conduct meaningful evaluations annually.

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation.

**Grand Jury Recommendation 9** – Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor.

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation.

**Grand Jury Recommendation 10** – All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

**Response:** The City of Pasadena agrees with the recommendation. The City does select through a competitive process and requires a written statement that the auditor is independent under generally accepted auditing standards. The City anticipates that it would only utilize our external auditor for audit services that must comply with professional and government requirements of independence. In the event that they could be used for non-audit services, such as a review of the City Enterprise Resource Planning system, a proper review and approval process through the Finance Committee of the City Council would occur.

**Grand Jury Recommendation 11** – Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibilities of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years. Pasadena was listed as one of the cities that should review and update accounting policies and procedures at least once every three years.

**Response:** The City of Pasadena agrees with the recommendation. The City has extensive written policies and procedures and has in many individual areas already updated specific policies and procedures. It is anticipated that it will take approximately one year to complete a thorough review and update.

**Grand Jury Recommendation 12** – Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns.

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation. The City will enhance its reporting abilities by making a fraud hotline available within the next six months.

**Grand Jury Recommendation 13** – Charter cities should periodically review and update internal control procedures over financial management.

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation.

**Grand Jury Recommendation 14** – Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such a policy.

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation.

**Grand Jury Recommendation 15** – Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR).

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation.

**Grand Jury Recommendation 16** – Charter cities that have not published financial reports on the city's website should do so.

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation.

**Grand Jury Recommendation 17** – Charter cities should develop controls over sole sourced contracting to prevent preferential granting of contracts.

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation.

**Grand Jury Recommendation 18** – Charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes. Pasadena was listed as one of the cities that should develop such policies and procedures.



**Response:** The City of Pasadena agrees with the recommendation, but disagrees with the finding that Pasadena needs to develop further policies and procedures. The City utilizes competitive bidding and has formal policies and procedures that meet these requirements. These are documented in the City Charter under Article X, Contracts, Purchasing, and Claims, and under the Municipal Code Chapter 4.08, Competitive Bidding Ordinance.

**Grand Jury Recommendation 19** – All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts.

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation.

**Grand Jury Recommendation 20** – All charter cities reviewed in this report should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm.

**Response:** The City of Pasadena agrees with the recommendation and was identified as having already implemented this recommendation.

**Grand Jury Recommendation 21** – All charter city councils and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

**Response:** The City of Pasadena agrees with the recommendation. The City for a number of years has listed all salary ranges by position on its public website. This can be viewed at [www.cityofpasadena.net](http://www.cityofpasadena.net) under the Human Resources, Classification/Compensation pages. The direct link is <http://agency.governmentjobs.com/pasadena/default.cfm?action=agencyspecs>

It has been the practice of the City to review salaries and total benefit packages as part of the labor negotiation cycle, normally upon the expiration of memorandums of understanding with bargaining units. Additionally, the impact of compensation is evaluated with each annual budget cycle.

**Grand Jury Recommendation 22** – All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

**Response:** The City of Pasadena agrees with the recommendation. In addition to the information available on the City of Pasadena website the State Controller's office is obtaining and placing on the State Controllers website, <http://www.sco.ca.gov/>, information on all municipalities. The direct link to search compensation in California governments is [http://www.sco.ca.gov/compensation\\_search.html](http://www.sco.ca.gov/compensation_search.html).

It has been the practice of the City to review salaries and total benefit packages as part of the labor negotiation cycle, normally upon the expiration of memorandums of understanding with bargaining units. This will often but not always include a study of comparable compensation levels. Periodically, the City will conduct a comprehensive compensation study which will compare compensation levels from comparable cities and of comparable industries and positions.

If any questions are raised by the foregoing responses, please do not hesitate to communicate with the City's Controller Bob Ridley at [rridley@cityofpasadena.net](mailto:rridley@cityofpasadena.net).

Sincerely,



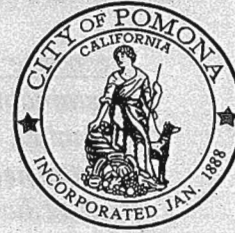
BILL BOGAARD  
Mayor

BB:rsr

THE CITY OF  
**POMONA**

LINDA C. LOWRY  
City Manager

Office of the City Manager



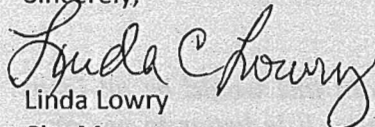
September 27, 2012

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street,  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

**Re: Response to the 2011-12 Civil Grand Jury Final Report**

Please find attached, the City of Pomona's response to the 2011-12 Civil Grand Jury Final Report regarding Charter Cities' Fiscal Health, Governance and Management Practices. If you have any questions regarding the information, please contact Paula Chamberlain, Finance Director at 909-620-2353 Monday through Thursday.

Sincerely,

  
Linda Lowry  
City Manager

## Response to the 2011-2012 Los Angeles County Civil Grand Jury Final Report City of Pomona

1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

*Response: Agree with Recommendation. The City Council adopted a Fiscal Sustainability policy by resolution number 2011-49 which addresses financial planning, revenue and expenditure policies as well as many other issues. The policy is attached but was also included in the information sent in response to the initial Grand Jury inquiry.*

2. All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.

*Response: Agree – Partially with Recommendation. While this is always an ideal practice, it is not always achievable given today's economic climate and often, unexpected consequences of State actions late in the budget cycle. The purpose of reserves is to be able to react to a fiscally changing environment quickly without having to make drastic reductions in a short period of time. However, it is the goal of the City of Pomona to adopt a balanced budget as identified in Section I 5 of the Budget Section within the Fiscal Sustainability policy which states that the 'operating budget will be based on the principle that current operating expenditures, including debt service, will be funded with current revenues creating a balanced budget'. Additionally, the City Council adopted a balanced budget for 2012-13 on June 25, 2012.*

3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

*Response: Agree – Partially with recommendation. Again this would be an ideal practice, but not always practical. As a temporary measure, it is better to use one-time revenue to maintain services while adjusting to a new revenue base or short-term shortfall. Rather than drastically cutting services, the use of one-time revenue allows for a planned, strategic change to service levels if necessary in the long-term. Long time use of one-time revenues may suggest a structural imbalance which should be addressed. Given this, the Pomona City Council is committed to the most prudent use of one-time revenue as part of the Fiscal Sustainability policy which states that one-time revenues are to be used to rebuild reserves until the policy level has been reached and once achieved the one-time revenue may be used for one-time or capital expenditures. Furthermore, if the one-time expense results in ongoing operating costs, funding for the ongoing costs must be determined before the one-time funds are allocated. This provision, however, has been suspended for 2012-13 in order to achieve a balanced budget while other cost cutting and revenue increasing measures were developed.*

4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

*Response: Disagree with Recommendation. Multi-year budgeting does not work during times of economic uncertainty and instability. There are too many unknowns and too much volatility from year-to-year to be able to predict reliable revenue estimates under which to operate. Developing multi-year budgets under these conditions would result in an inefficient use of staff. Pomona does, however, ensure effective fiscal planning by preparing future year forecasts for discussion during the budget process.*

5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or “rainy day” fund to supplement operating revenue in years of short fall.

*Response: Agree with recommendation. As part of the City’s Fiscal Sustainability and Fund Balance policies, the City is required to build its “rainy day” fund. However, as this recommendation states, the “rainy day” fund” is to be used to supplement revenue in years of short fall which is what Pomona did which, in turn lead to its reduced fund balance (rainy day fund). Rebuilding the fund balance in these economic times is difficult but Pomona has made significant strides in restructuring its expenditures along with increasing some revenues.*

6. Charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City. The following cities should develop and adopt such a strategic plan: Arcadia, Compton, Industry, Inglewood.

*Response: No response necessary for Pomona*

7. Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time. The following cities should develop such performance measures for indicators: Arcadia, Bell, Compton, Industry, Inglewood, Lancaster, Temple City.

*Response: No response necessary for Pomona*

8. Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter city councils should continue providing specific annual goals for the city’s executive (City Manager or City Administrator) and conduct meaningful evaluations annually. The following cities should do so: Alhambra, Bell, Industry, Inglewood, Lancaster.

*Response: No response necessary for Pomona*

9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor. The following cities should formally establish an audit committee: Alhambra, Arcadia, Bell, Cerritos, Compton, Industry, Inglewood,



Irwindale, Palmdale, **Pomona**, Santa Monica, Signal Hill, Temple City, Torrance, Whittier.

*Response: Disagree with this recommendation. An audit committee will potentially add to the cost of the audit. An audit committee would also increase staff workload at a time when many cities, including Pomona, have reduced staffing levels. The City Council approves the audit contract and officially receives the completed audit report annually. Adding another layer of oversight would result in delays, confusion, and increased costs. Furthermore, the annual audit is posted on the City's webpage as soon as it is received by the City Council.*

10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

*Response: Agree with recommendation.*

11. Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years. The following cities should review and update accounting policies and procedures at least once every three years: Alhambra, Arcadia, Bell, Burbank, Industry, Inglewood, Lancaster, Pasadena, **Pomona**, Santa Monica, Temple City.

*Response: Agree with recommendation. The City currently reviews and updates policies based on the needs of the organization, auditor comments, and best practices. Some policies are currently reviewed more often than the recommended three years while others may go beyond that timeframe. Pomona will establish a policy to monitor the review of its financial policies by December 2012.*

12. Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns. The following cities should adopt such policies and procedures: Alhambra, Arcadia, Burbank, Industry, Inglewood, Irwindale, Santa Monica, Temple City.

*Response: No response necessary for Pomona*

13. Charter cities should periodically review and update internal control procedures over financial management. The Following cities should review and update internal control procedures over financial matters: Bell, Industry, Inglewood.

*Response: No response necessary for Pomona*

14. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, Lancaster, **Pomona**, Redondo Beach, Temple City, Torrance, Vernon, Whittier.

Response: *Agree with recommendation with provisions. Pomona's adopted Fund Balance policy sets the policy level at 17% of annual expenditures which is slightly more than two month total general fund operating expenditures. Because of the City's minimal current fund balance, the policy sets forth a schedule to meet the 17% by June 30, 2020. The effort to reach this goal has experienced a set-back due to the continued economic hardship and the loss of long-term Redevelopment Agency / City loan transactions. With possible one-time revenue transactions, the possibility of re-establishing the RDA Agency/City loan, and a slightly rebounding economy on the horizon, a growth in Pomona's fund balance is projected.*

15. Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR). The city of Bell should do so.

Response: *No response necessary for Pomona*

16. Charter cities that have not published financial reports on the city's website should do so. The city of Industry should do so.

Response: *No response necessary for Pomona*

17. Charter cities should develop controls over sole sourced contracting to prevent preferential granting of contracts. The following cities should develop such controls: Bell, Industry, Irwindale, Temple City.

Response: *No response necessary for Pomona*

18. Charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes. The following cities should develop such policies and procedures: Arcadia, Bell, Cerritos, Industry, Inglewood, Irwindale, Pasadena, Whittier.

Response: *No response necessary for Pomona*

19. All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts. The following cities should do so: Alhambra, Bell, Cerritos, Inglewood, Irwindale, Lancaster, Temple City, Torrance, Whittier.

Response: *No response necessary for Pomona*

20. All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm. The following cities should do so: Bell, Cerritos, Inglewood, Irwindale, Lancaster, Whittier.

*Response: No response necessary for Pomona*

21. All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

*Response: Agree that this information should be available to city councils and citizens. The City complies with the State of California's requirement for annual compensation data for all employees and elected officials. The State publishes this data on its website making it easily accessible to interested parties. In addition, the City's salary ranges and employee MOUs which detail benefits are posted on the City's webpage.*

22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

*Response: Agree that this information should be available to city councils and citizens. The Memoranda of Understanding for bargaining groups in the City of Pomona list 14 cities for salary survey purposes. When establishing salaries for new positions or reviewing salaries of vacant high level positions, other comparable cities are surveyed as a basis to establish a salary range. All salary ranges are approved by the City Council through the adoption of a salary resolution. Exceptional salaries, while rare in Pomona, are justified by a variety of criteria (e.g. scope of work, difficulty in filling the position, hot market for the job, etc) and approved by the City Council.*





# FUND BALANCE POLICY

## City of Pomona *Fiscal* Policies & Procedures

Number:

Effective Date: **June 20, 2011**

Approval: **Reso # 2011-63A**

### Purpose and Scope

The Fund Balance policy is a component of the Fiscal Sustainability Policies that are intended to guide the City's financial planning to meet financial obligations while providing high quality services and shall serve as a cornerstone for other budgetary and financial decisions. One of the key components of a financially stable organization is the establishment and maintenance of appropriate reserves and the adoption of a prudent reserve policy. This policy establishes a clearly delineated policy to govern decision-making and fiscal actions by its officials for the General Fund and other major funds of the City. This policy also establishes the procedures for reporting within the annual financial statements, unrestricted fund balance (comprised of Committed, Assigned, and Unassigned categories) with the City's governmental funds (General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds), and authorizes and directs the Finance Director to prepare financial reports which accurately categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Approving Authority – City Council

### Objectives

- A. Comply with GASB 54 Fund Balance Reporting and Governmental Fund Type Definitions.
- B. Establish sound formal fiscal reserve policies. These policies will be the foundation for ensuring that strong fiscal management and policies guide future City decisions.
- C. Build adequate reserves. This action will provide the City with resources to help stabilize the organization and will position it during economic downturns or large scale emergencies. In addition, it is critical to minimize the potential for reactive decision-making, which can lead to unpleasant consequences.
- D. Guide the City toward meeting its short-term and long-term obligations.

### Definitions

Fund balance is the difference between the assets and liabilities reported in the City's governmental funds. There are generally limitations on the purpose for which all or a portion of the resources of a governmental fund may be used. The force behind these limitations can vary significantly, depending upon their source. Consequently, the fund balance reported in the annual financial statements is categorized into five components whereby each component identifies the extent to which the City is bound to honor constraints on the specific purpose of which amounts in the fund can be spent. The five components of fund balance are as follows:

- **Nonspendable:** The portion of a fund balance that cannot be spent because they are either: (a) not in a spendable form, such as prepaid items, inventories of supplies, or loans receivable; or (b) legally or contractually required to be maintained intact, such as the principal portion of an endowment. This category was traditionally reported as a “reserved” fund balance under the old statement.
- **Restricted:** The portion of a fund balance that has constraints placed on the use of resources that are either: (a) externally imposed by creditor (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. This category was traditionally reported as a “reserved” fund balance under the old standard.
- **Committed:** The portion of a fund balance that includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council and remain binding unless removed in the same manner. This category was traditionally reported as a “designated” fund balance under the old statement.
- **Assigned:** The portion of a fund balance that includes amounts that are constrained by the governments intent to be used for specific purposes, but that are neither Restricted nor Committed. Such intent needs to be established either by the City Council or by an official designated for that purposes. This category was traditionally reported as a “designated” fund balance under the old standard.
- **Unassigned:** The portion of a fund balance that includes amounts that do not fall into one of the above categories. The General Fund is the only fund that should report this category of fund balance. Within all other governmental funds, the negative residual resources in excess of what can be properly classified as nonspendable, restricted, or committed would also be classified as Unassigned. This category was traditionally reported as an “undesignated” fund balance under the old standard.

## **Policy**

### **DELEGATION OF ASSIGNMENT AUTHORITY**

This policy delegates to the Finance Director the authority to assign unrestricted (assigned or unassigned) fund balance amounts where the City’s intent is for those amounts to be used for specific purposes. This delegation of authority is for the sole purpose of reporting these amounts in the annual financial statements.

### **GENERAL FUND RESERVE POLICY**

1. At the end of each fiscal year, the City shall maintain a Committed Fund Balance equal to 17% of operating expenditures in the General Fund for operating contingencies and catastrophic events. For purpose of this policy statement, the General Fund Budget shall include appropriations for operating expenditures plus transfers from the General Fund to Other Funds. This 17% policy is considered the minimum level necessary to adequately provide for:

Economic uncertainties

Reductions or interruptions of revenue streams  
Natural disasters (earthquake, flood, etc.)  
Financial hardships or downturns in the local or national economy  
Cash flow requirements

2. The City shall reach the 17% level no later than fiscal year 2020 according to the following schedule:
  - 8.0% by June 30, 2012**
  - 9.0% by June 30, 2013**
  - 10.0% by June 30, 2014**
  - 11.0% by June 30, 2015**
  - 12.0% by June 30, 2016**
  - 13.0% by June 30, 2017**
  - 14.0% by June 30, 2018**
  - 15.5% by June 30, 2019**
  - 17.0% by June 30, 2020**
3. In addition to the designations noted above, fund balance levels will be sufficient to meet funding requirements for projects approved in prior years which are carried forward into the new year, debt service reserve requirements, and other services or designations required by contractual obligations, state law, or generally accepted accounting principles.
4. This designated fund balance shall not be considered available for compensation adjustments, or increases to staff or service levels.
5. The status of the General Fund Reserve shall be analyzed and estimated by the Finance Department using departmental year-end estimates and reported with the adoption of each year's budget. The actual General Fund restricted fund balance shall be reported no less than annually in the agenda report accepting the Comprehensive Annual Financial Report.
6. Any reserves in excess of the 20% designation shall be available for appropriation for one-time expenditures or capital needs as recommended by the City Manager and approved by the City Council.

### **RISK MANAGEMENT RESERVE POLICY**

#### **Liability Fund**

The City shall maintain dedicated reserves equal to but not less than 25% of the value of the outstanding claims as reported in the most recent Comprehensive Annual Financial Report (CAFR). This level recognizes that not all claims will become due and payable at one point in time, yet there may be more than one large claim that could require an immediate payment.

A reserve amount of 25% shall be achieved no later than fiscal year 2020 based on the following schedule:

- 1.5% by June 30, 2012**
- 4.25% by June 30, 2013**

**7.00% by June 30, 2014**  
**9.75% by June 30, 2015**  
**12.50% by June 30, 2016**  
**15.25% by June 30, 2017**  
**18.00% by June 30, 2018**  
**21.00% by June 30, 2019**  
**25.00% by June 30, 2020**

**Workers' Compensation Fund Reserve Policy**

The City shall maintain dedicated reserves equal to but not less than 25% of the value of the outstanding claims as reported in the most recent Comprehensive Annual Financial Report (CAFR). Workers' Compensation Fund is a citywide fund that addresses workers' compensation claims for all departments and all funds. In addition, there are citywide rates charged in order to properly fund current year and future liabilities. A reserve amount of 25% shall be achieved no later than fiscal year 2020 based on the following schedule:

**2.00% by June 30, 2012**  
**4.25% by June 30, 2013**  
**7.00% by June 30, 2014**  
**9.75% by June 30, 2015**  
**12.50% by June 30, 2016**  
**15.25% by June 30, 2017**  
**18.00% by June 30, 2018**  
**21.00% by June 30, 2019**  
**25.00% by June 30, 2020**

**Unemployment Fund Reserve Policy**

The City shall pay all Unemployment claims on a pay-as-you go basis and therefore, a fund balance reserve is not required for this fund.

**WATER ENTERPRISE FUND OPERATING RESERVE POLICY**

This reserve is intended to be used in the event of a catastrophe that prevents the utility from operating in its normal course of business. The reserve is based on working capital (current assets minus current liabilities) and minimum number of days the operation could continue in the event of a major disruption to the Water Fund revenues. Minimum reserve is the amount equal to 90 days of operating costs, excluding depreciation.

**WASTEWATER (SEWER) ENTERPRISE FUND OPERATING RESERVE POLICY**

This reserve is intended to be used in the event of a catastrophe that prevents the utility from operating in its normal course of business. The reserve is based on working capital (current assets minus current liabilities) and minimum number of days the operation could continue in the event of a major disruption to the Wastewater Fund revenues. Minimum reserve is the amount equal to 90 days of operating costs, excluding depreciation.

**REFUSE ENTERPRISE FUND OPERATING RESERVE POLICY**

This reserve is intended to be used in the event of a catastrophe that prevents the utility from operating in its normal course of business. The reserve is based on working capital (current assets minus current liabilities) and minimum number of days the operation could continue in the event of a major disruption to the Refuse Fund revenues. Minimum reserve is the amount equal to 70 days of operating costs, excluding depreciation.

**Capital Reserve**

The reserve is intended for capital needs. Use of these funds for capital equipment requires City Council action.

**General Provisions**

**Deviations from the Policy**

No deviations from the Fiscal Reserve Policy will be allowed except as recommended by the Mayor or the City Council, and approved by the City Council. This would include increasing or decreasing the basis of emergency reserves, expenditures from reserves for anything other than the intended use of said reserve, and expenditures from any fund balances above the stated basis of the emergency reserves. Any such request must be reviewed by the Finance Director for analysis of the fiscal impact. The Finance Director will then bring the request to the City Manager with a recommendation followed by a presentation to the City Council for action.

**Replenishment of Reserves**

As reserves are set in place for use of unforeseen or catastrophic events, it is possible for the reserve to fall below the set policy amount. Should a particular reserve fall below the anticipated reserve level as stated in this Policy, the City Manager will bring forward a plan as part of the subsequent fiscal year budget, to replenish said reserve in a reasonable timeframe.

This policy is in place to provide a measure of protection of the City against unforeseen circumstances and to comply with GASB Statement No. 54. No other policy or procedure supersedes the authority and provision of this policy.



# FISCAL SUSTAINABILITY POLICY

## City of Pomona *Fiscal* Policies & Procedures

Number:

Effective Date: **May 2, 2011**

Approval: **Reso #2011-49**

### Purpose and Scope

The purpose of the Fiscal Sustainability Policy is to guide the City's financial planning to meet financial obligations while providing high quality services.

### Approving Authority – City Council

### Fiscal Sustainability Overview

The City has an important responsibility to its citizens to carefully account for public funds, to manage its finances wisely, and to plan for the adequate funding of services desired by the public, including the provision and maintenance of public facilities and ongoing infrastructure improvements. The City needs to ensure that it is capable of adequately funding and providing those government services desired by the community taking into account available ongoing resources, major changes in federal and state policies toward local government funding, and changes in economic conditions. Ultimately, the City's reputation and success will depend on its ability to set policy and goals and execute within those parameters.

The set of Fiscal Sustainability Policies are intended to establish guidelines for the City's overall fiscal planning and management. These principles are intended to foster and support the continued financial strength and stability of the City as reflected in its financial goals. The financial goals are broad, fairly timeless statements of the financial position the City seeks to attain:

- To deliver quality services in an affordable, efficient and cost-effective manner.
- To maintain an adequate financial base to sustain a sufficient level of municipal services, thereby preserving the quality of life in the City of Pomona.
- To provide essential public facilities and prevent deterioration of the City's public facilities and its capital assets.
- To have the ability to withstand local and regional economic fluctuations, to adjust to changes in the service requirements of our community, and to respond to changes in Federal and State priorities and funding as they affect the City's residents.
- To protect and enhance the City's credit rating in the financial community to assure the City's taxpayers the City government is well managed and financially sound.
- To insure the legal use of all City funds through adherence to the highest accounting and management practices as set by the Government Finance Officers' Association standards for

financial reporting and budgeting, by the Governmental Accounting Standards Board and other professional standards, and by adherence to State Law.

- To provide transparency in the financial operations of the City.

Following these principles will enhance the City's financial health as well as its image and credibility with its citizens, the public in general, bond rating agencies and investors. It will also protect the Council's policy-making ability by ensuring that important policy decisions are not controlled by financial problems or emergencies.

To achieve these purposes, it is important to regularly engage in the process of financial planning, including reaffirming and updating these financial policies. Policy changes will be needed as the organization continues to change along with the services and service level it provides to its citizens.

### **Objective**

The policies shall be designed and structured to develop principles that guide, support and respect the direction of the community so that taxpayers can look forward to stable, equitable and affordable service delivery.

### **Policies**

The following policies are established as part of the City's Fiscal Sustainability Plan

- Budget
- Economic Development
- Risk Management
- Accounting, Auditing and Financial Reporting
- Cash Management and Investment
- Debt Management

## **Budget**

### **I. GENERAL POLICY**

Fiscal planning refers to the process of identifying resources and allocating those resources among competing purposes. The primary vehicle for this planning is the preparation, monitoring and analysis of the City's budget. It is increasingly important to monitor the performance of the programs competing to receive funding.

1. The City Manager shall submit to the City Council a proposed annual budget, with recommendations, and shall execute the budget as adopted, pursuant to Sections 1002 through 1011 of the Pomona City Charter. The City will budget on the basis of a fiscal year which begins July 1 and ends on the following June 30. The City Council will adopt the budget no later than June 30.
2. Annually, the City Manager shall submit to the City Council for consideration, a list of Budget Guiding Principles to be used in the development of the coming year's budget.
3. The City will prepare a budget in accordance with the guidelines established by the Government Finance Officers Association in its Distinguished Budget Award Program. The proposed budget will contain the following:
  - a. Revenue estimates by major category, by major fund
  - b. Expenditure estimates by program levels and major expenditure category, by major fund
  - c. Estimated fund balance by major fund
  - d. Debt service by issue detailing principal and interest amounts by fund
  - e. Proposed personnel staffing levels
  - f. A detailed schedule of capital projects
  - g. Any additional information, data, or analysis requested of management by the City Council
4. The Finance Department in consultation with the City Manager shall provide annually a budget preparation schedule outlining the preparation timelines for the proposed budget. Budget packages for the preparation of the budget, including forms and instructions, shall be distributed to City departments in a timely manner for the Department's completion. Department officials shall prepare and return their budget proposals to the Finance Department, as required in the budget preparation schedule.
5. The operating budget will be based on the principle that current operating expenditures, including debt service, will be funded with current revenues creating a balanced budget. The City will not balance the current budget at the expense of meeting future years' expenditures; for example accruing future years' revenues or rolling over short-term debt to avoid planned debt retirement.
6. One-time revenue sources or unexpected revenue should be placed in reserves and not used for operating expenses. Once the reserve balance exceeds the set policy amount, one-time revenue may be used for one-time expenses. If the one time expense results in ongoing



operating costs, funding for the ongoing costs must be determined before the one-time funds are allocated.

7. All authorized regular positions will be fully funded at the start of the budget preparation cycle. During the budget development process a vacancy factor or allowance for identified vacant positions, either for the full year or partial year, may be incorporated into the proposed budget if fully disclosed within the proposed budget document and accompanying staff report. Department directors shall have input to any reductions in position funding, other than minor corrections, prior to removal or adjustment. If a vacancy factor is used, the amount established will be set in a separate line item number within the personnel category of each department affected. Salary savings from unanticipated vacancies may be used at the discretion of the Department Director with approval of the City Manager.
8. At no time shall the number of regular full-time employees on the payroll exceed the total number of positions authorized by the City Council unless the position is related to a long-term absence of the incumbent and temporarily filled on a 'limited-term' basis. All personnel actions shall be in conformance with applicable federal and state law and all City ordinances and policies.
9. Although alternatives for improving the efficiency and effectiveness of the City's programs and the productivity of its employees will be considered on a continuous basis, a more formal review shall be performed during the budget process. Duplication of services and inefficiency in service delivery should be eliminated wherever they are identified. Where practical, this will be accomplished by conducting performance audits of department operations on a rotating basis.
10. The City's annual budget will include contingency appropriations in the General Fund sufficient to provide for unanticipated increases in service delivery costs and needs that may arise throughout the fiscal year. Expenditures from this contingency appropriation can only be undertaken with approval of the City Manager and only if funds are not available in the department requesting the contingency funding.
11. Department Directors are required to control expenditures to prevent exceeding their total departmental expenditure budget as well as monitor departmental revenues. It is the responsibility of Department Directors to immediately notify the Finance Director and the City Manager of any exceptional circumstances that could cause a departmental expenditure budget to be exceeded or revenue estimates not be reached.
12. Budget amounts for allocations, insurances, fleet operations, administrative service charges, telephones, lease payments, debt payments, and the like, shall be calculated by the Finance Department. Any movement of these expenses from one department to another will also result in a movement of the related budget with City Manager approval and department director notification.
13. A mid-year report on the status of the major funds budgets will be prepared by the Finance Department and presented to the City Council within 75 days of the mid year.
14. If a deficit is projected during any fiscal year, the City will take steps to reduce expenditures, increase revenues or, if a deficit is caused by an emergency, consider using the Fund Balance, to the extent necessary to ensure a balanced budget at the close of the fiscal

year. The City Manager may institute a cessation during the fiscal year on hiring, promotions, transfers, and capital equipment purchases. Such action will not be taken arbitrarily and without knowledge of the City Council.

## **II FUND BALANCE / RESERVES / SURPLUS**

### **Defined –**

**Fund Balance –** The excess of current assets over current liabilities, and represents the cumulative effect of revenues and other financing sources over expenditures and other financing uses. A positive fund balance means there are more assets than liabilities; a negative fund balance means just the opposite. Fund balance can be complicated by the fact that part of the fund balance is reserved and part unreserved. The difference between reserved and unreserved is that the unreserved can potentially be authorized for future expenditures while the reserved cannot. Additionally, the fund balance is a residual and not necessarily a cash amount. This term applies to governmental funds only; the equivalent term in proprietary funds is net assets.

**Reserves –** Prior to GASB 54, this was an account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for spending. For Pomona, the term Unreserved Fund Balance is used interchangeably with the 'amount of reserves available for use'.

**Surplus –** The amount of revenue received in excess of expenditures/expenses, exclusive of adjustments for balance sheet items (e.g. the purchase or sale of assets, principal payments for debt service etc) each year.

### **Policy –**

**Fund Balance / Reserves –** a separate policy shall be established and approved by the City Council.

**Surplus –** any annual surplus will be placed in fund balance until amounts designated within the Fund Balance policy and those set herein (Capital Improvement Project, Equipment Replacement) have been reached.

## **III STAFFING**

1. A listing of current authorized staffing shall be reviewed annually by the City Manager and submitted with the annual budget.
2. Requests for new positions that increase the authorized full-time equivalent budgeted position list must be submitted as supplemental budget requests during the budget preparation process along with a proposed funding source for the new position.
3. To offset workload increases that would otherwise trigger a need for additional staffing, departments are encouraged to:
  - a. Use available technology that provides for self-service without a loss of internal controls or increase to fraud opportunities
  - b. Reduce existing support positions and replace with front line service delivery positions
  - c. Consider outsourcing (See Contracting for Services Policy)
4. At the request of the Department Director and approval of the City Manager a position may remain vacant and unfunded for two years. If a position is vacant and or unfunded for two

years, it shall be deleted from the authorized staffing list with the adoption of the annual budget.

#### **IV EXPENDITURE CONTROL**

Management must ensure compliance with the legally adopted budget. In addition, purchases and expenditures must comply with legal requirements.

1. Expenditures will be controlled by an annual budget at the fund level. The City Council shall establish appropriations through the budget process. The Council may increase/decrease these appropriations as necessary through the budget amendment process.
2. The City will maintain a purchasing system that provides needed materials in a timely manner to avoid interruptions in the delivery of services. All purchases shall be made in accordance with the City's purchasing policies and procedures, City of Pomona Code Article VII, and applicable state and federal laws. The City will endeavor to obtain supplies, equipment and services as economically as possible.
3. Expenditures will be controlled through appropriate internal controls and procedures in processing invoices for payment.
4. Department Directors shall bear the responsibility for monitoring and staying within the adopted budget amount for the respective department/fund.

#### **V REVENUES AND COLLECTIONS**

All government employees are considered stewards of public funds. In order to provide funding for service delivery, the City must have reliable revenue sources. These diverse revenues must be collected equitably, timely, and efficiently.

1. The City's goal is a General Fund revenue base balanced between taxes, intergovernmental shared revenues, and other revenue sources such as licenses and permits, user fees, and other miscellaneous revenues.
2. The City will maintain a diversified and stable revenue base to shelter it from economic changes or short-term fluctuations in any one revenue source by doing the following:
  - a) Establishing new charges and fees as needed and as permitted by law
  - b) Pursuing legislative change, when necessary, to permit changes or establishment of user charges and fees
  - c) Aggressively collecting all revenues, late penalties and related interest as authorized by the California Statutes.
  - d) Setting and maintaining fees with a goal of full cost recovery. (See Section VII – User Fee and Service Charge Cost Recovery).
3. The City will monitor all taxes to insure they are equitably administered and collections are timely and accurate.

4. Department Directors are responsible for the administration of departmental revenue sources including collection, regular monitoring, and fee updates. It is the responsibility of Department Directors to immediately notify the Finance Director and the City Manager of any exceptional circumstances that could cause a departmental revenue to fall 10% or more below the budgeted amount. Revenue should be monitored no less than monthly.
5. The City should pursue intergovernmental aid for those programs and activities that address a recognized need and are consistent with the City's long-range objectives. Any decision to pursue intergovernmental aid should include the consideration of the following:
  - a) Present and future funding requirements
  - b) Cost of administering the funds
  - c) Costs associated with special conditions or regulations attached to the grant award
  - d) Cash flow of the aid
6. The City will attempt to recover all allowable costs--direct and indirect--associated with the administration and implementation of programs funded through intergovernmental aid. In the case of state and federally mandated programs, the City will attempt to obtain full funding for the service from the governmental entity requiring the service be provided.

#### **VI SELF-FINANCED PROGRAMS (SEE ALSO ENTERPRISE FUNDS)**

The City has several self-financed programs such as Water, Sewer, and Refuse. The costs for self-financed programs should be fully funded by user fees.

The City's self-financed programs are to be fully funded by user fees including overhead, equipment replacement, debt financing, transfers to reserves and capital expenditures.

#### **VII NEW SERVICES AND MAJOR ENHANCEMENTS TO EXISTING SERVICES**

New services or enhancements to existing services will be funded by one or a combination of the following:

- a) A reduction in the cost of existing services. This may include a reallocation of resources from one area to another
- b) An increase in ongoing revenues once defined Fund Balance levels and contributions to Capital Improvement efforts and equipment replacement have been met.

#### **VIII USER FEE AND SERVICE CHARGE COST RECOVERY**

User fees and charges are payments for purchased, publicly provided services that benefit specific individuals. The City relies on user fees and charges to supplement other revenue sources in order to provide public services.

1. All user fees will be established in compliance with Propositions 218 (1996), Proposition 26 (2011), and any succeeding laws that governs the establishment of fees for services.
2. The City may establish user fees and charges for certain services provided to users receiving a specific benefit.

3. User fees and charges will be established to recover all direct and indirect costs of service, unless the percentage of full cost recovery has been reduced by specific action of the City Council. It is recognized that occasionally competing policy objectives may result in reduced user fees and charges that recover only a portion of service costs.
4. The City will attempt to recalculate the full costs of activities supported by user fees to identify the impact of inflation and other attendant costs on a yearly basis in conjunction with the budget process.

## **IX CAPITAL IMPROVEMENT PROGRAM AND ASSET REPLACEMENT**

The purpose of the Capital Improvement Program is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness as well as conformance to established policies and goals. Capital projects and programs are funded from a variety of sources including grants and reserves. Once the project or program is completed, its ongoing maintenance costs need to be included in the operating budget and future upgrade and/or replacement costs need to be included in the capital plan. These ongoing and future costs must be clearly understood before a capital project is approved. The Asset Replacement Program is designed to plan for the replacement of certain capital assets.

1. The City Manager will annually submit a five-year Capital Improvement Program for review by the City Council pursuant to the timeline established within the City Charter and annual budget preparation schedule.
2. Each capital project or program submitted for consideration must clearly state:
  - a. The full initial cost as well as future costs, including operating and upgrade/replacement costs
  - b. The source of sustainable funding for such costs
3. The Capital Improvement Program shall provide:
  - a. For the systematic improvement and maintenance of the City's capital infrastructure;
  - b. An implementation program for each of the capital investments;
  - c. An annual updated estimate of each project's costs, anticipated sources of revenue for financing the project, and an estimate of the impact of each project on City revenues and operating budgets.
4. The City will match programs and activities identified in the Capital Improvement Program with associated funding sources.
5. The City's objective will be to dedicate to the Capital Improvement Program for citywide improvements without an alternative funding source at least 0.25% of the annual General Fund revenues allocated to the City's operating budget beginning with fiscal year 2013-14. This percentage will increase by 0.10% each year until reaching 1.0%.
6. Capital Improvement projects will not be budgeted, authorized or awarded until the funding sources have been identified to finance the project and to pay for future operating costs. Projects may be partially funded if the City is seeking to secure outside funding for the project. If outside funding is not awarded within three years, staff will seek City Council approval to unappropriate the project.

7. The Capital Improvement Program will monitor projects in progress to insure their timely completion or the substitution of alternative projects. A prior year capital project status report shall be presented to the City Council for information purposes when the Capital Improvement Program budget is considered.
8. Within 90 days of the completion of a capital project, any remaining appropriated funds for the project will be unappropriated.
9. The Public Works Director shall submit to the City Council quarterly reporting on, at a minimum, all projects in excess of \$2.0 million
10. The City will maintain a listing of capital infrastructure. This list will be used to analyze City infrastructure to provide for maintenance and replacement through the City's Capital Improvement Program and annual operating budget. Only projects equal to or greater than \$250,000 shall be capitalized.
11. An effective fixed asset accounting system is important in managing the City's fixed asset investment. As such, the City will maintain a schedule of fixed assets with values in excess of \$5,000. All items less than \$5,000 will be recorded as operating expenditures.
12. The City will provide replacement funding for fleet vehicles and major equipment using a Replacement Fund sinking account beginning fiscal year 2013-14. Vehicles that are replaced on a short-term routine basis such as patrol units may be leased purchased rather than part of the replacement fund. A replacement and available funding schedule will be updated as part of the annual budget process.
13. The Finance Director will establish a separate Fixed Asset / Infrastructure Capitalization policy which shall include a comprehensive depreciation schedule for capitalized assets.

## **X ENTERPRISE FUNDS**

Government enterprises generate revenue to offset the cost of providing certain services including water, wastewater (sewer), and refuse. User charges are established to offset the cost of providing these services.

1. Separate funds will be established and maintained to properly account for each enterprise operation. Enterprise funds will not be used to subsidize the operations of other funds. Interfund charges will be assessed for the administrative support of the enterprise activity.
2. The City will establish rates and fees at levels that fully cover the total direct and indirect costs, including operations, capital outlay, debt service and bonded debt coverage requirements for water, wastewater (sewer), and refuse services.
3. All existing water, sewer and refuse rates and charges will be reviewed annually to recommend changes in order to maintain a minimum bonded debt coverage as identified within each bond document.

## **Economic Development**

Economic development in its simplest form is the creation of economic wealth for all citizens so that all people have access to potential increased quality of life. It is an important tool to sustain an increase in living standards that implies increased per capita income, better education and health as well as environmental protection for the community.

1. The City will expand and diversify its economic base by attracting industrial, office and commercial firms to the City. Special emphasis will be given to industrial, office and commercial enterprises that will create employment opportunities in professional, technical and skilled labor positions. Such business and industry will be sited and developed in accordance with the plans and ordinances of the City.
2. The purpose of this Policy is to establish guidelines for focusing a special emphasis on economic development efforts and incentives that encourage value-added development and accrue public benefits to the City of Pomona. A public benefit may include:
  - a. A benefit that materially enhances the financial position of the City by increasing the employment base, assessed valuation or general and special use tax revenues
  - b. A general benefit received from the provision of a capital improvement or contribution to the basic infrastructure of the City that is greater than that benefit which would be required of the development alone
  - c. A benefit that increases access to other public services
3. The City's goal is to create employment opportunities for its residents by attracting companies that provide sustainable wage jobs.
4. Development incentives for commercial projects shall generally be provided for developments with a positive commercial impact to the local economy. These projects must demonstrate that either additional revenue or preserving existing revenue will be generated to the City, rather than a redistribution of existing revenue.
5. Office, business park and industrial projects within the City shall be considered for special emphasis when the project demonstrates at least three of the following:
  - a. Provides quality direct employment opportunities for the City of Pomona citizens
  - b. Provides additional indirect employment opportunities through primary and secondary employment generation to the City of Pomona residents
  - c. Significant increase in property tax revenues accruing to the City
  - d. Goods and/or services are purchased within the City of Pomona
  - e. Expands the labor base with jobs that meet specific criteria
  - f. Provides needed public infrastructure
  - g. Offers unique recreational opportunities or cultural enhancements for the residents of the City of Pomona
6. The City may consider a variety of development incentives to encourage development, which is clearly a benefit to the City. Incentives may include, but are not limited to, one or more of the following:
  - a. Formation of improvement districts

- b. Formation of Community Facilities Districts (CFDs)
  - c. Intergovernmental Agreements (IGAs) with other agencies for projects which will provide benefit to multiple jurisdictions
  - d. Use of Industrial Development Authority Bonds
  - e. Use of development mechanisms available to the City in redevelopment districts, including funding opportunities where appropriate
  - f. Use of State of California Enterprise Zone Tax Credits
  - g. Provision for allowing credits for off-site public infrastructure development costs
  - h. Use of discount lease rates on City-owned property coupled with reversion clauses for improvements constructed on the property
7. The City will, when possible, provide expedited plan review, development agreement processing, and permit processing on a cost recovery basis.
  8. The proposed development project shall typically be “performance based” so that the developer only receives the incentive if its performance meets selected criteria set forth in the development agreement. Other guidelines may apply to a project, which contributes to the overall benefit of the City in other ways, (e.g. downtown revitalization or development in specific target areas).
  9. The City may require a developer requesting development incentives to fund an impartial fiscal impact analysis of the proposed project. Preparer of the fiscal impact shall be chosen by mutual agreement of the City and developer. The City will evaluate the economic costs, economic benefits, intrinsic benefits and levels of each type of risk that are associated with the project requesting an economic development incentive, as well as the financial impact of all such incentives on the City’s operating and capital budgets.
  10. The fiscal impact evaluation shall be presented to the City Council by the City Manager, along with any recommended economic development incentive. The City Council shall make the final decision concerning proposed economic development incentives, including the terms and conditions contained within any proposed memorandum of understanding or development agreement.
  11. Certain exclusions, limitations, disclosures, and collateral requirements apply to these incentives.
    - a. Failure to operate facilities developed under a development incentive plan will require the developer to repay the City for certain amounts that may have been advanced, and/or costs that the City has incurred.
    - b. Residential development normally will not be provided any incentive package unless a clear net benefit to the City can be demonstrated or other public purpose served (e.g., affordable housing projects).
  12. The City shall utilize the powers and tools of its Redevelopment Agency to promote economic growth of the City.



## **Risk Management**

Risk management has become increasingly important in guarding against economic loss and in ensuring public safety in a time of increasing public liability and litigation. Risk management is involved in the identification, evaluation, and treatment of the City's risk.

1. The City shall make diligent efforts to prevent or mitigate the loss of City assets and to reduce the City's exposure to liability through training, safety, risk financing and the transfer of risk when cost effective.
2. The City shall manage its exposure to risk through cost effective methods such as self-insurance and/or the purchase of traditional third-party insurance in the following areas: general liability, automobile liability, public officials' errors and omissions, police professional liability, property loss and workers' compensation.
3. The City will further control its exposure to risk through the use of "hold harmless" agreements in City contracts and by requiring contractors to carry liability insurance which shall name the City, its elected officials and employees as additional insured's.
4. Insurance reserves shall be maintained at a level which, together with any purchased insurance, will adequately protect the City's assets and its elected officials, officers and directors against loss. A regular study will be conducted for potential liability areas and shall be used as a basis for determining self-insurance reserves based on historical loss data.
5. An internal litigation committee consisting of the City Manager, City Attorney, Human Resources / Risk Management Director, Risk Manager, and Finance Director will meet no less than quarterly to review outstanding claims and related costs. Department Directors may be asked to attend the Litigation Committee meeting when a claim related to his/her Department is being reviewed.
6. A debrief of all traffic fatalities shall be conducted by Risk Management with all internal parties present to assess and address the issues.
7. Department Directors shall be notified by Risk Management of current claims and in order to ensure that loss of City assets and exposure to litigation are mitigated, Directors will be responsible for implementing operational changes in their department as a result of those claims/cases that are filed.
8. The City will disclose material contingent liabilities in the City's Comprehensive Annual Financial Report (CAFR).

## **Accounting, Auditing and Financial Reporting**

Accounting, auditing and financial reporting form the informational infrastructure for public finance. Internal and external financial reports provide important information to the City's legislative body, management, citizens, investors and creditors.

1. The City will comply with generally accepted accounting principles (GAAP) in its accounting and financial reporting, as contained in the following publications:
  - a. Codification of Governmental Accounting and Financial Reporting Standards, issued by the Governmental Accounting Standard Board (GASB)
  - b. Pronouncements of the Financial Accounting Standards Board, (FASB)
  - c. Governmental Accounting, Auditing, and Financial Reporting (GAAFR), issued by the Government Finance Officers Association (GFOA) of the United States and Canada
  - d. Audits of State and Local Governmental Units, an industry audit guide published by the American Institute of Certified Public Accounts (AICPA)
  - e. Government Accounting Standards (GAS), issued by the Controller General of the United States
  - f. U.S. Office of Management and Budget (OMB) Circular A-133, issued by the U.S. Office of Management and Budget
2. A system of internal accounting controls and procedures will be maintained to provide reasonable assurance of the safeguarding of assets and proper recording of financial transactions of the City and compliance with applicable laws and regulations.
3. In accordance with State law, a comprehensive financial audit, including an audit of federal grants according to the Single Audit Act of 1984 and the OMB Circular A-133, will be performed annually by an independent public accounting firm, with the objective of expressing an opinion on the City's financial statements. The City will prepare its financial statements in accordance with applicable standards and will account for its operations in a manner consistent with the goal of obtaining an unqualified opinion from its auditors.
4. The City will prepare a Comprehensive Annual Financial Report (CAFR) in accordance with the principles and guidelines established by the Government Finance Officers Association "Certificate of Achievement for Excellence in Financial Reporting" program.
5. Annually, the Finance Director will solicit updates from the various departments to provide notice of all significant events and financial and related matters for the City's annual disclosures, as required by the SEC Regulation 15-C-2-12, to the municipal markets, financial statements and bond representations. The Finance Director will notify the auditors and agencies as appropriate.
6. The City's Comprehensive Annual Financial Report will include the bond related on-going disclosure requirements and will fully disclose all significant events and financial and related issues as provided by the departments to the Finance Director. The City will provide the CAFR to the rating agencies, municipal bond insurers and national bond disclosure repositories and post on City's website.

## **Cash Management and Investment**

Cash management includes the activities undertaken to ensure maximum cash availability and maximum investment yield on a government's idle cash.

1. The City Treasurer shall invest all funds of the City according to four criteria, in order of their importance: (1) legality, (2) safety, (3) liquidity, and (4) yield.
2. The City shall maintain and comply with a written Investment Policy which is intended to provide guidelines for the prudent investment of the City's and Agency's temporary idle cash and that has been approved (annually) by the City Council.
3. The City will collect, deposit and disburse all funds on a schedule that ensures optimum cash availability for investment.
4. In order to maximize yields from its overall portfolio, the City will consolidate cash balances from various funds for investment purposes, and will allocate investment earnings to each participating fund.
5. The City will conduct its treasury activities with financial institution(s) based upon written contracts.
6. Ownership of the City's investment securities will be protected through third party custodial safekeeping.
7. All City bank accounts shall be reconciled and reviewed on a monthly basis.
8. The City Treasurer shall provide the City Council with a comprehensive quarterly investment report within 30 days of the end of each quarter.
9. No department shall open a bank or escrow account without the approval of the Finance Director. All monthly, quarterly, and/or annual bank and/or escrow statements must be directed to the attention of the Finance Director.

## **Debt Management**

The purpose of this debt management policy is to provide for the preservation and eventual enhancement of the City's bond ratings, the maintenance of adequate debt service reserves, compliance with debt instrument covenants and provisions and required disclosures to investors, underwriters and rating agencies. These policy guidelines will also be used when evaluating the purpose, necessity and condition under which debt will be issued. These policies are meant to supplement the legal framework of public debt laws provided by the California Constitution, California Statutes, federal tax laws and the City's current bond resolutions and covenants.

1. The overall debt management policy of the City is to ensure that financial resources of the City are adequate in any general economic situation to allow the City to pay its debts when due.
2. The City will maintain debt ratios within the California Constitution limits and City Charter.
3. The City will not use long-term debt to fund current operations or projects that can be financed from current revenues or resources. The City will first attempt "pay as you go" capital financing for projects.
4. The City shall comply with all U.S. Internal Revenue Service arbitrage rebate requirements for bonded indebtedness.
5. The City shall comply with all legal requirements regarding the issuance of bonds and certificates of the City or its debt issuing authorities.
6. Restructuring, refinancing, and advance bond refunding may be used to limit the City's debt service costs and to provide maximum future borrowing flexibility and must be financially beneficial.
7. The City shall comply with all continuing disclosure requirements including the reporting of significant events. If knowledge of the occurrence of a listed event would be material to the City, the City shall promptly file a "Notice of Material Event" with the Municipal Securities Rulemaking Board and with each depository. The following events are defined as significant events with respect to municipal securities.
  - a. Principal and interest payment delinquencies
  - b. Non-payment related defaults
  - c. Unscheduled draws on debt service reserves reflecting financial difficulties
  - d. Unscheduled draws on credit enhancements reflecting financial difficulties
  - e. Substitution of credit or liquidity providers or their failure to perform
  - f. Adverse tax opinions or events affecting the tax-exempt status of the securities
  - g. Modifications to rights of holders (i.e. owners)
  - h. Bond calls (which are other than mandatory or scheduled redemptions, not otherwise contingent upon the occurrence of an event are optional or unscheduled)
  - i. Defeasances
  - j. Release, substitutions or sale of property securing repayment of the securities (including property leased, mortgaged or pledged as such security)
  - k. Bond rating changes



CITY MANAGER'S OFFICE

CITY OF CULVER CITY

9770 CULVER BOULEVARD, CULVER CITY, CALIFORNIA 90232-0507

# 10 ?

(310) 253-6000

FAX (310) 253-6010

MARTIN R. COLE  
Assistant City Manager  
City Clerk

VIA USPS

November 20, 2012

Los Angeles County Civil Grand Jury  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, California 90012  
Attn: Jeffery Clements

RE: Transmittal of Responses  
2011-2012 Los Angeles County Civil Grand Jury Final Report

Dear Mr. Clements:

Thank you for your letter dated November 15, 2012 to City Manager John Nachbar. Having reviewed the 2011-2012 Los Angeles County Civil Grand Jury Final Report around the time it was delivered to the City (on or about June 26, 2012) and finding Culver City was not specifically mentioned in any of the 22 recommendations, I was under the misimpression that a response from Culver City was not needed. However, based upon your letter, I am pleased to provide the following responses to the 8 recommendations made for all Charter Cities:

**Recommendation 1.** All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

**Action 1.** The recommendation has been implemented: Council Policy Statement 5002 (Financial Policies) was initially adopted by the City Council in 1995 (and amended/updated several times, most recently in 2009). Council Policy Statement 5002 addresses all of the areas mentioned in Recommendation 1.

**Recommendation 2.** All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.

**Action 2.** The recommendation has been implemented: City Council Policy Statement 5002 (please see above Action 1) addresses all of the areas mentioned in Recommendation 2.

**Recommendation 3.** All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

**Action 3.** The recommendation has been implemented. City Council Policy Statement 5002 (please see above Action 1) addresses all of the areas mentioned in Recommendation 3.

**Recommendation 4.** All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

**Action 4.** The recommendation has been implemented. As part of its prudent financial management, the City has a long standing five year financial plan that is updated annually by the Chief Financial Officer. This plan guides the annual budget appropriation process. In compliance with Section 804 of the City Charter, appropriations lapse annually at the end of each fiscal year.

**Recommendation 5.** All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or "rainy day" fund to supplement operating revenue in years of short fall.

**Action 5.** The recommendation has been implemented: City Council Policy Statement 5002 (please see above Action 1) addresses all of the areas mentioned in Recommendation 5.

**Recommendation 10.** All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

**Action 10.** The recommendation has been implemented. City Council Policy Statement 5002 (please see above Action 1) addresses all of the areas mentioned in Recommendation 10.

**Recommendation 21.** All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

**Action 21.** The recommendation has been implemented. Culver City has fully complied with the order of the State Controller to provide salary information for each and every City employee. This information can be viewed on the State Controller's website at <http://qcc.sco.ca.gov/Reports/Cities/Cities.aspx>. This web address was provided to the City Council at the time of its creation and will be provided to the City Council each time the State Controller's Office updates the database with new annual information.

**Recommendation 22.** All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

**Action 22.** The recommendation has been implemented. The City engages in the collective bargaining process with the City's six employee organizations. As part of this process, the City Council is provided with salary surveys based on data received from 13 cities selected for their comparability with Culver City. The purpose for this survey is to ensure Culver City's employees are paid a fair and equitable wage that is comparable to 13 cities in Culver City's labor market. Exceptional salaries are approved based upon meeting objective criteria as outlined in the City's various Memoranda of Understanding with its employee bargaining groups.

As reflected in the above responses, Culver City commends the Grand Jury for recommending long-standing Culver City practices to all Charter Cities!

If I may provide any additional information to supplement the significant response provided to the Grand Jury earlier this year, please do not hesitate to contact me at [martin.cole@culvercity.org](mailto:martin.cole@culvercity.org) or 310-253-6000.

Very truly yours,

A handwritten signature in cursive script that reads "Martin R. Cole". The signature is written in black ink and is positioned above the typed name.

Martin R. Cole, MPA  
Assistant City Manager/City Clerk

cc: John Nachbar, City Manager



# City of Downey

FUTURE UNLIMITED

## CITY COUNCIL

### MAYOR

ROGER C. BROSSMER

### MAYOR PRO TEM

DAVID R. GAFIN

### COUNCIL MEMBERS

Dn. MARIO A. GUERRA  
LUIS H. MARQUEZ  
FERNANDO VASQUEZ

### CITY MANAGER

GILBERT A. LIVAS

### CITY CLERK

ADRIA M. JIMENEZ, CMC

October 1, 2012

Presiding Judge Lee Smalley Edmon  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 W. Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Re: *City of Downey Response to 2011-12 County Civil Grand Jury  
Report re Charter Cities Fiscal Health, Governance and Management  
Practices*

Dear Honorable Presiding Judge:

The City of Downey has reviewed the 2011-12 County Civil Grand Jury's Report re Charter Cities Fiscal Health, Governance and Management Practices. As requested in the report, below please find the City's responses to the recommendations made by the Grand Jury as they apply to the City of Downey:

1. *All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.*

We agree with this recommendation and expect to review our policies to address this recommendation during fiscal year 2012-13.

2. *All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.*



We agree with this recommendation. This recommendation has already been implemented for fiscal year 2012-13 with the approval by the City Council of a balanced budget on June 26, 2012.

3. *All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.*

We agree with this recommendation and will review our current practice to address this recommendation during fiscal year 2013-14.

4. *All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.*

We agree with this recommendation. The City of Downey will review this recommendation as it prepares the budget for fiscal year 2013-14.

5. *All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or "rainy day" fund to supplement operating revenue in years of short fall.*

We agree with this recommendation. The City of Downey currently has a method and practice of saving revenue into a reserve fund, and we will continue with this practice.

6. *All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.*

We agree with this recommendation. The City of Downey will review this recommendation as it prepares the budget for fiscal year 2013-14.

7. *Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, Lancaster, Pomona, Redondo Beach, Temple City, Torrance, Vernon, Whittier.*

We agree with this recommendation. The City of Downey will review this recommendation as it prepares the budget for fiscal year 2013-14.

8. *All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.*


We agree with this recommendation. Annually, the City of Downey reviews all salaries received by employees as part of the annual budget review. The City will continue with this practice as it prepares the budget for fiscal year 2013-14.

9. *All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.*

We agree with this recommendation. The City is a member of a regional salary database with prevailing municipal wage rates/salary ranges. Moreover, the City regards the following cities as "comparable" for salary survey purposes: Alhambra, Burbank, Costa Mesa, Fullerton, Montebello, Monterey Park, Newport Beach, Orange, Santa Monica, and West Covina. Annually, the City of Downey reviews all salaries received by employees as part of the annual budget review. The City will continue with this practice as it prepares the budget for fiscal year 2013-14.

If you have any questions, feel free to contract me at (562) 904-7284.

Sincerely,

*for*   
Gilbert A. Livas  
City Manager  
City of Downey

- c: John Michicoff, Finance Director  
Irma Youssefieh, Human Resources Director  
Yvette M. Abich Garcia, City Attorney

Albany  
Atlanta  
Brussels  
Denver  
Los Angeles  
New York

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December 21, 2012

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Re: City of Cerritos Response to County of Los Angeles Civil Grand Jury Final  
Report Regarding Charter Cities

Dear Presiding Judge:

I am the City Attorney for the City of Cerritos ("City"). The City has reviewed the findings of the final report of the Civil Grand Jury regarding charter cities and is responding to each grand jury finding as follows:

1. The City agrees with the finding.
2. The City agrees with the finding.
3. The City agrees with the finding.
4. The City agrees with the finding as it relates to the Capital Projects portion of the annual budget. The City Council may direct in the future the desire to develop multi-year budgets, but will not be implementing multi-year budgets at this time.
5. The City agrees with the finding.
6. The City agrees with the finding.
7. The City agrees with the finding.
8. The City agrees with the finding.
9. The City agrees with the finding that a charter city should establish an audit committee responsible for monitoring and overseeing financial reporting. The

City has an internal audit committee. Further analysis, however, is required in regards to making the auditor directly responsible to the audit committee. This analysis will be conducted during the selection of the 2012/2013 independent auditing firm.

10. The City agrees with the finding.
11. The City agrees with the finding.
12. The City agrees with the finding.
13. The City agrees with the finding.
14. The City disagrees partially with this finding, in that the City annually reviews the reserve balance(s) with the presentation of the annual budget and Comprehensive Annual Financial Report. It is believed that the City's current practice satisfies the intent of the Grand Jury finding in ensuring adequate fund balances, based on the City's specific circumstances. The City's unrestricted general fund balances has never been less than the recommended two months of general operating revenues or expenditures.
15. The City agrees with the finding.
16. The City agrees with the finding.
17. The City agrees with the finding.
18. The City agrees with the finding. The City has adopted sections 4525-4529 of the California Government Code as a guide in the selection and negotiation of a professional services contract. In the event the assistance of an architect or engineer is required on a federally funded project, the process outlined in Chapter 10 of the CalTrans' Local Assistance Procedure Manual is followed.
19. The City agrees with the finding. The City has adopted the Standard Specifications for Public Works Construction", popularly known as the "Greenbook", for contract administration. Included in the Greenbook is a section that addresses "Changes in Work" or Contract Change Orders. The City's standard Contract Document expands on this section to clearly define "extra work" and the maximum overhead and equipment rates that a contractor is permitted to use in submitting a Change Order request.
20. The City agrees with the finding.
21. The City agrees with the finding.

Presiding Judge  
December 21, 2012  
Page 3

22. The City agrees with the finding.

Thank you for the work of the civil grand jury. If you have any questions, please contact me.

Very truly yours,



Mark W. Steres  
City Attorney  
City of Cerritos

MWS/pac

cc: Mr. Art Gallucci, City Manager  
Ms. Denise Manoogian, Director of Administrative Services  
Mr. Hal Arbogast, Director of Public Works/City Engineer

LA:18002214.1

City of Bell  
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*Ali Saleh, Mayor*  
*Violeta Alvarez, Vice Mayor*  
*Danny Harber, Council Member*  
*Ana Maria Quintana, Council Member*  
*Nestor E. Valencia, Council Member*

September 25, 2012

Presiding Judge  
Los Angeles County Superior Court  
210 W. Temple Street, 11<sup>th</sup> Floor  
Room 11-506  
Los Angeles CA 90012

Enclosed please find the City of Bell's responses to the recommendations of the Civil Grand Jury's Final Report 57 as it relates to Charter Cities in Los Angeles County. The City of Bell appreciates the work performed by the Grand Jury members who dedicate their time to improving government processes throughout the County of Los Angeles.

If you have any questions, please contact Josh Betta, the City's new Finance Director, at the phone number above.

Sincerely,

A handwritten signature in black ink, appearing to read "Willmore", written in a cursive style.

Doug Willmore  
City Manager

Encl: City of Bell 2012/13 Budget  
City of Bell Five-Year Forecast 2012

**Responses are required from the following charter cities:**

Alhambra, Arcadia, Bell, Burbank, Cerritos, Compton, Culver City, Downey, Glendale, Industry, Inglewood, Irwindale, Lancaster, Palmdale, Pasadena, Pomona, Redondo Beach, Santa Monica, Signal Hill, Temple City, Torrance, Vernon, Whittier

1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

Response: The City of Bell adopted budget policies in 2012. It is included in the City's 2012/13 Budget on page E-1. Copy attached.

2. All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.

Response: There are many ways to define a balanced budget. They include "sources equal uses", where either one could potentially include some fund balance. In a budget where revenues do not match expenditures, you either use fund balance or you add to fund balance. The important thing is that ongoing expenditures should not surpass ongoing revenues. However, while this strategy is preferred, reserves are there for certain reasons. One reason is to provide funding to fall back on during tough economic times. It's hard to imagine a time harder than we have seen over the past few years. For those cities that have established reserve policies, they normally would do so to provide a cushion for such times. For the report to suggest that cities can always develop balanced budgets is unrealistic and does not recognize that sometimes there is a need to use reserves for what they are designed to do in order to continue to provide essential services.

3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

Response: This is an ideal strategy, but not always realistic. See answer to number 2.

4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

Response: During times of economic instability is not the time for adopting a multi-year budget. There are too many unknowns and too much volatility. It may

be important to minimize the commitment to services or projects that may create a longer-term financial liability. It might be a good time to prepare a forecast to allow a city to develop a strategy to cope with limited resources and increasing demands, but it is not the time to adopt a multi-year budget. Multi-year budgets are great during favorable economic times. The City of Bell developed a five-year forecast and presented it to the City Council in February 2012. Copy attached.

5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or “rainy day” fund to be supplement operating revenue in years of short fall.

Response: Agreed. The City of Bell has adopted a reserve policy of 25%. It is incorporated into the 2012/13 Budget starting on page E-1. Reserve policies, however, are best adopted during economic stability to provide thoughtful conclusions about possible solutions rather than desperate reactions that may otherwise result in unfavorable decisions.

6. Charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City. The following cities should develop and adopt such a strategic plan: Arcadia, Compton, Industry, Inglewood.
7. Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time. The following cities should develop such performance measures for indicators: Arcadia, Bell, Compton, Industry, Inglewood, Lancaster, Temple City.

Response: The City of Bell's 2012/13 Adopted Budget includes objectives and workload measures, a step towards developing performance measures (see section D of the Adopted Budget). Workload measures define what you are going to do. Performance measures define how well you do it.

8. Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter city councils should continue providing specific annual goals for the city's executive (City Manager or City Administrator) and conduct meaningful evaluations annually. The following cities should do so: Alhambra, Bell, Industry, Inglewood, Lancaster.

Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor. The following cities should formally establish an audit committee: Alhambra, Arcadia, Bell, Cerritos,



Compton, Industry, Inglewood, Irwindale, Palmdale, Pomona, Santa Monica, Signal Hill, Temple City, Torrance, Whittier.

Response: Disagree with this finding. An audit committee will potentially add to the cost of the audit. While an audit committee might be a nice luxury item, an audit committee would also increase staff workload at a time when many cities are facing reduced staffing. When the audit contract is approved by the City Council, it defines the objectives of the audit. Adding another layer of oversight would result in delays, confusion, and increased costs. If affect, the City Council is the audit committee for the City of Bell.

9. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

Response: Normally, this is an ideal method of selecting an audit service. For the City of Bell, no auditing firm would bid, so the State Controller encouraged one firm to provide the service to the City and that is how the City hired its current auditing firm.

10. Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years. The following cities should review and update accounting policies and procedures at least once every three years: Alhambra, Arcadia, Bell, Burbank, Industry, Inglewood, Lancaster, Pasadena, Pomona, Santa Monica, Temple City.

Response: Agreed. The City of Bell will consider what schedule of review will best meet the City's needs.

11. Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns. The following cities should adopt such policies and procedures: Alhambra, Arcadia, Burbank, Industry, Inglewood, Irwindale, Santa Monica, Temple City.

12. Charter cities should periodically review and update internal control procedures over financial management. The Following cities should review and update internal control procedures over financial matters: Bell, Industry, Inglewood.

Response: The current auditors will be reviewing internal control procedures.

13. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, Lancaster, Pomona, Redondo Beach, Temple City, Torrance, Vernon, Whittier.

Response: The City of Bell has a General Fund reserve policy of 25%. See attached 2012/13 Budget, page E-1.

14. Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR). The City of Bell should do so.

Response: Agreed, in part. The City of Bell is currently completing its 2009/10 audit. There are no plans to complete a CAFR until the City is caught up on its audits. The City of Bell had difficulty, after terminating the agreement with its former auditor, in getting an audit firm to even provide a proposal because of the Bell scandal. It finally took the intervention of the State Controller's Office to secure an auditing firm to conduct an audit. Once the audits are caught up, the City can once again consider publishing a CAFR.

15. Charter cities that have not published financial reports on the city's website should do so. The City of Industry should do so.

16. Charter cities should develop controls over sole sourced contracting to prevent preferential granting of contracts. The following cities should develop such controls: Bell, Industry, Irwindale, Temple City.

Response: The City of Bell is well aware of the inappropriate purchasing practices of prior management. The City is currently reviewing a new purchasing ordinance.

17. Charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes. The following cities should develop such policies and procedures: Arcadia, Bell, Cerritos, Industry, Inglewood, Irwindale, Pasadena, Whittier.

Response: The City of Bell is well aware of the inappropriate purchasing practices of prior management. The City is currently reviewing a new purchasing ordinance.

18. All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts. The following cities should do so: Alhambra, Bell, Cerritos, Inglewood, Irwindale, Lancaster, Temple City, Torrance, Whittier.

Response: The City of Bell is well aware of the inappropriate purchasing practices of prior management. The City is currently reviewing a new purchasing ordinance.

19. All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm. The following cities should do so: Bell, Cerritos, Inglewood, Irwindale, Lancaster, Whittier.

Response: The City of Bell is well aware of the inappropriate purchasing practices of prior management. The City is currently reviewing a new purchasing ordinance. Additionally, there are numerous oversight projects being conducted currently. The City relies on its current auditors to also review its practices and would not be inclined, because of a limited budget, to hire another firm for this specific purpose.

20. All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

Response: The City of Bell published the salaries of positions in its 2012/13 Budget on page C-26. Copy attached.

21. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

Response: The City of Bell recently conducted a classification and compensation study. The City will refer to the results of the study during its meet and confer process.



# City of Bell

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## General Fund Five Year Fiscal Forecast: 2012-17

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*February 2012*

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bstatler@pacbell.net  
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**William C. Statler**

Fiscal Policy ■ Financial Planning ■ Analysis ■ Training ■ Organizational Review

# General Fund Five Year Fiscal Forecast: 2012-17

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## OVERVIEW

### Background

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The preparation of this forecast has its roots in the budget and goal-setting process for 2012-13 approved by the Council on November 9, 2011. As noted at that time, like virtually all other local governments in California, the City of Bell has been faced with major fiscal challenges over the past several years in the wake of the worst recession since the Great Depression. On top of this, the City has experienced other deep fiscal challenges due to its own unique circumstances.

Just as the City's current financial situation developed over several years, emerging from this condition is likely to take several years as well. For this reason, the Council approved taking a longer look at its fiscal outlook as part of the 2012-13 Budget process by preparing a five-year fiscal forecast for the General Fund.

The reasoning behind this is straightforward: making good resource decisions for 2012-13 requires taking into account their impact on the City's fiscal condition down the road. Developing good solutions requires knowing the size of the problem: in short, the City cannot fix a problem it hasn't defined. And in this economic and fiscal environment, looking only one year ahead is almost certain to misstate the size and nature of the fiscal challenges ahead of the City.

For those cities that have prepared longer-term forecasts and follow-on financial plans, this did not magically make their fiscal problems disappear: they still had tough decisions to make. However, it allowed them to better assess their longer term outlook, more closely define the size and duration of the fiscal challenges facing them, and then make better decisions accordingly for both the short and long run. This will be true for the City of Bell as well.

In December 2011, the City contracted with William C. Statler to prepare the five-year fiscal forecast for the General Fund as part of the 2012-13 Budget process. (An overview of consultant qualifications is provided in the Appendix.)

### Forecast Purpose and Approach

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The purpose of the forecast is to identify the General Fund's ability over the next five years – on an “order of magnitude” basis – to continue current services in light of the worst recession since the Great Depression and the reversal of inappropriate revenues and overly-aggressive enforcement policies.

The forecast does this by projecting ongoing revenues and subtracting from them likely operating and capital costs in continuing current service levels. If positive, the balance remaining is available to fund “new initiatives” or service restorations; if negative, it shows the likely “forecast gap” if all the City does is continue current service levels, which have already been significantly reduced over the past several years.

# INTRODUCTION

*It is important to stress that this forecast is not the budget.*

It doesn't make expenditure decisions; it doesn't make revenue decisions. As noted above, its sole purpose is to provide an "order of magnitude" feel for the General Fund's ability to continue current service levels, which have already been significantly reduced over the past years.

Ultimately, this forecast cannot answer the question: "Can Bell afford new initiatives or restore service cuts?" This is a basic question of priorities, not of financial capacity per se. However, making trade-offs is what the budget process is all about: determining the highest priority uses of the City's limited resources. And by identifying and analyzing key factors affecting the City's long-term fiscal health, the forecast can help assess how difficult making these priority decisions will be.

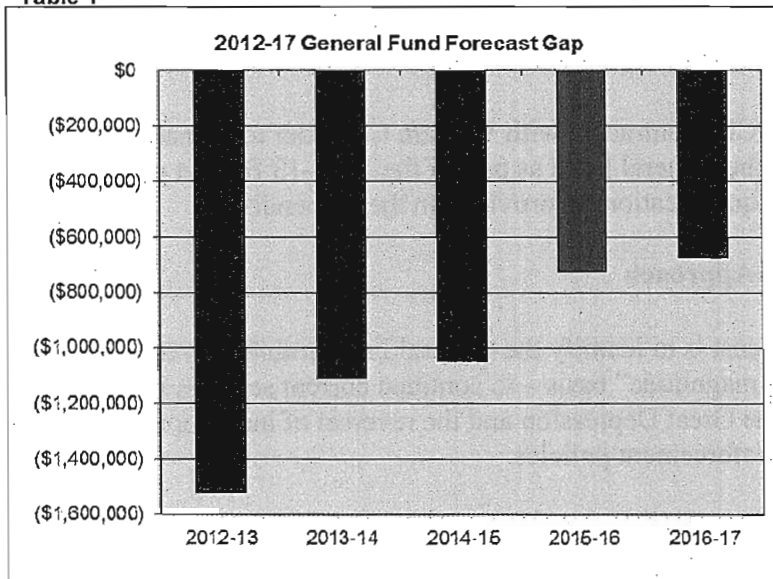
Stated simply, the forecast is not the budget. Rather, it sets forth the challenges ahead of the City in taking the corrective action needed to adopt a balanced budget.

## SUMMARY OF FORECAST FINDINGS

### Challenging Fiscal Outlook

The City's General Fund is facing significant challenges over the next five years – and especially next fiscal year. *As shown in Table 1, without corrective action, the City is facing an annual gap of about \$1.5 million in 2012-13.* While the forecast shows the gap improving in the out-years, this is based on four key expenditure assumptions:

Table 1



- No increases in staffing costs, which account for about 60% of total General Fund expenditures.
- Reduced service levels continue. However, the forecast assumes funding for eight of the unfilled positions authorized in the 2011-12 Budget. (No funding is included for the General Services Director, as this position has been eliminated as part the recent reorganization.)
- A modest replacement reserve to maintain or replace existing facility components (such as roofs, heating and air conditioning systems), vehicles, technology systems and other equipment at 5% of General Fund revenues. As discussed previously with the Council, while eliminating funding for this can serve as a short-term budget-

## INTRODUCTION

balancing solution, as it has in the current fiscal year, in the long run it will compromise the City's ability to maintain current services.

- No General Fund contribution for major infrastructure maintenance such as streets or community improvement projects.

Key assumptions are discussed in greater detail below. Although the out-years show improvement, significant gaps remain throughout the forecast period; and this worsens by making only modest changes in these assumptions. And the fact is that while the City's fiscal situation may improve in the future, the City must close the \$1.5 million gap facing it next fiscal year. Lastly, the projected \$1.5 million gap in 2012-13 will only grow larger if new initiatives are added to it or the General Fund is asked to subsidize the general obligation bond, assessment district or pension obligation funds.

### Key Forecast Drivers

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Assumptions drive the forecast results, which are detailed on pages 13 to 15. Stated simply, if the assumptions change, the results will change. The key drivers underlying the forecast results include:

**Revenues.** The forecast generally assumes key revenues have hit bottom, with modest recovery projected over the next five years.

**Expenditures.** There are four key expenditure assumptions reflected in the forecast:

1. As revised in the Mid-Year Budget Review, the 2011-12 Budget is the "baseline" for the forecast. From this, no increases in staffing costs are assumed resulting from across-the-board compensation increases or "step" salary increases. Non-staffing costs are assumed to increase by inflation (projected at 2% annually), with selected adjustments as discussed below.
2. Staffing costs are adjusted from the mid-year budget "baseline" as follows:
  - Eight of the nine vacant regular positions in 2012-13 Budget are assumed to be filled in meeting current service levels (and in the case of the senior management positions, providing essential leadership, management and oversight to the organization): City Manager, Police Chief, Community Development Director, Community Services Director, Community Services Senior Management Analyst, Community Services Technician, Maintenance Manager (formerly Deputy City Engineer) and Accounting Manager. The added annual cost for these positions, including salaries and benefits, is \$1.2 million.
  - No funding is provided for the General Services Director: this position has been eliminated as part of the recent reorganization. Deleting this position saves an estimated \$203,000 annually.



## INTRODUCTION

3. Non-staffing costs are adjusted from the baseline as follows:
  - Audit costs are reduced from \$300,000 in 2011-12 (reflects two-years of fees) to \$80,000 in 2012-13, based on the current multi-year audit agreement; and to \$60,000 annually thereafter.
  - Projected legal costs are \$1,000,000 in 2012-13. The forecast assumes that similar costs will be incurred next fiscal year. However, as the City's litigation issues are resolved, the forecast lowers these costs in the next two fiscal years (2013-15) by \$200,000 (to \$800,000 annually); and by another \$200,000 (to \$600,000 annually) in the last two years of the forecast (2015-17).
  - Transition support costs are reduced from \$350,000 in 2011-12 to \$200,000 in 2012-13 and thereafter (reflecting a modest 2% contingency).
  - Council member election costs are added in the amount of \$40,000 in 2012-13 and every other year thereafter.
4. As noted above, funding is included for a modest replacement reserve to maintain or replace existing facility components, vehicles, technology systems and other equipment at 5% of General Fund revenues.

### **Forecast Gap vs Budget Deficit**

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This forecast does not project a "budget deficit." The projected "forecast gap" is not the same as a "budget deficit." The City will have a budget deficit only if it does nothing to take corrective action. However, by looking ahead and making the tough choices necessary "today" to close projected *future* gaps, the City will avoid incurring real deficits.

### **GENERAL FISCAL OUTLOOK**

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#### **The Short Story**

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The nation and the State are recovering slowly from the worst recession since the Great Depression. Bell is not immune to these economic forces. For example, as shown in Table 2 below, following two years of growth in overall General Fund revenues, these dropped have dropped by 25% since 2008.

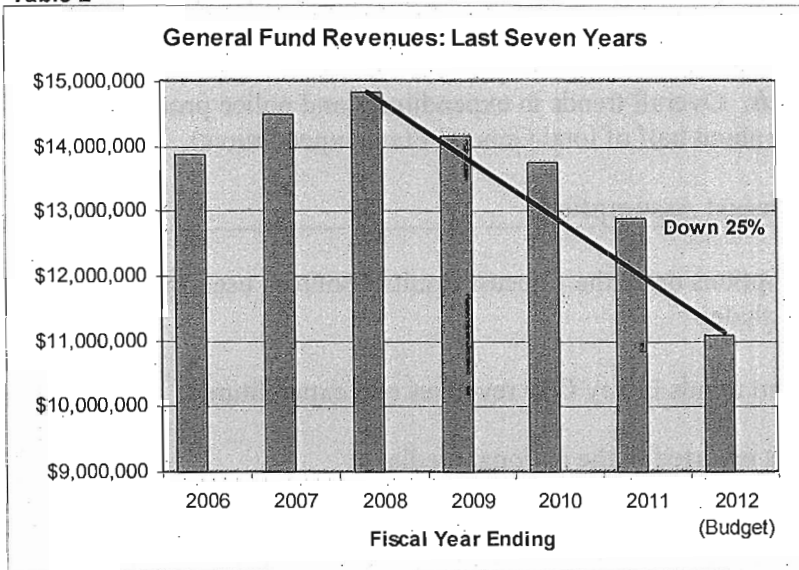
# INTRODUCTION

## Economic Overview

### Positives

- The economy is no longer in recession: Gross Domestic Product (GDP) has been growing since June 2009 (albeit tepidly).
- Productivity is up.
- Corporate earnings are up. In fact, they are at record highs nationally.
- Private sector lay-offs are ending: the public sector now leads in lay-offs.
- The banking system is healthier.
- Interest rates continue to be low by historic standards.
- Housing is more affordable (both purchase prices and interest rates).

Table 2



### Negatives

- Consumer spending is tepid at best.
- New construction is not rebounding.
- Access to credit is tougher.
- Housing prices continue to be depressed (which is why housing is more affordable).
- Job creation is weak – which is why it still feels like a recession.

These factors lead to projections for key revenues that reflect recovery, but at very slow rates compared with past recessions.

## BASIC FORECAST FRAMEWORK

### Background

There are two basic approaches that can be used in preparing and presenting forecasts: developing one forecast based on one set of assumptions about what is believed to be the most likely outcome; or preparing various “scenarios” based on a combination of possible assumptions for revenues, expenditures and State budget actions. This forecast uses the “one set of assumptions” approach as being the most useful for policy-making purposes. However, the financial model used in preparing this forecast can easily accommodate a broad range of “what if” scenarios.

## Demographic and Financial Trends

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The past doesn't determine the future. However, if the future won't look like the past, we need to ask ourselves: why not? How will the future be different than the past, and how will that affect the City's fiscal outlook? Accordingly, one of the first steps in preparing the forecast was to take a detailed look at key demographic, economic and fiscal trends over the past seven to ten years.

A summary of key indicators is provided in the Trends section of this report beginning on page 18. Areas of particular focus included:

- **Demographic and Economic Trends.** Population, housing and inflation as measured by changes in the consumer price index (CPI).
- **Revenues Trends.** Focused on the City's top five General Fund revenues – utility users tax, property tax/vehicle license fee (VLF) swap (both are driven by changes in assessed valuation), sales tax, fines/forfeitures and franchise fees – which together account for about 90% of total General Fund revenues.
- **Expenditure Trends.** Overall trends in expenditures and police protection costs (which account for about half of total General Fund expenditures).

## Summary of Key Forecast Assumptions

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As noted above, assumptions drive the forecast results. Sources used in developing forecast projections include:

- Long and short-term trends in key City revenues and expenditures.
- Economic trends as reported in the national media.
- Statewide and regional economic forecasts prepared by the University of California, Los Angeles, University of California, Santa Barbara, California Lutheran University, California Economic Forecast and Beacon Economics.
- Economic and fiscal information developed by the State Legislative Analyst, State Department of Finance and State Controller.
- Fiscal and legislative analysis by the League of California Cities.
- Outcome of Proposition 22.
- Analysis by the City's sales and property tax advisor (Hinderliter de Llamas).
- Five-year employer contribution rate projections prepared by CalPERS.

Ultimately, the forecast projections reflect our best judgment about the State budget process and the performance of the local economy during the next five years, and

## INTRODUCTION

how these will affect General Fund revenues and expenditures. A detailed discussion of the assumptions used in the forecast begins on page 13. The following summarizes key forecast factors:

### *State Budget Actions*

The forecast assumes no restoration of past cuts to cities (but based largely on Proposition 22 safeguards, no further cuts, either). And while the phase-out of redevelopment agencies effective February 1, 2012 does not directly affect the General Fund (for example, there are no support service transfers from the City's redevelopment agency in 2011-12), it is likely to have an indirect adverse fiscal impact on the City by eliminating a key source of funding for economic development efforts and related capital improvement projects.

### *Economic Outlook: Recovery But at Very Modest Levels.*

The revenue forecast generally assumes very modest growth in the General Fund's revenue sources, which are directly tied to the performance of the local economy.

### *Operating Expenditures*

As noted above, one of the key factors underlying the expenditure projections includes using the adopted 2011-12 Bridge Budget, as revised at the Mid-Year Budget Review, as the "baseline" for the forecast; and from this, assuming no increases in staffing costs due to across-the-board compensation increases or "step" salary increases. Since staffing costs account for about 60% of total expenditures, holding this cost constant for five years is a significant assumption. On the other hand, given the City's fiscal challenges, it is reasonable that the City would try to achieve this goal.

### *Service Maintenance Reserves*

The forecast assumes modest funding of 5% of General Fund revenues to maintain or replace existing facility components, vehicles, technology systems and other equipment at 5% of General Fund revenues. As noted above, while eliminating funding for this can serve as a short-term budget-balancing solution, as it has in the current fiscal year, it is not sustainable in the long run: as they age, facilities and equipment will need major repair or replacement. There is no General Fund support assumed in the forecast for major infrastructure maintenance or community improvement projects.

### *CalPERS Retirement Costs*

Significant increases in employer contributions to the California Public Employees Retirement System (CalPERS), has been a major cost factor in recent years for many local agencies in California, and the City has not been an exception to this. Fortunately, based on projections provided by CalPERS, no significant increases in employer contribution rates are projected for the next five years.

# INTRODUCTION

Table 3

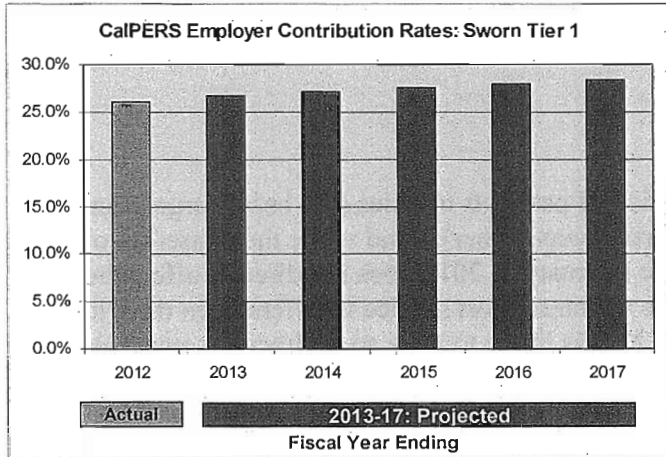


Table 4

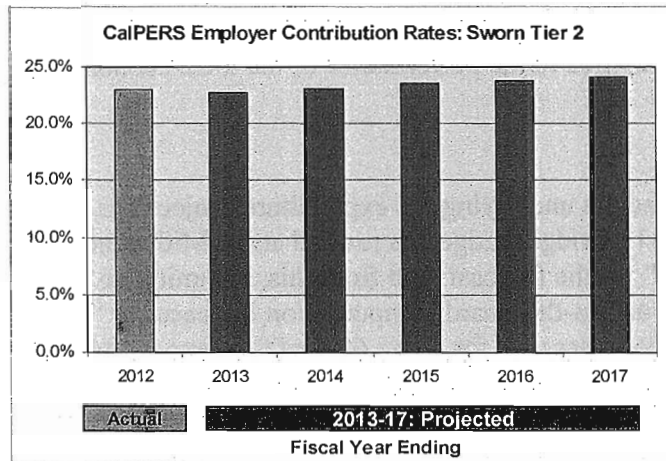
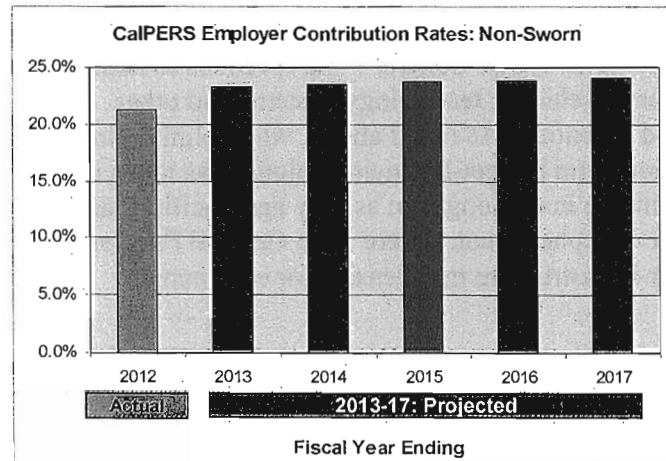


Table 5



## Program Summary

The City has three separate programs with CalPERS: employees; two programs for sworn police employees and one for non-sworn (“miscellaneous”) employees:

- *Sworn Tier 1:* In response to increasing rates, the City issued pension obligation bonds in 2006. While this significantly lowered rates, resulting annual debt service costs are about \$900,000.
- *Sworn Tier 2:* The City adopted lower pension benefits for sworn police employees in 2007: rates are set separately for this sub-group.
- *Non-Sworn:* Classified as “miscellaneous” employees by CalPERS, this includes all non-sworn employees, including civilians in the Police Department.

As reflected in Tables 3, 4 and 5, employer contribution rates for all three of these programs are projected to be relatively stable for the next five years compared with rates currently in place..

## Funding Source

Based on voter approval in 1944, the City has the authority to levy a special property tax rates to cover retirement costs. However, under Proposition 13, the amount that the city can levy is limited to the proportionate amount in place in 1978.

In 2011-12, this results in a maximum levy of \$2.6 million. However, total retirement-related costs are about \$3.3 million. The difference of about \$700,000 is funded by the General Fund.

In summary, while there is an independent funding source for CalPERS and other related retirement costs, it is not large enough to fully cover all costs; and such, the General Fund is impacted by any annual increases that are more than increases in assessed valuation (which under Proposition 13 are limited to 2%, except when ownership

changes or improvements are made). Given this, it is a positive finding that General Fund transfers to the retirement fund are projected to remain relatively constant in the five-year forecast.

### *Supplemental Retirement Contribution*

In 2003, the City established a supplemental retirement plan for its non-sworn employees. This program was closed to new enrollees in 2010. Eliminating this plan or reducing its benefits is a current Council objective. However, as discussed with the Council at the January 28 goal-setting workshop, this is a complicated plan with many legal considerations, and is under review by the City Attorney. Accordingly, consistent with the expenditure assumption of using the adopted 2011-12 Budget as the “baseline” for the forecast, an annual contribution of \$300,000 is assumed in the forecast.

### *Retiree Health Care Obligations*

The City currently funds retiree health care on a “pay-as-you-go” basis, with costs budgeted at \$483,000 in 2011-12. Fully funding this obligation on an actuarial basis would cost \$2.5 million. While this is significantly greater than the current pay-as-you-go cost, it will result in higher future costs in the future: in about 15 years, pay-as-you-go will become a more expensive approach. That said, consistent with the expenditure assumption of using the adopted 2011-12 Budget as the “baseline” for the forecast, continuing the “pay-as-you-go” approach is assumed in the forecast.

### *Other Interfund Transfers*

For all other interfund transfers, the forecast uses the 2011-12 Budget as the baseline, generally growing by inflation (2% annually).

### *General Fund Reserves*

The General Fund is projected to end 2011-12 with reserves at 12% of operating expenditures. Concurrently with this forecast, the Council will also consider proposed Budget Policies. These recommend setting the General Fund minimum reserve target at 25% of operating expenditures. Based on projected operating expenditures of \$11.3 million in 2012-13, reserves (unassigned fund balance) should be about \$2.8 million. Achieving this goal by next fiscal year would increase the gap for 2012-13 by \$3.1 million to \$4.6 million. No restoration of reserves to this level is assumed in forecast. Stated simply, this is an unrealistic short-term goal.

That said, adequate reserves are important in responding to economic uncertainties such as local disasters; downturns in the economy; external revenue hits like State takeaways; contingencies for unforeseen operating or capital needs; and cash flow.

The “right amount” of reserves depends on each city’s unique fiscal circumstances and its capacity for risk. Ultimately, minimum reserve levels are a risk management tool: How much can things go differently than you thought they would before you

have to take corrective action? And by providing time to develop and implement thoughtful solutions, they are a bridge to the future in tough fiscal times.

Accordingly, while restoration of reserves is not assumed in the forecast, it should be a long-term goal for the City. For this reason, the proposed reserve policy recommends that whenever the City's General Fund reserves fall below the 25% reserve target, the City will strive to restore reserves to this level within five years. As revenues versus expenditures improve, the City should allocate about half to reserve restoration with the balance available to fund outstanding liabilities, asset replacements, service level restorations, new operating programs or CIP projects.

### ***No General Fund Subsidies to Reduce Allowable Special Tax or Assessment Levies***

It is understandable that the Council is interested in reducing special tax and assessment levies. However, no subsidies from the General Fund are reflected in the forecast for the following reasons:

- This approach is consistent with the general assumption of using the adopted 2011-12 Budget as the "baseline" for the forecast.
- Any such action is a discretionary policy decision for the Council to make as part of the budget process.
- As a practical matter, it would make the "forecast gap" that much larger, depending on the size of the subsidy.

### **What's Not in the Forecast**

***Grant Revenues.*** The forecast does not reflect the receipt of any "competitive" grant revenues over the next five years. However, based on past experience, it is likely that the City will be successful in obtaining grants for either operating or capital purposes. However, these are for restricted purposes that meet the priorities of the granting agency, which are not necessarily the same as the City's. Other "formula grant" programs like the Community Development Block Grant (CDBG) help the City in achieving its goals. Again, however, their use is highly restricted by the granting agency; and in many cases, like CDBG and the gas tax funds, are already reflected in the City's "baseline" budget. Moreover, experience shows given federal and state budget challenges, the amount of grant funding is more likely to decline over the next five years than increase.

***Grant Refunds.*** The forecast also does not reflect the potential need to make significant refunds back to grantor agencies.

***Capital Improvements.*** The asset replacement assumptions in the forecast are based on a modest investment of 5% of General Fund revenues. It is important to stress that this amount is not based on an analysis of the City's facility, infrastructure and equipment replacement needs (doing so would be beyond the scope of this forecast). Preparing this type of analysis is planned for the coming fiscal year. There is the

strong possibility that the results of this analysis will show a greater need than the forecast assumption, which is focused on taking care of the City's current assets rather than building or acquiring new ones that might also be needed; or major improvements to existing ones. In the past, the City has been able to respond to these types of needs (like building Little Bear Park) by using the proceeds from the 2004 and 2007 general obligation bonds. However, these were "one-time" funds; and the remaining balance from the bond proceeds will be used to reduce future special tax obligations.

In short, there is likely to be even greater pressure in meeting City expenditure needs for facilities, infrastructure or equipment than reflected in the forecast.

**Responding to Council Goal-Setting.** The forecast does not reflect any added resources in responding to the results of Council goal-setting. Staff is in the process of developing work programs for these, which will be presented to the Council as part of the "Strategic Budget Direction" workshop scheduled for March 31, 2012. Along with considering approaches in responding to the Major City Goals set by the Council, this workshop will present recommended strategies in closing the gap identified in this forecast.

### **What's Most Likely to Change?**

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By necessity, this plan is based on a number of assumptions. The following summarizes key areas where changes from forecast assumptions are most likely over the next five years:

**Property Tax.** This is the City's second largest General Fund revenue source. While the forecast assumes modest recovery, two key questions remain: have property values in fact hit the bottom? And if so, how strong will the recovery be?

**Sales Tax.** This is City's third most significant General Fund revenue source – and it is subject to large swings depending on the performance of the state and regional economy. The forecast is "cautiously optimistic" in assuming that the retail sales have hit bottom and that modest recovery will follow. Given the volatility of this revenue source and its significant downturn by 42% since its peak in 2007, this recovery is not a sure thing.

**Insurance and Litigation Costs.** Consistent with the general forecast assumption of using the 2011-12 Budget (as revised at mid-year) as the "baseline," the forecast assumes that general liability, workers compensation and property insurance costs will grow by inflation (2% annually). However, higher costs might be incurred given the litigation facing the City.

**Results of Negotiations.** The City is currently negotiating with the Bell Police Officers Association and conducting a classification and compensation study for other employees. There is the potential for significant changes in the projected gap – either upwards or downwards – depending on the results of these negotiations and the study.



**Audit Results.** The City has not completed independent audits for the past two years. Staff believes that the unaudited results reflected in the forecast are a reliable basis for making forecast projections. However, until the audits are complete, there is the potential for material misstatements that might affect forecast results.

## CONCLUSION

The forecast shows that the City is facing a serious gap of about \$1.5 million in 2012-13, based on already very lean service levels. Placed in perspective, this about 15% of projected operating expenditures next fiscal year. This gap will only grow larger if new initiatives are added to it or the General Fund is asked to subsidize the general obligation bond, assessment district or pension obligation funds.

On the other hand, the gap improves in the out-years. This means that by closing the gap in the coming year, the City is likely to achieve structural balance in future years.

**The Challenge Ahead:** Very few options are available to the City in closing this gap and adopting a balanced budget that responds to Council goal-setting. In retaining the City's ability to respond to further fiscal difficulties that may lie ahead, use of the City's limited reserves is not recommended. In fact, as shown in the forecast, without corrective action the City would use all of its reserves by the end of next year – plus an additional \$265,000. And given the City's recent past experience, any significant new revenues are not a viable budget-balancing approach any time soon.

At this point, unless the Bell economy performs much better than projected, significantly reducing the City's expenditures is the only budget-balancing option available to the City. And there are only four ways of doing this:

- Further reducing service levels and related costs. Given that 60% of General Fund expenditures are for staffing, this means further staffing reductions.
- Not setting aside funds to maintain and replace the facilities, vehicles, technology systems and other equipment that are essential in providing services. As noted above, while possible in the short-term, it is not sustainable in the long-run.
- Finding alternative service delivery methods that will retain service levels but reduce costs.
- Reducing compensation levels. For example, with General Fund staffing costs of about \$7.5 million, each 1% reduction in compensation generates \$75,000 in savings.

In summary, balancing the City's budget for the long term requires meaningful expenditure reductions through either lower employee costs or even further reductions in day-to-day services (or some combination of the two).

## KEY ASSUMPTIONS

### DEMOGRAPHIC TRENDS

**Population.** Based on trends over the last ten years, no change in population (either up or down) is projected.

**Inflation.** Based on long-term trends and projections in recent statewide and regional forecasts, inflation grows by 2% annually throughout the forecast period.

### EXPENDITURES

The adopted 2011-12 Budget, including proposed Mid-Year Budget Review revisions, is the “baseline” for the forecast. From this, no increases in staffing are assumed resulting from across-the-board compensation increases or “step” salary increases. Non-staffing costs are assumed to increase by inflation (projected at 2% annually), with selected adjustments as discussed below.

Staffing costs are adjusted from the “baseline” as follows:

- Eight of the nine vacant regular positions in 2012-13 Budget are assumed to be filled in meeting current service levels (and in the case of the senior management positions, providing essential leadership, management and oversight to the organization): City Manager, Police Chief, Community Development Director, Community Services Director, Community Services Senior Management Analyst, Community Services Technician, Deputy City Engineer and Accounting Manager. The added annual cost for these positions, including salaries and benefits, is \$1.2 million.
- No funding is provided for the General Services Director: this position has been eliminated as part of the recent reorganization. Deleting this position saves an estimated \$203,000 annually.

Non-staffing costs are adjusted from the baseline as follows:

- Audit costs are reduced from \$300,000 in 2011-12 (reflects two-years of fees) to \$80,000 in 2012-13, based on the current multi-year audit agreement; and to \$60,000 annually thereafter.
- Projected legal costs are \$1,000,000 in 2012-13. The forecast assumes that similar costs will be incurred next fiscal year. However, as the City’s litigation issues are resolved, the forecast lowers these costs in the next two fiscal years (2013-15) by \$200,000 (to \$800,000 annually); and by another \$200,000 (to \$600,000 annually) in the last two years of the forecast (2015-17).
- Transition support costs are reduced from \$350,000 in 2011-12 to \$200,000 in 2012-13 and thereafter (reflects a modest 2% contingency).

### INTERFUND TRANSFERS

#### *Transfers Out*

**Service Maintenance Fund.** The forecast assumes a modest investment of 5% of General Fund revenues.

**Retirement Fund.** General Fund transfers to the Retirement Fund are projected to remain stable based on the following factors:

- Based on five-year projections for employer contribution rates from CalPERS, no significant increase in retirement costs are assumed in the forecast.

## KEY ASSUMPTIONS

- The forecast assumes that retiree health care costs will continue to be funded on a pay-as-you-go basis.
- Supplemental retirement plan contributions are projected to remain at current levels (\$300,000 annually).

**Risk Management Fund.** Similar to operating expenditures, the forecast assumes that transfers for general liability, workers compensation and property insurance costs will grow by inflation (2% annually).

### *Transfers In*

**Assessment District Administration.** The forecast assumes that these will grow by inflation (2% annually).

**Surplus Property Authority.** The forecast assumes that lease revenues will remain flat and transferred in full to the General Fund.

### *No Subsidies to Reduce Allowable Special Tax or Assessment Levies*

No reductions in allowable levies in the General Obligation Bond Fund, Retirement Fund or Assessment Districts are reflected in the forecast.

### STATE BUDGET ACTIONS

The forecast assumes no added cuts nor restoration of past cuts to cities. It also assumes that there will be no direct impacts to the General Fund resulting from the phase-out of redevelopment agencies.

### RESERVES

The forecast does not assume any restoration of reserves.

### REVENUES

Sources used in developing revenue projections for the forecast include:

- Long and short-term trends in key City revenues.
- Economic trends as reported in the national media.
- State and regional economic forecasts prepared by the University of California, Los Angeles; University of California, Santa Barbara; California Lutheran University; California Economic Forecast; and Beacon Economics.
- Economic and fiscal information developed by the State Legislative Analyst, State Department of Finance and State Controller.
- Fiscal and legislative analysis by the League of California Cities.
- Outcome of Proposition 22.
- Analysis by the City's sales and property tax advisor (Hinderliter de Llamas).

Ultimately, however, the forecast projections reflect our best judgment about the State budget process and the performance of the local economy during the next five years and how these will affect General Fund revenues.

## KEY ASSUMPTIONS

### *Top Five Revenues*

The following describes the assumptions for the “Top Five” revenues in the forecast, which account for about 90% of total projected General Fund revenues.

**Utility Users Tax.** Based on long-term trends, grows by inflation (2% annually).

**Property Tax/VLF Swap.** Both of these revenue sources are driven by changes in assessed value. The forecast assumes that declines in assessed valuations have hit bottom and will modestly increase thereafter as follows:

2012-13	1.0%
2013-14	1.5%
2014-15	2.0%
2015-16	2.0%
2016-17	2.0%

**Sales Tax.** The forecast assumes that sales tax revenues have hit bottom and will modestly increase as follows:

2012-13:	6.7%*
2013-14:	3.9%
2014-15:	2.1%
2015-16:	2.1%
2016-17:	2.1%

\* Reflects one-time adjustment for reporting errors

**Fines & Forfeitures.** Remains flat during the forecast period; any increase would require either an increase in rates or change in regulatory approach; and this would be a discretionary policy decision to be made by the Council.

**Franchise Fees.** Based on long-term trends, grows by inflation (2% annually).

### *Other Revenues*

Except for business license taxes (which are projected to grow by inflation at 2% annually), other revenues in the forecast generally remain flat, since increases will generally require an increase in rates. This is a discretionary policy decision for the Council to make as part of the budget process.

**GENERAL FUND FIVE YEAR FISCAL FORECAST: 2012-17**

	2008-09	2009-10	2010-11	2011-12	FORECAST				
	Actual	Actual*	Actual*	Budget**	2012-13	2013-14	2014-15	2015-16	2016-17
<b>REVENUES</b>									
Taxes & Franchise Fees									
Utility Users Tax	3,301,600	3,123,400	3,244,000	3,341,500	3,408,300	3,476,500	3,546,000	3,616,900	3,689,200
Property Tax - VLF Swap	2,948,400	2,972,900	2,942,600	2,971,700	3,001,400	3,046,400	3,107,300	3,169,400	3,232,800
Property Tax	599,100	539,000	567,900	573,000	578,700	587,400	599,100	611,100	623,300
Sales Tax	2,571,200	1,922,400	1,986,000	1,689,000	1,801,300	1,871,600	1,910,900	1,951,000	1,992,000
Franchise Fees	551,900	490,000	461,600	471,800	481,200	490,800	500,600	510,600	520,800
Business License Tax	723,500	547,200	273,800	282,000	287,600	293,400	299,300	305,300	311,400
Other Taxes	362,200	347,900	216,000	132,000	134,600	137,300	140,000	142,800	145,700
<i>Total Taxes and Franchise Fees</i>	11,057,900	9,942,800	9,691,900	9,461,000	9,693,100	9,903,400	10,103,200	10,307,100	10,515,200
Fines & Forfeitures	1,251,700	992,000	710,800	732,100	732,100	732,100	732,100	732,100	732,100
Permits & Service Charges									
Permits	339,400	271,900	195,000	200,800	200,800	200,800	200,800	200,800	200,800
Park & Recreation Fees	488,200	262,800	241,600	248,800	248,800	248,800	248,800	248,800	248,800
Other Services Charges	1,223,900	960,700	392,600	270,900	270,900	270,900	270,900	270,900	270,900
Subventions & Grants									
Vehicle License In-Lieu Fees (VLF)	171,700	102,900	103,300	-	-	-	-	-	-
Other Subventions & Grants	11,400	115,300	55,100	39,500	39,500	39,500	39,500	39,500	39,500
Use of Money & Property	320,900	130,600	136,300	137,100	137,100	137,100	137,100	137,100	137,100
Other Revenues	9,100	132,000	573,500	4,000	4,000	4,000	4,000	4,000	4,000
<b>Total Revenues</b>	<b>14,874,200</b>	<b>12,911,000</b>	<b>12,100,100</b>	<b>11,094,200</b>	<b>11,326,300</b>	<b>11,536,600</b>	<b>11,736,400</b>	<b>11,940,300</b>	<b>12,148,400</b>
<b>EXPENDITURES &amp; USES</b>									
Expenditures	11,773,900	11,329,900	15,486,500	10,390,800	11,346,600	11,170,000	11,295,100	11,141,900	11,270,400
Interfund Transfers In (Out)									
Transfers In									
Assessment District Administration				304,600	310,700	316,900	323,200	329,700	336,300
Surplus Property Authority		500,000		869,300	739,400	739,400	739,400	739,400	739,400
Capital Projects Fund		307,100	349,700		-	-	-	-	-
Other Funds		413,100	273,200		39,500	39,500	39,500	39,500	39,500
Transfers Out									
Capital Project Fund	(949,400)								
Service Maintenance Reserve Fund					(566,300)	(576,800)	(586,800)	(597,000)	(607,400)
Solid Waste and Recycling Authority	(98,600)	(127,000)			-	-	-	-	-
Public Financing Authority	(249,400)	(438,800)	(438,800)	(8,700)	(8,700)	(8,700)	(8,700)	(8,700)	(8,700)
Risk Management Fund	(1,395,300)	(2,270,700)	(1,179,900)	(1,285,000)	(1,310,700)	(1,336,900)	(1,363,600)	(1,390,900)	(1,418,700)
Retirement Fund				(669,900)	(703,400)	(648,200)	(632,600)	(632,000)	(632,000)
Net Transfers In (Out)	(2,692,700)	(1,616,300)	(995,800)	(789,700)	(1,499,500)	(1,474,800)	(1,489,600)	(1,520,000)	(1,551,600)
Total Expenditures & Uses	14,466,600	12,946,200	16,482,300	11,180,500	12,846,100	12,644,800	12,784,700	12,661,900	12,822,000
<b>Revenues Over (Under) Expenditures &amp; Uses</b>	<b>407,600</b>	<b>(35,200)</b>	<b>(4,382,200)</b>	<b>(86,300)</b>	<b>(1,519,800)</b>	<b>(1,108,200)</b>	<b>(1,048,300)</b>	<b>(721,600)</b>	<b>(673,600)</b>
<b>AVAILABLE BALANCE, BEGINNING OF YEAR</b>	<b>5,351,000</b>	<b>5,758,600</b>	<b>5,723,400</b>	<b>1,341,200</b>	<b>1,254,900</b>	<b>(264,900)</b>	<b>(1,373,100)</b>	<b>(2,421,400)</b>	<b>(3,143,000)</b>
<b>AVAILABLE BALANCE, END OF YEAR</b>	<b>5,758,600</b>	<b>5,723,400</b>	<b>1,341,200</b>	<b>1,254,900</b>	<b>(264,900)</b>	<b>(1,373,100)</b>	<b>(2,421,400)</b>	<b>(3,143,000)</b>	<b>(3,816,600)</b>

\* Unaudited

\*\* As revised in the Mid-Year Budget Review

## ASSUMPTIONS SUMMARY

	2012-13	2013-14	2014-15	2015-16	2016-17
Population	0.0%	0.0%	0.0%	0.0%	0.0%
Consumer Price Index (CPI)	2.0%	2.0%	2.0%	2.0%	2.0%
<b>REVENUES</b>					
Utility Users Tax: Based on long-term trends, grows by CPI	2.0%	2.0%	2.0%	2.0%	2.0%
Property Tax: Modest recovery in 2013-17, increasing to Proposition 13 limits by 2014-15	1.0%	1.5%	2.0%	2.0%	2.0%
Sales Tax: Modest recovery after adjusting for reporting errors and "Triple Flip True-Ups"	6.7%	3.9%	2.1%	2.1%	2.1%
Franchise Fees: Based on long-term trends, grows by CPI	2.0%	2.0%	2.0%	2.0%	2.0%
Business License Tax: Grows by CPI	2.0%	2.0%	2.0%	2.0%	2.0%
Other Taxes: Grow by CPI	2.0%	2.0%	2.0%	2.0%	2.0%
Fines & Forfeitures: Without policy action by Council to increase rates, remain flat for forecast period	-	-	-	-	-
Permits & Service Charges: Without policy action by Council to increase rates, remain flat for forecast period	-	-	-	-	-
Vehicle License In-Lieu Fees (VLF): Assumes no restoration of this funding source by the State	-	-	-	-	-
Other Subventions & Grants: Remain flat for forecast period	-	-	-	-	-
Use of Money & Property: Remain flat for forecast period	-	-	-	-	-
Other Revenues: Remain flat for forecast period	-	-	-	-	-
<b>EXPENDITURES</b>					
Expenditures					
Budget for 2011-12 as revised at Mid-Year: Baseline for 2012-13 to 2016-17, with following adjustments					
Staffing Costs	6,302,600				
Non-Staffing Costs	4,088,200				
Non-Staffing Costs grow by CPI for 2013-17 with following adjustments	4,170,000	4,253,400	4,338,500	4,425,300	4,513,800
Reduced audit costs	(220,000)	(240,000)	(240,000)	(240,000)	(240,000)
Reduced legal costs		(200,000)	(200,000)	(400,000)	(400,000)
Reduced transition support costs	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
Election costs (every other year, assuming no ballot measures (Council election only)	40,000		40,000		40,000
Staffing Costs					
No compensation changes	6,302,600	6,302,600	6,302,600	6,302,600	6,302,600
Plus filling of all vacant positions in 2011-12 Budget except deleted General Services Director	1,204,000	1,204,000	1,204,000	1,204,000	1,204,000
Total Expenditures	11,346,600	11,170,000	11,295,100	11,141,900	11,270,400
<b>INTERFUND TRANSFERS IN (OUT)</b>					
Transfers In					
Assessment District Administration: Grows by CPI	2.0%	2.0%	2.0%	2.0%	2.0%
Surplus Property Authority: Current lease revenues	739,400	739,400	739,400	739,400	739,400
Transfers Out					
Service Maintenance Reserve Fund: Modest contribution at 5% of revenues	(566,300)	(576,800)	(586,800)	(597,000)	(607,400)
Public Financing Authority: Remains flat	-	-	-	-	-
Risk Management Fund: Grows by CPI	2.0%	2.0%	2.0%	2.0%	2.0%
Retirement Fund: Increases by projected CalPERS employer contribution rates for 2013-17, less projected increases in assessed valuation and related tax levy					
Sworn: Police, Tier 1	Current	26.0%	26.7%	27.2%	27.6%
Sworn: Police, Tier 2	Current	23.0%	22.7%	23.1%	23.5%
Non-Sworn ("Miscellaneous")	Current	21.3%	23.3%	23.5%	23.7%
				23.9%	24.1%

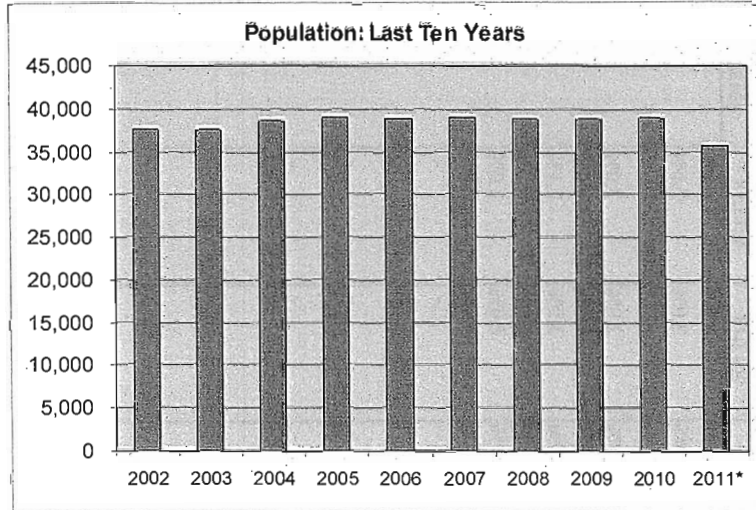
# HISTORICAL TRENDS

## DEMOGRAPHIC AND ECONOMIC TRENDS

Population		
Fiscal Year Ending	Amount	% Change
2001	36,664	
2002	37,581	2.5%
2003	37,549	-0.1%
2004	38,656	2.9%
2005	38,961	0.8%
2006	38,821	-0.4%
2007	38,982	0.4%
2008	38,762	-0.6%
2009	38,759	0.0%
2010	38,867	0.3%
2011*	35,577	-8.5%
Average Annual % Change		
Last 2 Years		-4.1%
Last 5 Years		-1.7%
Last 10 Years		-0.3%

State of California, January 1 of Each Year

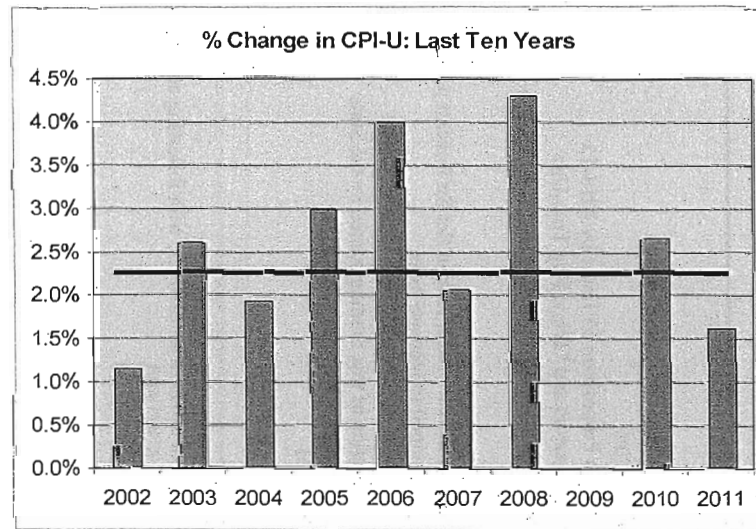
The City's population has remained virtually unchanged for the past ten years. The minor decline in 2011 most is likely an adjustment per the 2010 Census.



Consumer Price Index: All Urban Consumers (CPI-U)		
Fiscal Year Ending	Amount	% Change
2001	175.1	
2002	177.1	1.1%
2003	181.7	2.6%
2004	185.2	1.9%
2005	190.7	3.0%
2006	198.3	4.0%
2007	202.4	2.1%
2008	211.1	4.3%
2009	211.1	0.0%
2010	216.7	2.7%
2011	220.2	1.6%
Average Annual % Change		
Last 2 Years		2.1%
Last 5 Years		2.1%
Last 10 Years		2.3%

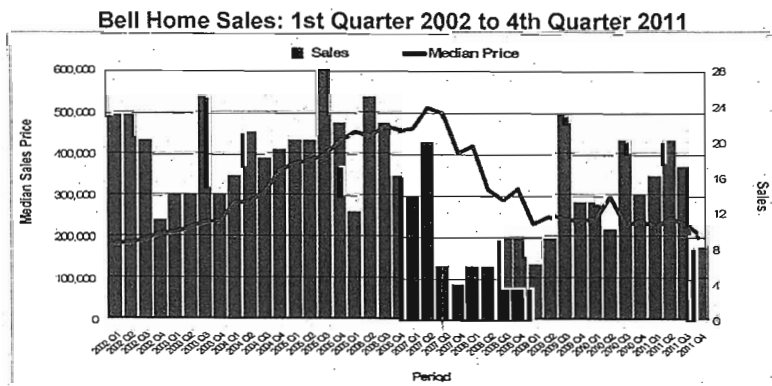
All Urban Consumers, January of Each Year

CPI increases have averaged about 2% annually for the last two, five and ten year intervals.



**Housing Sales and Median Prices.** These reflect Statewide trends, with steady growth until their peak in 2007, with rapid declines through 2009. Prices appear to have stabilized since then.

Source: HdL Companies



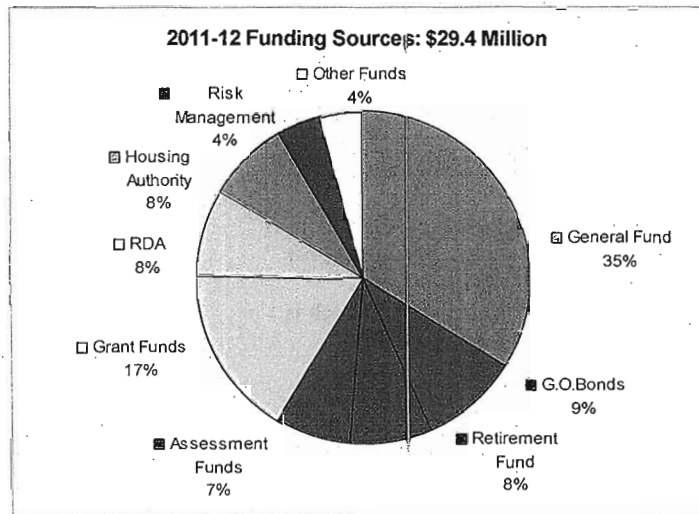


# HISTORICAL TRENDS

## REVENUES AND EXPENDITURES SUMMARY: 2011-12 BUDGET

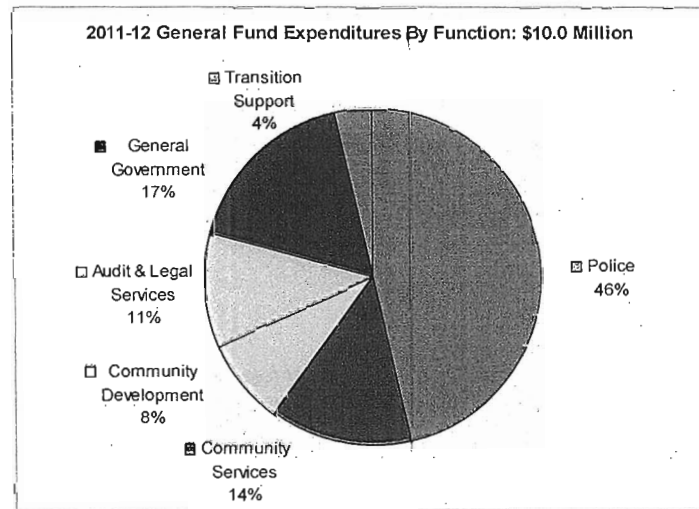
Funding Sources: 2011-12 Budget		
Source	Amount	% Total
General Fund	9,971,800	34%
Special Property Taxes		
G.O.Bonds	2,732,500	9%
Retirement Fund	2,371,100	8%
Assessment Funds	2,174,300	7%
Grant Funds	4,848,300	16%
RDA	2,486,400	8%
Housing Authority	2,340,900	8%
Risk Management	1,285,000	4%
Other Funds	1,185,700	4%
<b>Total</b>	<b>\$29,396,000</b>	<b>100%</b>

The General Fund – which is the focus of this forecast – accounts for about 35% of total City expenditures, which is similar to statewide averages.



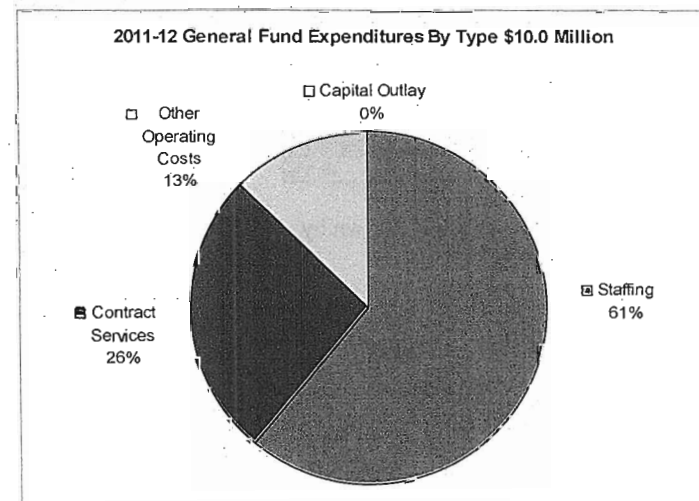
General Fund Expenditures: 2011-12 Budget		
By Function	Amount	% Total
Police	4,621,200	46%
Community Services	1,372,400	14%
Community Development	808,500	8%
Audit & Legal Services	1,100,000	11%
General Government	1,719,700	17%
Transition Support	350,000	4%
<b>Total</b>	<b>\$9,971,800</b>	<b>100%</b>

Police services account for about half of all General Fund expenditures. This is also in line with statewide averages



General Fund Expenditures: 2011-12 Budget		
By Type	Amount	% Total
Staffing	6,083,700	61%
Contract Services	2,602,800	26%
Other Operating Costs	1,285,300	13%
Capital Outlay	0	0%
<b>Total</b>	<b>\$9,971,800</b>	<b>100%</b>

Staffing accounts for about 60% of total expenditures. This is lower than statewide averages due to two factors: the City makes extensive use of private sector contracts; and the funding of pension and retiree health care costs in the pension obligation fund.

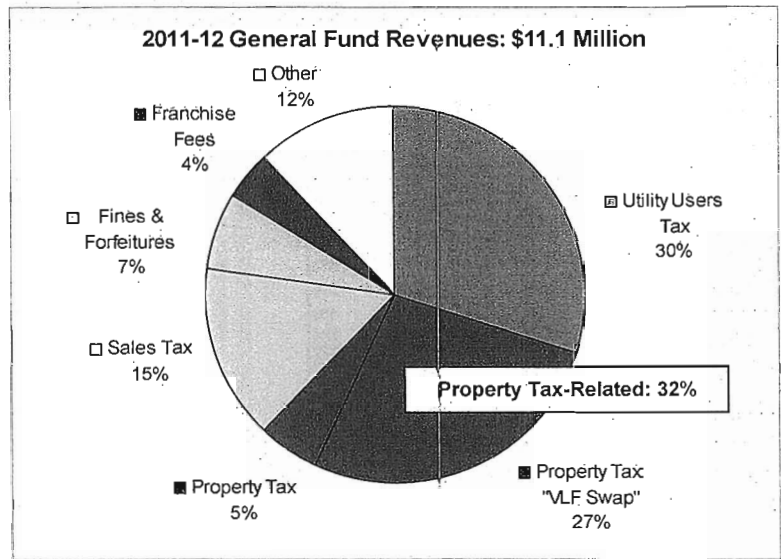




# HISTORICAL TRENDS

General Fund Revenues: 2011-12 Budget		
Source	Amount	% Total
Utility Users Tax	3,341,500	30%
Property Tax: "VLF Swap"	2,971,900	27%
Property Tax	573,000	5%
Sales Tax	1,689,000	15%
Fines & Forfeitures	732,100	7%
Franchise Fees	471,800	4%
Other	1,311,100	12%
<b>Total</b>	<b>11,090,400</b>	<b>100%</b>

Utility users tax revenues are the General Fund's largest funding source, accounting for 30% of total revenues. However, when property taxes and the "VLF Swap" (which is also property tax related) are combined, together they account for 32% of total revenues.



## GENERAL FUND REVENUE TRENDS

The following tables and charts show long and short term trends in General Fund revenues, both in total as well as for the "Top Five" revenue sources, which account for about 90% of total General Fund revenues:

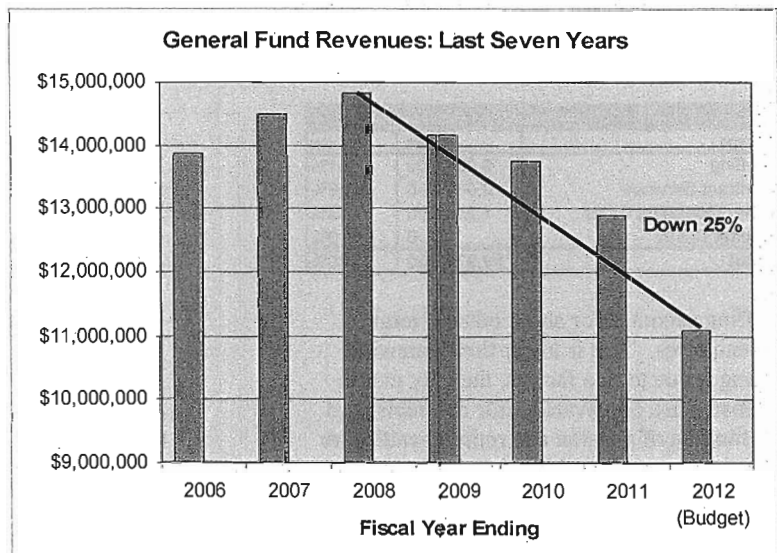
### Top Five General Fund Revenue Sources

- Utility Users Tax: 30%
- Property Tax and Vehicle License Fee (VLF) Swap: 32% \*
- Sales Tax: 15%
- Fines & Forfeitures: 7%
- Franchise Fees: 4%

\* In 2005, the State "swapped" the backfill of lost VLF revenues to cities with a comparable amount of revenue from a shift in property tax allocations. Both of these revenue sources are determined by the same tax base: assessed valuation.

General Fund Revenues		
Fiscal Year Ending	Amount	% Change
2006	13,864,100	
2007	14,500,000	4.6%
2008	14,837,600	2.3%
2009	14,151,100	-4.6%
2010	13,756,700	-2.8%
2011	12,895,900	-6.3%
2012 (Budget)	11,090,400	-14.0%
Average Annual % Change		
Last 2 Years		-10.1%
Last 5 Years		-5.1%

Overall, General Fund revenues are down by 25% since their peak in 2008.

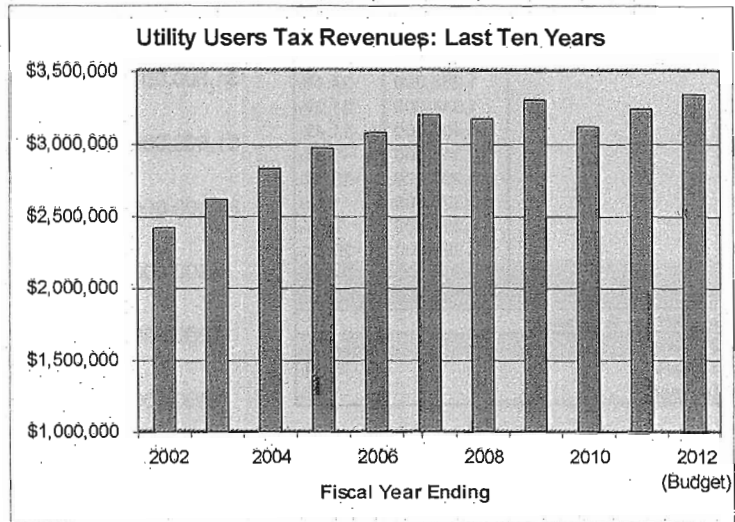


# HISTORICAL TRENDS

## Utility User Taxes

Fiscal Year Ending	Amount	% Change
2002	2,424,700	
2003	2,623,100	8.2%
2004	2,831,000	7.9%
2005	2,974,000	5.1%
2006	3,084,000	3.7%
2007	3,199,000	3.7%
2008	3,175,000	-0.8%
2009	3,302,000	4.0%
2010	3,123,400	-5.4%
2011	3,244,000	3.9%
2012 (Budget)	3,341,500	3.0%
<b>Average Annual % Change</b>		
Last 2 Years		3.4%
Last 5 Years		0.9%
Last 10 Years		3.3%

Utility users taxes have been relatively stable during the economic downturn.

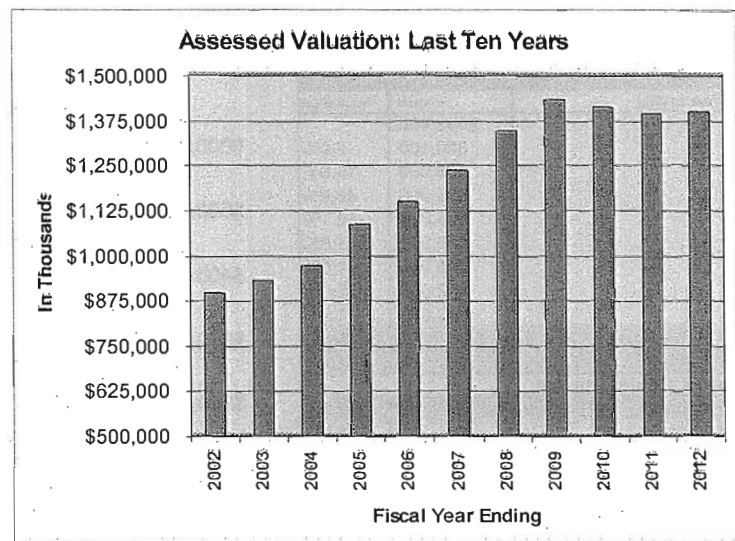


## Assessed Valuation

Fiscal Year Ending	Amount	% Change
2002	\$895,471	
2003	929,549	3.8%
2004	971,644	4.5%
2005	1,086,506	11.8%
2006	1,148,015	5.7%
2007	1,236,235	7.7%
2008	1,346,554	8.9%
2009	1,431,537	6.3%
2010	1,411,815	-1.4%
2011	1,391,927	-1.4%
2012	1,400,051	0.6%
<b>Average Annual % Change</b>		
Last 2 Years		-0.4%
Last 5 Years		2.6%
Last 10 Years		4.7%

In thousands

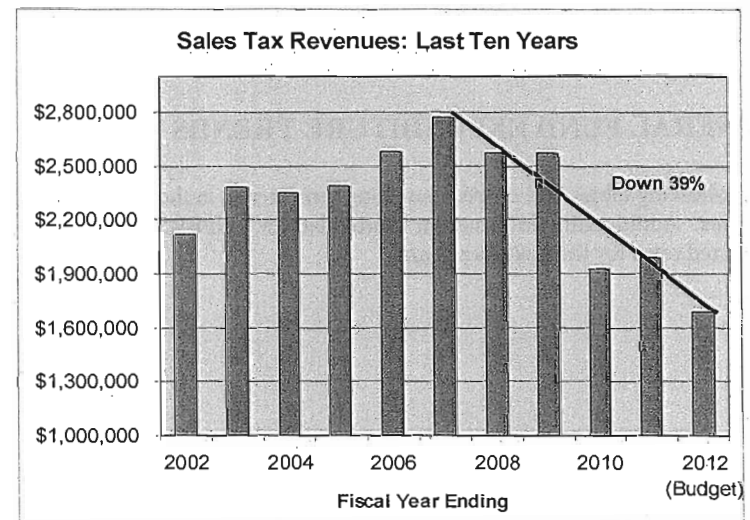
Property tax and the VLF swap are determined by changes in assessed valuation, which have also been relatively stable during the economic downturn.



## Sales Taxes

Fiscal Year Ending	Amount	% Change
2002	2,111,800	
2003	2,382,400	12.8%
2004	2,346,000	-1.5%
2005	2,388,000	1.8%
2006	2,581,000	8.1%
2007	2,771,000	7.4%
2008	2,570,000	-7.3%
2009	2,571,200	0.0%
2010	1,922,400	-25.2%
2011	1,986,000	3.3%
2012 (Budget)	1,689,000	-15.0%
<b>Average Annual % Change</b>		
Last 2 Years		-5.8%
Last 5 Years		-8.8%
Last 10 Years		-1.6%

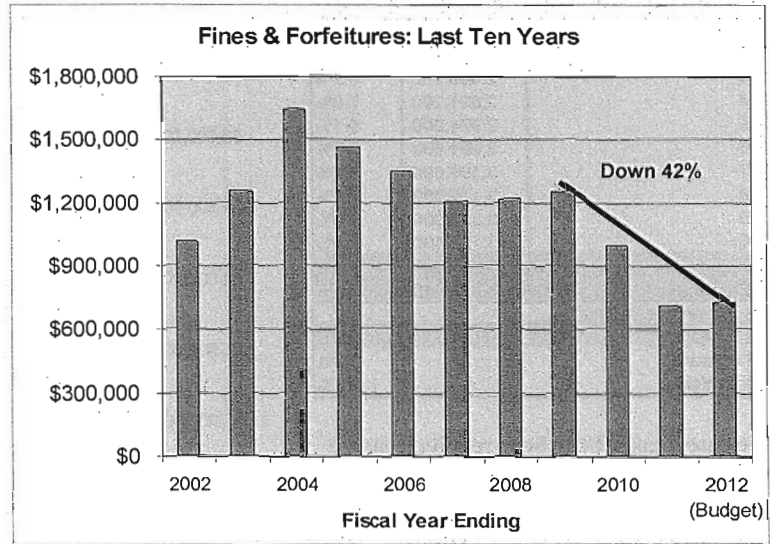
Sales tax revenues, on the other hand, are down by almost 40% since their peak in 2007.



# HISTORICAL TRENDS

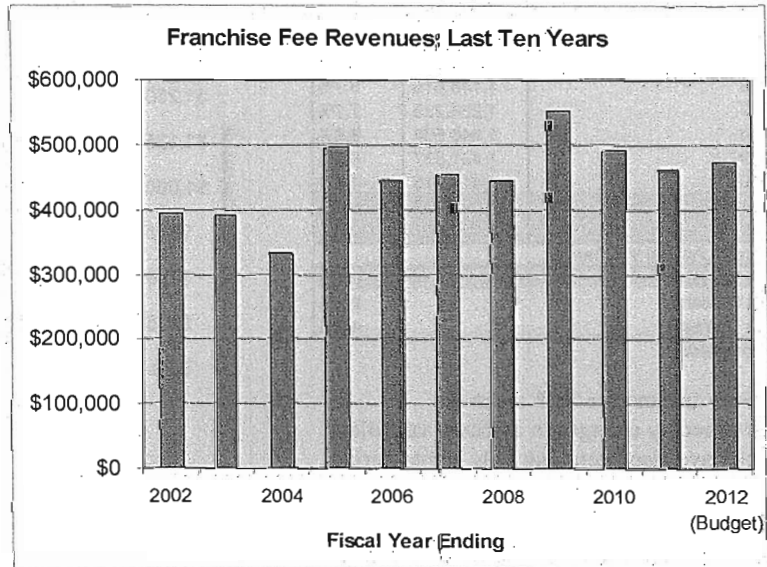
Fines & Forfeitures		
Fiscal Year Ending	Amount	% Change
2002	\$1,010,000	
2003	1,253,300	24.1%
2004	1,644,000	31.2%
2005	1,457,000	-11.4%
2006	1,343,000	-7.8%
2007	1,207,000	-10.1%
2008	1,220,000	1.1%
2009	1,251,700	2.6%
2010	992,000	-20.7%
2011	710,800	-28.3%
2012 (Budget)	732,100	3.0%
Average Annual % Change		
Last 2 Years		-12.7%
Last 5 Years		-8.5%
Last 10 Years		-1.6%

Fines & forfeitures are down by 42% from their peak in 2009. This reflects discontinuing overly-aggressive enforcement policies and practices.



Franchise Fees		
Fiscal Year Ending	Amount	% Change
2002	\$392,400	
2003	390,100	-0.6%
2004	333,000	-14.6%
2005	496,000	48.9%
2006	446,000	-10.1%
2007	453,000	1.6%
2008	446,000	-1.5%
2009	552,000	23.8%
2010	490,000	-11.2%
2011	461,500	-5.8%
2012 (Budget)	471,800	2.2%
Average Annual % Change		
Last 2 Years		-1.8%
Last 5 Years		1.5%
Last 10 Years		3.3%

While down from their peak in 2009, franchise fees have remained relatively stable during the economic downturn.



## GENERAL FUND EXPENDITURE TRENDS

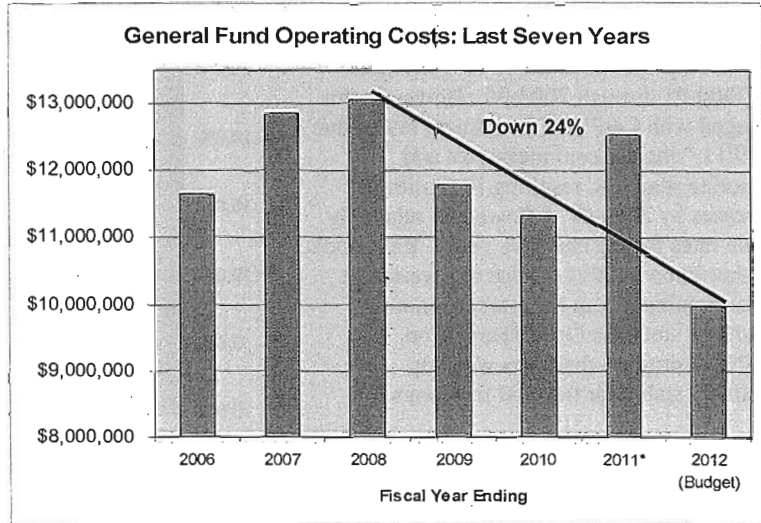
The following tables and charts show long term trends in the General Fund expenditures in total as well as for police services. Additionally, information is provided for CalPERS employer retirement contribution rates since 2001 as well as projected rates for the next five years.

# HISTORICAL TRENDS

General Fund Operating Expenditures		
Fiscal Year Ending	Amount	% Change
2006	11,655,300	
2007	12,839,500	10.2%
2008	13,044,100	1.6%
2009	11,773,900	-9.7%
2010	11,329,900	-3.8%
2011*	12,527,500	10.6%
2012 (Budget)	9,971,900	-20.4%
Average Annual % Change		
Last 2 Years		-4.9%
Last 5 Years		-4.3%

\* Excludes \$2,959,000 in tax refunds

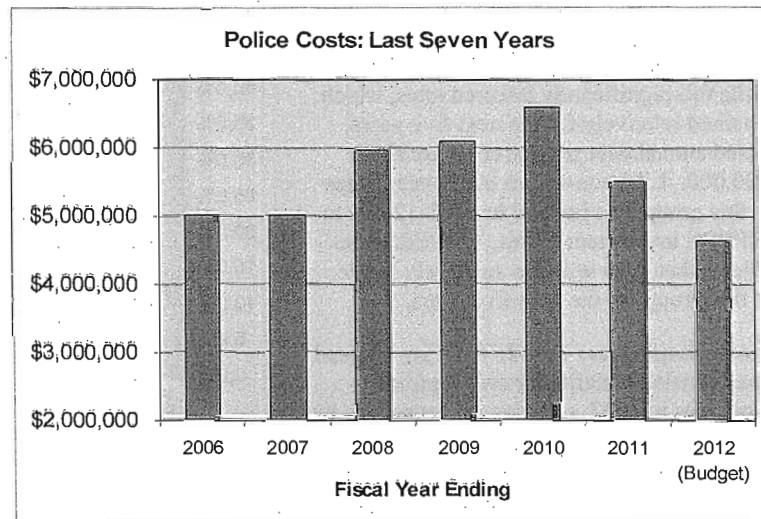
Overall, General Fund expenditures are down by 24% since peak in 2008.



General Fund Police Costs		
Fiscal Year Ending	Amount	% Change
2006	5,000,000	
2007	5,000,000	0.0%
2008	5,960,300	19.2%
2009	6,081,900	2.0%
2010	6,591,700	8.4%
2011	5,502,700	-16.5%
2012 (Budget)	4,621,200	-16.0%
Average Annual % Change		
Last 2 Years		-16.3%
Last 5 Years		-0.6%

Police costs are down by 30% since their peak in 2010.

Note: This only reflects General Fund costs; there are other significant Police costs accounted for in pension obligation, retirement and grant funds.



## CALPERS EMPLOYER CONTRIBUTION RATES

The City has three separate retirement plans with CalPERS:

- Non-Sworn (“Miscellaneous”)
- Sworn Police: Tier 1 (Covers sworn employees hired before 2007 when a lower level of pension benefits was adopted for new employees.)
- Sworn Police: Tier 2 (Covers employees hired after 2007 when a lower level of pension benefits was adopted for new employees.)

The following summarizes long-term trends in employer contribution rates and projections for the next five years for each of these groups.

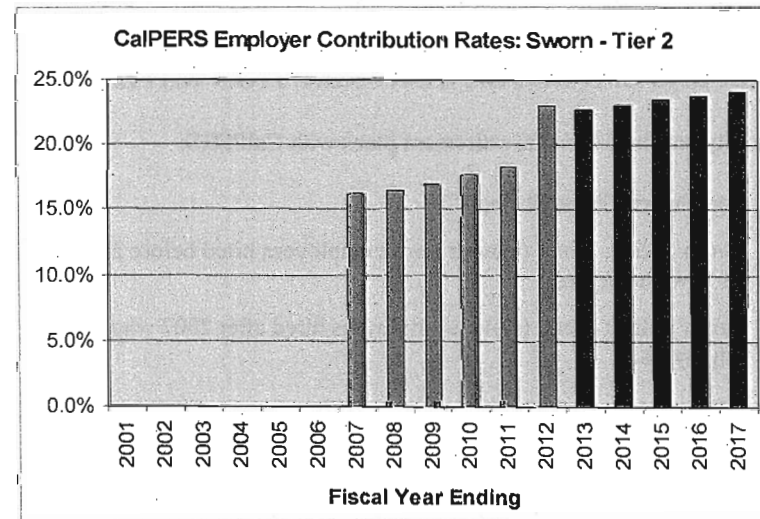
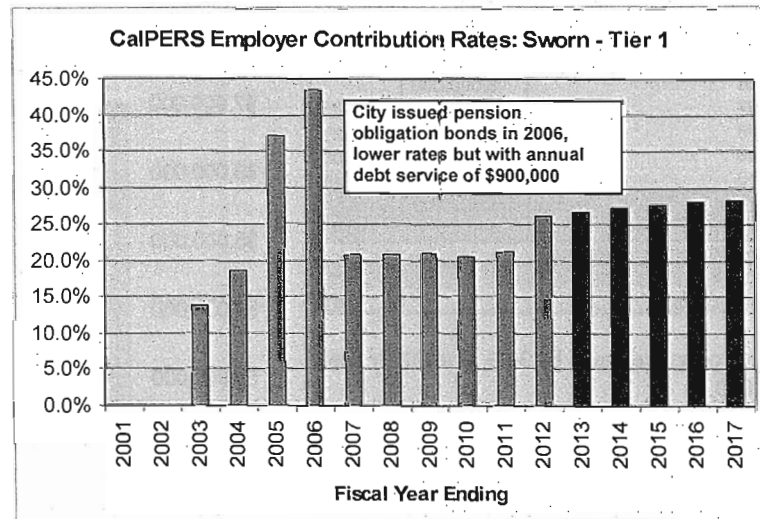
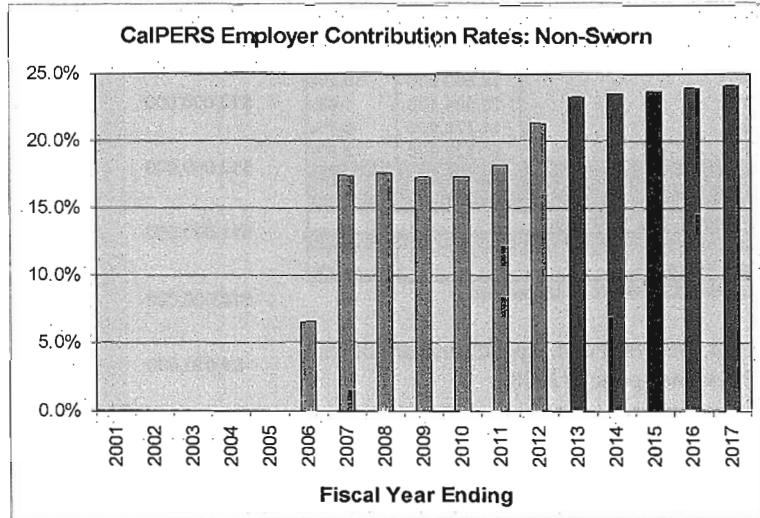
# HISTORICAL TRENDS

**Non-Sworn Employees.** Based on significant excess assets at the time, the City had no employer contribution requirements for 2000-01 through 2004-05. However, this changed with CalPERS investment losses due to “9/11,” the dot.com meltdown and corporate scandals, resulting in significant increases by 2006-07, followed by relatively stable rates for the next five years. Rates took another jump in 2011-12 due to investment losses resulting from the worst economic downturn since the Great Depression. CalPERS projects that rates will stay relatively stable for the next five years.

**Sworn Employees: Tier 1.** The impact on rates for non-sworn employees due to “9/11,” the dot.com meltdown and corporate scandals was even more adverse, increasing to almost 45% of eligible compensation by 2005-06.

In response to increasing rates, the City issued pension obligation bonds in 2006. While this significantly lowered rates, which remained relatively for the next five years, related annual debt service costs are about \$900,000. Like non-sworn employees, rates for this group also jumped in 2001-12 due to CalPERS investment losses. CalPERS also projects that rates will stay relatively stable for this group for the next five years.

**Sworn Employees: Tier 2:** The City adopted lower pension benefits for sworn police employees in 2007: rates are set separately by CalPERS for this sub-group. Like other employee groups, rates were relatively stable until 2011-12, when they increased in light of CalPERS investment losses. However, rates are projected to be relatively stable for the next five years.



## CONSULTANT QUALIFICATIONS

### SENIOR FINANCIAL MANAGEMENT EXPERIENCE

Bill Statler has over 30 years of senior municipal financial management experience, which included serving as the Director of Finance & Information Technology/City Treasurer for the City of San Luis Obispo for 22 years and as the Finance Officer for the City of Simi Valley for 10 years before that.

Under his leadership, the City of San Luis Obispo received national recognition for its financial planning and reporting systems, including:

- Award for Distinguished Budget Presentation from the Government Finance Officers Association of the United States and Canada (GFOA), with special recognition as an outstanding policy document, financial plan and communications device. *San Luis Obispo is one of only a handful of cities in the nation to receive this special recognition.*
- Awards for excellence in budgeting from the California Society of Municipal Finance Officers (CSMFO) in all four of its award budget categories: innovation, public communications, operating budgeting and capital budgeting. Again, *San Luis Obispo is among a handful of cities in the State to earn recognition in all four of these categories.*
- Awards for excellence in financial reporting from both the GFOA and CSMFO for the City's comprehensive annual financial reports.
- Recognition of the City's financial management policies as "best practices" by the National Advisory Council on State and Local Budgeting.

The financial strategies, policies and programs he developed and implemented resulted in strengthened community services and an aggressive program of infrastructure and facility improvements, while at the same time preserving the City's long-term fiscal health.

### FINANCIAL MANAGEMENT SERVICES FOR OTHER AGENCIES

- Budget and Financial Management Advice: City of Bell
- Interim Finance Director, City of Capitola
- Finance Division Organizational Review: Sacramento Metropolitan Fire District
- Five Year Fiscal Forecast: City of Camarillo
- Five Year Fiscal Forecast: City of Pismo Beach
- Revenue Options Study: City of Pismo Beach
- Water and Sewer Rate Reviews: City of Grover Beach
- Financial Condition Assessment: City of Grover Beach
- Cost Allocation Plan: City of Grover Beach
- Cost Allocation Plan: City of Port Hueneme
- Joint Solid Waste Rate Review of Proposed Rates from South County Sanitary Company: Cities of Arroyo Grande, Grover Beach, Pismo Beach and Oceano Community Services District

### PROFESSIONAL LEADERSHIP

- Board of Directors, League of California Cities (League): 2008 to 2010
- Member, California Committee on Municipal Accounting: 2007 to 2010
- President, League Fiscal Officers Department: 2002 and 2003
- President, CSMFO: 2001
- Board of Directors, CSMFO: 1997 to 2001
- Member, GFOA Budget and Fiscal Policy Committee: 2004 to 2009



## CONSULTANT QUALIFICATIONS

- Chair, CSMFO Task Force on “GASB 34” Implementation
- Fiscal Officers Representative on League Policy Committees: Community Services, Administrative Services and Environmental Quality: 1992 to 1998
- Chair, Vice-Chair and Senior Advisor for CSMFO Committees: Technology, Debt, Career Development, Professional and Technical Standards and Annual Seminar Committees: 1995 to 2010
- Member, League Proposition 218 Implementation Guide Task Force
- Chair, CSMFO Central Coast Chapter Chair: 1994 to 1996

## TRAINER

Provided training for the following organizations:

- League of California Cities
- Institute for Local Government
- California Debt and Investment Advisory Commission
- Government Finance Officers Association of the United States and Canada
- California Society of Municipal Finance Officers
- Municipal Management Assistants of Southern California and Northern California
- California Association of Local Agency Formation Commissions
- Humboldt County

Topics included:

- Long-Term Financial Planning
- The Power of Fiscal Policies
- Fiscal Health Contingency Planning
- Financial Analysis and Reporting
- Effective Project Management
- Providing Great Customer Service in Internal Service Organizations: The Strategic Edge
- Strategies for Downsizing Finance Departments in Tough Fiscal Times
- Top-Ten Skills for Finance Officers
- Telling Your Fiscal Story: Tips on Making Effective Presentations
- Transparency in Financial Management: Meaningfully Community Involvement in the Budget Process
- Debt Management
- Preparing for Successful Revenue Ballot Measures
- Multi-Year Budgeting
- Integrating Goal-Setting and the Budget Process
- Financial Management for Elected Officials

## PUBLICATIONS

- *Guide to Local Government Finance in California*, Solano Press, Spring 2012 (Co-Author)
- *Managing Debt Capacity: Taking a Policy-Based Approach to Protecting Long-Term Fiscal Health*, Government Finance Review, August 2011
- *Municipal Fiscal Health Contingency Planning*, Western City Magazine, November 2009
- *Understanding the Basics of County and City Revenue*, Institute for Local Government, 2008 (Contributor)

## CONSULTANT QUALIFICATIONS

- *Financial Management for Elected Officials*, Institute for Local Government, 2007 (Contributor)
- *Getting the Most Out of Your City's Current Revenues: Sound Fiscal Policies Ensure Higher Cost Recovery for Cities*, Western City Magazine, November 2003
- *Local Government Revenue Diversification, Fiscal Balance/Fiscal Share and Sustainability*, Institute for Local Government, November 2002 (Co-Author)
- *Why Is GASB 34 Such a Big Deal?*, Western City Magazine, November 2000
- *Understanding Sales Tax Issues*, Western Cities Magazine, June 1997
- *Proposition 218 Implementation Guide*, League of California Cities, 1997 (Contributor)

## HONORS AND AWARDS

- CSMFO Distinguished Service Award for Dedicated Service and Outstanding Contribution to the Municipal Finance Profession
- National Advisory Council on State and Local Government Budgeting: Recommended Best Practice (Fiscal Policies: User Fee Cost Recovery)
- GFOA Award for Distinguished Budget Presentation: Special Recognition as an Outstanding Policy Document, Financial Plan and Communications Device
- CSMFO Awards for Excellence in Operating Budget, Capital Improvement Plan, Budget Communication and Innovation in Budgeting
- GFOA Award of Achievement for Excellence in Financial Reporting
- CSMFO Certificate of Award for Outstanding Financial Reporting
- National Management Association Silver Knight Award for Leadership and Management Excellence
- American Institute of Planners Award for Innovation in Planning
- Graduated with Honors: University of California, Santa Barbara





# City of Arcadia

December 6, 2012

## Administrative Services Department

Los Angeles County Civil Grand Jury  
210 West Temple Street, Room 11-506  
Los Angeles, CA 90012  
Attention: Jeffery Clements

Hue C. Quach  
*Director of  
Administrative Services*

Dear Mr. Clements:

Attached you'll find the City of Arcadia's responses to the Civil Grand Jury report dated June 26, 2012. Unfortunately, there was an oversight in our coordinated efforts to completing those responses. We apologize for the delay as there was full intention of filing and meeting the due date as requested.

Should you have any questions or need further assistance, please feel free to contact me at 626-574-5425 or [hquach@ci.arcadia.ca.us](mailto:hquach@ci.arcadia.ca.us).

Sincerely,

Hue C. Quach  
Administrative Services Director

Finance  
(626) 574-5424  
(626) 821-0092 Fax

Human Resources  
(626) 574-5405  
(626) 445-4918 Fax

240 West Huntington Drive  
Post Office Box 60021  
Arcadia, CA 91066-6021  
[www.ci.arcadia.ca.us](http://www.ci.arcadia.ca.us)

**Responses to recommendations from the County of Los Angeles Civil  
Grand Jury**

**Report of June 26, 2012 (page 56):**

1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

The City is in the process of developing a comprehensive 5 year Financial Plan. The City plans to complete this report at the end of the Fiscal Year.

2. All charter cities reviewed in this should develop a balanced budget and commit to operate within budget constraints.

The City is in compliance.

3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

The City agrees and has put in practice to not using one-time revenues to fund recurring or on-going expenditures.

4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

The City prepares a biennial Operating Budget and also prepares 5-year Capital Improvement, and Equipment Replacement budgets.

5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or "rainy day" fund to be supplement operating revenue in years of short fall.

While the City does not have a formal policy in place, the City has adopted the practice of saving into a reserve when surpluses are achieved from the Operating Budget. As of Fiscal Year ending June 30, 2012, our General Fund's Fund Balance totals \$25,799,162, approximately 51% of the City's Annual Operating Budget.

6. Charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City. The following cities should develop and adopt such a strategic plan: Arcadia, Compton, Industry, and Inglewood.

The City plans to have a goal setting retreat with City Council during the Fiscal Year 2012-13 to discuss and develop such strategic plan.

7. Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time. The following cities should develop such performance measures for indicators: Arcadia, Bell, Compton, Industry, Inglewood, Lancaster, and Temple City.

The City plans to have a goal setting retreat with City Council during the Fiscal Year 2012-13 to discuss and develop such performance measures as part of the overall strategic plan.

8. Charter City Councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter city councils should continue providing specific annual goals for the city's executive (City Manager or City Administrator) and conduct meaningful evaluations annually. The following cities should do so: Alhambra, Bell, Industry, Inglewood, and Lancaster.

The City is in compliance.

9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor. The following cities should formally establish an audit committee: Alhambra, Arcadia, Bell, Cerritos, Compton, Industry, Inglewood, Irwindale, Palmdale, Pomona, Santa Monica, Signal Hill, Temple City, Torrance, and Whittier.

The City will consider this recommendation, however, the City opines that an establish audit committee may not be necessary. The basis for an external independent auditor provides for the impartiality and objectivity without undue influence of a committee or City staff. The City's external auditors are required to meet and comply with Government Auditing Standards. These

standards, often referred to as generally accepted government auditing standards (GAGAS), are followed by auditors and audit organizations as prescribed by law, regulation, agreement, contract, or policy. The standards pertain to auditors' professional qualifications, the quality of audit effort, and the characteristics of professional and meaningful audit reports.

Additionally, the City Charter under Section 1217 provides that a final certified audit and report shall be submitted by such auditing firm to the Council, City Manager, Treasurer, City Attorney, and three additional copies to be placed on file in the office of the City Clerk where they shall be available for inspection by the general public.

10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

The City agrees and is in compliance with this recommendation.

11. Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years. The following cities should review and update accounting policies and procedures at least once every three years: Alhambra, Arcadia, Bell, Burbank, Industry, Inglewood, Lancaster, Pasadena, Pomona, Santa Monica, and Temple City.

The City will comply with the recommendation.

12. Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns. The following cities should adopt such policies and procedures: Alhambra, Arcadia, Burbank, Industry, Inglewood, Irwindale, Santa Monica, and Temple City.

The City will review the current procedures in place and work to develop a policy over the next fiscal year.

13. Charter cities should periodically review and update internal control procedures over financial management.

The City is in compliance. Separations of duties have been implemented in different areas of the Finance operation to ensure a check and balance system in mitigating opportunities for financial misconducts.

14. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, Lancaster, Pomona, Redondo Beach, Temple City, Torrance, Vernon, and Whittier.

The City plans to have a goal setting retreat with City Council during the Fiscal Year 2012-13 to discuss the importance of developing an Unrestricted Fund Balance policy. Currently, at Fiscal Year ending June 30, 2012, the City General Fund's Fund Balance totals \$25,799,162, approximately 51% of the City's Annual Operating Budget and about 6 months of General Fund operating expenditures.

15. Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR). The City of Bell should do so.

The City is in compliance.

16. Charter cities that have not published financial reports on the city's website should do so. The City of Industry should do so.

The City is in compliance.

17. Charter cities should develop controls over sole sourced contracting to prevent preferential granting of contracts. The following cities should develop such controls: Bell, Industry, Irwindale, and Temple City.

The City is in compliance. This is addressed in the City's Purchasing Policy Manual.

18. Charters cities should develop policies and procedures for selecting and negotiation fair prices for architectural and engineering services consistent with state codes. The following cities should develop such policies and procedures: Arcadia, Bell, Cerritos, Industry, Inglewood, Irwindale, Pasadena, and Whittier.

The City is in compliance. The City's selection of architectural and engineering services follows the City's Professional Services Retention Guidelines which adheres to the State Government Code (Title 1, Division 5, Chapter 10) Section 4526, establishing parameters for selection of professional services based on the demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required.

19. All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts. The following cities should do so: Alhambra, Bell, Cerritos, Inglewood, Irwindale, Lancaster, Temple City, Torrance, and Whittier.

The City is in compliance. This is addressed in the City's Purchasing Policy Manual.

20. All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm. The following cities should do so: Bell, Cerritos, Inglewood, Irwindale, Lancaster, and Whittier.

The City is in compliance. This is addressed in the City's Purchasing Policy Manual.

21. All charter city councils and citizen of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

The City is in compliance. Employee compensation and benefit information are post on the City's website and updated annually. That information can be found using this url: <http://www.ci.arcadia.ca.us/home/index.asp?page=1649>

22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city positions(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional unique job responsibilities.

The City does have access to salary ranges of comparable cities. Approval of all salaries are evaluated and justified for their unique job responsibilities.

**City of Alhambra**  
Office of the Mayor and City Council

September 25, 2012

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 W. Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

**RE: Response to Civil Grand Jury Report Regarding Charter Cities' Fiscal Health,  
Governance and Management Practices**

To the Honorable Presiding Judge:

The City of Alhambra has reviewed the Civil Grand Jury's report and recommendations regarding Charter Cities' fiscal Health, Governance and management practices. On September 24, 2012, the City Council of the City of Alhambra considered all of the attached responses to the Civil Grand Jury's recommendations.

Sincerely,



Barbara Messina  
Mayor

Cc: Alhambra City Council  
Julio Fuentes, City Manager  
Joe Montes, City Attorney



Gateway  
to the  
San Gabriel Valley

111  
South First Street  
Alhambra  
California  
91801

626  
570-5010

FAX  
281-2248





Response to Grand Jury Report

Recommendation No. 1 - All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

Response - The City of Alhambra agrees with the recommendation and has implemented a Revenue and Expenditure Management Policy to provide guidance for management decisions to ensure consistency and quality control in revenue and expenditure management and to provide guidance in developing sustainable budgets.

Recommendation No. 2 - All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.

Response - The City of Alhambra agrees with this recommendation and has implemented a balanced budget for fiscal year 2012-13 and, consistent with prior years, is committed to operating within the budget constraints set by the City Council in the adopted budget.

Recommendation No. 3 - All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

Response - The City of Alhambra agrees with this recommendation and has adopted and implemented a balanced budget for fiscal year 2012-13 that does not commit one-time revenue to fund recurring or on-going expenditures. This commitment is further stated in the Revenue and Expenditure Management Policy for the City.

Recommendation No. 4 - All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

Response - The City of Alhambra agrees with the philosophy of this recommendation for a 2 year budget, however, due to the downturn in the economy, the City of Alhambra switched from a 2 year budget to an annual budget in fiscal year 2008/09, so it could better plan and predict its revenues and expenditures during these more challenging times. It is the intent of the City to return to its preferred 2 year budget as the economy starts to level off and improve.

Recommendation No. 5 - All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or "rainy day" fund to be supplement operating revenue in years of short fall.

Response - The City of Alhambra agrees with this recommendation and has amended the City's Fund Balance Policy to include provisions for a "Rainy Day" Fund. It is important to note, that the City's existing Fund Balance Policy is compliant with GASB 54. Additionally, for the fiscal year 2012-13, City of Alhambra has a projected General Fund Balance of \$8.8 million or roughly 16% of its annual operating budget.

Recommendation No. 8 - Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter city councils should continue providing specific annual goals for the city's executive (City Manager or City Administrator) and conduct meaningful evaluations annually.

Response - The City of Alhambra agrees with this recommendation and the City Council completed its evaluation of the City Manager on September 24, 2012.

Recommendation No. 9 - Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor.

Response - The City of Alhambra agrees with this recommendation and has established an Audit Committee

Recommendation No. 10 - All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

Response - The City of Alhambra agrees with this recommendation and recently completed a competitive bidding process, as has been the practice, for the City's auditing services. Alhambra's auditor is required to adhere to the Generally Accepted Accounting Practices (GAAP), Government Auditing Standards (GAS) and the Governmental Accounting Standards Board (GASB). In addition, auditing services have always been and will continue to be limited to auditing services only.

Recommendation No. 11 - Charter cities should review and update the accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years.

Response - The City of Alhambra agrees with this recommendation and has implemented a policy to provide guidance for updating accounting policies and procedures to ensure they are appropriately detailed to define specific authority and responsibility of employees.

Recommendation No. 12 - Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns.

Response - The City of Alhambra agrees with this recommendation and has implemented a formal fraud reporting policy to provide a mechanism to permit the confidential, anonymous reporting of concerns.

Recommendation No. 15 - Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies.

Response - The City of Alhambra agrees with this recommendation and has amended the City's Fund Balance Policy to reflect a fund valance of 20% but no lower than 10% of regular general fund operating revenues or expenditures. The City presently has a balanced budget that with an estimated ending general fund balance of \$8.8 million dollars or roughly 16% of in operating budget.

Recommendation No. 19 - All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that the same contractors not repeatedly awarded contracts.

Response - The City of Alhambra agrees with this recommendation and has completed and implemented an update of its contract procedures to address the CGJ's concern regarding changes orders and ensure that staff is aware of the need to adhere to the State Public contracts Code and Green Book for Public Works projects.

Recommendation No. 21 - All charter city councils of the cities reviewed in this report should annually review the actual compensation received by employees of their cities.

Response - The City of Alhambra agrees with this recommendation. The City of Alhambra annually prepares and files the Government Compensation Report with the State Controller's Office. This report will be provided to the City Council annually for their review and will show actual compensation received by employees during the budget process.

Recommendation No. 22 - All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

Response - The City of Alhambra agrees with this recommendation and will provide the Council access to prevailing municipal wage rates and salary ranges for comparable cities for the Council's assistance in evaluating appropriate compensation packages in connection with annual negotiations with bargaining units for the City. As a Charter Law City, the Alhambra City Council can set salaries and ranges the Council determines to be appropriate, including salaries that may be "above market" where the Council feels such salaries and ranges are justified due to exceptional and unique job responsibilities, or based upon such other reasonable basis as determined by the Council in its constitutionally established discretion.



*City of Compton*

**OFFICE OF THE CITY MANAGER**

**G. HAROLD DUFFEY**  
City Manager

Office: (310) 605-5585  
Fax: (310) 761-1429  
email: ghduffey@comptoncity.org

November 26, 2012

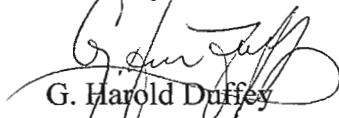
Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice  
210 West Temple Street  
Los Angeles, CA 90012

Dear Presiding Judge:

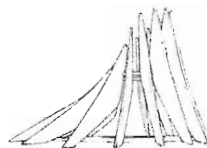
Enclosed please find the City of Compton's response to the County of Los Angeles's Civil Grand Jury Report for 2011/12.

Should you have any questions or require further information, please feel free to contact me at (530) 681-6432.

Sincerely,

  
G. Harold Duffey  
**CITY MANAGER**

Attachments



**COMPTON CITY HALL**

205 South Willowbrook Avenue, Compton, California 90220

October 2, 2012

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor Room 11-506  
Los Angeles, CA. 90012

To the Presiding Judge:

Presiding Judge, attach are the responses from the City of Compton on the Grand Jury's findings and recommendations on the fiscal health, governance and management practices of charter cities. The findings and responses address the five major areas of the report, they are:

- Financial Health
- Governance Practices
- Financial Management Practices,
- Contracting and Procurement
- Employee Compensation

#### **FINDINGS – FINANCIAL HEALTH**

1. Most charter cities expended more than they received in revenues during FY 2010. (***City of Compton agrees with findings***)
2. Most charter cities' total net assets and general fund balances declined during FY 2010, and several charter cities' ratios of total net assets to total liabilities are lower than desirable. (***City of Compton agrees with findings***)

#### **FINDINGS – GOVERNANCE PRACTICES**

1. Strategic plans varied in providing appropriate strategic focus and direction for charter cities. (***City of Compton agrees with findings***)

2. Many charter cities have not developed an effective performance and reporting measurement that demonstrates the success of their organizational activities and goals. (***City of Compton agrees with findings***)
3. All charter cities stated they have a formal policy agreement, or other documents that define the roles of city council and chief executive (city manager or city executive). (***City of Compton agrees with findings***)
4. Most charter cities (city council) established specific goals for executives at least annually. (***City of Compton agrees with findings***)
5. All but one city adopted a conflict of interest code. (***City of Compton agrees with findings***)
6. All cities stated they had adopted an investment policy. (***City of Compton agrees with findings***)

#### **FINDINGS – FINANCIAL MANAGEMENT PRACTICES**

1. All charter cities formally established an audit committee responsible for monitoring and overseeing financial reporting. (***City of Compton agrees with findings***)
2. All charter cities required their auditors to comply with independence standards and most selected their auditors through a competitive process. Most also precluded the auditor from providing non-audit services. (***City of Compton agrees with findings***)
3. Most cities could improve their documentation and maintenance of accounting policies and procedures. (***City of Compton agrees with findings***)
4. Most cities could improve their policies and procedures for reporting fraud, abuse, and questionable practices. (***City of Compton agrees with findings***)
5. Most cities could improve their internal control procedures over financial management. (***City of Compton agrees with findings***)
6. Most charter cities did not have a formal internal audit function. (***City of Compton agrees with findings***)
7. Many charter cities' policies and procedures governing general fund unrestricted fund balance could be improved. (***City of Compton agrees with findings***)
8. All cities maintained an adequate accounting system. Most issued timely financial

statements and a CAFR in compliance with standards, and most made the CAFR readily accessible to the general public on their website. (***City of Compton agrees with findings***)

## **FINDINGS – PROCUREMENT AND CONTRACTING PRACTICES**

1. All charter cities formally adopted policies and procedures defining competitive bidding requirements and practices. Controls over sole source contracting could be improved in some cities. (***City of Compton agrees with findings***)
2. Charter cities policies and procedures for selecting and negotiating prices for architectural and engineering services could be improved as they are seldom based on merit, credentials, and experience apart from the bidding process. (***City of Compton agrees with findings***)
3. Policies and procedures for ensuring prices negotiated for substantial contract change orders are a potential for self-dealings and all of the charter cities need to establish formal policies to ensure fair pricing on substantial change orders. (***City of Compton agrees with findings***)
4. Policies and procedures for documenting compliance with procurement requirements, and providing contract compliance and oversight could be improved to eliminate dealing with the same parties. (***City of Compton agrees with findings***)

## **FINDINGS – EMPLOYEE COMPENSATION**

1. The CGJ found multiple instances of charter cities which have not developed and approved employee compensation schedules in a manner transparent and accountable to the cities' constituencies. (***City of Compton agrees with findings***)
2. The CGJ found instances of individual salaries of job classifications which differed significantly from the salaries of comparable classifications in other cities. (***City of Compton agrees with findings***)



# Responses to Grand Jury Recommendations

1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.

The recommendation has been implemented; The City of Compton is currently reviewing its budget on a quarterly basis - 1st quarter, midyear review, 3<sup>rd</sup> quarter review and a final year end closeout (attachment I). City of Compton's current policy for balanced budget can be found in its current Financial Policies and Procedures Manual Section 2.3 (attachment II).

2. All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.

Section 2.3.3 of the City's Financial Policies and Procedures Manual allowed the City Council to adopt an unbalanced budget for 2012/13. The budget had a structural deficit, but staff requested modifications during the 1<sup>st</sup> quarter review to balance the 2012/13 budget (attachment III).

3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.

The recommendation has been implemented. The City has an existing section within its Financial Policies and Procedures Manual for the use of One-time Revenues. Section 10.8.1 shall not be used to support existing operations or support expansion of existing operations (attachment II).

4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.

The recommendation has not yet been implemented, but will be implemented in the near future. Staff is currently developing a strategic plan that ties the annual budget to city council goals and objectives. It is staff's intent for the Council to adopt a 2013/14 annual budget and a 2014/15 financial plan. The financial plan will list the essential commitments from 2013/14 along with a 5 year projection of revenues. The revenue projection and Financial Plan will be the backbone of the next fiscal year. Staff has already incorporated the 5 year revenue projections in the 2012/13 budget

5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or “rainy day” fund to be supplement operating revenue in years of short fall.

The recommendation is currently policy but not implemented. The City of Compton’s existing Financial Policies and Procedures Manual, Section 4, calls for the City to establish a General Fund, Infrastructure and Grant Match Reserve Fund. Staff’s expectation is to implement the policy with projected fund balance from fiscal year 2012/13 at the year-end closeout (attachment II).

6. Charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City. The following cities should develop and adopt such a strategic plan: Arcadia, Compton, Industry, and Inglewood.

The recommendation has not yet been implemented, but will be implemented in the near future. Compton is currently working with the Council and the Mayor to develop a strategic plan. The Council currently has six areas that were identified as goals and objectives – Neighborhood Improvements, Healthy Community, Governance, Public Safety, Economic Growth and Public Infrastructure. Over the next six months staff will be working with the policy makers to further identify and link projects to goals and objectives. Projects will then be prioritized and funded based on those priorities. Staff expects to see the strategic plan fully developed in the 2013/14 budget.

7. Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time. The following cities should develop such performance measures for indicators: Arcadia, Bell, Compton, Industry, Inglewood, Lancaster, and Temple City.

The recommendation has not yet been implemented, but will be implemented in the near future. Performance Measures are currently being developed along with levels of service. The City of Compton staff will start providing the Council with baseline service data in January 2013 and provide updates on achievements (Performance Data).

8. Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter

city council should continue providing specific annual goals for the city's executive (City Manager or City Administrator) and conduct meaningful evaluations annually. The following cities should do so: Alhambra, Bell, Industry, Inglewood, and Lancaster.

N/A

9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor. The following cities should formally establish an audit committee: Alhambra, Arcadia, Bell, Cerritos, Compton, Industry, Inglewood, Irwindale, Palmdale, Pomona, Santa Monica, Signal Hill, Temple City, Torrance, and Whittier.

The recommendation requires further analysis, with the City Attorney and the Council, as the charter already has a built in mechanism to insure independence between the Chief Executive Officer and the Controller. Per Section 708 of the City Charter, the Controller is hired and fired by the City Council. The charter provides specific duties and task to the Controller (attachment IV).

10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

The recommendation has been implemented. Section 11.5 of the City's Financial Policies and Procedures Manual address the hiring of an independent auditor as well as the mechanism used to respond to items identified in an independent audit (attachment II).

11. Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years. The following cities should review and update accounting policies and procedures at least once every three years: Alhambra, Arcadia, Bell, Burbank, Industry, Inglewood, Lancaster, Pasadena, Pomona, Santa Monica, and Temple City.

N/A

12. Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns. The following cities should adopt such policies and procedures: Alhambra, Arcadia, Burbank, Industry, Inglewood, Irwindale, Santa Monica, and Temple City.

The recommendation has been implemented; Section 3.4 identifies the City's process for handling Fraud, Waste and Abuse (attachment II).

13. Charter cities should periodically review and update internal control procedures over financial management. The Following cities should review and update internal control procedures over financial matters: Bell, Industry, and Inglewood.

The recommendation has been implemented; Section 3.3 to 3.6 clearly identifies the internal auditor's responsibilities. It also shows that the City of Compton has a safeguard with this policy to insure protection of assets and procedures. Unfortunately the position was vacant until recently filled with a temporary employee (attachment II).

14. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, Lancaster, Pomona, Redondo Beach, Temple City, Torrance, Vernon, and Whittier.

The recommendation has been implemented, see response to question 5.

15. Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR). The City of Bell should do so.

The recommendation has been implemented. Compton had problems with its 2010/11 audit, as the Independent Auditor refused to sign the CAFR because the Mayor lodged a complaint of Waste, Fraud and Abuse. The Auditor tried for several months to talk with the Mayor, but he refused. The Auditor's completed the audit without an opinion. The Auditor stated that the Mayor's accusation of Fraud, Waste and Abuse along with the Mayor's unwillingness to be interviewed to explain his concerns left the Auditor with no other choice. The firm resigned as the independent auditor. The City has not completed its 2010/11 CAFR and has not started on its 2011/12 CAFR.

City has hired a new Auditor. The scope of work is attached (attachment V). Once, scope of work for new auditor's is complete, the City will try to get 2010/11 CAFR signed or re-audited and then move forward with 2011/12 CAFR.

16. Charter cities that have not published financial reports on the city's website should do so. The city of Industry should do so.

The recommendation has been implemented; staff will update information as webpage is currently under construction to improve functionality and user friendliness.

17. Charter cities should develop controls over sole sourced contracting to prevent preferential granting of contracts. The following cities should develop such controls: Bell, Industry, Irwindale, and Temple City.

The recommendation has been implemented, Section 9.3 of the City's Financial Policies and Procedures Manual, which references the City Charter, Section 1411 (attachment II ,IV).

18. Charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes. The following cities should develop such policies and procedures: Arcadia, Bell, Cerritos, Industry, Inglewood, Irwindale, Pasadena, and Whittier.

The recommendation has been implemented, Section 9.6 of the City's Financial Policies and Procedures Manual, which references the City Charter, Section 1409 (attachment II ,IV).

19. All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts. The following cities should do so: Alhambra, Bell, Cerritos, Inglewood, Irwindale, Lancaster, Temple City, Torrance, and Whittier.

The recommendation has been implemented, Section 9.6 of the City's Financial Policies and Procedures Manual, which references the City Charter, Section 1409 (attachment II, IV).

20. All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm. The following cities should do so: Bell, Cerritos, Inglewood, Irwindale, Lancaster, and Whittier.

The recommendation has been implemented, Section 11 of the City's Financial Policies and Procedures Manual, which references the City Charter, Section 1419

21. All charter city councils and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.

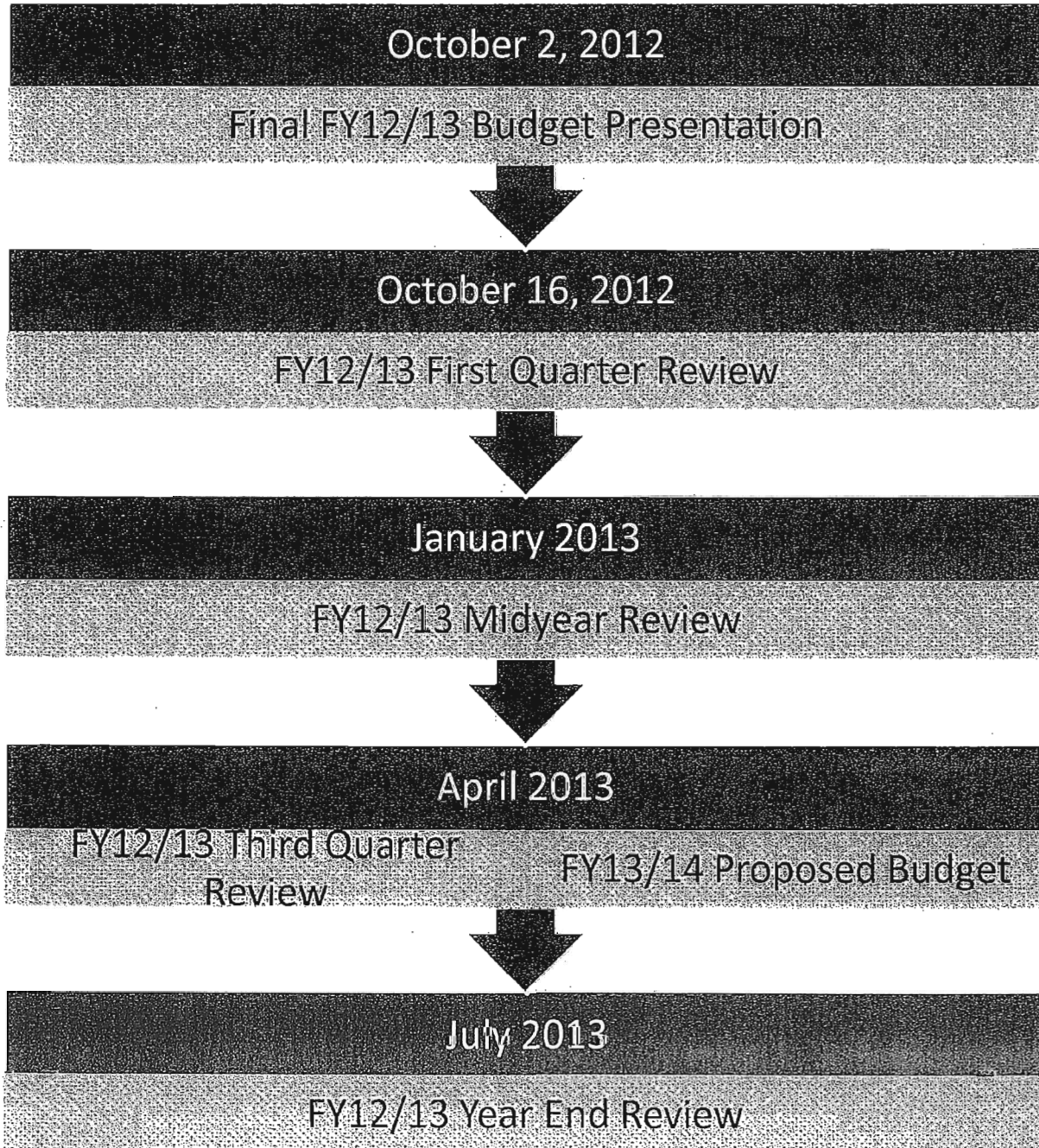
The recommendation has been implemented; employee salaries are posted on the City's website under the Human Resources webpage.

22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

The recommendation has been implemented; all salary increases will be based on a regional and population salary survey. The average salary is calculated, along with the high and the low salary. The salary data is delivered to the Council and staff recommends a salary range.

# **ATTACHMENT I**

## FY12/13 Budget Review Schedule





# **ATTACHMENT II**

City of Compton

Financial Policies and Procedures Manual

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Section:	1	FINANCIAL POLICY INTRODUCTION
Policy:	1.1	Purpose

---

## 1 FINANCIAL POLICY INTRODUCTION

### 1.1 Purpose

1. The principle purpose for the revenues raised by the City is to pay for the goods and services necessary to carry out the directives of the Mayor and City Council. The City of Compton exercises many sound financial management controls and principles. Even though over the years these management principles have developed and grown, they have not typically been summarized in a formal document. The City of Compton recognizes that improved strategic financial management practices should include having formally adopted financial policies for the following reasons:
  - a. Improves governance:
    - i. Highlights policies of sound financial management;
    - ii. Improves the understanding of budget orientations;
    - iii. Allows for annual debate and approval of financial guidelines at the municipal Council;
    - iv. Improves transparency;
    - v. Improves equity between generations;
    - vi. Improves financial and administrative management;
    - vii. Improves the democratic process.
  - b. Provides enhanced protection for citizens and municipal entities from certain difficulties.
  - c. Highlights current policies and facilitates the implementation of new policies and management practices.
  - d. Credit rating agencies take into account in their credit risk evaluations whether the City has adopted financial policies.
  - e. Enables management practices to be based on results with previously determined objectives.
  - f. Once formally adopted, improves management's ability to enforce policies.
  - g. Allows external auditors to improve their reports on financial performance of the City.
2. Adopting financial policies supports elected officials efforts to improve services to their constituents by encouraging the efficiency and accountability of government.
3. In summary, adopted financial policies set standards and practices for financial operations of the City.

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Section:	1	FINANCIAL POLICY INTRODUCTION
Policy:	1.2	Important Notes

---

## **1.2 Important Notes**

1. This financial policy document is an administrative document in that the City Council, by its adoption, authorizes the City Manager to periodically review and amend procedures as necessary. The City Manager will use discretion to determine how and where to implement these policies, as not all policies are relevant to all City departments. The City Manager will determine when policy changes are significant and warrant City Council ratification of this document.
2. The Financial Policies in this document, and any related procedures, are supplemental to the City of Compton Charter (referred to in this document as Charter) and the Compton Municipal Code. If instances arise wherein there is conflict between this document and the Charter, the Compton Municipal Code, State Law, or Federal Law, then that source will supersede the section(s) of this document pertaining to the matter in conflict.
3. References to other sources of policy or law in this document are meant to provide helpful context, but in no way are meant to represent or imply a full disclosure of all policy and matters of law that may have bearing.

---

Section:	2	FINANCIAL MANAGEMENT POLICIES
Policy:	2.1	Financial Management Policies

---

**2 FINANCIAL MANAGEMENT POLICIES**

**2.1 *Financial Management Policies***

**2.1.1 General**

1. In order to continue to make sure that the City's financial system and practices are managed and implemented according to the highest professional standards and are consistent with state law, the City of Compton promulgates the following financial management policies.

---

Section:	2	FINANCIAL MANAGEMENT POLICIES
Policy:	2.2	Budget Responsibility

---

## **2.2 Budget Responsibility**

### **2.2.1 Policy Reference**

2. The City Manager shall ... prepare the budget annually and submit it to the City Council and be responsible for its administration after adoption (Charter Sec. 706). The City Controller shall ... compile the budget expense and capital estimates for the City Manager (Charter Sec. 708).
3. Annual Budget. Preparation by the City Manager. At such date as [he/she] shall determine, the City Manager, or an officer designated by him, shall obtain from each department head estimates of revenue and expenditure for his department, detailed in such manner as may be prescribed by the City Manager. In preparing the proposed budget, the City Manager shall review the estimates, shall hold conference thereon with the department heads, respectively, and may revise the estimates as he may deem advisable (Charter sec. 1404).
4. Budget. Submission to City Council. At least thirty-five (35) days prior to the beginning of each fiscal year, the City Manager shall submit to the City Council the proposed budget as prepared by [him/her]. After reviewing same and making such revisions as it may deem advisable, the City Council shall determine the time for the holding of a public hearing thereon and shall cause to be published a notice thereof not less than ten (10) days prior to said hearing by at least one insertion in the official newspaper (Charter Sec. 1405).
5. Copies of the proposed budget shall be available for inspection by the public in the office of the City Clerk at least ten days prior to said hearing (Charter Sec. 1405)
6. Budget. Public Hearing. At the time so advertised, or at any time to which such public hearing shall from time to time be adjourned, the City Council shall hold a public hearing on the proposed budget at which interested persons desiring to be heard shall be given an opportunity to do so (Charter Sec. 1406).
7. Budget. Further Consideration and Adoption. After the conclusion of the public hearing the City Council shall further consider the proposed budget and make any revisions thereof that it may deem advisable and on or before June 30, it shall adopt the budget with revisions if any, by the affirmative votes of at least three members. Upon final adoption, the budget shall be in effect for the ensuing fiscal year. A copy thereof, certified to by the City Clerk where it shall be available for inspection. The budget so certified shall be reproduced and copies made available for the use of officers, departments and agencies of the City (Charter Sec. 1407).

---

Section:	2	FINANCIAL MANAGEMENT POLICIES
Policy:	2.2	Budget Responsibility

---

8. At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the affirmative votes of at least four members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget (Charter Sec. 1408).



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Section:	2	FINANCIAL MANAGEMENT POLICIES
Policy:	2.3	Balanced Budget

---

## **2.3 *Balanced Budget***

### **2.3.1 Policy Reference**

1. State of Extreme Emergency. During the existence of any national or local emergency created by military attack or sabotage, or in the providing for adequate national or local defense, or upon the occasion of a great public calamity, such as an extraordinary fire, flood, storm, epidemic, earthquake, or other disaster, the City Manager is hereby authorized to take such actions as is deemed by him necessary to safeguard life, health or property notwithstanding any other provision of this Charter. During the existence of any such emergency the responsible city officer may comply with any lawful federal or state law, order or regulation, notwithstanding any conflict which may exist between such law, order or regulation and the provisions of this Charter, in safeguarding life, health or property in the City. At the first meeting of the City Council following the commencement of any such emergency, or the taking of any action under this section, the City Council shall review the situation and its findings as to the existence of such emergency or the need for any further action of an emergency nature and contrary to any provision of this Charter, shall be final and conclusive (Charter Sec. 1701).
2. Emergency Ordinances. Any ordinance declared by the City Council to be necessary as an emergency measure for preserving the public peace, health or safety, and containing a statement of the reasons for its urgency, may be introduced and adopted at one and the same meeting if passed by at least four affirmative votes (Charter Sec. 607).
3. Contracts on Public Works. Such contracts likewise may be let without advertising for bids, if such work shall be deemed by the City Council to be of urgent necessity for the preservation of life, health or property, and shall be authorized by motion passed by at least four affirmative votes and containing a declaration of the facts constituting such urgency (Charter Sec. 1409).

### **2.3.2 Financial Policy**

1. The City of Compton is committed to adopting a balanced budget so that it can sustainably extend the highest standard of service possible to its residents. Therefore, the City Manager will ensure that budgets submitted annually for City Council review are balanced, and the City Council will require that the annual budget be in balance as a condition of budget approval.
2. A balanced budget can be defined as:

---

Section:	2	FINANCIAL MANAGEMENT POLICIES
Policy:	2.3	Balanced Budget

---

- a. *Revenues* equaling *Expenditures*, or
- b. *Revenues* combined with allocated prior year *Reserves* equaling *Expenditures*

### **2.3.3 Procedures**

1. In the event a balanced budget cannot be reached prior to the beginning of a new fiscal year due to a situation of emergency or otherwise severely unforeseen circumstance, the City Council, through a City Council resolution, may authorize the City Manager to operate and meet those obligations necessary to maintain existing services at an appropriation level not to exceed that of the prior fiscal year until such time as the budget process can be completed. The resolution may include capital improvement projects approved in the prior fiscal year, but it will not include new capital improvement projects or services.

---

Section:	2	FINANCIAL MANAGEMENT POLICIES
Policy:	2.4	Compliance Reporting

---

## **2.4 Compliance Reporting**

### **2.4.1 Policy Reference**

1. The City Controller shall maintain a budget record reflecting at all times the unencumbered appropriation account balances and encumbrances as shown by unfilled outstanding purchase orders (Compton Municipal Code 4-11.3).
2. Maintain a general accounting system for the City government and each of its offices, departments and agencies (Charter Sec. 707).
3. Submit to the City Council through the City Manager a monthly statement of all receipts and disbursements in sufficient detail to show the exact financial condition of the City and, as of the end of each fiscal year, submit a complete financial statement and report (Charter Sec. 707).

### **2.4.2 Financial Policy**

1. The City Controller shall on a quarterly basis provide a reporting package to the City Council and City Manager demonstrating compliance with policy and City charter.

### **2.4.3 Procedures**

1. On a quarterly basis, the Controller's office will prepare a reporting package and provide it to the City Manager and City Council. The reporting package will include the following reports, but is not limited to:
  - a. Fund Balance Report to provide overall financial condition of the City
  - b. Revenue Report which provides a revenue summary by fund category
  - c. Expenditure Report that provides a summary of expenditures and encumbrances
  - d. Other reports as the City Controller deems appropriate to include in monthly reporting to City Council
2. On a monthly basis, the Controller may provide a brief summary of the City's financial condition, or may provide other reports as deemed appropriate.

---

Section:	2	FINANCIAL MANAGEMENT POLICIES
Policy:	2.5	Long-Range Planning/Strategic Forecasting

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## **2.5 Long-Range Planning/Strategic Forecasting**

### **2.5.1 Financial Policy**

1. The City of Compton strives to offer the highest standard of service possible to its current residents while not borrowing against service to its future residents. In addition, it is important to capture long-range expenditures so that larger capital projects are not unforeseeably pushed beyond the vision of annual budgets. Therefore, to support sustainable and long-term benefit to all City residents, a three-year financial management plan of future appropriations and expenditures shall be prepared and updated every two years or as necessary if sooner than two years. City Council will review the three-year plan when it is updated and request changes as it deems appropriate.

### **2.5.2 Procedures**

1. The City will perform an Environmental Scan – Analysis of regional and local economic, demographic and other statistical data.
2. The City will document the prior three year’s revenue, expenditure and financial position, and conduct a Trend Analysis on the information.
3. The City may conduct additional studies as deemed appropriate, such as:
  - a. The City may conduct a Major Issues Review drawing upon the Environmental Scan, Trend Analysis, Strategic Plans, land use development plans, infrastructure development plans, state legislation and other concerns from the public that could impact financial position.
  - b. The City may conduct a comprehensive Financial Policy review, including a review of the level and use of reserves, in order to develop and adopt financial policy goals and objectives (i.e., the desired financial outcomes for the ensuing three years.)
  - c. The City may document the significant revenue sources, make revenue base assumptions and then project the significant revenue sources for the ensuing three years
  - d. The City may document the key assumptions regarding the desired level of service for the major operating and support departments and project the expenditures for the ensuing three years
  - e. The City may develop a financial forecast sensitivity analysis model of the projected revenues and expenditures and their impact on the City’s financial position for use in downstream budgetary analysis

---

Section:	2	FINANCIAL MANAGEMENT POLICIES
Policy:	2.6	Capital Improvement Program (CIP)

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## **2.6 Capital Improvement Program (CIP)**

### **2.6.1 Financial Policy**

1. The City of Compton shall have a Capital Improvement Program (CIP) that forecasts and schedules all capital project costs over a five-year period. The CIP shall be updated at least on an annual basis and shall be presented to City Council during the annual budget process. City Council will review the CIP and request changes as it deems appropriate. Once the requested changes are made, City Council shall adopt the CIP by resolution.
2. A Capital Project shall typically be defined as any project whose duration is greater than one year or whose cost is greater than \$25,000, with one notable exception. The exception is that any programmatic or regularly scheduled repair/maintenance of City infrastructure that is part of a department's annual budget is not typically considered a capital project and therefore is not part of the CIP.

### **2.6.2 Procedures**

1. The CIP will include the total cost and expected duration of each project, spread appropriately by year. It will also include by project the plan for grant funding, for match requirement funding, and for funding any remaining balance.
2. New projects additions and existing project updates are made annually to the CIP during the Annual Budget process.
3. Other current fiscal year project additions to the CIP must be approved by City Council by resolution.
4. Future fiscal year CIP additions may go to City Council within the next Combined Budget Resolution as long as modification to current year funding is not required.
5. Rescheduling a Capital Project does not require City Council adoption by resolution. However, deferring a capital project for more than one year requires, at a minimum, council notification.
6. Elimination of a capital project requires City Council adoption by resolution by four votes.

---

Section:	2	FINANCIAL MANAGEMENT POLICIES
Policy:	2.7	Capital Projects Included in CIP

---

## **2.7 Capital Projects Included in CIP**

### **2.7.1 Financial Policy**

1. All City of Compton capital projects must be included within the Capital Improvement Program (CIP) in order to have funds appropriated and to make purchases on behalf of the projects.

### **2.7.2 Procedures**

1. The City Controller's Office will only accept purchase requests and purchase orders on capital projects that are included in the CIP in the current year. If a new project is not included in the CIP in the current year, then it first must become part of the CIP through City Council resolution before it can be appropriated funds and have purchases made on its behalf.

---

Section:	2	FINANCIAL MANAGEMENT POLICIES
Policy:	2.8	Commitment to Capital Projects

---

## **2.8 *Commitment to Capital Projects***

### **2.8.1 Financial Policy**

1. Once the City commits to a capital project, it is important to stay committed so that City resources are not wasted on unfinished projects. If a capital project has been funded and work has begun, then it will continue to be funded in subsequent years in accordance with the Capital Improvement Program. Only by resolution of City Council, by four votes of approval, shall funding for a capital project be reduced or eliminated once work has begun.

---

Section:	2	FINANCIAL MANAGEMENT POLICIES
Policy:	2.9	Department Operational Efficiency

---

## **2.9 Department Operational Efficiency**

### **2.9.1 Financial Policy**

1. The City of Compton provides a variety of services, and it is important that the services are performed consistently, efficiently, and at the lowest cost to the City. To support this standard, the City Manager will look for opportunities to reallocate departmental responsibility so that similar City functions are organized under a single department, or to break out departmental responsibility when certain functions of one department can be more efficiently conducted by another department.



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Section: 2 FINANCIAL MANAGEMENT POLICIES

Policy: 2.10 Asset Inventory

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## **2.10 Asset Inventory**

### **2.10.1 Policy Reference**

1. The City Controller shall ... require, and supervise the keeping of, current inventories of all property, real and personal, by the respective officers in charge thereof and periodically to audit the same (Chart Sec. 708)

### **2.10.2 Procedures**

1. The City of Compton will annually inventory all major capital assets and assess the condition of said inventory. This information will be used to plan for the ongoing financial commitments required to maximize the public's benefit.

---

Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.1	Internal Controls

---

### **3 INTERNAL CONTROL GUIDANCE**

#### **3.1 *Internal Controls***

##### **3.1.1 General**

1. Internal controls, or in other words, a system of self-regulating checks and balances, shall be employed to safeguard the assets of the City of Compton and verify that they are used as intended.

---

Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.2	Responsibilities

---

## **3.2 Responsibilities**

### **3.2.1 Financial Policy**

1. City and departmental management is responsible for establishing specific internal control policies and procedures. Every employee is responsible for ensuring that established internal controls are followed and applied.
2. Internal auditors evaluate the effectiveness of control systems, monitor control systems, and contribute to ongoing effectiveness of control systems.
3. External auditors review control systems for impact they have on financial reporting and compliance with requirements of external agencies.

### **3.2.2 Procedures**

1. In order to ensure that the five essential internal audit components (sound control environment, regular and ongoing risk assessment, control-related policies and procedure, adequate communication, and regular and ongoing monitoring of control related policies and procedures) are in place, the City of Compton will annually review its internal control system (reference: Section 3.3).

---

Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.3	Internal Audit Function

---

### **3.3 Internal Audit Function**

#### **3.3.1 Financial Policy**

1. The City of Compton shall employ at least one Internal Auditor who regularly reviews and tests the accuracy and completeness of the accounting system and controls. The Internal Auditor reports to the City Controller and makes his or her findings available to the City Manager and City Controller.
2. The City of Compton's Internal Audit function exists to support the City Council and City Manager in the effective discharge of their responsibilities. Using knowledge and professional judgment, the Internal Auditor provides an independent appraisal of financial, operational, and control activities. The Internal Auditor reports on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, and compliance with institutional policies and government laws and regulations. Additionally, the Internal Auditor is responsible for providing analysis, recommendations, counsel, and information concerning the activities reviewed.
3. To accomplish these objectives, an internal auditor is authorized to have access to property, personnel, and records. The International Standards for the Professional Practice of Internal Auditing published by the Institute of Internal Auditors, Inc. shall serve as guidelines for internal audit activities.

#### **3.3.2 Procedures**

1. Types of Audits  
The various types of audits conducted by the City of Compton Internal Auditor are discussed below. Some audit engagements may comprise more than one type of audit.
  - a. Operational. Operational audits are comprehensive examinations of an operating unit or a complete organization to evaluate its performance, as measured by management's objectives. An operational audit focuses on the efficiency, effectiveness, and economy of operations.
  - b. Financial. Financial audits determine the accuracy and propriety of financial transactions.
  - c. Compliance. Compliance audits determine whether, and to what degree, there is conformance to certain specific requirements of policy, procedures, standards, or laws and governmental regulations. The auditor must know what policies, procedures, standards, etc., are required. Compliance audits require little preliminary survey work or review of internal controls, except to outline precisely what requirements are being

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Policy:	3.3	Internal Audit Function

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audited. The audit focuses almost exclusively upon detailed testing of conditions.

- d. Asset Verification. Asset verification involves the accountability, physical safeguards, and valid use of distributed assets.
- e. Loss/Fraud. Loss/fraud investigations are conducted to determine existing control weaknesses, assist in determining the amount of loss/fraud, and recommend corrective measures to prevent subsequent recurrences. Investigation of allegations may also be conducted.
- f. Information Technology. Information technology audits evaluate the accuracy, effectiveness, efficiency and security of electronic and information processing systems that are in production or under development.
- g. Consultant Services. Consultant services audits provide information, encouragement, and review on issues concerning policies, procedures, and internal controls.

## 2. Audit Process

The audit process begins with the development of the audit plan, and ends with the issuance of the final report, as well as any follow-up of significant and major audit exceptions. The audit process used by the City of Compton audit staff is shown below.

## 3. Audit Planning

The audit planning process encompasses all activities related to the development of the internal audit plan, which include:

- a. Audit schedule
- b. Determination of the audit scope and objectives
- c. Design of detailed procedures, and
- d. Audit resource planning
- e. Assessment of audit risk

The primary objective of the audit planning process is to design the audit approach to ensure that audits are performed in the most effective and efficient manner. This process involves:

- a. Defining the potential audit universe;
- b. Defining factors used in assessing risk;
- c. Quantifying the potential risk for audit areas; and,
- d. Scheduling audits and allocating resources.

## 4. Audit Selection

An analysis is performed annually to quantify risks and schedule audits. The analysis combines factual information and judgment in the selection, ranking, and weighing of the various audit risk factors. There are several factors that can influence the selection and scheduling of projects, including:

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- a. Degree of risk or exposure to loss
- b. Type of audit
- c. Current and planned work in other major projects
- d. Availability of staff with the appropriate skills

The final determination as to which areas should be included in the audit plan, however, cannot be based solely on the results of the audit risk assessment. Rather, the performance of the assessment is a tool for use by the internal audit administration. The City of Compton Controller and City Manager approve the annual Internal Audit Plan.

5. Audit Scheduling and Notification

The City department head is formally notified by a letter from the City Controller if the department has been selected for an internal audit. The letter details the preliminary scope of the audit, as well as the specific information needed for the audit and any logistical assistance that might be required.

The City department head is responsible for identifying a representative from the department to serve as the audit team's primary contact. The City department head or the selected primary contact also identifies a key contact person for each function audited. The audit team leader schedules and facilitates an opening conference with the City department head and/or a designee.

6. Conducting the Audit

Evidential matter obtained during the course of the audit provides the documented basis for the auditor's opinions, exceptions, and recommendations expressed in the audit report. Auditors are obligated by professional standards to act objectively, exercise due professional care, and collect sufficient, competent, relevant, and useful information to provide a sound basis for audit exceptions and recommendations.

Audit sampling may be used to test less than 100 percent of a population. In sampling, the auditor accepts the risk that some or all errors will not be found and the conclusions drawn may be wrong. The type of sampling used and the number of items selected should be based on the auditors understanding of the relative risks and exposures of the areas audited.

Audit work performed is documented in working papers. Information included in the working papers should be sufficient, competent, relevant, and useful to provide a sound basis for audit exceptions and recommendations. Working papers may include schedules and analyses, documents, write-up, and flow charts. Evidential matter may also be obtained through interviews and observations.

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Policy:	3.3	Internal Audit Function

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Upon the conclusion of the fieldwork, the auditor summarizes the audit exceptions, conclusions, and recommendations necessary for preparation of the audit report draft discussion. Each audit exception will have documented the following attributes:

- a. Observation (What is)
- b. Criteria (What should be)
- c. Cause (Why did it happen)
- d. Risk/Effect (What could happen)
- e. Recommendation (What should be done)

#### 7. Exit Conference

At the conclusion of the fieldwork, the auditors meet with the department's management team to discuss exceptions and recommendations. At this time, the auditee comments on exceptions and recommendations, and any inaccuracies or impractical recommendations are resolved to the extent possible. There should be no surprises at the exit conference. All exceptions should have been discussed prior to the exit conference during the course of fieldwork through status meetings and Audit Recommendation Worksheets.

#### 8. Closing the Audit

After the exit conference, the auditor prepares a draft, taking into account any revisions resulting from the exit conference and other discussions. When changes have been reviewed by audit administration, along with an evaluation of the auditee's written responses for inclusion in the final report, the report is issued.

The City Manager's approval is required for release of all City of Compton audit reports.

#### 9. Follow-Up Review

Follow-up is required of all audit exceptions classified as significant and major. The actions taken to resolve the exceptions are reviewed and may be tested to ensure that the desired results were achieved. In some cases, managers may choose not to implement an audit recommendation and to accept the risks associated with an audit finding. The follow-up review will note this as an unresolved exception.

Follow-up review results will also be included in reports to the City of Compton Controller and City Manager. Open or partially resolved City of Compton audit findings are sent to City department heads. The department's management updates the status of each finding and submits the status report to the City Controller's Office.

#### 10. Exception Ratings

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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.3	Internal Audit Function

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Individual ratings are assigned to each exception, and each audit is given an overall rating. The scales for the City of Compton Internal Audit rating systems are listed below.

### **Overall Audit Rating Scale**

- a. Excellent
  - i. Few notable observations.
  - ii. No internal control weaknesses noted.
  - iii. Good adherence to laws, regulations, and policies.
  - iv. Excellent control environment.
- b. Good
  - i. Several notable and/or one or two significant observations.
  - ii. Minor violations of policies and procedures.
  - iii. No violation of laws.
  - iv. Minor opportunities for improvement.
- c. Fair
  - i. Many notable observations and/or few significant observations.
  - ii. Several notable violations of policy.
  - iii. Minor violations of regulations.
  - iv. No violation of laws.
  - v. Moderate opportunities for improvement.
- d. Poor
  - i. Several significant observations and no major observations.
  - ii. Controls weak in one or more areas.
  - iii. Noncompliance with policies/regulations put the institution at risk.
  - iv. Violation of law (not serious).
  - v. Substantial opportunities for improvement.
- e. Adverse
  - i. Several significant observations or one or more major observations.
  - ii. Significant risk for noncompliance with policies/regulations.
  - iii. Serious violation of laws.
  - iv. Significant opportunities for improvement.

### **Report Item Rating Scale**

- a. Insignificant
  - i. Nominal violations of procedures, rules, or regulations.
  - ii. Not included in report.
  - iii. Corrective action suggested verbally, but not required.
- b. Notable
  - i. Minor violation of policies and procedures, and/or weak internal controls, and/or opportunity to improve effectiveness and efficiency.
  - ii. Moderate risk identified.



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Policy:	3.3	Internal Audit Function

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- iii. Corrective action recommended.
- c. Significant
  - i. Significant violation of policies/procedures/laws, and/or poor internal controls, and/or significant opportunity to improve effectiveness and efficiency.
  - ii. Significant risk identified.
  - iii. Corrective action required.
- d. Major
  - i. Major violation of policies/procedures/laws, and/or unacceptable internal controls, and/or high risk for fraud/waste/abuse, and/or major opportunity to improve effectiveness and efficiency.
  - ii. Major risk identified.
  - iii. Immediate corrective action required.

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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.4	Fraud, Waste, and Abuse

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### **3.4 Fraud, Waste, and Abuse**

#### **3.4.1 Financial Policy**

1. The City Council and City Administration of the City of Compton is committed to preventing fraud, waste, and abuse, and to maintaining an environment in which internal controls can be established and improved to aid in the detection and prevention of fraud, waste, and abuse. Employees are subject to disciplinary action up to and including dismissal as a result of participation in or commission of any fraudulent act.

#### **3.4.2 Procedures**

1. General Definitions of Fraud, Waste, and Abuse
  - a. Fraud can be defined as a false representation of a matter of fact that is intended to deceive another. A fraudulent act may be illegal, unethical, improper, or dishonest and may include, but is not necessarily limited to:
    - i. Embezzlement
    - ii. Misappropriation
    - iii. Alteration or falsification of documents
    - iv. False claims
    - v. Theft of any asset
    - vi. Inappropriate use of computer systems, including hacking and software piracy
    - vii. Bribery or kickback
    - viii. Conflict of interest
    - ix. Misrepresentation of facts
  - b. A fraudulent act may have criminal and/or civil law consequences. The Internal Audit department is not required to use a determination by a criminal justice authority to criminally prosecute as the basis for determining whether an act is fraudulent. It is the internal determination of the above criteria that defines an act as fraudulent under this policy.
  - c. Waste is the expenditure or allocation of resources in excess of need that is often extravagant or careless.
  - d. Abuse is the intentional, wrongful, or improper use of resources. Abuse can be a form of wastefulness as it entails the exploitation of “loopholes” to the limits of the law, primarily for personal advantage.
2. Duties and Responsibilities

Any City of Compton employee who has a reasonable basis for believing a fraudulent act has occurred has a responsibility to promptly notify at least one of the following:

  - a. His or her supervisor

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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.4	Fraud, Waste, and Abuse

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- b. City Controller's Office
  - c. City Attorney's Office
  - d. City Manager's Office
  - e. Municipal Law Department
3. Investigation
- The City Controller's Office has the primary obligation of investigating reported incidents of fraud within the City of Compton.

The City Controller's Office shall notify the City Manager's Office of the investigation. The Controller's Office shall contact other departments as necessary, including the City Attorney's Office and the Municipal Law department, to establish the necessary team to proceed with the review or investigation. The investigative team will attempt to keep source information as confidential as possible. In those instances where the investigation indicates criminal activity, the investigation will be turned over to the appropriate law enforcement agency.

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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.5	Segregation of Duties

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## **3.5 Segregation of Duties**

### **3.5.1 Financial Policy**

1. The City Controller, or the related department head, shall assign accounting responsibilities so that no one employee has an ability to manipulate accounting records without clear documentation and approval, where such documentation and approval is necessary.

### **3.5.2 Procedures**

1. Depending on staffing levels and job functions, specific duties should be determined by the City Controller, or specific department head, and adjusted if deemed appropriate. Some job functions to consider keeping separated include:
  - a. Purchasing and access to vendor master files
  - b. Purchasing and receiving
  - c. Accounts payable / check disbursement and vendor master files
  - d. Cash receipt and bank deposit
  - e. Journal entry creation and journal entry approval

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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.6	Authorization and Approval

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### **3.6 *Authorization and Approval***

#### **3.6.1 Financial Policy**

1. Proposed transactions are authorized only if they are consistent with policy and funds are available.

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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.7	Custodial and Security Arrangements

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### **3.7 Custodial and Security Arrangements**

#### **3.7.1 Financial Policy**

1. Responsibility for custody of assets is separated from the related recordkeeping.

#### **3.7.2 Procedures**

1. Specific asset and equipment tracking procedures are determined by the City Controller, related department heads, and Internal Audit.
2. In general, all assets and equipment should be periodically reviewed, counted, and verified. The employees that count and verify the assets/equipment should typically be different from the employees that are responsible for managing the assets/equipment.
3. Assets and equipment should be periodically audited by the Internal Auditor, based on the audit plan.

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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.8	Review and Reconciliation

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### **3.8 *Review and Reconciliation***

#### **3.8.1 Financial Policy**

1. Records are examined and reconciled to determine that transactions were properly processed and approved.

#### **3.8.2 Procedures**

1. On a quarterly basis, the Controller's office will prepare a reporting package and provide it to the City Manager and City Council. The reporting package will include the following reports, but is not limited to:
  - a. Fund Balance Report to provide overall financial condition of the City
  - b. Revenue Report which provides a revenue summary by fund category
  - c. Expenditure Report that provides a summary of expenditures and encumbrances
  - d. Other reports as the City Controller deems appropriate to include in monthly reporting to City Council
2. On a monthly basis, the Controller may provide a brief summary of the City's financial condition, or may provide other reports as deemed appropriate.

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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.9	Physical Controls

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### **3.9 Physical Controls**

#### **3.9.1 Financial Policy**

1. Equipment, inventories, vault contents, cash and other assets are secured physically, counted periodically and compared with amounts shown on control records.

#### **3.9.2 Procedures**

1. The Internal Auditor will address physical controls in the internal audit plan, and will monitor/audit physical assets as appropriate.



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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.10	Training and Supervision

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### ***3.10 Training and Supervision***

#### **3.10.1 Financial Policy**

1. Well trained and supervised employees help ensure that control processes function properly.

#### **3.10.2 Procedures**

1. Specific training procedures are determined by the related department heads and the Personnel department. In general:
  - a. Employees should have a training plan that is updated periodically.
  - b. Employee job duties should be reviewed periodically to determine equitability, suitability to the job duties, and any related training needs.
  - c. Reference materials and job procedures should be available to employees to review when job functions have very specific requirements or are very technical in nature.

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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.11	Documentation

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### **3.11 Documentation**

#### **3.11.1 Financial Policy**

1. Well documented policies and procedures promote employee understanding of job duties and help ensure continuity during employee absences or turnover.

#### **3.11.2 Procedures**

1. Reference materials and job procedures should be available to employees to review when job functions have very specific requirements or are very technical in nature.
2. This financial policy document is a “living document” in that the City Council, by its adoption, intends to periodically review and amend it as necessary.

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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.12	Cost/Benefit

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## **3.12 Cost/Benefit**

### **3.12.1 Financial Policy**

1. Costs associated with control processes should not exceed expected benefits.

### **3.12.2 Procedures**

1. If any control mechanism is costing the City more to operate than is merited by the risk it is seeking to mitigate, then the City Manager may take steps to reduce the cost of the control mechanism.
2. The City Manager may reduce the scope of an existing control mechanism. For example, a control mechanism that verifies transaction accuracy could be applied to a sample of transactions within a group, as opposed to the entire group. If performed randomly to a population of data, a statistically minor error margin can offer a reasonably similar level of comfort over a group of transactions. Other examples may include modification to: authorization levels, approval requirements, frequency of testing, completeness of testing, testing from an individual basis to a group basis (batch totals). However, with reduced control mechanisms, any discovered errors must be treated more seriously as they may reflect the existence of a larger problem.
3. The City Manager may substitute an alternate and lower cost control mechanism if the substituted control mechanism offers a reasonably similar level of control.
4. If the alteration or elimination of a control mechanism will significantly increase the risk it was trying to mitigate, then the change may only be approved through City Council adoption by resolution.

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Section:	3	INTERNAL CONTROL GUIDANCE
Policy:	3.13	Ethical Requirements Policy

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### **3.13 Ethical Requirements Policy**

#### **3.13.1 Financial Policy**

1. The Internal Audit function will strictly comply with all applicable ethical requirements, including requirements established by the City, rules of ethics promulgated by the American Institute of Certified Public Accountants (AICPA) and the Institute of Internal Auditors (IIA).

#### **3.13.2 Procedures**

1. The Internal Auditor will develop at least a Three-Year Internal Audit Business Plan, and shall update it on a regular basis. The basic intent of the Three-Year Internal Audit Business Plan is to mitigate risk. It is designed to focus resources where the risk is most significant and the potential benefit to be realized is greatest. The objective of the Five-Year Internal Audit Business Plan is to support the City Council in:
  - a. Maximizing revenues
  - b. Minimizing losses
  - c. Minimizing unnecessary costs
  - d. Increasing productivity
2. The City Controller may convene a meeting with the City Manager, City Treasurer, and/or their designees, to provide guidance to the Internal Audit function. The meeting may be held quarterly or by another appropriate interim. Specifically, the meeting will:
  - a. Review audit plans and budget
  - b. Review requests for internal audit projects
  - c. Review departments' progress in implementing audit recommendations
  - d. Review results of internal audit activities
3. The Internal Auditor may include within the audit methodology Customer Satisfaction Surveys. Implementing a customer satisfaction survey after each audit helps Internal Audit to continuously review its image, the quality of its products, and management's need for new services or additional information.

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Section:	4	RESERVE FUND POLICY
Policy:	4.1	General Fund Reserve

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## **4 RESERVE FUND POLICY**

### **4.1 *General Fund Reserve***

#### **4.1.1 Financial Policy**

1. The City of Compton will maintain an adequate managed reserve balance in the City's funds to address adverse financial trends, provide for financing of unforeseen needs of an emergency or non-recurring nature, to permit for the orderly implementation of budget adjustments, provide a local match for public or private grants and to allow for flexibility to take advantage of any unexpected opportunities.

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Section:	4	RESERVE FUND POLICY
Policy:	4.2	Infrastructure Reserve

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## **4.2 Infrastructure Reserve**

### **4.2.1 Financial Policy**

1. The City of Compton will maintain a reserve for emergency repairs to critical city infrastructure that incur damage from disaster. This reserve shall be applied to the uninsured portion of emergency repairs to critical City infrastructure and the related insurance deductibles.

### **4.2.2 Procedures**

1. The Infrastructure reserve may only be used to repair or replace city infrastructure relating to streets, buildings, bridges, or other infrastructure as determined by City Council.
2. The Infrastructure Reserve will revolve (roll-forward) from year to year.

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Section: 0	1. The Capital Fund shall be financed through debt obligation (like bonds and notes) and from internal sources of funds as authorized by the City Council.
Policy: 4.3	Capital Fund

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## **4.3 Capital Fund**

### **4.3.1 Financial Policy**

1. The City of Compton will maintain a Capital Fund to be used as a source of funding to begin city infrastructure projects when the contract is reimbursable in part or in full by one or more outside funding sources.

### **4.3.2 Procedures**

1. The Capital Fund shall be financed through debt obligation (like bonds and notes) and from internal sources of funds as authorized by the City Council.
2. In order to utilize the Capital Fund, the department requesting the Capital Fund disbursement must provide written verification of the funding sources' agreement to reimburse the specific contract or to reimburse contracts of the nature and terms of the contract in question. If the provided funding source agreements do not provide 100% cost recovery of the contract in question, then any difference between the funding sources and contract cost must be budgeted for in the Grant Match Fund or other relevant City fund.
3. City Projects whose contracts utilize the Capital Fund must be specifically budgeted for within the City's Capital Improvement Program (scheduled in the CIP within the next 12 months).
4. The Capital Fund will revolve (roll-forward) from year to year.

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Section:	0	1. The Capital Fund shall be financed through debt obligation (like bonds and notes) and from internal sources of funds as authorized by the City Council.
Policy:	4.4	Grant Match Fund

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## **4.4 Grant Match Fund**

### **4.4.1 Financial Policy**

1. The City of Compton shall provide in its annual budget appropriations enough funds to be used as a source of funding for city projects when the contract is reimbursable in part by one or more outside funding sources, and when the remainder of the contract cost must be met by a matching percentage. The budget appropriations shall be used to finance such matching percentage of the project costs.

### **4.4.2 Procedures**

1. Departments will, as a part of the Budget Process, determine the match requirements on City projects for the year. The match percentage and dollar requirements will also be included in the City's Capital Improvement Program. The City will fund the Grant Match Fund with the adopted appropriations for matching requirements at the beginning of the fiscal year.
2. Other funding sources that provide funding for the match requirements of City projects will have their funding appropriated to the Grant Match Fund, to the extent that these funds will be allocated to meet match requirements.
3. In order to utilize the Grant Match Fund, the department requesting the Capital Fund disbursement must provide written verification of the funding sources' agreement to reimburse the specific contract or to reimburse contracts of the nature and terms of the contract in question. The difference between the funding sources' estimated reimbursements and the contract cost must be budgeted for in the Grant Match Fund.
4. City Projects whose contracts utilize the Grant Match Fund must be specifically mentioned within the City's Capital Improvement Program (scheduled in the CIP within the next 12 months).
5. Any remainder in the Grant Match Fund at the end of the fiscal year that is not encumbered for an existing project, and that was funded by the General Fund, shall be returned to the General Fund.
6. Any remainder in the Grant Match Fund at the end of the fiscal year that was funded by outside sources shall revolve (roll-forward) from year to year in the Grant Match Fund, if not otherwise disallowed by law or contract.



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Section:	5	DEBT POLICIES
Policy:	5.1	Debt Policies

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## **5 DEBT POLICIES**

### **5.1 *Debt Policies***

#### **5.1.1 General**

1. The City of Compton considers the holding of a reasonable amount of debt as a prudent way to spread the cost of otherwise unattainable services. The City does not use debt as a way to fund everyday operations, but rather uses debt as a means to fund significant capital investments in the City. The City of Compton shall develop a comprehensive Debt Policy that provides guidelines for debt structuring, priorities for capital improvement, and prerequisites for debt refinancing.

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Section:	5	DEBT POLICIES
Policy:	5.2	Debt Capacity

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## **5.2 Debt Capacity**

### **5.2.1 Policy Reference**

1. Bonded Debt Limit. The bonded indebtedness of the City may not exceed the sum of fifteen (15%) percent of the total assessed valuation of property within the City, exclusive of any indebtedness that has been or may hereafter be incurred for the purpose of acquiring, establishing or extending a system of water-works for the supplying of water, or for the purpose of constructing sewers or drains in the City, for which purposes a further indebtedness may be incurred by the issuance of bonds, subject only to the provisions of the State Constitution and of this Charter (Charter Sec. 1403).

### **5.2.2 Financial Policy**

1. Operating leases, equipment leases, and non-bonded short-term debt are not considered part of the debt capacity calculation. However, bond-like financial instruments, having a maturity date in excess of one year, shall be treated as bonded debt for the purpose of Bonded Debt Limit calculation.

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Section:	5	DEBT POLICIES
Policy:	5.3	Debt Issuance

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### **5.3 *Debt Issuance***

#### **5.3.1 Financial Policy**

1. The City of Compton will only issue bonds or contract for other long-term debt obligations (having a maturity in excess of one year) when it is determined to be in the best interest of the City's residents by a majority vote of the City Council. New debt will not be issued unless it is within the guidelines as set by the Debt Capacity Policy. Unless brought to City Council through voter resolution, new debt proposals shall be brought to City Council via the City Manager. All debt must be approved by majority vote of the City Council prior to the debt issuance.

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Section:	5	DEBT POLICIES
Policy:	5.4	Debt Management

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## **5.4 Debt Management**

### **5.4.1 Financial Policy**

1. The City Manager may present to City Council an analysis of the City's debt structure as appropriate. The City Manager's review may include recommendations regarding any debt restructuring opportunities that would improve the City's debt position through a combination of monetary savings, risk reduction, and credit rating improvement.

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Section:	6	INVESTMENT POLICIES
Policy:	6.1	Investment Policies

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## **6 INVESTMENT POLICIES**

### **6.1 *Investment Policies***

#### **6.1.1 General**

1. The primary purpose for the use of city funds is to pay for goods and services needed in city operations. Investments shall be managed so that there are always funds available to pay for city obligations when due.
2. The City of Compton shall maintain an investment policy that seeks to safeguard the assets of City, maximize cash flow for expenditures, and provide a reasonable rate of return, and to insure that funds are available to pay for City obligations when due.

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Section:	6	INVESTMENT POLICIES
Policy:	6.2	Investment Policy Adoption

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## **6.2 *Investment Policy Adoption***

### **6.2.1 Financial Policy**

1. The City Treasurer may annually present to City Council an Investment Policy which will be reviewed and adopted by City Council if appropriate. If an Investment Policy is either not submitted to City Council or not adopted by City Council, then the most recently adopted Investment Policy will remain in effect.

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Section:	6	INVESTMENT POLICIES
Policy:	6.3	Investment Policy 2004-2005 (Adopted Resolution 21,425)

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### **6.3 Investment Policy 2004-2005 (Adopted Resolution 21,425)**

#### **6.3.1 Adopted Resolution Text**

WHEREAS, the Governor of the State of California signed such legislation into law effective January 1, 1996 (SB564); and

WHEREAS, the City Treasurer of the City of Compton declares the annual Statement of Policy to be as follows:

This statement is intended to outline the policies for maximizing the efficiency of the City's Cash Management System and for prudent investment of the City's funds, and to provide guidelines for suitable investments.

#### **POLICY**

In accordance with the Charter of the City of Compton and under the authority granted by the City Council, the City Treasurer is responsible for investing the unexpended cash in the City Treasury. The investment of the City of Compton's funds is directed to the goals of safety, liquidity and yield. The authority governing investments for municipal governments is set forth in the California Government Code, Sections 53601 through 53659. The City Treasurer shall attempt to obtain the highest yield using the average three months Treasury Bill as a bench mark, provided that all investments meet the criteria established for safety and liquidity.

Criteria for selecting investments and the order of priority are:

1. **Safety.** The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. The City only operates in those investments that are considered very safe.
2. **Liquidity.** This refers to the ability to "cash in" at any moment in time with a minimal chance of losing some portion of principal or interest. Liquidity is an important investment quality especially when the need for unexpected funds occurs occasionally.
3. **Yield.** Yield is the potential dollar earning an investment can provide, and sometimes is described as the rate of return.

The investment policy and practices of the City Treasurer for the City of Compton are based upon Federal, State, and Local law and prudent money management. The primary objectives of this policy are:

1. To protect the principal and asset holdings of the City's portfolio.

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Section:	6	INVESTMENT POLICIES
Policy:	6.3	Investment Policy 2004-2005 (Adopted Resolution 21,425)

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2. To ensure adequate liquidity is provided for the prompt, efficient handling of City's disbursement.
3. To generate the maximum amount of investment income within the parameter of this Statement of Investment Policy and the guidelines for suitable investments.

The ultimate goal is to enhance the economic status of the City while protecting its funds.

### SCOPE

The investment policy applies to all financial assets of the City of Compton as accounted for in the City Annual Audited Report with some limited exceptions for Bonds Proceeds managed by the Trustees. Policy statements outlined in this document focus on the City of Compton's pooled funds, but will also apply to all other funds under the City Treasurer's span of control unless exempted by resolution or statute. This policy is applicable, but not limited to all funds listed below:

- General City Account Funds
- Water Fund
- Capital Improvement Funds
- Agency and Trust Funds
- Special Capital Improvements
- Liability Fund
- Any new fund created by the City Controller unless specifically exempted by resolution

One exception does exist regarding the investments of the bond reserve funds. The Trustee has no obligation in adhering to this policy due to the Bond Indenture Agreement. However, the Trustee shall consult with the Treasurer for guidelines and recommendations.

### PRUDENCE

Generally, investments shall be made in the context of the "Prudent Investor" rule which states that:

"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 to be derived."



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Section:	6	INVESTMENT POLICIES
Policy:	6.3	Investment Policy 2004-2005 (Adopted Resolution 21,425)

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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.

However, it is realized that market prices of securities will vary depending on economic and interest rate conditions at any point in time. It is further recognized, that in a well-diversified investment portfolio, occasional measured losses are inevitable due to economic and bond market. These occasional losses must be within the context of the overall investment program and the resultant long term rate of return.

The City Treasurer and other individuals assigned to manage the investment portfolio, 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 change, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

## OBJECTIVES

### SAFETY OF PRINCIPLE

Safety of principal is the foremost objective of the City of Compton. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default or erosion of market value. The City shall seek to preserve principal by mitigating the two types of risk, credit risk and market risk.

Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any one issuer does not unduly harm the City's capital base and cash flow.

Market risk, defined as market value fluctuations due to overall, changes in the general level of interest rates, shall be mitigated by limiting the average maturity of the City's investment portfolio to two years, the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long term securities for the sole purpose of short term speculation.

### LIQUIDITY

Because the City operates its own water utility and bills monthly for this service, cash flow is generated on a daily basis. Historical cash flow trends are compared to current cash flow requirements on an ongoing basis in an effort to ensure that the

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Section:	6	INVESTMENT POLICIES
Policy:	6.3	Investment Policy 2004-2005 (Adopted Resolution 21,425)

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City's investment portfolio will remain sufficiently liquid to enable the City to meet all reasonable anticipated operating requirements.

#### COLLATERAL REQUIREMENTS

Collateral are required for investments in certificates of deposit, repurchase agreements and reverse repurchase agreements. In order to reduce market risk, the collateral level will be at least 110% of market value of principal and accrued interest.

In order to conform with the provisions of the Federal Bankruptcy Code, which provides for liquidation of securities held as collateral, the only securities acceptable as collateral shall be certificates of deposit, commercial paper, eligible banker's acceptances, medium term notes or securities that are the direct obligation of, or are fully guaranteed as to principal and interest by, the United States or any agency of the United States.

#### AUTHORIZED INVESTMENT

The City is governed by the Government Code, Section 53600 et seq. The temporarily idle funds of the City of Compton shall only be invested in securities and diversified within the context of these limitations. The following investments are authorized, as further limited herein:

1. United States Treasury Bills, Notes and Bonds, or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no limitation as to the percentage of the City's surplus funds which can be invested. The maximum maturity length shall not exceed 5 years.
2. Obligations issued by the Government National Mortgage Association (GNMA), the Federal Farm Credit Bank System (FFCB), the Federal Home Bank Board (FHLB), and the Federal National Mortgage Association (FNMA) and those insured by the Federal Housing Administration (FHA). Although there is no percentage limitation on these issues, the "prudent investor" rule shall apply for a single agency name, as U.S. Government backing is implied rather than guaranteed. The maximum maturity length shall not exceed 5 years. Investments detailed in items 3 through 10 are further restricted to percentage of the cost value of the portfolio in any one issuer to a maximum of 15%. The total value invested in any one issuer shall not exceed 5% of the issuers net worth. Again, a five year maximum maturity limitation is applicable unless further restricted by this policy

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Section:	6	INVESTMENT POLICIES
Policy:	6.3	Investment Policy 2004-2005 (Adopted Resolution 21,425)

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3. Bill of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as banker's acceptance. Banker's acceptances purchased may not exceed 180 days maturity or 40% of the City's temporarily idle funds.
4. Commercial paper ranked "P1" by Moody's Investor Services and "A1+" by Standard and Poor's, and issued by a domestic corporation having assets in excess of \$500,000,000 and having an "AA" or better rating on its long term debentures as provided by Moody's or Standard and Poor's. Purchase of eligible commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper of an issuing corporation. Purchase of commercial paper may not exceed 15% of the City's surplus funds.
5. Negotiable certificates of deposit issued by a Nationally or State-Chartered Bank or a State or Federal Savings and Loan Association. Purchase of negotiable certificates of deposit may not exceed 30% of total portfolio. A maturity limitation of five years is applicable.
6. Repurchase agreements. The City may invest in repurchase agreements with banks and dealers with which the City has entered into a master repurchase contract that specifies terms and conditions of repurchase agreements. The maturity of repurchase agreements shall not exceed 90 days and when the underlying securities are United States Treasurers or Agencies and that the market collateral equals 102% of the repurchase agreement amount including accrued interest, and the maximum maturity length of that collateral does not exceed 5 years. The only securities acceptable as collateral shall be eligible negotiable certificates of deposits, eligible banker's acceptances, or securities that are direct obligation of, or that are fully guaranteed as to principal and interest by, the United States or any agency of the United States.
7. Reverse repurchase agreements that specify terms and conditions may be transacted with broker dealers and financial institutions, but can not exceed 20% of the portfolio value on the date entered into. The City may enter into reverse repurchase agreements which may not exceed 90 days.
8. Local Agency Investment Fund. The City may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum permitted by State law.
9. Time Deposit. The City may invest in non-negotiable time deposits collateralized in accordance with the California Government Code, in those banks and savings and loan associations that meet the requirements for investment in negotiable certificates of deposit. Since time deposits are not liquid, no more that 25% of the temporarily idle fund may be invested in this category.

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Section:	6	INVESTMENT POLICIES
Policy:	6.3	Investment Policy 2004-2005 (Adopted Resolution 21,425)

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10. Medium Term Corporate Notes, with a maximum maturity of five years, may be purchased. Securities eligible for investment shall be rated AA or better by Moody's or Standard & Poor's rating services. Purchase of medium term notes may not exceed 30% of the market value of the portfolio and not more than 15% of the market value of the portfolio may be invested in notes issued by one corporation. Commercial paper holdings should also be included when calculating the 15% limitation.

11. Ineligible investments. Investments not described herein, including, but not limited to common stocks are prohibited from the use in this fund.

#### QUALIFIED DEALERS AND INSTITUTION

The City shall transact business only with banks, savings and loans and registered investment dealers. The purchase by the City of any Investment other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporations Code, who is a member of the National Association of Securities Dealers, or a member of a Federally regulated securities exchange, a National or State-Chartered Bank, A Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank.

The City Treasurer's staff shall investigate all institutions that wish to do business with the City, in order to determine if they are adequately capitalized, make markets in securities appropriate to the City's needs, and agree to abide by the conditions set forth in the City of Compton's Investment Policy. This will be done by having the Financial Institutions complete and return the appropriate questionnaire.

#### COMPETITIVE BIDDING

It is the policy of the City to require competitive bidding for government agencies and securities for transactions that are not classified as "new issues" securities. For the purchase of no "new issue" securities and the sale of all securities at least three bidders must be contacted.

#### APPROVED LIST

No purchase or sale of investments is to be made with a dealer or broker unless the firm's name has been approved by the City Treasurer and adopted by resolution by the City's Legislative Body.

#### SAFEKEEPING OF SECURITIES

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Section:	6	INVESTMENT POLICIES
Policy:	6.3	Investment Policy 2004-2005 (Adopted Resolution 21,425)

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To protect against potential losses caused by collapse of individual securities dealers, all securities owned by the City except securities used as collateral repurchased agreements, shall be kept in safekeeping with "perfect interest" by a third party bank trust department, acting as agent for the City under the terms of a custody agreement executed by the bank and by the City. All securities will be received and delivered using standard delivery-vs.-payment procedures.

#### INVESTMENT REPORTING AND MONTHLY REPORT

The Treasurer shall render a monthly report to the City Council showing the type of investment, institution, date of maturity, par value of investment, cost basis of investment, current market value change of all securities, rate of interest, interest earned, gains and losses and such data as may be required by the City Council. The report shall also detail all repurchase agreements, and shall state its relationship to this Statement of Investment Policy as directed under the Code and will be in compliance with GASB #31.

#### PERFORMANCE MEASUREMENTS OF PORTFOLIO

The City Treasurer shall include in the monthly report of investment activity performance measurements comparing the current month's yield with the three month average Treasury Bill.

#### INVESTMENT CONTROLS

The City Treasurer has developed a system of internal investment controls and a segregation of responsibilities of investment functions. These controls are designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, or imprudent actions by employees and officers of the Treasurer's staff.

#### ETHICS AND CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

#### LEGISLATIVE CHANGES

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

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Section:	6	INVESTMENT POLICIES
Policy:	6.3	Investment Policy 2004-2005 (Adopted Resolution 21,425)

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#### DELEGATION OF AUTHORITY

In the absence of the City Treasurer, the authority to execute investment transactions affecting the City's temporarily idle funds will be restricted to the Chief Deputy Treasurer and the Deputy Treasurer.

#### LIMITING MARKET VALUE EROSION

The longer the maturity of securities, the greater their market price volatility. Therefore, it is the general policy of the City to limit the potential effects from erosion in market values by adhering to the following guidelines:

1. All immediate and anticipated liquidity requirements will be addressed prior to purchasing all investment.
2. Maturity dates for long-term investment will coincide with significant cash flow requirements where possible, to assist with short term cash requirements at maturity.
3. All long-term securities will be purchased with the intent to hold all investments to maturity under then prevailing economic conditions. However, economic or market conditions may change, making it in the City's best interest to sell or trade a security prior to maturity.

#### POLICY REVIEW

This Investment Policy shall be reviewed at least annually 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, and to meet the needs of the City of Compton. Any amendments to the policy shall be forward to City Council for approval.

The City strives to maintain the level of investment of all surplus funds as near 100% as possible, through daily and projected cash flow determinations. The basic premise underlying the City's investment philosophy is, and will continue to be, to insure that money is always safe and available when needed.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON RESOLVES AS FOLLOWS:

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Section:	6	INVESTMENT POLICIES
Policy:	6.3	Investment Policy 2004-2005 (Adopted Resolution 21,425)

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That an annual statement of investment policy for the City of Compton has been filed by the City Treasurer for fiscal year 2004-2005 in compliance with Section 5346 (A) of the Government Code of the State of California.

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Section:	7	APPROPRIATIONS
Policy:	7.1	Appropriations

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## **7 APPROPRIATIONS**

### **7.1 Appropriations**

#### **7.1.1 General**

1. Appropriations are the legal spending authority for the City of Compton. The City Controller's Office has the administrative responsibility for managing the appropriation process.



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Section:	7	APPROPRIATIONS
Policy:	7.2	Appropriation Authority

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## **7.2 Appropriation Authority**

### **7.2.1 Policy Reference**

1. The City Controller shall ... supervise and be responsible for the disbursement of all monies and have control over all expenditures to insure that budget appropriations are not exceeded (Charter Sec. 708).
2. The City Controller shall maintain a budget record reflecting at all times the unencumbered appropriation account balances and encumbrances as shown by unfilled outstanding purchase orders (Compton Municipal Code 4-11.3).

### **7.2.2 Financial Policy**

1. Appropriations are the legal spending authority for City Departments to incur expenditures. Basic appropriation authority is established by the City Council through the adoption of the annual Combined Budget Resolution and related legislation.

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Section:	7	APPROPRIATIONS
Policy:	7.3	Legal Level of Control

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## **7.3 Legal Level of Control**

### **7.3.1 Policy Reference**

1. The City Council of the City of Compton does hereby resolve ... that the City Manager may transfer appropriations from the proposed General Fund contingency within the departments with the adopted budget. A quarterly report shall be made by the City Manager describing each transfer and the reason therefore (Resolution No. 21,619).
2. The City Council of the City of Compton does hereby resolve ... that the City Manager may transfer funds within, but not between, each of the budgeted departments as required to achieve the purpose of said departments. A quarterly report shall be made by the City Manager describing each transfer and the reason therefore (Resolution No. 21,619).
3. At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the affirmative votes of at least four members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget (Charter Sec. 1408).
4. That the City Manager may transfer budgeted amounts from one object to another object if they are within the same fund group, by no more than \$5,000 per object. A budgetary transfer of more than \$5,000 per object may only be authorized by a resolution of City Council (Resolution No. 21,925).
5. That administrative accounting for budgetary transfers is performed by the City Controller. All such transfers shall be reported to City Council on a monthly basis in a report prepared by the City Controller (Resolution No. 21,925).

### **7.3.2 Financial Policy**

1. Funds that are restricted by law or contract to a particular use shall be reserved for the specified use, shall be encumbered to that use, and shall be appropriated to the proper department or departments that are responsible for the specified use. Such encumbered funds shall not be reassigned for any use other than what is proscribed by law or contract for said fund. Such encumbered funds may be appropriated between departments by action of the City Council if such action is within the proscribed limits of law and contract for said fund.

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Section:	7	APPROPRIATIONS
Policy:	7.3	Legal Level of Control

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### 7.3.3 Procedures

1. The City Manager may transfer budgeted amounts from one object to another object if they are within the same fund group, and by no more than \$5,000 per object per fiscal year. This allows the City Manager to transfer up to \$5,000 from one object to another within the same fund group, without requiring City Council adoption by resolution. Budget transfers procedurally follow these guidelines:
  - a. Budgeted amounts transferred from one object to another object within the same classification, department, and fund require Department Head approval.
  - b. Budgeted amounts transferred from one object to another object within the same department and fund, but within a different classification require City Manager approval if for an amount less than \$5,000 per object per fiscal year. If the amount is greater than \$5,000 then City Council adoption by resolution is required for approval.
  - c. Budgeted amounts transferred from one object to another object within the same fund, but within a different classification and department require City Manager approval if for an amount less than \$5,000 per object per fiscal year. If the amount is greater than \$5,000 then City Council adoption by resolution is required for approval.
  - d. Budgeted amounts transferred from one object to another object within a different fund require City Council adoption by resolution.
  - e. Accounting for any transfer of funds is performed by the Controller's Office. All such transfers shall be reported to City Council on a monthly basis in a report prepared by the Controller's office.

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Section:	7	APPROPRIATIONS
Policy:	7.4	Budget Control

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## **7.4 Budget Control**

### **7.4.1 Policy Reference**

1. From the effective date of the budget, the several amounts stated therein as proposed expenditures shall be and become appropriated to the several departments, offices and agencies for the respective objects and purposes therein named. All appropriations shall lapse at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered (Charter Sec. 1408).

### **7.4.2 Financial Policy**

1. Once the City Controller has assigned appropriations as specified in the City Council's adopted Combined Budget Resolution, supplemental appropriations shall only be assigned by the City Controller as directed in subsequent resolutions of the City Council.

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Section:	7	APPROPRIATIONS
Policy:	7.5	Lapse in Budget

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## **7.5 Lapse in Budget**

### **7.5.1 Financial Policy**

1. In the event City Council has not adopted a Combined Budget Resolution prior to the beginning of a new fiscal year, the City will continue to operate and meet those obligations necessary to maintain existing services as prioritized by the City Manager. In this event, and at the direction of the City Manager, the City Controller will temporarily appropriate funds necessary for each department. Upon City Council adoption of a Combined Budget Resolution, the City Controller will adjust the temporary appropriations so that they match the appropriations adopted by City Council in the adopted Combined Budget Resolution.

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Section:	8	EXPENDITURES
Policy:	8.1	Expenditures

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## **8 EXPENDITURES**

### **8.1 Expenditures**

#### **8.1.1 General**

1. Expenditures are the budgeted and approved uses of appropriations for City Departments. Expenditures assign spending authority to the continuing operations of the City, to the maintenance of capital assets, and to the investment in capital projects. The City Controller's Office has the administrative responsibility for managing the expenditure process.

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Section:	8	EXPENDITURES
Policy:	8.2	Expenditure Authority

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## **8.2 Expenditure Authority**

### **8.2.1 Policy Reference**

1. The City Controller shall ... supervise and be responsible for the disbursement of all monies and have control over all expenditures to insure that budget appropriations are not exceeded (Charter Sec. 708).

### **8.2.2 Financial Policy**

1. Expenditures are the budgeted and approved uses of appropriations for City Departments. Basic expenditure authority is established by the City Council through the adoption of the annual Combined Budget Resolution and related legislation.

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Section:	9	PURCHASING POLICY
Policy:	9.1	Purchasing

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## **9 PURCHASING POLICY**

### **9.1 *Purchasing***

#### **9.1.1 General**

1. Purchasing is the process of procuring goods and services to support City operations and capital projects.



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Section:	9	PURCHASING POLICY
Policy:	9.2	Purchasing Authority

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## **9.2 *Purchasing Authority***

### **9.2.1 Policy Reference**

1. All purchases made on behalf of the City shall be by purchase order only issued by the City Manager (Compton Municipal Code 4-11.1).
2. No purchase order shall be issued by the City Manager except upon a requisition upon which the City Controller shall endorse that there exists an unencumbered appropriation in the fund account against which such purchase is to be charged (Compton Municipal Code 4-11.2)

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Section:	9	PURCHASING POLICY
Policy:	9.3	Competitive Bidding

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## **9.3 Competitive Bidding**

### **9.3.1 Policy Reference**

1. Before making purchases of, or contracts for, supplies, materials or equipment, ample opportunity shall be given for competitive bidding, under such rules and regulations and with such exceptions as the City Council may prescribe in the ordinance setting up such rules and regulations. When making purchases for the City, local merchants shall be given the preference, quality and prices being equal (Charter Sec. 1411).
2. In all cases where the purchase or contract amount exceeds five thousand (\$5000.00) dollars, the provisions of subsections 4-11.8 [regarding Lowest Responsible Bidder] and 4-11.9 [regarding Certificates of Nondiscrimination] shall apply. The performance of any contract for an amount in excess of five thousand (\$5000.00) dollars shall be subject to the penalties set forth in subsections 4-11.10 and 4-11.11 (Compton Municipal Code 4-11.4).

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Section:	9	PURCHASING POLICY
Policy:	9.4	Purchasing Validation

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## **9.4 Purchasing Validation**

### **9.4.1 Financial Policy**

1. Purchase requisitions shall only be approved if they utilize budgeted appropriations and are for the purpose of fulfilling in part or in whole budgeted expenditures.
2. Purchase orders shall only be created upon validation of an approved purchase requisition.
3. Purchase orders shall only be approved if they have gone through the bidding process, where required by law.

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Section:	9	PURCHASING POLICY
Policy:	9.5	City Council Purchase Order Adoption by Resolution

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## **9.5 City Council Purchase Order Adoption by Resolution**

### **9.5.1 Policy Reference**

1. That purchase orders in the amount of \$25,000 or more will be submitted to City Council by resolution prior to being executed. Purchase orders do not require adoption by resolution if they are (Resolution No. 21,925):
  - a. For an amount less than \$25,000
  - b. Properly approved by the City Manager and/or other required staff
  - c. Applied to an existing appropriation, and
  - d. Fulfill in whole or in part a budgeted expenditure as adopted by City Council in the Combined Budget Resolution for the current fiscal year
  
2. That when faced with an emergency situation, the City Manager may authorize a purchase order of up to \$75,000, without first having City Council adoption by resolution, if the purchase order is of urgent necessity for the preservation of life, health or property. At the next available opportunity, the emergency purchase order will go through the normal approval process for purchase orders (Resolution No. 21,925).
  
3. That the following purchase order procedures are now in effect (Resolution No. 21,925):
  - a. Purchase Orders for the same vendor, for the acquisition of related goods/services, and occurring in the same fiscal year shall be treated as one combined Purchase Order for purposes of determining if the \$25,000 threshold is met.
  - b. A new addition to an existing Purchase Order shall be combined with the original Purchase Order and any previous additions to the Purchase Order for purposes of determining if the \$25,000 threshold is met.
  - c. Purchase Orders will not be split in order to avoid the \$25,000 threshold, including splits near the cutoff between fiscal years.
  - d. A list of all Purchase Orders and Purchase Order additions over \$5,000 issued during the previous month will be provided to City Council on a monthly basis.

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Section:	9	PURCHASING POLICY
Policy:	9.6	City Council Work Change Order Adoption by Resolution

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## **9.6 City Council Work Change Order Adoption by Resolution**

### **9.6.1 Policy Reference**

1. That work change orders on capital projects that are within the limits of California Public Contract Code Section 20455 (a) and (b) do not require City Council Adoption by resolution. Work change orders using this section must be approved by the City Manager, in addition to any other required approval. If in total the work change orders on a single City project exceed \$25,000 in the same fiscal year, then the City Manager shall explain the work change orders at the next City Council meeting as an agenda item (Resolution No. 21,925).
2. California Public Contract Code, under Part 3 “Contracting by Local Agencies” states the following:
  - a. 20455. (a) After construction has begun, the legislative body, or the superintendent of streets if authorized by the legislative body, may order changes in the work without the necessity of a hearing. The order shall be in writing, and the amount of any change ordered shall not exceed five thousand dollars (\$5,000) when the total amount of the original contract does not exceed fifty thousand dollars (\$50,000), nor 10 percent of the amount of any original contract that exceeds fifty thousand dollars (\$50,000), but does not exceed two hundred fifty thousand dollars (\$250,000).
  - b. (b) For contracts whose original cost exceeds two hundred fifty thousand dollars (\$250,000), the extra cost for any change or addition to the work so ordered shall not exceed twenty-five thousand dollars (\$25,000), plus 5 percent of the amount of the original contract costs in excess of two hundred fifty thousand dollars (\$250,000). In no event shall any such change or alteration exceed one hundred fifty thousand dollars (\$150,000).
  - c. (c) The limitations on the cost of changes permitted by this section shall not apply where (1) the change is requested in writing by the owner of property subject to assessment for the improvement under construction and the nature of the change requested is such that the cost thereof will be assessed exclusively against the property of the person requesting the change, or (2) the change in the work will not adversely affect the benefiting property and any increase in the cost resulting from the changes will be paid by the city and will not be assessed against the property within the assessment district.

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Section:	9	PURCHASING POLICY
Policy:	9.6	City Council Work Change Order Adoption by Resolution

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### **9.6.2 Financial Policy**

1. Work change orders should be reflected within the CIP and any budget amendments should be proposed to City Council, as necessary. Work change orders should go through the normal purchasing process if appropriate.

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Section:	9	PURCHASING POLICY
Policy:	9.7	Timely Payments

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## **9.7 *Timely Payments***

### **9.7.1 Financial Policy**

1. It is the intention of the City that payments will be made on time so that the City does not incur penalties or jeopardize vendor relationships.

### **9.7.2 Procedures**

1. Payments will be scheduled and disbursed to take advantage of any cost savings opportunities in vendor invoices and to avoid any payment penalties, when possible.
2. Any late payment penalties incurred by the City will be reported to the City Manager on a monthly basis.

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Section:	9	PURCHASING POLICY
Policy:	9.8	Petty cash

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## **9.8 *Petty cash***

### **9.8.1 Policy Reference**

1. The City Council may provide for revolving petty cash funds, to be paid to the City Manager or department heads and used for payment in cash of expenditures provided for in the budgets that can not conveniently be paid otherwise. The City Manager [or] such other department heads shall account to the City Council for all disbursements made therefrom when making demand for replenishment of the same and at such other times as the Council may require and the amounts of such disbursements shall thereupon be charged against the proper appropriations (Charter Sec. 1415).
2. In practice, the City Controller's office verifies appropriateness and signs all petty cash requests

### **9.8.2 Financial Policy**

1. Petty cash shall be issued by the City Treasurer only to appropriate department heads or their designated employees, and shall be limited to one hundred (\$100) dollars per receipt. A receipt amount in excess of one hundred (\$100) dollars requires that the normal Purchasing procedures are followed.

### **9.8.3 Procedures**

1. Petty cash requests may be made upon the City Treasurer between the hours of 1:00pm and 5:30pm Monday through Thursday and require a valid receipt.



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Section:	9	PURCHASING POLICY
Policy:	9.9	Payment Process

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## **9.9 Payment Process**

### **9.9.1 Procedures**

1. Receipt of Invoices
  - a. Invoices should be sent from the vendor directly to the requesting department so that the invoice and any related receipts can be verified. Invoices sent from the vendor to the Controller's office will be delayed by the time it takes the Controller's Office to sort through the mail and inter-office the invoice back to the requesting department.
2. Department Verification of Invoice
  - a. Each department is responsible for verification of invoices for payment, including the following:
    - i. Comparison of quantities billed on the invoice with quantities listed on the purchase order and shown on receiving documents.
    - ii. Comparison of prices, discounts, and terms with those specified on the purchase order.
    - iii. Proof of clerical accuracy of the invoice with respect to extensions, footings, and deduction of discounts.
3. Submitting Invoices for Payment with Purchase Order
  - a. Once the responsible department determines that the invoice is correct, they may submit it to the Controller's office for payment. The original invoice must be attached to the approved Purchase Order. The department manager, or their designee, must sign the Purchase Order to certify that the invoice has been reviewed and is correct.
4. Invoicing for Partial Payments on Open Purchase Orders
  - a. In many cases a Purchase Order will remain open or will not be paid in full. As before, the original Purchase Order must be signed and submitted along with the first vendor invoice. The Controller's Office will retain the original Purchase Order on file. For all subsequent invoices, a Partial Payment Form must be completed and attached to the invoice. The corresponding Purchase Order number must be filled in the space provided in the Partial Payment Form. The department manager must sign the Partial Payment Form to certify that the invoice has been reviewed and is correct.
  - b. If a Purchase Order has a remaining open balance that should be closed during the submission of a final invoice, then the Partial Payment Form should specify that it the Final Payment and that the Purchase Order should be closed. This will remove any remaining and current encumbrance.

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Section:	9	PURCHASING POLICY
Policy:	9.9	Payment Process

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#### 5. Original Invoice

- a. In all cases the original vendor invoice should be submitted for payment. It is important to use only original invoices so that duplicate payments are not made. If an original invoice is not available and a copy of an invoice must be used, then the Department Director, Deputy Director, or Supervisor must mark on the invoice copy, "Accept as original – original lost, not received, or misplaced." Note that a vendor statement is a listing of outstanding invoices and is never used to process payments.

#### 6. Controller's Office Review

- a. The Accounts Payable section of the Controller's Office will compare all of the documents that relate to the payment, which can include: Invoice, Purchase Order, Partial Payment Form, Purchase Requisition and/or City Council Resolution. They will verify that the invoice is to the correct vendor, and is for an amount and purpose that is supported by the Purchase Order. Once all of the documents are received and verified, the invoice payment will be included in the next check run.
- b. If during their review, Accounts Payable personnel notice a minor problem, such as a misspelled or incomplete name, address, invoice number, purchase order number or account number, then they will communicate with the responsible department by telephone or E-mail in an attempt to get the problem resolved. Accounts Payable personnel will attempt to get the problems corrected in a timely manner so that the request is not delayed until the following payment cycle.
- c. If there is a more significant problem, such as the lack of an attached and signed Purchase Order or Partial Payment Form, or if the invoice does not agree to these documents, then the documents will be returned to the responsible department with an explanation of the problem and proposed corrective action.

#### 7. Check Run Guidelines

- a. Checks are printed every Tuesday Afternoon, unless subject to change because of Holidays. To have a payment included in a Tuesday check run, the documents submitted to the Controller's Office must meet the following guidelines:
  - i. Contain the original invoice, or a copy marked as, "Accept as original – original lost, not received, or misplaced" by the Department Director, Deputy Director, or Supervisor.
  - ii. Contain a completed and signed original Purchase Order and/or Partial Payment Form.
  - iii. The invoice must agree to the price and terms of the Purchase Order just submitted to, or retained on file with, the Controller's Office.

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Section:	9	PURCHASING POLICY
Policy:	9.9	Payment Process

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- iv. Be received by the Controller's Office by 12:00 noon on Monday, the week before the check run. In other words, if an invoice is received before noon this Monday, it should be included in next week's check run. Refer to Emergency Check Run section below for exceptions.
    - b. If any of the above four guidelines are not met, then the payment will not make the next Tuesday check run.
- 8. Check Signatures
  - a. After the check has been printed, it must obtain three signatures to be valid: the City Controller, City Manager, and City Treasurer. The City Controller signs all checks after the Tuesday check run, and takes them to the City Manager's office on Wednesdays. The City Manager must then sign all of the checks and take them to the City Treasurer. Then City Treasurer must then sign all of the checks.
- 9. Check Delivery / Pickup
  - a. After the City Treasurer signs the checks, they are stuffed in envelopes and taken to the City Clerk's office. The City Clerk meters the envelopes and walks them over to the Post Office. In cases where a check is needed immediately or needs to be dropped off in person instead of mailed, the responsible Department Director, Deputy Director, or Supervisor may pick up the signed Check from the City Treasurer if Treasury feels it is appropriate. A receipt showing the released check number(s) must be created by Treasury, signed by the individual picking up the check, and attached to the payment package. Treasury must separate all Payment Package documents from the physical check (including the Purchase Order, Invoice, and pickup receipt) and retain them until they are sent back to the Controller's Office.
  - b. Departments should have no interaction with physical checks unless:
    - i. The City Treasurer releases it to them; or
    - ii. It is an Emergency Check signed by the City Controller
  - c. Checks are not to be held by the City Treasurer to make a determination as to which vendor should or should not be paid.
- 10. Emergency Check Run
  - a. Situations of urgency may arise wherein it is necessary for Accounts Payable to drop other responsibilities while preparing an emergency check run. It is expected that the normal payment process will be followed 99% of the time. At least one of the following conditions must be applicable in order for an emergency check run to be approved:
    - i. Supplies/services are needed for immediate use and are vital to the public's health, safety & welfare

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- ii. A breakdown or shut-off of essential service(s) is imminent and can only be averted by an emergency check run
  - iii. Work stoppage or idle time will occur if a check is not immediately issued
  - iv. Late fees will be assessed against the City and will be unavoidable unless an emergency check is issued
  - v. Court ordered or settlement claims of an urgent nature must be paid
  - vi. City of Compton bank accounts require immediate replenishment
  - vii. A City of Compton real estate purchase requires an immediate payment
  - viii. Any other urgent need that the City Manager deems appropriate and necessary to the City's operations
- b. If an emergency does arise, then the Emergency Warrant Request form may be filled out and given to the Controller's Office. The Emergency Warrant Request form must contain:
- i. An explanation of the emergency
  - ii. Attached original invoice, invoice copy, or relevant backup
  - iii. Signature of the Department Director or Deputy Director
  - iv. Signature of the City Manager
- c. The emergency check will be printed within 48 hours, or 2 working days, and will be signed by the City Controller. The check will not be printed sooner unless it is a matter of health, life, or natural disaster. The emergency check will still require the signature of the City Manager and City Treasurer, but may be "walked through" by the City Controller or Department Director or Deputy Director.

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Section:	9	PURCHASING POLICY
Policy:	9.10	Employee vs. Independent Contractor Relationship

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## **9.10 Employee vs. Independent Contractor Relationship**

### **9.10.1 Financial Policy**

1. Paying an individual as an independent contractor when an employer/employee relationship exists is a violation of Internal Revenue Service regulations and subjects the City to penalties for nonpayment of appropriate payroll taxes. Each department will regularly determine if any contractors under its supervision meet criteria to be treated as an employee. If one or more contractors do meet criteria to be treated as an employee, then the affected department will immediately contact the Personnel department to determine appropriate action.

### **9.10.2 Procedures**

1. Department Directors or Deputy Directors will determine at least once every 6 months if any contractors hired by their department meet criteria to be treated as an employee.
2. Many situations require judgment to determine if an employer/employee relationship exists. Refer to the “Factors Determining Employee vs. Independent Contractor” section below to assist with this process.
3. If it is found that an employer/employee relationship may exist, the Director or Deputy Director must immediately contact the Personnel department to determine an appropriate course of action.

### **9.10.3 Factors Determining Employee vs. Independent Contractor**

1. Determining if an individual is an employee or independent contract can be difficult. The IRS looks at factors in three broad areas: behavior control, financial control, and type of relationship between the worker and the business. Key factors that help decide which type of relation exists are provided below. In many cases, no single factor will determine the type of relationship and all factors must be considered.
2. Behavior Control – Does the business have the right to control where, when and how the individual works?
  - a. Example 1
    - i. Employee: must work where and when the business tells the worker
    - ii. Independent Contractors: usually able to perform services where and when the worker chooses and may work for more than one client at a time.
  - b. Example 2

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Policy:	9.10	Employee vs. Independent Contractor Relationship

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- i. Employee: work hours are generally set by the business.
    - ii. Independent Contractor: generally sets own work hours.
  - c. Example 3
    - i. Employee: may be given written or oral instructions on how to do the work.
    - ii. Independent Contractor: decides how to do the work.
  - d. Example 4
    - i. Employee: may receive training from the business.
    - ii. Independent Contractor: received training from sources independent of the business.
- 3. Financial Control – Does the business have the right to control the business aspects of the worker’s job?
  - a. Example 1
    - i. Employee: offers services solely to the employer.
    - ii. Independent Contractor: offers services to the general public.
  - b. Example 2
    - i. Employee: business pays the individual’s business expenses and provides the necessary equipment to perform the job.
    - ii. Independent Contractor: pays own business expenses and uses own equipment to perform the job.
  - c. Example 3
    - i. Employee: pay is based on the amount of time spent performing the job.
    - ii. Independent Contractor: pay is usually based on the overall job.
- 4. Type of Relationship - What is the nature of the relationship between the business and the worker?
  - a. Example 1
    - i. Employee: has an intended, continuing relationship with the business.
    - ii. Independent Contractor: relationship is based on a specific project or time period.
  - b. Example 2
    - i. Employee: can typically be discharged by the business any time.
    - ii. Independent Contractor: relationship with the business can only be terminated according to the terms of an agreement or contract.
  - c. Example 3
    - i. Employee: provides services that are integral to the business.
    - ii. Independent Contractor: provides services that require a special skill and are not tied to the over operation of the business.

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Section:	9	PURCHASING POLICY
Policy:	9.11	Stale-Dated Checks

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## **9.11 Stale-Dated Checks**

### **9.11.1 Financial Policy**

1. The purpose of this policy is to describe the stale-dating check procedures for general account and payroll checks. A stale dated check is a check that, in the City's determination, has expired and should no longer have the authority to be a valid warrant issued on the City. Note that being stale dated, in and of itself alone, is not sufficient to prevent a check from being deposited unless further action is taken on the part of the City.
2. California Commercial Code Section 4404 states that, "A bank is under no obligation to a customer having a checking account to pay a check, other than a certified check, which is presented more than six months after its date, but it may charge its customer's account for a payment made thereafter in good faith." This is understood to mean that although a bank may not honor a check that is over 180 days old, it may honor a check that is over 180 days old at its own discretion. Therefore, to ensure that a check more than 180 days old can not be deposited, it will be voided through a stop-payment issued on the bank on which the check is drawn. The cash will then be held in a cash suspense account until the check is reissued or the monies are escheated after a three year holding period and public notice (see escheatment policy).

### **9.11.2 Procedures**

1. Physical checks are marked as follows:
  - a. Checks issued on Bank of the West have written on them that they are void after 60 days. Bank of the West checks are used to make payment on invoices from valid Purchase Orders.
  - b. Checks issued on Wells Fargo have written on them that they are void after 180 days. Wells Fargo checks are used to make City payroll payments.
2. Regardless of how physical checks are marked, they will be treated as stale-dated by the Controller's Office when they are over 180 days old. The number of days old is derived from the number of calendar days that have passed since the date printed on the check. The date printed on the check is the date the check itself was printed, and is not necessarily the date the check was signed and mailed.
3. The Controller's Office reviews the outstanding check registers at least once a month. The Controller Office attempts to contact payees when outstanding checks are more than 90 days old. Contacted payees are encouraged to deposit the checks. If the payee claims that a check has been lost or not received, then a

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Section: 9 PURCHASING POLICY

Policy: 9.11 Stale-Dated Checks

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stop-payment, void, and re-issue are performed as appropriate. Checks that are found to be more than 180 days old during the review of the check registers are considered stale-dated.

4. When a check is considered stale-dated, action is taken to void the check. The appropriate bank is contacted and a stop-payment order is issued. If the bank cannot issue the stop-payment because the check has been deposited, then no additional procedures are required. If the bank confirms the stop-payment, then the check is considered void. If voided checks come into the possession of the City, then they will be marked as VOID if they have not already been so marked.
5. Stale-dated checks that are considered void are voided in the Accounts Payable system. From an accounting perspective, voiding the check returns the cash to the fund it was drawn upon and reinstates the liability. A manual accounting entry is then prepared to move the cash from the issuing fund to a cash suspense account. A record is kept for the cash suspense account of the Payee, the amount owed, the date of the original check, and the issuing department
6. When a state-dated check that has been voided needs to be reissued, the reissued check will credit the amount in the cash suspense account and debit the liability. The record of the amount held in the cash suspense account is updated with “Reissued as check # \_\_\_\_\_ to Payee \_\_\_\_\_.”
7. Monies held in the cash suspense account that are neither claimed nor reissued set in the cash suspense account for approximately 30 months, depending on the date of the original check. The cash suspense account is reviewed at least once per year to determine amounts eligible to follow the escheatment policy.



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Section:	9	PURCHASING POLICY
Policy:	9.12	Unclaimed Funds (and Escheatment)

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## **9.12 Unclaimed Funds (and Escheatment)**

### **9.12.1 Financial Policy**

1. The purpose of this policy and procedure is to establish guidelines for processing unclaimed monies. California Government Code Section 50050, et. Seq. provides that unclaimed funds which remain in the treasury or in the custody of the officers of a local agency for three (3) years, become the property of the agency after notice if not claimed or if no verified complaint is filed and served. There are certain funds that the agency is not allowed to escheat to the general fund, such as those paid out of grants or those for restitution to victims.
2. It is the policy of the City of Compton to publish a notice of unclaimed monies, after the three-year period, for individual items of \$15 or more. The Controller's Office will submit a report to the legislative body at least annually to obtain authorization to transfer unclaimed monies qualifying for escheatment to the General Fund revenue account group.

### **9.12.2 Procedures**

1. Individual items of less than fifteen dollars (\$15), or any amount if the depositor's name is unknown, which remained unclaimed in the Treasury or in the custody of the City for the period of one year may be transferred to the General Fund by the legislative body without the necessity of publication of a notice in a newspaper.
2. Individual items \$15.00 or more, when the depositor's name is known, must be published at any time after the expiration of a three-year period, once a week for two consecutive weeks in a newspaper of general circulation, as notification that the money will become the property of the City after a designated date if left unclaimed. The designated date must not be for less than forty-five days or more than sixty days after the first publication of the notice. The notice shall state the amount of the money, and the fund in which it is held.
3. A party of interest may file a claim with the treasurer before the designated date the unclaimed money becomes the property of the Agency. The claim must include the claimant's name, address, amount of claim, the grounds on which the claim is founded and any other information that may be required by the City. The treasurer shall accept or reject the claim.
4. If the claim is rejected by the treasurer, the party who submitted the claim may file a verified complaint seeking to recover all, or a designated part, of the money in a court of competent jurisdiction within the county in which the notice is

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Section:	9	PURCHASING POLICY
Policy:	9.12	Unclaimed Funds (and Escheatment)

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published, and serves a copy of the complaint and the summons issued thereon upon the treasurer. The copy of the complaint and summons shall be served within 30 days of receiving notice that the claim was rejected. The treasurer shall withhold the release of the portion of unclaimed money for which a court action has been filed as provided in this section until a decision is rendered by the court.

5. If a claim is accepted or court ordered, a new check will be issued by the Controller's Office in the approved or ordered amount to the claimant. All original supporting documents and claim forms shall be attached to the check backup and filed with the Controller's Office. The new check will be included on the next warrant run and posted to the stale-dated account.
6. Escheatment to the General Fund will occur if a verified claim is not filed by the designated date. The designated date must not be for less than forty-five or more than sixty days after the first publication of the notice.
7. The legislative body will be provided with a list of checks qualifying for escheatment, by resolution, at least once per year. Upon approval of the resolution, the Controller's Office will prepare a journal voucher to transfer funds to the General Fund from the escheated funds.
8. At least one of the following notations shall be made on all back-up:
  - a. Unclaimed Monies- "Published on \_\_\_\_\_ by \_\_\_\_\_. Escheated to the general fund per Resolution No. \_\_\_\_\_ dated \_\_\_\_\_."
  - b. Approved or court ordered Claimed Monies requests shall:
    - i. Include attachment of original backup and claim form to the re-issued check.
    - ii. Void back up- "This check was voided for the following reason \_\_\_\_\_ - see reissue Check No. \_\_\_\_\_."
    - iii. Re-Write – "This is a re-issue of the Check No. \_\_\_\_\_ which was voided for the following reason \_\_\_\_\_."

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Section:	10	REVENUE POLICIES
Policy:	10.1	Revenues

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## **10 REVENUE POLICIES**

### **10.1 Revenues**

#### **10.1.1 General**

1. Revenue is the actual amount of resource available to the City and its residents to support City services, maintenance, and improvement. The City of Compton will make every attempt to safeguard its existing revenue sources while seeking to grow new sources of revenue.

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Section:	10	REVENUE POLICIES
Policy:	10.2	Accepting New Grant Funding

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## **10.2 Accepting New Grant Funding**

### **10.2.1 Financial Policy**

1. The City of Compton will proactively seek out new sources of Grant and other similar funding to support the City development priorities. The City will only accept new grants or other similar funding through City Council adoption by resolution.

### **10.2.2 Procedures**

1. Grants and other similar funding sources will be analyzed by the requesting department to determine:
  - a. If the intended use is beneficial to the City of Compton
  - b. If there will be any reoccurring operating costs
  - c. If there are match requirements
  - d. How it can be scheduled within the CIP, if a capital project
  - e. How the City can fund any reoccurring operating costs or match requirements
2. The grant analysis shall be prepared and presented to City Council prior to the grant or other similar funding source being accepted. City Council will review the grant analysis, determine if it matches with the goals of the City, and adopt the grant or other similar funding by resolution if the City Council's decision is to accept it.
3. Note that to appropriate funds received from a new grant source (and therefore to approve a grant) an appropriation resolution must be adopted by City Council. These appropriation resolutions should also include any grant match requirements and how these funds will be appropriated by the City.

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Section:	10	REVENUE POLICIES
Policy:	10.3	Meeting Grant Requirements

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### **10.3 Meeting Grant Requirements**

#### **10.3.1 Financial Policy**

1. The City of Compton shall ensure that the terms and conditions required by Grants and other similar sources of funding are met in full.

#### **10.3.2 Procedure**

1. All grant agreements that the City enters into will be reported to the Planning / Economic Resource Development (Planning/ERD) department and the City Controller's Office.
2. Departments that receive grant funding must ensure that they are compliant with all grant requirements.
3. The Planning/ERD department will track all grants entered into by the City, and will perform the following functions:
  - a. Prepare reports of outstanding grants for the City Manager's Office, at least on a quarterly basis.
  - b. Ensure compliance with all grant requirements, and work with affected City departments as necessary. Any issues with Grant compliance that are not resolved will be reported to the City Manager's Office on a monthly basis.
  - c. Encourage departments to utilize grant funding in a timely manner and for appropriate activities.
  - d. Perform other Grant management duties as appropriate (these steps are not meant to be an all inclusive list).

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Section:	10	REVENUE POLICIES
Policy:	10.4	Timely usage of Grants

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## ***10.4 Timely usage of Grants***

### **10.4.1 Financial Policy**

1. The City of Compton will utilize grant and other similar funding it has been awarded within a timely manner so that residents receive its full benefit, so that it is not allowed to expire, and so that it is scheduled rather than used in a haphazard way.

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Section:	10	REVENUE POLICIES
Policy:	10.5	Review of Grant Financial Communications

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## ***10.5 Review of Grant Financial Communications***

### **10.5.1 Financial Policy**

1. Any communication or report that involves City of Compton accounting or finances that is to be submitted to a grantor organization shall, prior to submission, be given to and reviewed by the City Controller's Office.

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Section:	10	REVENUE POLICIES
Policy:	10.6	Revenue Diversification

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## ***10.6 Revenue Diversification***

### **10.6.1 Financial Policy**

1. The City of Compton will seek to diversify and expand its revenue base to reduce the dependence on a limited number of revenue sources. City revenues may fluctuate with the local and national economy, and emergency or unpredictable circumstances may suddenly diminish existing revenue sources. The more diverse the revenue sources available to the City, the less the City will be impacted by interruption to one or more revenue sources.



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Section:	10	REVENUE POLICIES
Policy:	10.7	Fees and Charges

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## ***10.7 Fees and Charges***

### **10.7.1 Financial Policy**

1. The City of Compton will levy fees to support the total cost of operations for which the fees are charged, including all direct and indirect operating costs, maintenance, and future capital costs. The department responsible for each fee shall on an annual basis evaluate the completeness of the fee schedule in recovering all costs from the associated operations and shall present its findings to the City Manager. The City Manager will report these findings to the City Council if action is required or as needed. The City Manager may opt to present these findings during the annual budget process.

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Section:	10	REVENUE POLICIES
Policy:	10.8	Use of One-Time Revenues

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## ***10.8 Use of One-Time Revenues***

### **10.8.1 Financial Policy**

1. It is the intention of the City of Compton that, under normal circumstances, unrestricted one-time revenues shall not be used to support the funding of existing city operations or expansion of city services that would require reoccurring annual funding not provided for by the one-time revenue source.

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Section:	10	REVENUE POLICIES
Policy:	10.9	Use of Unpredictable Revenues

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## ***10.9 Use of Unpredictable Revenues***

### **10.9.1 Financial Policy**

1. An unpredictable revenue source is defined as a revenue stream that cannot be accurately estimated, and therefore appropriated, to within a ten (10%) percent error margin. It is the intention of the City of Compton to not appropriate unpredictable revenue sources at their full estimated value to support the funding of existing city operations or expansion of city services that would require reoccurring annual funding not consistently provided for by the revenue source.

### **10.9.2 Procedures**

1. An unpredictable revenue source may be appropriated to support the funding of existing city operations or expansion of city services that would require reoccurring annual funding if it is estimated, and therefore appropriated, at the lowest possible extreme of the error margin to its estimated value. When an unpredictable revenue source is appropriated at the lowest possible extreme of the error margin to its estimated value, any actual revenue that is received by the City in addition to the appropriated amount may be treated as an additional One-Time Revenue within the current fiscal year.

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Section:	11	ACCOUNTING, AUDITING AND FINANCIAL REPORTING
Policy:	11.1	Journal Entry Review and Approval

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## **11 ACCOUNTING, AUDITING AND FINANCIAL REPORTING**

### ***11.1 Journal Entry Review and Approval***

#### **11.1.1 Financial Policy**

1. A journal entry is an entry or transaction in the general ledger to book amounts for assets, liabilities, expenses, and revenues. It is the policy of the Controller's Office to have all journal entries processed, reviewed and approved by the appropriate staff in the Controller's Office.

#### **11.1.2 Procedures**

1. Journal entry descriptions should clearly explain the purpose of the entry – do not just simply explain entries in such terms as to correct error, transfer, recovery, etc.
2. All transactions should be recorded in terms of debits and credits to specific accounts
3. The recording date should be included on the entry
4. Titles used in entries should correspond to titles of accounts in the general ledger
5. Journal entries should be fully supported by documentation and should include, but not limited to account analysis
6. All entries MUST include preparer's name
7. All entries MUST be logged and filed

#### **11.1.3 Review and Approval Process**

1. All journal entries MUST be reviewed by the Internal Auditor and approved by the City Controller or Deputy City Controller to ensure that each entry is properly coded, complies with accounting principles and standards, provides a clear reason as to why the journal entry is required, procedures have been followed, and appropriate back-up documentation is attached to the journal entry.
2. When the journal entry has been reviewed by the Internal Auditor and approved by the City Controller or Deputy City Controller, the entries will be posted to the general ledger by the Senior Accountant.

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Section:	11	ACCOUNTING, AUDITING AND FINANCIAL REPORTING
Policy:	11.2	Year-End Closing

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## **11.2 Year-End Closing**

### **11.2.1 Financial Policy**

1. It is the policy of the Controller's to preliminarily close its accounting records by September 30th of each year so that audit fieldwork can commence by October 15th of each year.

### **11.2.2 Procedures**

1. Year End Closing of Accounting Records
  - a. The closing of the account year shall be accomplished no later than September 30th of each year. The closing shall include the posting of all:
    - a) required adjusting journal entries;
    - b) administrative overhead allocations;
    - c) accruals;
    - d) interfaces from other software systems posted, if necessary;
    - e) required reports processed to prepare the system-generated annual financial reports.
2. Accounts Payable
  - a. The Accounts Payable ledger (detail) must be reconciled to the corresponding balance(s) in the General ledger. Documentation confirming these reconciliations should be maintained as back-up for the reconciliation.
3. Accounts Receivable
  - a. The Accounts Receivable ledger (detail) must be reconciled to the corresponding balance(s) in the General ledger. Documentation confirming these reconciliations should be maintained as back-up for the reconciliation.
4. Capital Assets
  - a. The Capital Assets ledger (detail) must be reconciled to the corresponding balance(s) in the General ledger. Depreciation and additions and deletions should be recorded to update the fixed assets files. Documentation should be maintained as back-up to verify journal entries.
5. The fiscal closing operation is comprised of two phases:
  - a. Preparation of accounts/funds for fiscal year end closing using the following steps:
    - i. Departmental analysis of fund activity and balances to determine necessary adjustments
    - ii. Review and recording of revenue and expenditure accruals, changes in long-term debt, etc.
    - iii. Record changes in Capital Assets

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Section:	11	ACCOUNTING, AUDITING AND FINANCIAL REPORTING
Policy:	11.2	Year-End Closing

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- b. Preparation of financial reports for the fiscal year concluded
6. A summary of activities required for the preliminary year-end closing is attached as follows:

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Section: 11 ACCOUNTING, AUDITING AND FINANCIAL REPORTING  
 Policy: 11.2 Year-End Closing

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**Summary of Activities for  
Year End Closing**

<b>DEPARTMENTAL ACTION</b>	<b>DUE DATE</b>	<b>DESCRIPTION OF ACTION</b>	<b>POSITION(S) RESPONSIBLE</b>
Accounts payable accruals	15-Sep	Prepare journal entries to accrue year end expenses	Internal Auditor
Accounts payable reconciliation	15-Sep	Reconcile accounts payables in each fund	Internal Auditor
Accounts receivable accruals	15-Sep	Prepare journal entries to accrue year end account receivables such as water, trash, etc.	Accountant I/Accountant II
Analysis of fund activity and balances to determine necessary adjustments	1-Sep	Review financial reports to determine errors and omissions	City Controller/Deputy City Controller
Bank Reconciliations	15-Sep	Verify that all bank accounts have been reconciled	Accountant I/Accountant II
Capital Assets	15-Sep	Depreciation and inventory update of land, equipment, infrastructure, vehicles, and buildings	Accountant II
General Long-Term Debt	15-Sep	Increase/decrease of debt obligations	Internal Auditor
Grants receivable accruals	15-Sep	Prepare journal entries to accrue year end grants receivable	Accountant I/Accountant II
Payroll Accruals	15-Sep	Prepare journal entries to accrue year end payroll expenses	Accountant II
Taxes receivable	15-Sep	Prepare journal entries to accrue year end grants receivable	Accountant I/Accountant II
Year-End financial reports	15-Sep	Expenditure, revenue, trial balance, balance sheet, income statement reports	Deputy City Controller

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Section:	11	ACCOUNTING, AUDITING AND FINANCIAL REPORTING
Policy:	11.3	Recording and Updating of Rehabilitation and First-Time Home Buyer Loans

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## ***11.3 Recording and Updating of Rehabilitation and First-Time Home Buyer Loans***

### **11.3.1 Financial Policy**

1. The City of Compton offers several types of housing rehabilitation (rehab) and first-time home buyer programs. The rehab programs provide assistance to low- and moderate-income families for home improvements. Rehab programs address the goal of improving neighborhoods by preserving the City's aging housing stock. First-time home buyer programs provide families the opportunity to own their first home when they may have been unable to do so otherwise. Therefore, it is the policy of the City to record all loans by expensing loan disbursements via accounts payable; providing a list of outstanding loans; recording loan recipient payments; and recording all outstanding loans in the general ledger.

### **11.3.2 Procedures**

1. The requesting department submits loan disbursement request with appropriate documentation to accounts payable. Accounts payable should include the loan recipient's name as part of the description on the check
2. The staff person responsible for the accounting of loan programs should update the outstanding loan list relative to new loans and loan payments on a monthly basis
3. The loan list should include each recipient's name; address; loan amount; terms of loan (i.e. interest rate, period of loan, etc.); year-to-date payments, if appropriate; and outstanding balance due
4. Interest, when required, should be calculated based on terms in loan agreement, and loan list should be updated to reflect changes in recipient's outstanding balance due to the City
5. Loan repayments should be recorded as program income to the appropriate fund
6. Loan payments should be recorded monthly to reflect changes in the outstanding balances
7. The general ledger should include in the appropriate fund, a loans receivable and liability account such as deferred revenue that reconciles with the Outstanding Loans List.



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Section:	11	ACCOUNTING, AUDITING AND FINANCIAL REPORTING
Policy:	11.3	Recording and Updating of Rehabilitation and First-Time Home Buyer Loans

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8. The Community Redevelopment Department maintains the Outstanding Loans List, makes appropriate updates to it, and provides it to the Controller's Office on a monthly basis. The Controller's Office will maintain a current copy of the list on file.
9. On a quarterly basis, (a) the Controller's Office will reconcile the General Ledger with Outstanding Loans List and (b) the Community Redevelopment Department will reconcile the Outstanding Loans List with HUD's IDIS records.

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Section:	11	ACCOUNTING, AUDITING AND FINANCIAL REPORTING
Policy:	11.4	Annual Financial Audit

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## ***11.4 Annual Financial Audit***

### **11.4.1 Policy Reference**

1. Independent Audit. The City Council shall employ, at the beginning of each fiscal year, a qualified accountant who, at such time or times as may be specified by the City Council, shall examine the books, records, inventories and reports of all officers and employees who receive, handle or disburse public funds and of such other officers, employees or departments as the City Council may direct. At the end of the year, a final audit and report shall be submitted by such accountant to the City Council, one copy thereof to be distributed to each member, one to the City Manager, City Controller, City Treasurer, and City Attorney, respectively, and three additional copies to be placed on file in the office of the City Clerk where they shall be available for inspection by the general public (Charter Sec. 1419).

### **11.4.2 Financial Policy**

1. Said auditor/accountant shall have financial independence from the City of Compton and from the outcome of the audit.

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Section:	11	ACCOUNTING, AUDITING AND FINANCIAL REPORTING
Policy:	11.5	Management Response to Audit Comments

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## ***11.5 Management Response to Audit Comments***

### **11.5.1 Financial Policy**

1. The City Controller will review any comments made as a result of the annual audit and create a response to each comment for inclusion in the final annual report. The responses will provide a management explanation, provide a plan for the City to investigate further, and/or provide a plan for the City to implement appropriate changes. The City Controller will provide the City Manager with the audit responses, prior to their final submission. The City Manager may review the audit responses and suggest adjustments as appropriate.

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Section:	11	ACCOUNTING, AUDITING AND FINANCIAL REPORTING
Policy:	11.6	Accounting Policies as Described in Financial Statements

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## ***11.6 Accounting Policies as Described in Financial Statements***

### **11.6.1 Financial Policy**

1. It is the intention of the City of Compton to maintain current financial policies and descriptions of financial procedures in the Audited Financial Statements as recommended by the external auditors. The City Controller's Office will work with the external auditors to keep these descriptions current and accurate.

# **ATTACHMENT III**

October 16, 2012

**TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS**

**FROM: G. HAROLD DUFFEY, CITY MANAGER**

**SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2012-2013 FISCAL YEAR BUDGET TO REDUCE GENERAL FUND EXPENDITURES AND INCREASE THE COMPTON LOCAL HOUSING AUTHORITY REVENUE AND EXPENDITURE APPROPRIATIONS BASED ON THE FIRST QUARTER BUDGET REVIEW**

**SUMMARY**

The City Manager will provide an update of Fiscal Year 2012-2013. The first quarter of this year's budget ended September 30, 2012. The adopted budget is a projection of revenue and expenditures based on nine months of data from Fiscal Year 2011-2012. In order to be fiscally prudent, the Council needs to review the Fiscal Year 2012-2013 first quarter revenues and expenditures and reconcile assumptions to ensure that a balance budget is achieved. The reconciliation by staff will address both the financial and organizational structure to ensure that a balanced budget is achieved by June 30, 2013.

**BACKGROUND**

On June 19, 2012, per Resolution No. 23,566, Council adopted a 2012-2013 fiscal year budget outlining \$152,024,699 (Attachment I) in public resources. The Fiscal Year 2012-2013 General Fund budget shows approximately a \$9,000,000 structural deficit (Attachment II). To fill the budget gap, previous staff implemented several cost saving measures and revenue enhancements to reduce the structural deficit to approximately \$1,900,000 (Attachment III). To further reduce expenditures, the City Manager exercised Resolution No. 23,422 (Attachment IV), which reduces the overall General Fund budget by approximately \$2.3 million, thus eliminating the structural deficit for Fiscal Year 2012-2013.

However, the budget is really a planning document based on assumptions and projections. The significance of the first quarter review provides not only an update on revenues for this year, but allows the Council to review the accuracy of the year end projections from Fiscal Year 2011-2012. The final result of revenues and expenditures for Fiscal Year 2011-2012 sets a new benchmark for Fiscal Year 2012-2013 revenue. Staff must adjust their year-end assumptions to reflect the actuals of the 2011-2012 budget year (Attachment V). As a result of the first quarter monitoring and a review of revenue enhancements received in the first quarter, staff revised its projections from the original revenue enhancement list (Attachment VI). In addition, staff introduced approximately \$2.4 million dollars in new revenue enhancements (Attachment VII) to

# #5.

augment the shortfall in the original revenue enhancements, reaffirming a balanced budget for Fiscal Year 2012-2013.

## STATEMENT OF ISSUE

Given the City of Compton's financial condition at the start of this budget year, it is critical that during the course of this fiscal year that Council conducts in depth reviews of the City's budget. The City must establish a new norm and review its budget at least 3 times per year (Attachment VIII). In addition, staff must arm the Council with information so they can make decisions to allow the organization to function in a more effective and efficient manner. A good example and a best practice is establishing a 5-year revenue forecast (Attachment IX), which allows the policy makers to adjust or accelerate their short and long term goals.

Over the last 84 days of this fiscal year staff has reviewed the budget and determined that the following adjustments should be made (Attachment X):

1. Consolidation of the Public Works Department and the Water Department to create the Department of Public Work and Municipal Utilities. The Department would provide core infrastructure, street and road maintenance as well as water delivery and sanitation services.
2. Consolidate internal functions and utilize the General Services Department to carry out internal services such as, payments of utilities for City facilities, building maintenance, security, Park Patrol, information technology services, fleet, real estate management, central purchasing and reprographic services.
3. Establish a Community Development Department. This Department would consist of Planning, Building and Safety, Code Enforcement and the Successor Agency and would be the primary point for the development of vacant and improved land within the City of Compton.
4. Establish the Department of Neighborhood Services. This Department would consist of Parks and Recreation, Senior and Community Centers, Local Housing Authority.
5. The creation of an Public Policy and Economic Development manager within the City Manager's Office to replace an existing funded position to work with the State and Federal lobbyist, and new and emerging businesses/industries looking to relocate to the City of Compton.
6. Return 1.0 full time equivalent Administrative Analyst II position to the Water Department to assist the Department in the advancement of Capital Improvement Programs. **This action would have no General Fund impact.**
7. Increase the Local Housing Authority authorized positions by 1.0 part-time equivalent Housing Aide to assist in the implementation of the First Time Home Buyer Program. **This action would have no General Fund impact.**

The recommendations above were configured to provide a more efficient approach to delivering services to the residents and businesses within the City of Compton. As a result of these changes, some non General Fund budget modifications would be necessary. In addition, some of the recommendations above require the City to meet and confer with the labor unions and once that occurs staff will take appropriate steps to return to Council with a requested action.

Budget Adjustment for Fiscal Year 2012-2013

The budget modification does not increase the adopted Fiscal Year 2012-2013 approved allocations. However, the following budget transaction is necessary to assist the Local Housing Authority in meeting its annual obligations:

8. Authorize a fund transfer in the amount of \$358,691 in awarded First Time Home Buyer Program Grant funding, as approved through the Housing and Urban Development Annual Action Plan passed on May 8, 2012 per Resolution No. 23,533 (Attachment XI). This action would increase the Local Housing Authority revenue appropriations in the amount of \$358,691 and expenditure appropriations to Home Ownership account (2805-3584). This action, if approved, would have no General Fund impact.

ALTERNATIVES

Council can take no action and staff can return at the Midyear review with similar recommendations.

FISCAL IMPACT

As outlined in this report, given the anticipated salary savings and revenue enhancements identified during the first quarter of this fiscal year, the City of Compton has a balanced budget and the recommendations for additional staff has no impact on the City's General Fund.

RECOMMENDATIONS

Staff recommends that the Mayor and City Council:

Approve the attached resolution, reducing General Fund appropriations by \$2.3M as identified in (Attachment IV) and item 8 as referenced in the requested as budget adjustments for Fiscal Year 2012-2013.

**G. HAROLD DUFFEY  
CITY MANAGER**



RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2012-2013 FISCAL YEAR BUDGET TO REDUCE GENERAL FUND EXPENDITURE AND INCREASE THE COMPTON LOCAL HOUSING AUTHORITY REVENUE AND EXPENDITURE APPROPRIATIONS BASED ON THE FIRST QUARTER BUDGET REVIEW**

**WHEREAS**, pursuant to Resolution No. 23,566, the City Council of the City of Compton adopted the Fiscal Year 2012-2013 budget on June 19, 2012; and

**WHEREAS**, the Fiscal Year 2012-2013 General Fund budget shows approximately a \$9,000,000 structural deficit, whereby previous staff implemented cost saving measures and revenue enhancements to reduce the structural deficit to approximately \$1,900,000, to fill this budget gap; and

**WHEREAS**, to further reduce expenditures, the City Manager exercised Resolution No. 23,422, which reduces the overall General Fund budget by approximately \$2.3 million, thus eliminating the structural deficit for Fiscal Year 2012-2013; and

**WHEREAS**, the City has been awarded \$358,691.00 for implementation of the First Time Home Buyers Program, as approved by Resolution No. 23,533, and seeks to manage this program through the Compton Local Housing Authority; and

**WHEREAS**, the 2012-2013 Fiscal Year budget shall be amended to transfer and reallocate the First Time Home Buyers Program funds to the Compton Local Housing Program.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES RESOLVE AS FOLLOWS:**

**SECTION 1.** That the City Manager is hereby authorized to reduce General Fund appropriations by **\$2,321,260.00** from Account No. 1001 610 000 4297.

**SECTION 2.** That the City Manager is further authorized to transfer the First Time Home Buyers Program funds to the Compton Local Housing Authority FY 2012-2013 budget as follows:

**Increase Revenue** in Account No. 2805 000 000 3584 **\$358,691.00**

**Increase Expenditures** in Account No. 2805 790 000 4289 **\$358,691.00**

**SECTION 3.** That a certified copy of this resolution shall be filed in the Offices of the City Clerk, City Attorney, City Manager and City Controller.

**SECTION 4.** That the Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

\_\_\_\_\_  
**MAYOR OF THE CITY OF COMPTON**

**#5.**

RESOLUTION NO. \_\_\_\_\_  
PAGE TWO

ATTEST:

\_\_\_\_\_  
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES  
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the \_\_\_\_ day of \_\_\_\_\_, 2012.

That said Resolution was adopted by the following vote, to wit:

AYES: COUNCIL MEMBERS-  
NOES: COUNCIL MEMBERS-  
ABSENT: COUNCIL MEMBERS-  
ABSTAIN: COUNCIL MEMBERS-

\_\_\_\_\_  
CITY CLERK OF THE CITY OF COMPTON

**Attachment I:**  
**Fiscal Year 2012-2013 Adopted**  
**Budget Summary**

Fund	Object	ACTUAL	ACTUAL	PROPOSED	REVISED	PROPOSED	
No	Code	REVENUES	REVENUES	BUDGET	BUDGET	BUDGET	
		FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2011-2012	FY 2012-2013	
		<b>GENERAL FUND</b>					
		<b>Property Taxes</b>					
1001	3010	\$ 3,724,354	\$ 2,881,583	\$ 3,406,302	3,406,302	3,406,302	
1001	3020	72,124	63,714	67,352	67,352	68,200	
1001	3030	261,290	(495,265)	-	-	-	
1001	3040	12,542	7,588	3,496	3,496	3,496	
1001	3060	61,287	20,241	39,470	39,470	39,470	
1001	3090	1,389	-	1,416	1,416	-	
		<b>Sub Total</b>	<b>4,132,986</b>	<b>3,518,036</b>	<b>3,518,036</b>	<b>3,517,468</b>	
		<b>Other Taxes</b>					
1001	3110	5,866,430	7,434,381	6,591,365	6,301,365	6,556,000	
1001	3111	228,219	237,578	208,883	208,883	208,200	
1001	3121	209,905	235,343	266,194	257,927	257,927	
1001	3122	309,612	295,789	298,898	299,021	298,021	
1001	3124	5,438	5,588	5,438	5,438	5,400	
1001	3125	575,005	597,522	624,386	600,500	800,000	
1001	3126	47,803	74,953	63,741	59,950	63,740	
1001	3127	22,257	19,145	15,065	15,065	15,065	
1001	3140	156,781	149,817	162,698	150,000	150,810	
1001	3150	152,723	191,232	146,100	160,078	160,078	
1001	3160	1,652,615	1,760,770	1,695,140	1,595,140	1,505,000	
1001	3161	1,567,329	1,696,353	1,506,000	1,406,000	1,350,600	
1001	3162	5,099,509	4,697,140	4,648,326	4,611,000	4,610,400	
1001	3163	899,115	1,025,393	932,562	1,189,964	1,189,964	
1001	3164	478,322	468,580	469,655	469,655	450,600	
1001	3165	2,974,752	2,873,919	2,987,790	2,982,050	2,980,700	
		<b>Sub Total</b>	<b>20,245,815</b>	<b>21,763,503</b>	<b>20,622,241</b>	<b>20,312,036</b>	
		<b>License and Permits</b>					
1001	3210	622,898	426,481	562,325	442,325	420,500	
1001	3220	64,765	71,912	83,316	83,316	76,500	
1001	3230	90,428	77,943	83,127	83,127	71,521	
1001	3240	99,089	44,808	41,663	35,600	32,283	
1001	3242	46,000	54,395	46,000	40,000	40,000	
1001	3243	51,383	63,700	61,200	61,200	58,543	
1001	3245	1,530,348	1,435,835	1,895,983	1,450,200	1,651,252	
1001	3246	85,129	83,794	84,794	84,794	85,512	
1001	3248	238,318	240,000	240,000	240,000	240,000	
1001	3250	51,052	43,630	43,630	43,630	35,000	
1001	3264	5,415	7,085	7,085	7,085	7,100	

Fund No.	Object Code		ACTUAL REVENUES FY 2009-2010	ACTUAL REVENUES FY 2010-2011	PROPOSED BUDGET FY 2011-2012	REVISED BUDGET FY 2011-2012	PROPOSED BUDGET FY 2012-2013
1001	3265	Fire Permit Fee	28,383	54,797	84,100	40,000	45,000
1001	3266	Tank Removal (Underground)	27,916	21,378	21,377	21,900	21,900
1001	3275	Conditional Use Permits	119,064	27,635	27,635	27,635	15,000
1001	3280	Miscellaneous Permits	90,441	91,385	208,125	72,100	72,110
		<b>Sub Total</b>	<b>3,150,629</b>	<b>2,744,777</b>	<b>3,490,360</b>	<b>2,732,912</b>	<b>2,872,221</b>
		<b>Fines, Forfeitures and Penalties</b>					
1001	3315	Parking Citations	1,232,837	1,516,198	1,873,766	1,253,766	1,253,000
1001	3318	Career Link Parking Fees	-	-	-	-	-
1001	3320	Other Court Fines & Traffic Safety	293,546	375,133	347,598	347,598	348,500
1001	3321	Vehicle Impound Fined	79,450	74,699	74,699	54,699	54,600
1001	3332	False Alarm Program	-	-	-	20	20
1001	3340	Furfeitures, Penalties, Other	-	3,341	3,341	45	45
		<b>Sub Total</b>	<b>1,605,833</b>	<b>1,969,371</b>	<b>2,299,404</b>	<b>1,656,128</b>	<b>1,656,165</b>
		<b>Use of Money and Property</b>					
1001	3410	Interest Income	56,157	11,829	12,881	13,315	11,500
1001	3420	Rents and Concessions	1,081,064	746,960	796,460	130,228	130,227
1001	3421	Transit Center Room Rentals	-	500	500	500	100
1001	3425	Bullis Road Rental	62,468	69,099	69,099	15,000	15,000
		<b>Sub Total</b>	<b>1,199,689</b>	<b>828,389</b>	<b>878,940</b>	<b>159,043</b>	<b>156,827</b>
		<b>Revenues From Other Agencies</b>					
1001	3350	Census Grant Revenue	-	15,000	-	-	-
1001	3511	Motor Vehicle License	8,575,827	8,046,635	7,815,707	8,216,250	8,016,250
1001	3521	State Homeowners	29,410	24,979	24,979	24,979	21,360
1001	3550	SB-90 State Mandate	-	-	-	-	-
1001	3565	Other Federal Grants	-	-	-	111,000	-
1001	3570	Court Subpeona Reimbursements	1,611	1,719	1,718	1,730	1,740
1001	3571	Legal Recovery Fees	50,688	667	-	1,012,885	-
1001	3577	Other Agencies-MTA	-	-	-	-	-
1001	3580	Career Link Revenue	-	-	-	-	-
1001	3350	Census Grant Revenue	-	-	-	-	-
		<b>Sub Total</b>	<b>8,657,536</b>	<b>8,089,000</b>	<b>7,842,404</b>	<b>9,366,844</b>	<b>8,039,350</b>
		<b>Charges From Current Services</b>					
1001	3602	Current Services Provided/Water	3,383,968	3,383,967	3,423,968	3,383,967	3,423,968
1001	3603	Current Service Provided/Successor Agency	1,860,739	1,860,739	3,860,739	1,800,000	300,000
1001	3603	Current Service Provided/Local Housing Authority	-	-	-	-	25,800
1001	3610	Zoning Fees (Environmental Review)	23,085	18,750	19,325	16,835	12,500
1001	3612	Subdivision Fee	750	1,250	1,250	1,500	1,500
1001	3615	Sales of Maps/Publications	500	125	125	150	150
1001	3616	Banner Processing Fees	-	(425)	1,000	1,325	1,000
1001	3617	Other Filing and Certification	-	13,701	1,200	1,200	1,200
1001	3618	City Provided Medical Services	1,097,576	760,379	1,058,015	810,500	910,500

Fund No	Object Code		ACTUAL REVENUES FY 2009-2010	ACTUAL REVENUES FY 2010-2011	PROPOSED BUDGET FY 2011-2012	REVISED BUDGET FY 2011-2012	PROPOSED BUDGET FY 2012-2013
1001	3619	I. D. Cards and Fingerprints	-	-	-	-	-
1001	3622	Special Police Department	-	-	-	-	-
1001	3623	Special Fire Department	3,000	7,547	7,548	4,100	4,100
1001	3630	EMS Subscriptions	-	50	50	50	50
1001	3633	Quimby Act Fees	-	136,008	-	20,996	21,000
1001	3640	Plan Checking Fees	345,588	384,757	367,309	341,359	341,359
1001	3641	Admin Fee-Payroll	882	2,747	2,739	2,739	2,700
1001	3662	Nuisance Abatement	-	-	1,000	1,000	500
1001	3665	Weed and Lot Cleaning	-	110	110	300	325
1001	3666	Substandard Abatement	130,528	138,947	136,700	108,726	108,000
1001	3667	Abandoned Vehicles	-	-	-	-	-
1001	3681	Damage To City Property	-	1,337	-	-	-
1001	3684	Advertisement fees	824,000	266,255	210,000	210,000	210,000
1001	3700	Swim & Slide Pool Collections	11,887	22,004	21,971	21,971	22,100
1001	3712	Cleaning Deposits	-	1,470	1,470	1,470	500
1001	3721	Park and Recreation Room Rental	-	2,863	2,187	2,187	2,200
1001	3842	Other Penalties-Returned Check	550	425	425	425	200
1001	3848	Miscellaneous - Water	-	-	-	-	-
1001	3870	Collection Fees	-	-	-	-	-
1001	3881	Reproduction Charges	8,414	9,520	9,234	9,234	6,248
1001	3684	Advertisement fees	-	-	-	-	-
1001	3884	Administration fees	-	-	21,658	-	-
1001	3890	Miscellaneous Charges for Current Svcs	-	17,395	81,000	81,000	26,020
		<b>Sub Total</b>	<b>7,691,467</b>	<b>7,029,921</b>	<b>9,229,023</b>	<b>6,821,034</b>	<b>5,421,920</b>
		<b>Other Revenues and Financing Sources</b>					
1001	3910	Sale of Land/Real Property	-	4,485,000	-	-	-
1001	3920	Contributions from Other Funds / Agency	11,918,088	7,753,405	111,985	111,985	114,221
1001	3959	Overage/Shortage	-	(226)	-	20	20
1001	3980	Miscellaneous	2,765,683	765,110	188,504	188,504	105,690
1001	3982	Public Works Misc Revenue	16,716	57,798	143,434	143,434	131,850
		<b>Sub Total</b>	<b>14,700,487</b>	<b>13,061,087</b>	<b>443,923</b>	<b>443,943</b>	<b>351,781</b>
		<b>TOTAL GENERAL FUND</b>	<b>61,384,442</b>	<b>57,963,909</b>	<b>48,324,331</b>	<b>45,009,976</b>	<b>42,618,237</b>
		<b>SPECIAL REVENUE FUNDS</b>					
		<b>HAZARDOUS MATERIALS FUND</b>					
1003	3672	Hazard Materials Permit Fees	136,419	113,378	142,902	142,902	176,340
		<b>FUND TOTAL</b>	<b>136,419</b>	<b>113,378</b>	<b>142,902</b>	<b>142,902</b>	<b>176,340</b>

Fund	Object		ACTUAL	ACTUAL	PROPOSED	REVISED	PROPOSED
No	Code		REVENUES	REVENUES	BUDGET	BUDGET	BUDGET
			FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2011-2012	FY 2012-2013
		<b>RETIREMENT FUND</b>					
2100	3010	Property Taxes-Secured	12,726,751	12,526,860	12,981,286	12,981,286	12,981,286
2100	3020	Property Taxes-Unsecured	466,724	553,413	175,742	175,741	176,000
2100	3030	Property Taxes-Prior Year Secured	1,118,191	(329,990)	-	132	135
2100	3040	Property Taxes-Prior Year Unsecured	84,173	13,978	6,100	6,100	6,100
2100	3060	Aircraft	-	-	-	-	-
2100	3090	Interest and Penalties	2,465	-	2,540	2,540	1,000
2100	3410	Interest Income	-	187	-	-	-
2100	3980	Miscellaneous Revenue	25	135,632	451	451	460
2100	3990	Surplus of Prior Years	-	-	1,835,077	2,262,286	228,646
2100	3521	State Homeowner (Property Taxes)	264,838	274,877	269,000	269,000	270,000
		<b>FUND TOTAL</b>	<b>14,663,167</b>	<b>13,174,956</b>	<b>15,270,196</b>	<b>15,697,536</b>	<b>13,663,627</b>
		<b>PROPOSITION A FUNDS</b>					
2000	3410	Interest Income	352	15	-	-	-
2000	3422	Passenger Fare L A County	-	133,023	22,100	22,100	120,356
2000	3423	Passenger Fares-City	-	2,991	2,300	2,300	3,975
2000	3578	1/2 Cent Sales Taxes	1,406,910	1,412,727	1,340,120	1,377,284	1,373,223
2000	3980	Miscellaneous Revenue	-	(499)	-	-	-
		<b>FUND TOTAL</b>	<b>1,407,262</b>	<b>1,548,256</b>	<b>1,364,520</b>	<b>1,401,684</b>	<b>1,497,554</b>
		<b>PROPOSITION 1B FUNDS</b>					
1521	3410	Interest	173	51	-	-	-
1521	3569	Other State Grant	1,478,473	-	-	-	-
		<b>FUND TOTAL</b>	<b>1,478,646</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>PROPOSITION C FUNDS</b>					
1900	3410	Interest	12,843	209	-	321	350
1900	3423	Passenger Fares-Dial A Ride	138,721	-	150,000	150,000	1,300
1900	3427	Passenger Fares- Renaissance	-	-	-	-	-
1900	3578	1/2 Cent Sales Taxes	1,047,403	1,116,762	1,201,124	1,201,124	1,139,052
		<b>FUND TOTAL</b>	<b>1,198,967</b>	<b>1,116,972</b>	<b>1,351,124</b>	<b>1,351,445</b>	<b>1,140,702</b>
		<b>SPECIAL GAS TAX FUND</b>					
		<b>Use of Money/Property</b>					
2300	3410	Interest Income	28	-	-	-	-
2300	3512	State Gas Tax 2106	345,360	331,820	336,257	336,257	327,336
2300	3513	State Gas Tax 2107	776,617	747,543	740,448	740,448	692,066
2300	3514	State Gas Tax 2108 and 2107.5	15,000	15,000	7,500	7,500	7,500
2300	3515	State Gas Tax 2105	582,961	511,855	551,701	551,701	482,229
2200	3410	Gas Tax County	9	-	-	-	-
		<b>FUND TOTAL</b>	<b>1,719,975</b>	<b>1,606,218</b>	<b>1,635,906</b>	<b>1,635,906</b>	<b>1,509,131</b>

Fund No	Object Code		ACTUAL REVENUES FY 2009-2010	ACTUAL REVENUES FY 2010-2011	PROPOSED BUDGET FY 2011-2012	REVISED BUDGET FY 2011-2012	PROPOSED BUDGET FY 2012-2013
		<b>JTPA/WIA/CAREER LINK Fund</b>					
		<b>Revenue from Other Agencies</b>					
2751	3580	Other County Grants WIA Adult	118,389	-	-	-	-
2754	3580	Other County Grants WIA Youth	276,024	732,211	609,567	609,567	609,567
2754	3420	Rent and Concession	-	-	25,083	25,083	-
2755	3580	Other County Grants WIA Dislocated Worker	87,892	-	-	-	-
2762	3580	Rapid Response - Summer Youth	-	-	-	-	-
2767	3580	Summer First	-	-	-	-	-
2777	3580	SYEP	-	-	-	-	-
2771	3580	Other County Grants ARRA	696,731	12,649	-	-	-
2770	3580	Congressional Grant	5,499	-	-	-	-
2782	3580	Youth Employment Program	-	-	63,835	63,835	-
2783	3580	WIA Youth Waiver program	-	-	125,827	125,827	-
2784	3580	Summer Youth	-	-	-	-	37,929
2801	3580	HPRP	-	-	149,912	-	-
2870	3580	Temporary Assistance for needy Families	10,244	653,233	-	-	-
		<b>FUND TOTAL</b>	<b>1,194,779</b>	<b>1,398,093</b>	<b>974,224</b>	<b>824,312</b>	<b>647,496</b>
		<b>DEPT of HEALTH SERVICES GRANTS</b>					
2700	3579	Other County Grants	28,531	8,921	-	-	-
2700	3890	Misc Charges for Current Services	-	3,672	-	-	-
2700	3980	Misc Revenue	-	25	-	-	-
2701	3891	Drug Testing Fees	-	942	-	-	-
		<b>FUND TOTAL</b>	<b>28,531</b>	<b>13,560</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>OTHER GRANTS</b>					
1012	3410	Transportation Investment - Interest	86	-	-	732	100
1012	3569	Transportation Investment Fund (Prop 42)	900,011	944,612	938,193	938,193	124,030
1022	3970	Asset Forfeiture	-	-	2,641	2,642	-
1033	3579	Supplemental Law Enforcement Service Funds	128,383	127,792	44,120	110,562	-
1033	3990	Revenue Prior Years	-	-	-	43,028	-
1041	3569	California Law Enforcement Equipment	-	-	-	-	-
1045	3569	LLEBG - 2001LBVX3794	-	120	-	-	-
1046	3569	LLEBG - 2002LBVX0169	-	16,024	-	-	-
1055	3565	Urban Area Security Grants	139,737	-	-	-	-
1057	3990	Youth Gang Intervention - Prior Year Balance	-	-	-	-	182,735
1058	3569	Hazardous Material Emergency Preparedness	-	-	-	-	-
1060	3565	Justice Assistance Grant	113,657	3,668	5,118	5,118	477,147
1060	3990	Justice Assistance Grant - Prior Year Balance	-	-	-	-	145,729
1061	3579	Justice Assistance Grant	-	1,108,198	957,123	957,123	150,998
1518	3410	Interest Income	-	3	-	-	-
1518	3565	Community Improvement	25,518	1,692,848	450,000	450,000	512,808



Fund No	Object Code		ACTUAL	ACTUAL	PROPOSED	REVISED	PROPOSED
			REVENUES	REVENUES	BUDGET	BUDGET	BUDGET
			FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2011-2012	FY 2012-2013
1518	3569	Other State Grants	559,583	58,511	-	-	-
1518	3989	Continued Approp	-	-	-	4,221,609	-
1519	3577	Martin Luther King Transit Center	2,250,202	-	-	-	-
1520	3410	Interest income	1	19	-	-	-
1520	3565	Measure R	630,192	833,774	900,000	900,000	855,785
1520	3578	1/2 Cent Sales Tax	-	-	-	60,806	59,318
1521	3990	Local Street & Road Improvement Fund (Prop 1-B)	-	-	-	-	486,122
1522	3410	Interest Income	-	3	-	-	-
1522	3565	American Recovery Reinvestment Act	22,590	2,503,512	-	-	-
1522	3569	Other State Grants	60,467	65,207	-	-	-
1523	3569	Rosecrans Traffic Signal Upgrade Grant	-	-	1,050,000	1,050,000	680,105
1524	3569	State Water Control Board Grant (Prop 40)	-	-	284,745	284,745	-
1525	3569	CAL Fire Grant	-	-	100,000	100,000	100,000
1641	3410	EDA Interest Income	5,793	1,230	-	1,053	-
1641	3990	EDA Revolving Loan - Prior Year Surplus	-	-	332,500	338,479	125,000
1663	3806	Parks Rehabilitation	-	200,000	-	-	-
1674	3410	Interest Income	-	1	-	-	-
1674	3583	Neighborhood Stabilization Program	1,054,653	1,164,767	2,158,795	2,158,795	-
1674	3980	Misc Revenue	-	1,250	-	-	-
1916	3577	Other Agencies-MTA	102,610	-	-	-	-
2601	3569	Emergency Mgmt Asst Program	-	2,536	-	-	-
2602	3569	Prop A Park Maintenance	-	-	-	-	-
2603	3569	RZH Skate Park	31,500	-	-	-	-
2604	3410	TDA Interest Income	39	4	-	-	-
2604	3569	TDA Sidewalk Improvement	-	105,735	145,000	-	-
2604	3579	TDA Other County Grants	-	-	-	145,000	48,059
2606	3410	Compton Creek Bikeway - Interest Income	14	2	-	-	-
2606	3569	Compton Creek Bikeway	-	47,718	-	-	-
2615	3410	Interest River Mountain Conservancy	156	28	-	-	-
2615	3569	River Mountain Conservancy	-	-	-	-	-
2618	3579	OS Raymond Park	-	335,030	-	-	-
2619	3410	Urban Development Action Grant	-	-	-	-	-
2620	3565	EPA Water Line Rehab Project	-	371,306	-	-	-
2624	3565	EPA Water Project	-	-	-	-	485,000
2625	3410	California Clean Air Act Interest Income	117	6	-	-	-
2625	3569	California Clean Air Act	112,583	116,549	-	34,763	35,600
2625	3990	Surplus of Prior Years Revenue	-	-	225,000	225,000	241,534
2639	3410	CPD Corrections Training	1	-	-	-	-
2641	3577	TEA21 TMOC	143,503	-	-	-	-
2647	3410	Beverage Container Recycle	5	1	-	-	-
2653	3569	Beverage Container Recycle	12,318	-	55,895	55,895	25,000
2653	3410	Beverage Container Recycle Interest	14	2	-	-	-

Fund No	Object Code		ACTUAL	ACTUAL	PROPOSED	REVISED	PROPOSED
			REVENUES	REVENUES	BUDGET	BUDGET	BUDGET
			FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2011-2012	FY 2012-2013
2653	3980	Beverage Container Recycle - Prior Year	-	-	80,339	80,339	61,294
2655	3410	Beverage Container Recycle-Interest	23	3	-	-	-
2663	3569	Used Oil 10th Cycle	-	-	-	-	-
2659	3569	DWR Ground Water Storage	61,875	2	-	-	-
2659	3410	DWR Ground Water Storage	1	-	-	-	-
2662	3659	Used Oil 12th Cycle	-	-	-	-	-
2663	3659	Used Oil 13th Cycle	7,288	12,631	-	-	-
2664	3659	Tony Hawk Skate	-	-	-	-	-
2665	3569	Click It or Ticket Program	20,474	17,880	-	-	-
2668	3569	Sobriety Check Point Program	26,888	-	-	-	-
2669	3569	Used Oil Block Grant	-	4,061	-	-	-
2670	3579	Los Angeles County Tartar Lane	-	-	-	-	-
2670	3410	Los Angeles County Tartar Lane-Interest	5	2	-	-	-
2671	3991	Brickyard Site Transition Plan	-	168,337	20,000	20,000	-
2671	3410	Brickyard Site Transition Plan-Interest	16	1	-	-	-
2672	3569	Used Oil Payment OPP1	-	27,657	-	-	28,392
2709	3410	Interest Income	-	2	-	-	-
2709	3579	Anti Grafitti Grants	67,300	-	-	-	-
2772	3565	Veterans Employment and Traininig	-	-	-	-	-
2773	3569	Tommmorrow's Aeronautical Museum	133,601	143,047	50,000	50,000	-
2773	3970	Tommmorrow's Aeronautical Museum - Prior Balance	-	-	-	-	45,000
2774	3569	Sobriety Check Point Program	152,174	203,166	50,000	120,000	-
2774	3970	Revenue Prior Years	-	-	-	43,440	-
2777	3579	Youth Employment Plan Grant	-	6,800	-	-	-
2778	3410	Interest Income	-	11	-	-	-
2778	3579	Annual Maintenance and Service	-	341,294	-	-	-
2778	3990	Surplus of Prior Years Revenue	-	-	350,000	350,000	-
2779	3579	Energy Efficiency And Concervation	-	-	185,000	185,000	675,756
2781	3565	Dot Paratransit Vehicles Grant	-	-	-	556,064	-
2799	3579	Creek Trail Project	-	-	150,000	150,000	500,200
1641	3608	Loan Origination Fees	60	-	-	-	-
		<b>FUND TOTAL</b>	<b>6,763,438</b>	<b>10,625,348</b>	<b>8,534,469</b>	<b>13,638,385</b>	<b>6,045,712</b>
		<b>HOUSING &amp; COMMUNITY DEVELOPMENT FUNDS</b>					
		<b>Other Revenues</b>					
1672	3410	Interest Income	-	1,508	-	-	-
			-	1,508	-	-	-
		<b>COMMUNITY DEVELOPMENT BLOCK GRANT(2800)</b>					
2800	3410	Interest Income	-	3	-	-	-
2800	3583	Community Development Block Grant	1,993,031	3,564,737	2,039,750	2,962,274	1,572,749
2800	3970	Revenue Prior Years	-	-	-	-	1,121,614
		<b>FUND TOTAL</b>	<b>1,993,031</b>	<b>3,564,740</b>	<b>2,039,750</b>	<b>2,962,274</b>	<b>2,694,363</b>

Fund No	Object Code		ACTUAL REVENUES FY 2009-2010	ACTUAL REVENUES FY 2010-2011	PROPOSED BUDGET FY 2011-2012	REVISED BUDGET FY 2011-2012	PROPOSED BUDGET FY 2012-2013
		<b>EMERGENCY SHELTER GRANT</b>					
2801	3583	Emergency Shelter Grant	104,787	271,022	90,629	369,922	161,009
2801	3970	Revenue Prior Years	-	-	-	-	50,797
2801	3583	Homeless Prevention and Rapid Rehousing Program	-	297,425	50,135	-	-
		<b>FUND TOTAL</b>	<b>104,787</b>	<b>568,447</b>	<b>140,764</b>	<b>369,922</b>	<b>211,806</b>
		<b>HOME GRANT</b>					
2805	3410	Interest		10			
2805	3583	Home Grant	985,335	477,765	869,027	869,027	-
2805	3965	Repayment of Deferred Loan	93,926	-	-	-	-
2805	3966	Loan Repayment Commercial	-	-	-	-	-
2805	3410	Interest	7	-	-	-	-
2805	3970	Revenue Prior Year	-	-	-	17,733	-
		<b>FUND TOTAL</b>	<b>1,079,268</b>	<b>477,775</b>	<b>869,027</b>	<b>886,760</b>	<b>-</b>
		<b>EDEDI</b>					
2819	3410	Interest Income	146	17	-	-	-
		<b>FUND TOTAL</b>	<b>146</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>SECTION 108 LOAN</b>					
2818	3410	Interest Income	42,534	3,169	-	10,576	10,576
2818	3970	Revenue Prior Year	-	-	488,020	488,020	2,400,000
2818	3980	Miscellaneous Revenue	-	-	-	3,954	-
		<b>FUND TOTAL</b>	<b>42,534</b>	<b>3,169</b>	<b>488,020</b>	<b>502,550</b>	<b>2,410,576</b>
		<b>LOCAL HOUSING AUTHORITY</b>					
2820	3410	Interest Income	3,238	356	1,275	750	3,200
2820	3420	Rents and Concessions	2,733,661	2,311,489	2,357,719	2,500,000	2,948,267
2820	3583	Local Housing Authority	6,383,443	7,528,424	6,511,112	7,248,168	6,947,388
2820	3884	Administrative Fees	192,085	172,546	168,875	183,353	158,498
2820	3886	Administrative Fees HUD	898,559	769,395	870,956	730,222	648,132
2820	3980	Misc Revenue	34,875	10,061	10,200	15,000	217,270
		<b>FUND TOTAL</b>	<b>10,245,861</b>	<b>10,792,272</b>	<b>9,920,136</b>	<b>10,677,493</b>	<b>10,922,755</b>
		<b>CABLE TV FUND</b>					
7002	3126	Government Access Franchise	354,512	344,729	276,495	276,495	165,406
7002	3980	Prior Year Surplus	-	-	36,829	37,235	-
7002	3410	Interest Income	171	1	-	-	-
7003	3410	Cable TV Public Access	-	3	-	-	-
		<b>FUND TOTAL</b>	<b>354,683</b>	<b>344,732</b>	<b>313,324</b>	<b>313,730</b>	<b>165,406</b>

Fund No	Object Code		ACTUAL REVENUES FY 2009-2010	ACTUAL REVENUES FY 2010-2011	PROPOSED BUDGET FY 2011-2012	REVISED BUDGET FY 2011-2012	PROPOSED BUDGET FY 2012-2013
		<b>SPECIAL ASSESSMENTS</b>					
2502	3761	Assessment-Lighting/Landscaping	4,320,927	4,351,246	4,438,271	4,394,634	4,229,446
		<b>FUND TOTAL</b>	<b>4,320,927</b>	<b>4,351,246</b>	<b>4,438,271</b>	<b>4,394,634</b>	<b>4,229,446</b>
		<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>46,732,421</b>	<b>49,700,737</b>	<b>47,482,633</b>	<b>54,799,533</b>	<b>45,314,914</b>
		<b>REDEVELOPMENT FUNDS</b>					
		<b>LOW COST HOUSING FUND</b>					
1203	3010	Property Taxes Current	-	4,417,118	-	-	-
1203	3410	Interest Income	5,802	9,257	8,750	8,750	-
1203	3920	Contribution From Other Funds	8,621,717	213,445	5,559,752	5,540,335	-
1203	3965	Repayment of Deferred Loans	-	28,780	-	-	-
1203	3966	Loan Repayment Commercial	-	-	-	-	-
1203	3980	Miscellaneous Revenue	22,834	62,545	-	-	-
1203	3990	Surplus of Prior Years Revenue	-	0	-	-	-
		<b>FUND TOTAL</b>	<b>8,650,353</b>	<b>4,731,145</b>	<b>5,568,502</b>	<b>5,549,085</b>	<b>-</b>
		<b>PUBLIC FINANCE AUTHORITY</b>					
9203	3410	Interest Income(9203)	2,032	(1,500)	-	356	-
9203	3920	Operating Transfer From General Fund	-	105,808	105,808	100,275	100,275
9203	3920	Operating Transfer From General Fund	-	-	-	-	-
		<b>FUND TOTAL</b>	<b>2,032</b>	<b>104,308</b>	<b>105,808</b>	<b>100,631</b>	<b>100,275</b>
		<b>REDEVELOPMENT AGENCY</b>					
1200	3010	Property Taxes	18,844,471	17,668,571	19,221,360	19,124,274	-
1200	3410	Interest Income	228,815	392,098	57,050	57,050	-
1200	3420	Rents & Concessions	-	30,000	-	-	-
1200	3920	Operating Transfer From Trustee	-	-	-	-	-
1200	3963	Bond/Loan Proceeds	9,150,000	-	-	-	-
1200	3966	Loan Repayment Commercial	-	103,794	-	-	-
1200	3980	Misc. Revenue	10,819	3,579	-	-	-
1300	3410	Interest Income	114	23	-	-	-
1300	3900	Sale of Land	-	-	-	-	-
1300	3966	Loan Repayment Commercial	-	4,739	-	-	-
1300	3980	Miscellaneous	-	-	-	-	-
4000	3410	Interest Income	3,425	(36)	-	-	-
4000	3420	Rents & Concessions	24,325	14,680	-	-	-
4000	3421	Transit Center Rents	1,050	500	-	-	-
1200	3569	Other State Grant	-	-	-	-	-
4000	3920	Contribution From Other Funds	1,338,914	900,000	1,243,160	1,243,160	-
4000	3980	Misc Revenue	21,568	-	-	-	-
		<b>FUND TOTAL</b>	<b>29,623,501</b>	<b>19,117,947</b>	<b>20,521,570</b>	<b>20,424,484</b>	<b>-</b>
		<b>TOTAL REDEVELOPMENT FUNDS</b>	<b>38,275,886</b>	<b>23,953,400</b>	<b>26,195,880</b>	<b>26,074,200</b>	<b>100,275</b>

Fund No	Object Code		ACTUAL	ACTUAL	PROPOSED	REVISED	PROPOSED
			REVENUES	REVENUES	BUDGET	BUDGET	BUDGET
			FY-2009-2010	FY-2010-2011	FY-2011-2012	FY-2011-2012	FY-2012-2013
		<b>DEBT SERVICE FUND</b>					
3001	3010	Property Taxes	8,292,459	7,970,610	8,577,398	8,577,398	-
3001	3030	Prior Years - Secured	-	-	-	-	-
3001	3410	Interest Income	2,041	1,444	756	756	-
3001	3920	Contribution From Other Funds	-	-	-	-	-
3030	3410	Lease Revenue Bond 2008 -Interest Income	4,050	3,982	1,371	1,371	-
3030	3420	Rent and Concessions	2,319,888	2,319,389	2,319,889	2,319,889	-
3030	3963	Bond/Loan Proceeds	-	-	-	4,700,000	-
3030	3970	Surplus of Prior Year	-	-	3,203,000	3,483,310	1,200,198
3040	3410	Interest Income	-	3,241	925	-	-
3040	3963	CRA Bond/Loan Proceeds (Series 2010A)	31,130,000	-	-	-	-
3040	3980	Misc Revenue	-	-	-	-	-
3040	3990	Surplus of Prior Years Revenue	-	-	8,300,000	8,300,000	-
3050	3410	Interest Income	-	4,822	1,784	-	-
3050	3920	Contribution From Other Funds	-	1,468,041	-	-	-
3050	3963	CRA Bond/Loan Proceeds (Series 2010B)	51,335,000	-	-	-	-
3050	3990	Surplus of Prior Years Revenue	-	-	20,000,000	20,000,000	-
3060	3410	Interest Income	-	914	469	-	-
3060	3920	Contribution From Other Funds	-	672,348	-	-	-
3060	3963	CRA Bond/Loan Proceeds (Series 2010C)	18,260,000	-	-	-	-
3060	3990	Surplus of Prior Years Revenue	-	-	3,300,000	3,300,000	-
		<b>TOTAL DEBT SERVICE FUNDS</b>	<b>111,343,438</b>	<b>12,444,791</b>	<b>45,705,592</b>	<b>50,682,724</b>	<b>1,200,198</b>
		<b>ENTERPRISE FUNDS</b>					
		<b>WATER FUND</b>					
5000	3410	Interest Income	1,387	124	-	-	-
5000	3801	Residential	7,840,698	8,781,966	11,400,000	9,400,000	10,000,000
5000	3802	Commercial	1,153,897	1,445,222	2,200,000	2,200,000	2,200,000
5000	3803	Industrial	268,203	384,248	461,153	461,153	1,005,000
5000	3805	City Departments to be Billed	205,854	216,373	340,000	340,000	340,000
5000	3806	Other Governmental Agencies	356,703	464,178	694,949	694,949	690,000
5000	3807	Private Fire Protection	65,315	66,759	76,834	76,833	75,000
5000	3821	Residential Connections	211,726	260,303	-	-	-
5000	3822	Commercial Connections	21,726	15,243	-	-	-
5000	3828	Other Emergency Connections	1,401	1,518	1,772	1,772	1,500
5000	3833	Contribution For Installation of Services	9,610	2,770	5,500	5,500	5,000
5000	3841	Turn On Charges	134,795	104,597	110,886	110,886	100,000
5000	3842	Penalties-Other	486	35	-	-	-
5000	3843	Resetting Meters	21,824	22,094	18,407	20,365	20,000
5000	3848	Miscellaneous-Water	47,024	16,685	15,508	15,508	15,000
5000	3870	Collection Fees	-	-	748,972	748,972	740,000

Fund No	Object Code		ACTUAL REVENUES FY 2009-2010	ACTUAL REVENUES FY 2010-2011	PROPOSED BUDGET FY 2011-2012	REVISED BUDGET FY 2011-2012	PROPOSED BUDGET FY 2012-2013
5000	3890	Mics Charges for Current Svcs	4,677	25,411	22,139	22,140	20,000
5000	3892	Scrap Metal Sales	8,188	-	-	-	-
5000	3890	Miscellaneous Charges IVR Fees	-	-	-	-	-
5000	3892	Scrap Metal Sales	-	513	-	-	-
5000	3980	Miscellaneous	(271,982)	17,821	19,552	19,552	59,000
		<b>FUND TOTAL</b>	<b>10,353,514</b>	<b>11,825,860</b>	<b>16,096,120</b>	<b>14,117,630</b>	<b>15,270,500</b>
		<b><u>RICHLAND FARMS WATER FUND</u></b>					
5001	3130	Richland Farm Assessment	51,977	49,662	48,000	48,000	48,000
5001	3410	Interest Income	-	-	-	-	-
5001	3980	Miscellaneous Revenue	(43,474)	-	-	-	-
		<b>FUND TOTAL</b>	<b>8,503</b>	<b>49,662</b>	<b>48,000</b>	<b>48,000</b>	<b>48,000</b>
		<b><u>MIDLAND PARK WATER TRUST</u></b>					
5010	3410	Interest Income	-	2	-	-	-
5010	3410	Self Insurance Trust - Interest income	14	-	-	-	-
		<b>FUND TOTAL</b>	<b>14</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b><u>CAPITAL IMPROVEMENT FUND</u></b>					
5003	3410	Interest	5,012	4,526	-	3,225	-
5003	3808	Water CIP Revenue	2,361,147	2,705,663	2,763,450	2,763,450	2,763,450
5003	3970	Revenue Prior Year	-	-	18,785,358	18,785,358	13,132,546
5003	3980	Miscellaneous Revenue	(151,734)	-	-	-	-
		<b>FUND TOTAL</b>	<b>2,214,425</b>	<b>2,710,189</b>	<b>21,548,808</b>	<b>21,552,033</b>	<b>15,895,996</b>
		<b><u>RUBBISH FUND</u></b>					
5100	3410	Interest Income	117	7	-	-	-
5100	3670	Refuse Collection	9,026,435	8,673,433	11,154,750	10,164,622	10,903,911
5100	3722	Residential Bin Service	86,889	93,994	369,000	137,023	100,000
5100	3884	Administrative Fee	250,104	244,907	287,830	222,768	222,769
5100	3941	Principle & Interest/Hub City Contribution	196,097	126,373	-	111,737	50,000
5100	3942	Other Bond Revevue/Hub City	-	7,210	-	-	-
5100	3980	Miscellaneous Revenue	(271,492)	3,000	-	101,133	50,566
		<b>FUND TOTAL</b>	<b>9,288,150</b>	<b>9,148,924</b>	<b>11,811,580</b>	<b>10,737,283</b>	<b>11,327,246</b>
		<b><u>SEWER</u></b>					
5116	3410	Interest	3,008	460	45	300	300
5116	3761	Assessments	962,549	959,813	916,984	930,306	930,306
		<b>FUND TOTAL</b>	<b>965,557</b>	<b>960,274</b>	<b>917,029</b>	<b>930,606</b>	<b>930,606</b>

Fund No	Object Code		ACTUAL REVENUES FY 2009-2010	ACTUAL REVENUES FY 2010-2011	PROPOSED BUDGET FY 2011-2012	REVISED BUDGET FY 2011-2012	PROPOSED BUDGET FY 2012-2013
<b>CAPITAL IMPROVEMENT FUND</b>							
5117	3410	Interest	2,048	1,953	699	1,600	1,600
5117	3809	Sewer Capital	941,528	1,929,114	2,033,783	2,033,783	1,862,203
5117	3970	Revenue Prior Year	-	-	12,631,532	12,631,532	10,965,305
5117	3980	Miscellaneous Revenue	(18,681)	-	-	-	-
<b>FUND TOTAL</b>			<b>924,895</b>	<b>1,931,066</b>	<b>14,666,014</b>	<b>14,666,915</b>	<b>12,829,108</b>
<b>GOLF COURSE FUND</b>							
5200	3710	Golf Fees	73,130	78,091	79,100	79,100	83,200
<b>FUND TOTAL</b>			<b>73,130</b>	<b>78,091</b>	<b>79,100</b>	<b>79,100</b>	<b>83,200</b>
<b>RECREATION PROGRAM FUND</b>							
5300	3410	Interest Income	30	4	-	-	-
5300	3740	Recreation Program	5,405	29,257	27,000	27,000	24,000
5300	3980	Miscellaneous Revenue	1,208	1,150	-	-	-
<b>FUND TOTAL</b>			<b>6,643</b>	<b>30,411</b>	<b>27,000</b>	<b>27,000</b>	<b>24,000</b>
<b>TOTAL ENTERPRISE FUNDS</b>			<b>23,834,831</b>	<b>26,734,479</b>	<b>65,193,651</b>	<b>62,158,567</b>	<b>56,408,656</b>
<b>INTERNAL SERVICES FUNDS</b>							
<b>WORKERS COMPENSATION FUND</b>							
6300	3410	Interest Income	302	148	-	-	-
6300	3750	Insurance Charges/Other	-	-	-	-	-
6300	3930	Workers Compensation Insurance	5,988,990	4,437,726	2,648,259	2,521,435	2,095,982
6300	3980	Miscellaneous	166	-	-	-	-
<b>FUND TOTAL</b>			<b>5,989,458</b>	<b>4,437,874</b>	<b>2,648,259</b>	<b>2,521,435</b>	<b>2,095,982</b>
<b>GENERAL LIABILITY FUND</b>							
6400	3920	Contributions from Other Funds	3,194,313	20,683,513	320,799	320,799	1,300,000
6400	3920	Contributions from Surplus Tax	-	-	1,116,710	1,116,710	-
6400	3920	Contributions from Prop A & Others	-	-	-	-	-
6400	3980	Miscellaneous Revenue	8,728	-	-	173,000	87,890
<b>FUND TOTAL</b>			<b>3,203,041</b>	<b>20,683,513</b>	<b>1,437,509</b>	<b>1,610,509</b>	<b>1,387,890</b>
<b>EQUIPMENT RENTAL FUND</b>							
6000	3882	Equipment Rental Charges	3,444,904	2,497,602	2,346,642	2,306,642	2,246,453
6000	3980	Misc Revenue	190,920	13,690	14,375	-	-
<b>FUND TOTAL</b>			<b>3,635,824</b>	<b>2,511,292</b>	<b>2,361,017</b>	<b>2,306,642</b>	<b>2,246,453</b>

Fund No.	Object Code		ACTUAL REVENUES FY 2009-2010	ACTUAL REVENUES FY 2010-2011	PROPOSED BUDGET FY 2011-2012	REVISED BUDGET FY 2011-2012	PROPOSED BUDGET FY 2012-2013
		<b>CENTRAL DUPLICATING FUND</b>					
6200	3410	Interest Income	88	5	-	-	-
6200	3881	Reproduction Charges	614,961	576,953	611,665	542,170	652,094
		<b>FUND TOTAL</b>	<b>615,049</b>	<b>576,958</b>	<b>611,665</b>	<b>542,170</b>	<b>652,094</b>
		<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>13,443,372</b>	<b>28,209,637</b>	<b>7,058,450</b>	<b>6,980,756</b>	<b>6,382,419</b>
		<b>GRAND TOTAL</b>	<b>\$ 295,014,390</b>	<b>\$ 199,006,953</b>	<b>\$ 239,960,536</b>	<b>245,705,756</b>	<b>152,024,699</b>



**Attachment II:**  
**Fiscal Year 2012-2013**  
**General Fund Budget Deficit**  
**Projection Summary**

	Department	1001	1003	1012	1057	1060	1061		1518
		General	Hazardous	Prop 42	2010	2011	2012	JAG	Community
		Fund	Materials		JAG	JAG	JAG	ARRA	Improvement
1	City Council	849,524							
2	City Attorney	1,395,267							
3	City Clerk	1,082,385							
4	City Treasurer	495,531							
5	City Manager	2,948,706			182,735	145,729			
6	City Controller	1,616,708							
7	Human Resources	595,800							
8	Non-Departmental	3,255,287							
9	Local Housing Authority								
10	Parks & Recreation	2,396,094							
11	Planning	645,554							
12	CareerLink	30,939							
13	Municipal Law Enforcement	3,390,571							
14	LA County Sheriff	17,501,286						477,147	
15	Fire	10,485,588	176,340						
16	Building and Safety	996,181							
17	Street Maintenance Div	817,500		124,130			150,998		
18	Public Works - Eng.	228,350							512,808
19	General Services	2,900,145							
20	CRA (Successor Agency)								
21	Water								
	<b>Total Expenses</b>	<b>\$51,631,414</b>	<b>\$176,340</b>	<b>\$124,130</b>	<b>\$182,735</b>	<b>\$145,729</b>	<b>\$150,998</b>	<b>\$477,147</b>	<b>\$512,808</b>
	Estimated Revenue	\$42,618,237	\$176,340	\$124,130	-	\$0	\$150,998	\$477,147	\$512,808
	Fund Balance/Prior Year				\$182,735	\$145,729			
	Operating Transfer	(100,575.00)							
	<b>Total Revenue</b>	<b>\$42,517,662</b>	<b>\$176,340</b>	<b>\$124,130</b>	<b>\$182,735</b>	<b>\$145,729</b>	<b>\$150,998</b>	<b>\$477,147</b>	<b>\$512,808</b>
		<b>(\$9,113,752)</b>	<b>(\$0)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$0)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Attachment III:  
Fiscal Year 2012-2013 Adopted  
Budget Gap, Cost Savings and  
Revenue Enhancements  
Summary

Fiscal Year 2012-2013 Fiscal Year 2012-2013 Adopted Budget Gap Summary with Savings and Revenue Enhancement Projections

**Fiscal Year 2012-2013 Adopted Cost Savings Projections**

Measure	Projected Savings
Vacant Positions	\$1,721,946
Furlough Savings	\$845,760
Fire Department Savings	\$256,404
Benefit Savings	\$921,519
<b>TOTAL</b>	<b>\$3,745,629</b>

**Fiscal Year 2012-2013 Adopted Revenue Enhancement Projections**

Revenue Source	Original FY12/13 Projection
Trash Host Fee	\$500,000
Quimby Fees	\$1,100,000
Building Fees Increase	\$50,000
Fire Inspection Fee	\$150,000
MLES Admin. Fee	\$100,000
Successor Agency Reimbursement	\$300,000
Planning Fee	\$50,000
Medi-Cal Reimbursement	\$800,000
<b>TOTAL</b>	<b>\$3,050,000</b>

**Fiscal Year 2012-2013 Adopted Budget Gap Summary**

Projected General Fund Budget Shortfall	\$8,753,419
Cost Savings Measures	\$3,050,000
Revenue Enhancements	\$3,745,629
<b>Net Projected Shortfall</b>	<b>\$1,957,790</b>

**Attachment IV:  
Resolution No. 23,422 -  
Refinancing of Revenue Lease  
Bonds**

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RESOLUTION NO. 23,422

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE CAPITAL IMPROVEMENT PLAN AND REALLOCATING CAPITAL FUNDING FOR PROJECTS FINANCED THROUGH THE REFINANCING OF LEASE REVENUE BONDS

WHEREAS, on September 11, 2007, the City Council approved a resolution directing City Staff to move forward with a plan to provide for the issuance of lease revenue bonds to refinance outstanding certificates of participation issued in 1997, and to finance various additional projects; and

WHEREAS, on March 11, 2008, the City Council and the Compton Public Finance Authority (the "Authority") adopted two companion resolutions, Resolutions No. 22,536 of the City Council and Resolution No. 24 of the Authority, authorizing the issuance of the Compton Public Finance Authority Lease Revenue Bonds (Refunding and Various Capital Projects), Series 2008 (the "Bonds") for the purpose of (i) refinancing all of the outstanding 1997 certificates of participation and (ii) financing various additional projects; and

WHEREAS, the Facility Lease related to the Bonds (the "Facility Lease") and the Trust Agreement relating to the Bonds (the "Trust Agreement") provide the definition of the "2008 Project" to be financed by the Bonds as follows:

"2008 Project" means the financing of various capital projects of the City, and payment of any costs associated with the financing of said projects, including, but not limited to, improvements to Compton City Hall, design, construction and equipping a senior citizen support center, various improvements to the City's parks, construction of a transit center parking structure, purchase and installation of police surveillance cameras throughout the City and various other capital improvements and equipment within the City, as the same may be changed from time to time by the City by filing a Certificate of the City with the Trustee, together with an approving resolution of the City Council."

WHEREAS, under such definition of the "2008 Project", the City Council has the flexibility to change the projects as described therein; and

WHEREAS, pursuant to its Resolution No. 22,901, in 2009, the City Council made certain changes to the definition of "2008 Project" and reallocated moneys in the 2008 Project Fund established under the Trust Agreement for the purpose of financing those changes; and

WHEREAS, the City Council desires to make further changes to the definition of "2008 Project" and reallocate certain funds remaining on deposit in the 2008 Project Fund established under the Trust Agreement to accomplish those further changes; and

WHEREAS, Section 6586.5 of the Government Code provides for public input through a public hearing to solicit comments regarding changes to the definition of the "2008 Project"; and

WHEREAS, after notice duly published in accordance with law, the City Council and the Board of Directors of the Public Finance Authority of the City of Compton held a joint public hearing on this date with respect to the proposed changes to the definition of "2008 Project" described herein and received evidence concerning the public benefits therefrom.

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Resolution No. 23,422  
Page 2

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the above recitals, and each of them, are true and correct. The City Council hereby finds that the changes to the definition described in the Recitals hereof from monies on deposit in the 2008 Project Fund, established under the Trust Agreement will result in significant public benefits to the constituents of the City, including employment benefits from undertaking the projects in a timely fashion and more efficient delivery of City services funded by the City's General Fund to residential and commercial development within the City.

SECTION 2. That the City Council of the City of Compton hereby changes the definition of "2008 Project" in the Facility Lease and in the Trust Agreement to include the following:

1. The financing of improvements to the Martin Luther King Multimodal Transit Center.
2. The financing of improvements to the dispatch center at the Los Angeles County Sheriff's Department, Compton Station.
3. The payment of debt service on the Bonds.

SECTION 3. That monies in the 2008 Project Fund shall be reallocated for the purposes described above as follows:

1. For the Martin Luther King Multimodal Transit Center, an amount not to exceed \$4,000,000.
2. For the Los Angeles County Sheriff's Department - Compton Station dispatch center, an amount not to exceed \$700,000.
3. For the payment of debt service on the Bonds, an amount not to exceed \$7,000,000.

SECTION 4. That the City Manager is hereby authorized and directed to execute, deliver, and file with the Trustee under the Trust Agreement a Certificate of the City regarding the changes of the definition of "2008 Project" approved hereby, together with a copy of this Resolution, all as described in Exhibit C to the Facility Lease and in Section 1.01 of the Trust Agreement.

SECTION 5. That at such time or times as he deems appropriate, the City Manager is hereby authorized and directed to execute and deliver to the Trustee, one or more Written Requests of the City as described in Section 3.02 of the Trust Agreement, that the City Manager may deem necessary or advisable in connection with disbursements for the items listed in Section 3 hereof, subject to and in accordance with the terms and provisions of this Resolution, the Trust Agreement, and the Facility Lease and in order to effectuate the purposes of this Resolution.

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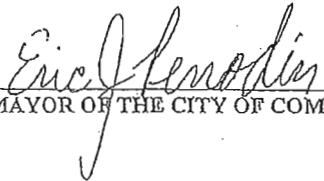
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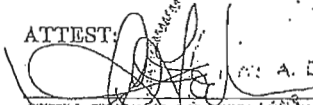
Resolution No. 23,422  
Page 3

SECTION 6. That a copy of this Resolution shall be filed with the Offices of the City Clerk, City Controller, City Treasurer, City Manager and the City Attorney.

SECTION 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this 8th day of November, 2011.

  
MAYOR OF THE CITY OF COMPTON

ATTEST:   
CITY CLERK OF THE CITY OF COMPTON  
STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES  
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested to by the City Clerk at a regular meeting thereof held on the 8th day of November, 2011.

That said resolution was adopted by the following vote, to wit:

AYES: COUNCIL MEMBERS-Zurita, Arceneaux, Jones  
NOES: COUNCIL MEMBERS-Dobson, Perrodin  
ABSENT: COUNCIL MEMBERS-None  
ABSTAINS: COUNCIL MEMBERS-None

  
CITY CLERK OF THE CITY OF COMPTON



**Attachment V:  
Fiscal Year 2011-2012 Year  
End Revenue and Expenditure  
Summaries**

Appendix A

Revenues Summary						
Account Number	Fund Name	Original Budget FY 2011-2012	Adjusted Budget FY 2011-2012	Actual June 2012	Year-To-Date 6/30/2012	Percentage Collection
<b>General Fund</b>						
1001	General Fund	\$ 48,324,331	\$ 49,327,450	\$ 4,257,670	\$ 44,347,996	90%
1003	Hazardous Materials Fund	142,902	143,498	-	-	0%
	Subtotal	48,467,233	49,470,948	4,257,670	44,347,996	90%
<b>Special Revenue Funds</b>						
2100	Retirement Fund	15,697,405	15,427,162	3,748,957	19,436,683	126%
2502	Street Lighting City Wide	4,394,634	4,396,068	319,130	4,293,962	98%
2820	Local Housing Authority	10,679,743	10,680,268	920,102	10,447,669	98%
	All others	17,578,680	35,264,157	1,344,878	11,112,877	32%
	Subtotal	48,350,462	65,767,665	6,333,067	45,291,191	69%
<b>Redevelopment Funds</b>						
1200	CRA - Tax Increment	19,181,324	19,476,488	-	9,801,215	50%
1201	Successor Agency - Admin Fund	-	18,516,721	7,030,176	7,157,364	N/A
1203	CRA - Low Cost Housing	5,479,494	5,556,503	-	1,806,441	33%
1205	Successor Agency - Low Cost Housing	-	-	-	174	N/A
4000	CRA - Admin Fund	1,243,160	1,250,205	-	6,096	0%
9203	Revenue Bonds 1987	100,275	100,275	-	101,245	101%
	Subtotal	26,004,253	44,900,192	7,030,176	18,872,535	42%
<b>Debt Service Funds</b>						
3001	CRA - Tax Allocation Bond	8,578,154	8,578,154	-	447,859	5%
3002	Successor Agency - Tax Alloc. Bond	-	3,573,916	1,070	1,070	0%
3030	Revenue Bonds 2008	5,524,260	13,562,637	-	1,163,219	9%
3040	CRA Bonds Series 2010A	8,300,000	10,614,084	-	2,919	0%
3050	CRA Bonds Series 2010B	20,000,000	20,599,367	-	2,962,539	14%
3060	CRA Bonds Series 2010C	3,300,000	4,616,798	-	1,369,020	30%
3070	Successor Agency - 2010A Bond	-	19,000,000	1	2	0%
3080	Successor Agency - 2010B Bond	-	21,000,000	1	3	0%
3090	Successor Agency - 2010C Bond	-	2,939,817	-	-	0%
	Subtotal	45,702,414	104,484,773	1,072	5,946,631	6%
<b>Enterprise Funds</b>						
5000	Water Fund	16,117,630	16,535,401	1,220,082	13,263,381	80%
5001	Richland Farms	48,000	48,000	6,219	55,196	115%
5003	Water Bond Fund 2009	21,548,808	22,623,876	260,204	2,942,361	13%
5100	Rubbish Fund	11,811,580	11,811,743	760,814	10,117,036	86%
5116	Sewer Fund	917,029	918,461	48,954	952,453	104%
5117	Sewer Bond Series 2009	14,666,014	14,669,057	163,881	1,876,603	13%
5200	Golf Course	79,100	79,100	9,354	96,645	122%
5300	Recreation Programs	27,000	28,938	1,905	4,780	17%
	Subtotal	65,215,161	66,714,576	2,471,413	29,308,455	44%
<b>Internal Service Funds</b>						
6000	Equipment Rental	2,108,480	2,123,327	178,769	2,170,764	102%
6200	Central Duplicating	542,170	555,050	25,754	308,096	56%
6300	Worker's Compensation	2,521,435	2,359,812	152,880	2,172,207	92%
6400	Liability Insurance Fund	1,610,509	1,620,460	-	1,437,513	89%
	Subtotal	6,782,594	6,658,649	357,353	6,088,580	91%
	<b>Grand Total</b>	<b>\$ 240,522,117</b>	<b>\$ 337,996,803</b>	<b>\$ 20,450,751</b>	<b>\$ 149,855,388</b>	<b>44%</b>

## Appendix D

Expenditures Summary						
Account Number	Fund Name	Original Budget FY 2011-2012	Adjusted Budget FY 2011-2012	Actual June 2012	Year-To-Date 6/30/2012	Percentage Spent
<b>General Fund</b>						
1001	General Fund	\$ 49,699,824	\$ 51,193,881	\$ 4,544,349	\$ 47,888,072	94%
1003	Hazardous Materials Disclosure	142,902	143,498	8,092	92,528	64%
	Subtotal	49,842,726	51,337,379	4,552,441	47,980,600	93%
<b>Special Revenue Funds</b>						
2100	Retirement Fund	15,697,405	15,427,162	1,527,750	15,588,269	101%
2502	Street Lighting City-wide	4,394,634	4,396,068	457,710	4,114,482	94%
2820	Local Housing Authority	10,679,743	10,680,268	63,269	10,509,823	98%
All others	All others	17,578,880	35,264,167	4,585,744	13,514,988	38%
	Subtotal	48,350,662	65,767,665	6,634,473	43,727,562	66%
<b>Redevelopment Funds</b>						
1200	CRA Tax Increment	19,181,324	19,476,488	-	6,026,492	31%
1201	Successor Agency - Admin Fund	-	18,516,721	246,638	639,322	3%
1203	Low Cost Housing	5,479,494	5,556,503	221	308,623	6%
1205	Successor Agency - LCH	-	-	-	-	0
4000	CRA- Admin Fund	1,243,160	1,250,205	-	153,849	12%
9203	Revenue Bonds 1987 Series A	100,275	100,275	7,971	91,311	91%
	Subtotal	26,004,253	44,900,192	254,830	7,219,597	16%
<b>Debt Service Funds</b>						
3001	CRA Tax Allocation	8,578,154	8,578,154	-	10,915,542	127%
3002	Successor Agency - Tax Alloc Bond	-	3,573,916	415,250	415,250	N/A
3030	Lease Revenue Bonds Series 2008	5,524,260	13,562,637	269,635	4,462,001	33%
3040	CRA Bonds Series 2010A	8,300,000	10,614,084	-	1,448,362	14%
3050	CRA Bonds Series 2010B	20,000,000	20,599,367	-	2,936,584	14%
3060	CRA Bonds Series 2010C	3,300,000	4,616,798	-	684,353	15%
3070	Successor Agency 2010A Bond	-	19,000,000	-	755,813	4%
3080	Successor Agency - 2010B Bond Fund	-	21,000,000	361,094	2,110,551	10%
3090	Successor Agency 2010C Bond	-	2,939,817	-	1,698,239	58%
	Subtotal	45,702,414	104,484,773	1,045,979	25,426,695	24%
<b>Enterprise Funds</b>						
5000	Water Fund	16,117,630	16,535,401	1,244,371	10,265,488	62%
5001	Richland Farms	48,000	48,000	-	42,383	88%
5003	Water Bond Fund 2009	21,548,808	22,623,876	1,196,475	10,800,014	48%
5100	Rubbish Fund	11,811,580	11,811,743	845,327	9,283,549	79%
5116	Sewer Fund	917,029	1,520,399	35,164	791,045	52%
5117	Sewer Bond Series 2009	14,666,014	14,067,119	-	1,109,803	8%
5200	Golf Course	79,100	79,100	7,000	42,000	53%
5300	Recreation Programs	27,000	28,938	799	8,490	29%
	Subtotal	65,215,161	66,714,576	3,329,136	32,342,772	48%
<b>Internal Service Funds</b>						
6000	Equipment Rental	2,108,480	2,123,327	216,700	1,497,834	71%
6200	Central Duplcatng	542,170	555,050	62,344	478,608	86%
6300	Worker's Compensation	2,521,435	2,359,812	120,271	2,193,312	93%
6400	Liability Insurance Fund	1,610,509	1,620,460	57,600	1,404,847	87%
	Subtotal	6,782,594	6,658,649	456,915	5,574,601	84%
	Grand Total	\$ 241,897,810	\$ 339,863,234	\$ 16,273,774	\$ 162,271,827	48%

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Appendix A

Revenues Summary						
Account Number	Fund Name	Original Budget FY 2012-2013	Adjusted Budget FY 2012-2013	Actual July 2012	Year-To-Date 7/31/2012	Percentage Collection
<b>General Fund</b>						
1001	General Fund	\$ 42,618,237	\$ 44,672,669	\$ 1,271,837	\$ 1,271,837	3%
1003	Hazardous Materials Fund	176,340	177,340	-	-	0%
	Subtotal	42,794,577	44,850,009	1,271,837	1,271,837	3%
<b>Special Revenue Funds</b>						
2100	Retirement Fund	13,663,627	13,663,627	-	-	0%
2502	Street Lighting City Wide	4,229,446	4,352,562	-	-	0%
2820	Local Housing Authority	10,922,755	10,926,448	912,453	912,453	8%
	All others	19,524,660	22,462,951	75,184	75,184	0%
	Subtotal	48,340,488	51,405,588	987,637	987,637	2%
<b>Successor Agency Funds</b>						
1201	Successor Agency - Admin Fund	16,021,295	16,226,692	-	-	0%
1205	Successor Agency - Low Cost Housing	-	-	-	-	N/A
3002	Successor Agency - Tax Alloc. Bond	7,795,640	7,795,640	-	-	0%
3070	Successor Agency -2010A Bond	19,415,000	19,415,000	-	-	0%
3080	Successor Agency - 2010B Bond	20,447,071	20,550,646	-	-	0%
3090	Successor Agency - 2010C Bond	5,301,151	5,301,151	-	-	0%
	Subtotal	68,980,157	69,289,129	-	-	0%
<b>Debt Service Funds</b>						
3030	Revenue Bonds 2008	3,690,325	4,267,285	-	-	0%
9203	Revenue Bonds 1987	100,275	100,275	-	-	0%
	Subtotal	3,790,600	4,367,560	-	-	0%
<b>Enterprise Funds</b>						
5000	Water Fund	15,270,500	17,211,896	1,213,751	1,213,751	7%
5001	Richland Farms	48,000	48,000	-	-	0%
5003	Water Bond Fund 2009	15,895,996	19,047,159	260,204	260,204	1%
5100	Rubbish Fund	11,327,246	12,598,654	743,143	743,143	6%
5116	Sewer Fund	930,606	930,606	-	-	0%
5117	Sewer Bond Series 2009	12,829,108	12,829,108	163,881	163,881	1%
5200	Golf Course	83,200	86,700	10,129	10,129	12%
5300	Recreation Programs	24,000	25,446	-	-	0%
	Subtotal	56,408,656	62,777,569	2,391,108	2,391,108	4%
<b>Internal Service Funds</b>						
6000	Equipment Rental	2,246,453	2,332,400	178,769	178,769	8%
6200	Central Duplicating	652,094	765,847	20,017	20,017	3%
6300	Worker's Compensation	2,095,982	2,096,899	160,325	160,325	8%
6400	Liability Insurance Fund	1,387,890	1,465,729	-	-	0%
	Subtotal	6,382,419	6,660,875	359,111	359,111	5%
	<b>Grand Total</b>	<b>\$ 226,696,897</b>	<b>\$ 239,350,730</b>	<b>\$ 5,009,693</b>	<b>\$ 5,009,693</b>	<b>2%</b>

Appendix D

Expenditures Summary						
Account Number	Fund Name	Original Budget FY 2012-2013	Adjusted Budget FY 2012-2013	Actual July 2012	Year-To-Date 7/31/2012	Percentage Spent
<b>General Fund</b>						
1001	General Fund	\$ 51,728,597	\$ 53,783,029	\$ 2,181,617	\$ 2,181,617	4%
1003	Hazardous Materials Fund	176,340	177,340	2,591	2,591	1%
	Subtotal	51,904,937	53,960,369	2,184,208	2,184,208	4%
<b>Special Revenue Funds</b>						
2100	Retirement Fund	13,663,627	13,663,627	571,076	571,076	4%
2502	Street Lighting City Wide	4,229,446	4,352,562	102,200	102,200	2%
2820	Local Housing Authority	10,922,755	10,926,448	881,636	881,636	8%
	All others	19,524,660	22,462,951	138,915	138,915	1%
	Subtotal	48,340,488	51,405,588	1,693,827	1,693,827	3%
<b>Successor Agency Funds</b>						
1201	Successor Agency - Admin Fund	16,021,295	16,226,692	34,414	34,414	0%
1205	Successor Agency - Low Cost Housing			-	-	N/A
3002	Successor Agency - Tax Alloc. Bond	7,795,640	7,795,640	-	-	0%
3070	Successor Agency -2010A Bond	19,415,000	19,415,000	-	-	0%
3080	Successor Agency - 2010B Bond	20,447,071	20,550,646	5,930	5,930	0%
3090	Successor Agency - 2010C Bond	5,301,151	5,301,151	479,380	479,380	9%
	Subtotal	68,980,157	69,289,129	519,724	519,724	1%
<b>Debt Service Funds</b>						
3030	Revenue Bonds 2008	3,690,325	4,267,285	-	-	0%
9203	Revenue Bonds 1987	100,275	100,275	6,100	6,100	6%
	Subtotal	3,790,600	4,367,560	6,100	6,100	0%
<b>Enterprise Funds</b>						
5000	Water Fund	15,270,500	17,211,896	517,170	517,170	3%
5001	Richland Farms	48,000	48,000	-	-	0%
5003	Water Bond Fund 2009	15,895,996	19,047,159	24,960	24,960	0%
5100	Rubbish Fund	11,327,246	12,598,654	4,367	4,367	0%
5116	Sewer Fund	930,606	930,606	8,002	8,002	1%
5117	Sewer Bond Series 2009	12,829,108	12,829,108	3,095	3,095	0%
5200	Golf Course	83,200	86,700	-	-	0%
5300	Recreation Programs	24,000	25,446	-	-	0%
	Subtotal	56,408,656	62,777,569	557,594	557,594	1%
<b>Internal Service Funds</b>						
6000	Equipment Rental	2,246,453	2,332,400	14,810	14,810	1%
6200	Central Duplicating	652,094	765,847	6,992	6,992	1%
6300	Worker's Compensation	2,095,982	2,096,899	42,139	42,139	2%
6400	Liability Insurance Fund	1,387,890	1,465,729	449,169	449,169	31%
	Subtotal	6,382,419	6,660,875	513,110	513,110	8%
	<b>Grand Total</b>	<b>\$ 235,807,257</b>	<b>\$ 248,461,090</b>	<b>\$ 5,474,563</b>	<b>\$ 5,474,563</b>	<b>2%</b>

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## Appendix A

		Revenues Summary				
Account Number	Fund Name	Original Budget FY 2012-2013	Adjusted Budget FY 2012-2013	Actual September 2012	Year-To-Date (First Quarter) 9/30/2012	Percentage Collection
<b>General Fund</b>						
1001	General Fund	\$ 42,618,237	\$ 44,672,669	\$ 2,818,933	\$ 6,787,358	15%
1003	Hazardous Materials Fund	176,340	177,340	-	-	0%
	Subtotal	42,794,577	44,850,009	2,818,933	6,787,358	15%
<b>Special Revenue Funds</b>						
2100	Retirement Fund	13,663,627	13,663,627	-	-	0%
2502	Street Lighting City Wide	4,229,446	4,352,562	-	-	0%
2820	Local Housing Authority	10,922,755	10,926,448	1,037,242	2,944,346	27%
	All others	19,524,660	23,112,529	162,401	899,095	4%
	Subtotal	48,340,488	52,055,166	1,199,643	3,843,441	7%
<b>Successor Agency Funds</b>						
1201	Successor Agency - Admin Fund	16,021,295	16,226,692	14,271	39,652	0%
1205	Successor Agency - Low Cost Housing	-	-	-	-	N/A
3002	Successor Agency - Tax Alloc. Bond	7,795,640	7,795,640	-	-	0%
3070	Successor Agency -2010A Bond	19,415,000	19,415,000	-	-	0%
3080	Successor Agency - 2010B Bond	20,447,071	20,550,646	-	-	0%
3090	Successor Agency - 2010C Bond	5,301,151	5,301,151	-	-	0%
	Subtotal	68,980,157	69,289,129	14,271	39,652	0%
<b>Debt Service Funds</b>						
3030	Revenue Bonds 2008	3,690,325	4,267,285	-	-	0%
9203	Revenue Bonds 1987	100,275	100,275	-	-	0%
	Subtotal	3,790,600	4,367,560	-	-	0%
<b>Enterprise Funds</b>						
5000	Water Fund	15,270,500	17,211,896	1,444,274	4,229,882	25%
5001	Richland Farms	48,000	48,000	-	-	0%
5003	Water Bond Fund 2009	15,895,996	19,047,159	288,581	848,849	4%
5100	Rubbish Fund	11,327,246	12,598,654	831,513	2,424,651	19%
5116	Sewer Fund	930,606	930,606	-	-	0%
5117	Sewer Bond Series 2009	12,829,108	12,829,108	180,335	542,367	4%
5200	Golf Course	83,200	86,700	5,122	21,483	25%
5300	Recreation Programs	24,000	25,446	-	-	0%
	Subtotal	56,408,656	62,777,569	2,749,825	8,067,232	13%
<b>Internal Service Funds</b>						
6000	Equipment Rental	2,246,453	2,332,400	170,256	544,819	23%
6200	Central Duplicating	652,094	765,847	-	37,509	5%
6300	Worker's Compensation	2,095,982	2,096,899	154,166	540,629	26%
6400	Liability Insurance Fund	1,387,890	1,754,119	100,000	100,040	6%
	Subtotal	6,382,419	6,949,265	424,422	1,222,997	18%
	Grand Total	\$ 226,696,897	\$ 240,288,698	\$ 7,207,094	\$ 19,960,680	8%



## Appendix D

Expenditures Summary						
Account Number	Fund Name	Original Budget	Adjusted Budget	Actual	Year-To-Date (First Quarter)	Percentage Spent
		FY 2012-2013	FY 2012-2013	September 2012	9/30/2012	
<b>General Fund</b>						
1001	General Fund	\$ 51,728,597	\$ 53,743,515	\$ 4,730,231	\$ 9,712,206	18%
1003	Hazardous Materials Fund	176,340	177,340	7,914	19,064	11%
	Subtotal	51,904,937	53,920,855	4,738,145	9,731,270	18%
<b>Special Revenue Funds</b>						
2100	Retirement Fund	13,663,627	13,663,627	206,616	1,285,148	9%
2502	Street Lighting City Wide	4,229,446	4,352,562	343,186	662,728	15%
2820	Local Housing Authority	10,922,755	10,926,448	888,862	2,684,921	25%
	All others	19,524,660	23,112,529	821,298	1,401,907	6%
	Subtotal	48,340,488	52,055,166	2,259,962	6,034,704	12%
<b>Successor Agency Funds</b>						
1201	Successor Agency - Admin Fund	16,021,295	16,226,692	4,789,715	4,920,741	30%
1205	Successor Agency - Low Cost Housing	-	-	-	-	N/A
3002	Successor Agency - Tax Alloc. Bond	7,795,640	7,795,640	-	-	0%
3070	Successor Agency - 2010A Bond	19,415,000	19,415,000	-	846	0%
3080	Successor Agency - 2010B Bond	20,447,071	20,550,646	80,500	86,430	0%
3090	Successor Agency - 2010C Bond	5,301,151	5,301,151	-	479,380	9%
	Subtotal	68,980,157	69,289,129	4,870,215	5,487,397	8%
<b>Debt Service Funds</b>						
3030	Revenue Bonds 2008	3,690,325	4,267,285	6,850	17,724	0%
9203	Revenue Bonds 1987	100,275	100,275	-	12,200	12%
	Subtotal	3,790,600	4,367,560	6,850	29,924	1%
<b>Enterprise Funds</b>						
5000	Water Fund	15,270,500	17,211,896	613,351	1,623,885	9%
5001	Richland Farms	48,000	48,000	497	497	1%
5003	Water Bond Fund 2009	15,895,996	19,047,159	48,311	131,035	1%
5100	Rubbish Fund	11,327,246	12,598,654	827,725	1,549,498	12%
5116	Sewer Fund	930,606	930,606	10,151	30,931	3%
5117	Sewer Bond Series 2009	12,829,108	12,829,108	8,101	20,547	0%
5200	Golf Course	83,200	86,700	-	-	0%
5300	Recreation Programs	24,000	25,446	-	-	0%
	Subtotal	56,408,656	62,777,569	1,508,136	3,356,393	5%
<b>Internal Service Funds</b>						
6000	Equipment Rental	2,246,453	2,332,400	86,734	265,482	11%
6200	Central Duplicating	652,094	765,847	12,467	36,699	5%
6300	Worker's Compensation	2,095,982	2,096,899	16,176	175,957	8%
6400	Liability Insurance Fund	1,387,890	1,754,119	121,595	875,958	50%
	Subtotal	6,382,419	6,949,265	236,972	1,354,096	19%
	<b>Grand Total</b>	<b>\$ 235,807,257</b>	<b>\$ 249,359,544</b>	<b>\$ 13,620,280</b>	<b>\$ 25,993,784</b>	<b>10%</b>

**#5.**

Attachment VI:  
Fiscal Year 2012-2013 Revised  
Revenue Enhancement  
Projections



**Fiscal Year 2012-2013 Revised Revenue Enhancement Projections**

**Fiscal Year 2012-2013 Adopted Revenue Enhancements vs. Adjusted First Quarter Projections**

<b>Revenue Source</b>	<b>Original FY12/13 Projection</b>	<b>Revised FY12/13 Projection*</b>
Trash Host Fee	\$500,000	\$200,000
Quimby Fees	\$1,100,000	\$0
Building Fees Increase	\$50,000	\$50,000
Fire Inspection Fee	\$150,000	\$150,000
MLES Admin. Fee	\$100,000	\$100,000
Successor Agency Reimbursement	\$300,000	\$300,000
Planning Fee	\$50,000	\$50,000
Medi-Cal Reimbursement	\$800,000	\$0
<b>TOTAL</b>	<b>\$3,050,000</b>	<b>\$850,000</b>

\* Revenue projections revised based on First Quarter actuals.

**#5.**

Attachment VII:  
Fiscal Year 2012-2013 New  
Revenue Enhancement  
Projections

**Fiscal Year 2012-2013 Revised and New First Quarter Revenue Enhancements Summary**

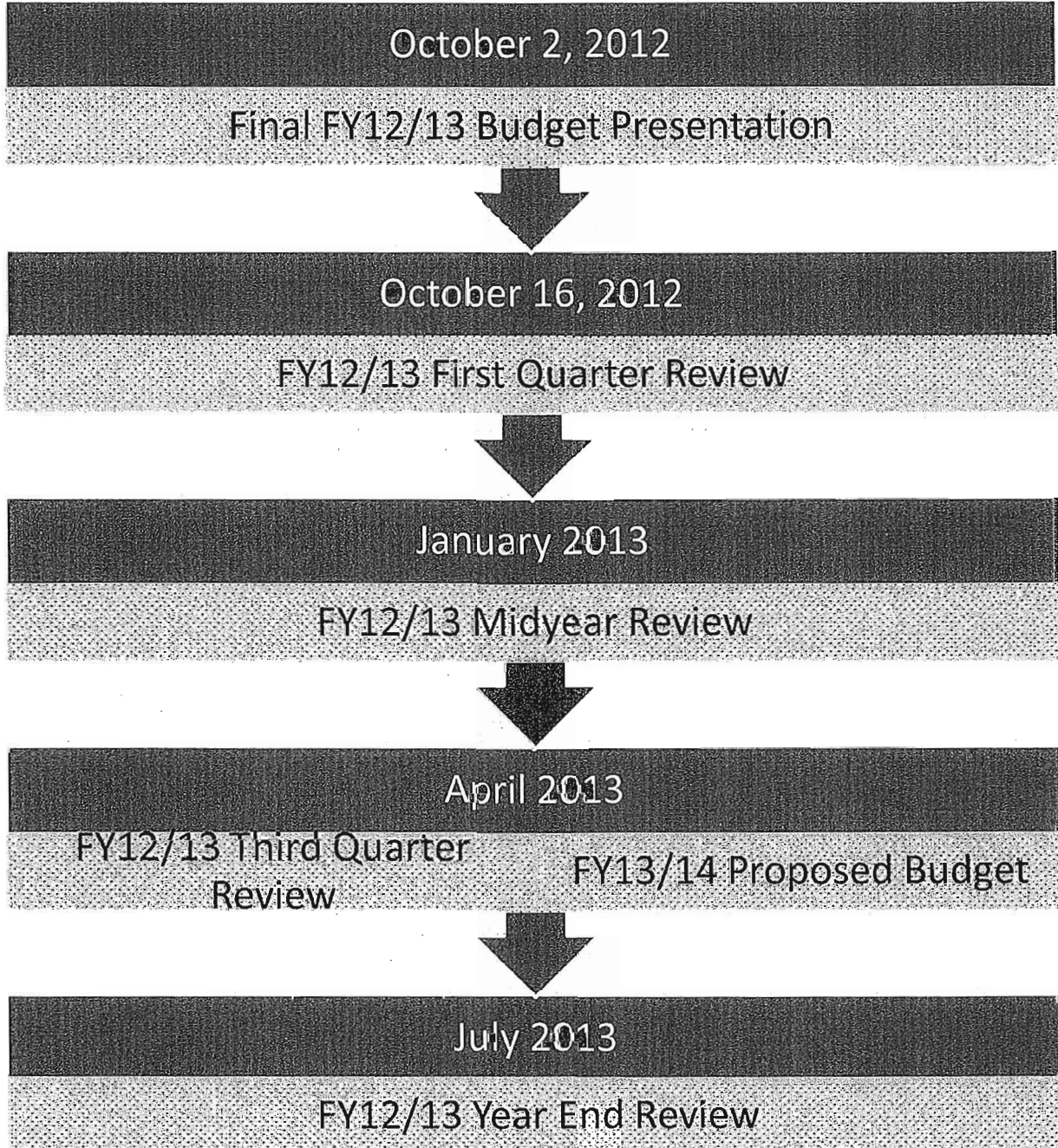
**Revised First Quarter Projections with New Revenue Enhancements**

<b>Revenue Source</b>	<b>Revised FY12/13 Projection</b>	<b>New Revenue Enhancements (Additions)</b>	<b>Q1 Revised Revenue Enhancements Projection</b>
Trash Host Fee	\$200,000	\$0	\$200,000
Franchise Fee	\$0	\$750,000	\$750,000
LA County Park Reimbursement	\$0	\$1,390,000	\$1,390,000
Quimby Fees	\$0	\$0	\$0
Casino Revenue	\$0	\$120,000	\$120,000
Building Fees Increase	\$50,000	\$0	\$50,000
Billboard Ads	\$0	\$40,000	\$40,000
Fire Inspection Fee	\$150,000	\$0	\$150,000
MLES Admin. Fee	\$100,000	\$0	\$100,000
Successor Agency Reimbursement	\$300,000	\$0	\$300,000
Planning Fee	\$50,000	\$0	\$50,000
Medi-Cal Reimbursement	-	\$0	\$0
<b>TOTAL</b>	<b>\$850,000</b>	<b>\$2,300,000</b>	<b>\$3,150,000</b>
<i>Net Difference from FY12/13 Adopted Enhancements</i>			<i>\$100,000</i>

**#5.**

**Attachment VIII:  
Fiscal Year 2012-2013 Budget  
Review Schedule**

### FY12/13 Budget Review Schedule



**#5.**

Attachment IX:  
5-Year Revenue Projections

**5-Year Revenue Projection  
(City Controller)**

Fund No	Object Code		PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
			BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
			FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017
		<b>GENERAL FUND</b>					
		<b>Property Taxes</b>					
1001	3010	Property Taxes-Secured	3,406,302	2,657,272	2,657,272	2,857,272	2,857,272
1001	3020	Property Taxes-Unsecured	68,200	68,200	68,200	68,200	68,200
1001	3030	Property Taxes-Prior Year Secured	-	-	-	-	-
1001	3040	Property Taxes-Prior Year Unsecured	3,496	3,496	3,496	3,496	3,496
1001	3060	Aircraft	39,470	39,470	39,470	39,470	39,470
1001	3090	Interest and Penalties	-	-	-	-	-
		<b>Sub Total</b>	<b>3,517,468</b>	<b>2,768,438</b>	<b>2,768,438</b>	<b>2,968,438</b>	<b>2,968,438</b>
		<b>Other Taxes</b>					
1001	3110	Sales and Use Taxes	6,556,000	6,777,689	7,116,573	7,123,690	7,127,252
1001	3111	Sales and Use Taxes-P.S.A.F..	208,200	258,903	259,680	259,939	260,069
1001	3121	Gas Franchise	257,927	300,428	301,329	301,631	301,781
1001	3122	Electric Franchise	298,021	299,021	299,021	299,021	299,021
1001	3124	Other Water Franchise	5,400	5,400	5,400	5,400	5,400
1001	3125	Rubbish Franchise	800,000	900,000	950,000	1,000,000	1,050,000
1001	3126	Other Franchise	63,740	63,740	63,740	63,740	63,740
1001	3127	Towing Franchise	15,065	15,065	15,065	15,065	15,065
1001	3140	Transient Occupancy Tax	150,810	137,805	137,805	137,805	137,805
1001	3150	Property Transfer Fee	160,078	160,078	160,078	160,078	160,078
1001	3160	Telephone Users	1,505,000	1,489,807	1,460,011	1,430,811	1,402,194
1001	3161	Gas Users	1,350,600	1,572,750	1,577,468	1,579,046	1,579,835
1001	3162	Electric Users	4,610,400	4,848,116	4,862,660	4,867,523	4,869,957
1001	3163	City Water Users	1,189,964	1,289,964	1,293,834	1,295,128	1,295,775
1001	3164	Other Water Users	450,600	543,518	545,149	545,694	545,967
1001	3165	Cellular Phone Users	2,980,700	2,713,443	2,713,443	2,713,443	2,713,443
		<b>Sub Total</b>	<b>20,602,505</b>	<b>21,375,727</b>	<b>21,761,256</b>	<b>21,798,013</b>	<b>21,827,383</b>
		<b>License and Permits</b>					
1001	3210	Building Permits	420,500	447,713	447,713	447,713	447,713
1001	3220	Plumbing Permits	76,500	62,925	62,925	62,925	62,925
1001	3230	Electric Permits	71,521	74,704	74,704	74,704	74,704
1001	3240	Other Construction Permits	32,283	39,485	39,485	39,485	39,485
1001	3242	Enterprise Zone Vouchers	40,000	40,015	40,015	40,015	40,015
1001	3243	Tobacco Permit	58,543	58,543	58,543	58,543	58,543
1001	3245	Business License	1,651,252	1,337,414	1,337,414	1,337,414	1,337,414
1001	3246	Business License (Rentals)	85,512	85,512	85,512	85,512	85,512
1001	3248	Business License (Casino)	360,000	480,000	480,000	480,000	480,000
1001	3250	Certificates of Occupancy	35,000	46,806	46,806	46,806	46,806
1001	3264	Burglar Alarm Permits	7,100	7,100	7,100	7,100	7,100

5-Year Revenue Projection  
(City Controller)

Fund No.	Object Code		PROPOSED BUDGET FY 2012-2013	PROPOSED BUDGET FY 2013-2014	PROPOSED BUDGET FY 2014-2015	PROPOSED BUDGET FY 2015-2016	PROPOSED BUDGET FY 2016-2017
1001	3265	Fire Permit Fee	45,000	45,000	45,000	45,000	45,000
1001	3266	Tank Removal (Underground)	21,900	26,780	26,780	26,780	26,780
1001	3275	Conditional Use Permits	15,000	33,000	15,000	15,000	15,000
1001	3280	Miscellaneous Permits	72,110	72,110	72,326	72,399	72,435
		<b>Sub Total</b>	<b>2,992,221</b>	<b>2,857,107</b>	<b>2,839,323</b>	<b>2,839,396</b>	<b>2,839,432</b>
		<b>Fines, Forfeitures and Penalties</b>					
1001	3315	Parking Citations	1,253,000	1,300,000	1,306,500	1,313,033	1,319,598
1001	3318	Career Link Parking Fees	-	-	-	-	-
1001	3320	Other Court Fines & Traffic Safety	348,500	351,985	353,745	355,514	357,291
1001	3321	Vehicle Impound Fined	54,600	54,600	54,600	54,600	54,600
1001	3332	False Alarm Program	20	20	20	20	20
1001	3340	Furfeitures, Penalties, Other	45	45	45	45	45
		<b>Sub Total</b>	<b>1,656,165</b>	<b>1,706,650</b>	<b>1,714,910</b>	<b>1,723,211</b>	<b>1,731,554</b>
		<b>Use of Money and Property</b>					
1001	3410	Interest Income	11,500	11,512	11,523	11,535	11,546
1001	3420	Rents and Concessions	130,227	140,136	140,136	140,136	140,136
1001	3421	Transit Center Room Rentals	100	100	100	100	100
1001	3425	Bullis Road Rental	15,000	25,000	25,000	25,000	25,000
		<b>Sub Total</b>	<b>156,827</b>	<b>176,748</b>	<b>176,759</b>	<b>176,771</b>	<b>176,782</b>
		<b>Revenues From Other Agencies</b>					
1001	3350	Census Grant Revenue	-	-	-	-	-
1001	3511	Motor Vehicle License	8,016,250	8,016,250	8,016,250	8,016,250	8,016,250
1001	3521	State Homeowners	21,360	21,360	21,360	21,360	21,360
1001	3550	SB-90 State Mandate	-	-	-	-	-
1001	3565	Other Federal Grants	-	-	-	-	-
1001	3570	Court Subpeona Reimbursements	1,740	1,740	1,740	1,740	1,740
1001	3571	Legal Recovery Fees	-	-	-	-	-
1001	3577	Other Agencies-MTA	-	-	-	-	-
1001	3580	Career Link Revenue	-	-	-	-	-
1001	3350	Census Grant Revenue	-	-	-	-	-
		<b>Sub Total</b>	<b>8,039,350</b>	<b>8,039,350</b>	<b>8,039,350</b>	<b>8,039,350</b>	<b>8,039,350</b>
		<b>Charges From Current Services</b>					
1001	3602	Current Services Provided/Water	3,423,968	3,423,968	3,423,968	3,423,968	3,423,968
1001	3603	Current Service Provided/Successor Agency	300,000	150,000	-	-	-
1001	3603	Current Service Provided/Local Housing Authority	25,800	25,800	25,800	25,800	25,800
1001	3610	Zoning Fees (Environmental Review)	12,500	12,500	12,500	12,500	12,500
1001	3612	Subdivision Fee	1,500	1,500	1,500	1,500	1,500
1001	3615	Sales of Maps/Publications	150	150	150	150	150
1001	3616	Banner Processing Fees	1,000	1,000	1,000	1,000	1,000
1001	3617	Other Filing and Certification	1,200	1,200	1,200	1,200	1,200
1001	3618	City Provided Medical Services	910,500	910,500	910,500	910,500	910,500



**5-Year Revenue Projection  
(City Controller)**

Fund No.	Object Code		PROPOSED BUDGET FY 2012-2013	PROPOSED BUDGET FY 2013-2014	PROPOSED BUDGET FY 2014-2015	PROPOSED BUDGET FY 2015-2016	PROPOSED BUDGET FY 2016-2017
1001	3619	I. D. Cards and Fingerprints	-	-	-	-	-
1001	3622	Special Police Department	-	-	-	-	-
1001	3623	Special Fire Department	4,100	4,100	4,100	4,100	4,100
1001	3630	EMS Subscriptions	50	50	50	50	50
1001	3633	Quimby Act Fees	21,000	21,000	21,000	21,000	21,000
1001	3640	Plan Checking Fees	341,359	341,359	341,359	341,359	341,359
1001	3641	Admin Fee-Payroll	2,700	2,700	2,700	2,700	2,700
1001	3662	Nuisance Abatement	500	500	500	500	500
1001	3665	Weed and Lot Cleaning	325	325	325	325	325
1001	3666	Substandard Abatement	108,000	108,540	109,083	109,628	110,176
1001	3667	Abandoned Vehicles	-	-	-	-	-
1001	3681	Damage To City Property	-	-	-	-	-
1001	3684	Advertisement fees	210,000	281,616	281,616	281,616	281,616
1001	3700	Swim & Slide Pool Collections	22,100	22,100	22,100	22,100	22,100
1001	3712	Cleaning Deposits	500	500	500	500	500
1001	3721	Park and Recreation Room Rental	2,200	2,200	2,200	2,200	2,200
1001	3842	Other Penalties-Returned Check	200	200	200	200	200
1001	3848	Miscellaneous - Water	-	-	-	-	-
1001	3870	Collection Fees	-	-	-	-	-
1001	3881	Reproduction Charges	6,248	6,248	6,248	6,248	6,248
1001	3684	Advertisement fees	-	-	-	-	-
1001	3884	Administration fees	-	-	-	-	-
1001	3890	Miscellaneous Charges for Current Svcs	26,020	26,020	26,020	26,020	26,020
		<b>Sub Total</b>	<b>5,421,920</b>	<b>5,344,076</b>	<b>5,194,619</b>	<b>5,195,164</b>	<b>5,195,712</b>
		<b>Other Revenues and Financing Sources</b>					
1001	3910	Sale of Land/Real Property/Equipment	500,000	662,000	-	-	-
1001	3920	Contributions from Other Funds / Agency	114,221	114,221	114,221	114,221	114,221
1001	3959	Overage/Shortage	20	20	20	20	20
1001	3980	Miscellaneous	105,690	105,690	105,690	105,690	105,690
1001	3982	Public Works Misc Revenue	131,850	131,850	131,850	131,850	131,850
		<b>Sub Total</b>	<b>851,781</b>	<b>1,013,781</b>	<b>351,781</b>	<b>351,781</b>	<b>351,781</b>
		<b>TOTAL GENERAL FUND</b>	<b>43,238,237</b>	<b>43,281,877</b>	<b>42,846,436</b>	<b>43,092,123</b>	<b>43,130,432</b>

**5-Year Revenue Projections  
(Includes City Manager Enhancements)**

Fund No	Object Code		PROPOSED BUDGET FY 2012-2013	PROPOSED BUDGET FY 2013-2014	PROPOSED BUDGET FY 2014-2015	PROPOSED BUDGET FY 2015-2016	PROPOSED BUDGET FY 2016-2017	PROPOSED BUDGET FY 2017-2018
		<b>GENERAL FUND</b>						
		<b>Property Taxes</b>						
1001	3010	Property Taxes-Secured	2,657,272	2,657,272	2,657,272	2,857,272	2,857,272	2,857,272
1001	3020	Property Taxes-Unsecured	68,200	68,200	68,200	68,200	68,200	68,200
1001	3030	Property Taxes-Prior Year Secured	-	-	-	-	-	-
1001	3040	Property Taxes-Prior Year Unsecured	3,496	3,496	3,496	3,496	3,496	3,496
1001	3060	Aircraft	39,470	39,470	39,470	39,470	39,470	39,470
1001	3090	Interest and Penalties	-	-	-	-	-	-
		<b>Sub Total</b>	<b>2,768,438</b>	<b>2,768,438</b>	<b>2,768,438</b>	<b>2,968,438</b>	<b>2,968,438</b>	<b>2,968,438</b>
		<b>Other Taxes</b>						
1001	3110	Sales and Use Taxes	7,000,000	7,200,000	7,500,000	7,700,000	8,000,000	8,000,000
1001	3111	Sales and Use Taxes-P.S.A.F..	258,903	258,903	259,680	259,939	260,069	260,095
1001	3121	Gas Franchise	300,428	300,428	301,329	301,631	301,781	301,812
1001	3122	Electric Franchise	299,021	299,021	299,021	299,021	299,021	299,021
1001	3124	Other Water Franchise	5,400	5,400	5,400	5,400	5,400	5,400
1001	3125	Rubbish Franchise	900,000	900,000	900,000	900,000	1,000,000	1,100,000
1001	3126	Other Franchise	63,740	63,740	63,740	63,740	63,740	63,740
1001	3127	Towing Franchise	15,065	15,065	15,065	15,065	15,065	15,065
1001	3140	Transient Occupancy Tax	137,805	137,805	137,805	137,805	137,805	137,805
1001	3150	Property Transfer Fee	160,078	160,078	160,078	160,078	160,078	160,078
1001	3160	Telephone Users	1,500,000	1,500,000	1,501,500	1,503,002	1,504,505	1,506,009
1001	3161	Gas Users	1,572,750	1,572,750	1,572,750	1,572,750	1,572,750	1,572,750
1001	3162	Electric Users	4,848,116	4,848,116	4,862,660	4,867,523	4,869,957	4,870,444
1001	3163	City Water Users	1,200,000	1,200,000	1,203,600	1,204,804	1,205,406	1,205,527
1001	3164	Other Water Users	475,000	475,000	476,425	476,901	477,140	477,188
1001	3165	Cellular Phone Users	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000
		<b>Sub Total</b>	<b>21,536,306</b>	<b>21,736,306</b>	<b>22,059,053</b>	<b>22,267,659</b>	<b>22,672,717</b>	<b>22,774,933</b>
		<b>License and Permits</b>						
1001	3210	Building Permits	447,713	447,713	447,713	447,713	447,713	447,713
1001	3220	Plumbing Permits	62,925	62,925	62,925	62,925	62,925	62,925
1001	3230	Electric Permits	74,704	74,704	74,704	74,704	74,704	74,704
1001	3240	Other Construction Permits	39,485	39,485	39,485	39,485	39,485	39,485
1001	3242	Enterprise Zone Vouchers	40,015	40,015	40,015	40,015	40,015	40,015
1001	3243	Tobacco Permit	58,543	58,543	58,543	58,543	58,543	58,543
1001	3245	Business License	1,337,414	1,337,414	1,337,414	1,337,414	1,337,414	1,337,414
1001	3246	Business License (Rentals)	85,512	85,512	85,512	85,512	85,512	85,512
1001	3248	Business License (Casino)	360,000	360,000	480,000	480,000	480,000	480,000
1001	3250	Certificates of Occupancy	46,806	46,806	46,806	46,806	46,806	46,806
1001	3264	Burglar Alarm Permits	7,100	7,100	7,100	7,100	7,100	7,100

**5-Year Revenue Projections  
(Includes City Manager Enhancements)**

Fund No	Object Code		PROPOSED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET
			FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018
1001	3265	Fire Permit Fee	45,000	45,000	45,000	45,000	45,000	45,000
1001	3266	Tank Removal (Underground)	26,780	26,780	26,780	26,780	26,780	26,780
1001	3275	Conditional Use Permits	33,000	33,000	15,000	15,000	15,000	15,000
1001	3280	Miscellaneous Permits	72,110	72,110	72,326	72,399	72,435	72,442
		<b>Sub Total</b>	<b>2,737,107</b>	<b>2,737,107</b>	<b>2,839,323</b>	<b>2,839,396</b>	<b>2,839,432</b>	<b>2,839,439</b>
		<b>Fines, Forfeitures and Penalties</b>						
1001	3315	Parking Citations	1,300,000	1,300,000	1,306,500	1,313,033	1,319,598	1,326,196
1001	3318	Career Link Parking Fees	-	-	-	-	-	-
1001	3320	Other Court Fines & Traffic Safety	351,985	351,985	353,745	355,514	357,291	359,078
1001	3321	Vehicle Impound Fined	54,600	54,600	54,600	54,600	54,600	54,600
1001	3332	False Alarm Program	20	20	20	20	20	20
1001	3340	Furfeitures, Penalties, Other	45	45	45	45	45	45
		<b>Sub Total</b>	<b>1,706,650</b>	<b>1,706,650</b>	<b>1,714,910</b>	<b>1,723,211</b>	<b>1,731,554</b>	<b>1,739,938</b>
		<b>Use of Money and Property</b>						
1001	3410	Interest Income	11,512	11,512	11,523	11,535	11,546	11,558
1001	3420	Rents and Concessions	140,136	140,136	140,136	140,136	140,136	140,136
1001	3421	Transit Center Room Rentals	100	100	100	100	100	100
1001	3425	Bullis Road Rental	15,000	15,000	15,000	15,000	15,000	15,000
		<b>Sub Total</b>	<b>166,748</b>	<b>166,748</b>	<b>166,759</b>	<b>166,771</b>	<b>166,782</b>	<b>166,794</b>
		<b>Revenues From Other Agencies</b>						
1001	3350	Census Grant Revenue	-	-	-	-	-	-
1001	3511	Motor Vehicle License	8,016,250	8,016,250	8,016,250	8,016,250	8,016,250	8,016,250
1001	3521	State Homeowners	21,360	21,360	21,360	21,360	21,360	21,360
1001	3550	SB-90 State Mandate	-	-	-	-	-	-
1001	3565	Other Federal Grants	-	-	-	-	-	-
1001	3570	Court Subpeona Reimbursements	1,740	1,740	1,740	1,740	1,740	1,740
1001	3571	Legal Recovery Fees	-	-	-	-	-	-
1001	3577	Other Agencies-MTA	-	-	-	-	-	-
1001	3580	Career Link Revenue	-	-	-	-	-	-
1001	3350	Census Grant Revenue	-	-	-	-	-	-
		<b>Sub Total</b>	<b>8,039,350</b>	<b>8,039,350</b>	<b>8,039,350</b>	<b>8,039,350</b>	<b>8,039,350</b>	<b>8,039,350</b>
		<b>Charges From Current Services</b>						
1001	3602	Current Services Provided/Water	3,423,968	3,423,968	3,423,968	3,423,968	3,423,968	3,423,968
1001	3603	Current Service Provided/Successor Agency	150,000	150,000	-	-	-	-
1001	3603	Current Service Provided/Local Housing Authority	25,800	25,800	25,800	25,800	25,800	25,800
1001	3610	Zoning Fees (Environmental Review)	12,500	12,500	12,500	12,500	12,500	12,500
1001	3612	Subdivision Fee	1,500	1,500	1,500	1,500	1,500	1,500
1001	3615	Sales of Maps/Publications	150	150	150	150	150	150
1001	3616	Banner Processing Fees	1,000	1,000	1,000	1,000	1,000	1,000
1001	3617	Other Filing and Certification	1,200	1,200	1,200	1,200	1,200	1,200

5-Year Revenue Projections  
(Includes City Manager Enhancements)

Fund No	Object Code		PROPOSED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET	PROPOSED BUDGET
			FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018
1001	3618	City Provided Medical Services	910,500	910,500	910,500	910,500	910,500	910,500

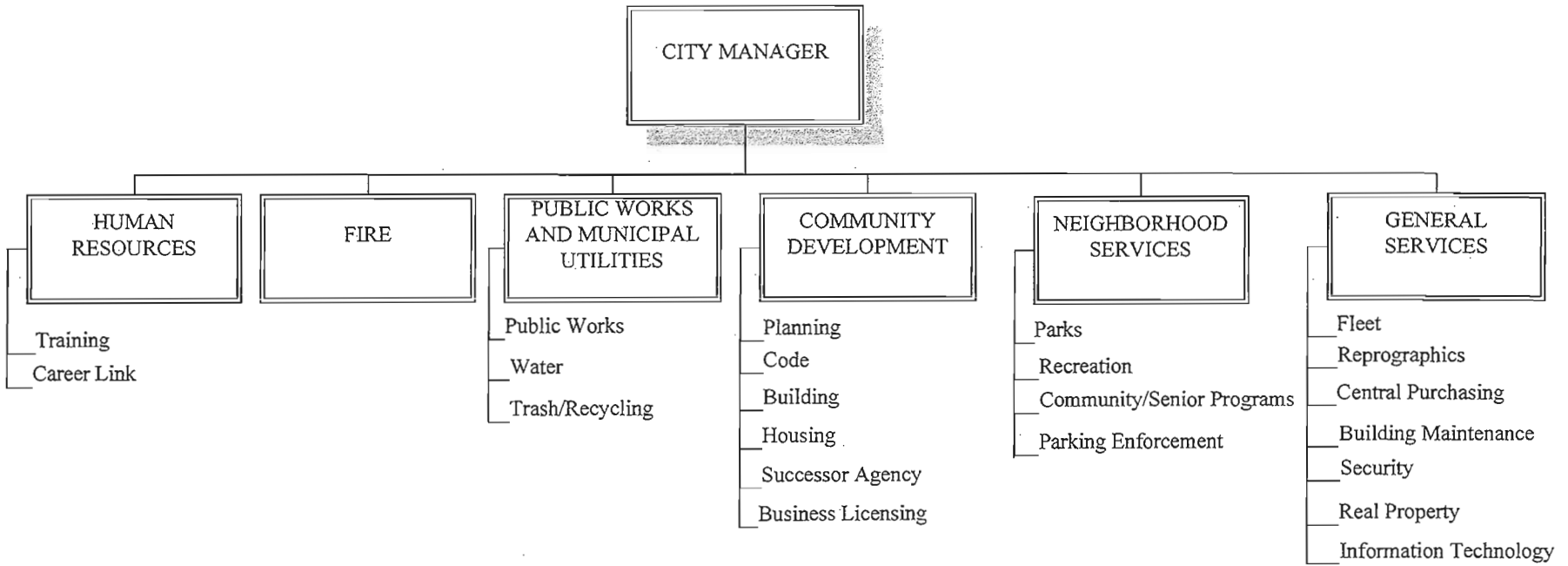
**5-Year Revenue Projections  
(Includes City Manager Enhancements)**

Fund No	Object Code		PROPOSED BUDGET FY 2012-2013	PROPOSED BUDGET FY 2013-2014	PROPOSED BUDGET FY 2014-2015	PROPOSED BUDGET FY 2015-2016	PROPOSED BUDGET FY 2016-2017	PROPOSED BUDGET FY 2017-2018
1001	3619	I. D. Cards and Fingerprints	-	-	-	-	-	-
1001	3622	Special Police Department	-	-	-	-	-	-
1001	3623	Special Fire Department	4,100	4,100	4,100	4,100	4,100	4,100
1001	3630	EMS Subscriptions	50	50	50	50	50	50
1001	3633	Quimby Act Fees	21,000	21,000	21,000	21,000	21,000	21,000
1001	3640	Plan Checking Fees	341,359	341,359	341,359	341,359	341,359	341,359
1001	3641	Admin Fee-Payroll	2,700	2,700	2,700	2,700	2,700	2,700
1001	3662	Nuisance Abatement	500	500	500	500	500	500
1001	3665	Weed and Lot Cleaning	325	325	325	325	325	325
1001	3666	Substandard Abatement	108,540	108,540	109,083	109,628	110,176	110,727
1001	3667	Abandoned Vehicles	-	-	-	-	-	-
1001	3681	Damage To City Property	-	-	-	-	-	-
1001	3684	Advertisement fees	281,616	281,616	281,616	281,616	281,616	281,616
1001	3700	Swim & Slide Pool Collections	22,100	22,100	22,100	22,100	22,100	22,100
1001	3712	Cleaning Deposits	500	500	500	500	500	500
1001	3721	Park and Recreation Room Rental	2,200	2,200	2,200	2,200	2,200	2,200
1001	3842	Other Penalties-Returned Check	200	200	200	200	200	200
1001	3848	Miscellaneous - Water	-	-	-	-	-	-
1001	3870	Collection Fees	-	-	-	-	-	-
1001	3881	Reproduction Charges	6,248	6,248	6,248	6,248	6,248	6,248
1001	3684	Advertisement fees	-	-	-	-	-	-
1001	3884	Administration fees	-	-	-	-	-	-
1001	3890	Miscellaneous Charges for Current Svcs	26,020	26,020	26,020	26,020	26,020	26,020
		<b>Sub Total</b>	<b>5,344,076</b>	<b>5,344,076</b>	<b>5,194,619</b>	<b>5,195,164</b>	<b>5,195,712</b>	<b>5,196,263</b>
		<b>Other Revenues and Financing Sources</b>						
1001	3910	Sale of Land/Real Property	-	-	-	-	-	-
1001	3920	Contributions from Other Funds / Agency	114,221	114,221	114,221	114,221	114,221	114,221
1001	3959	Overage/Shortage	20	20	20	20	20	20
1001	3980	Miscellaneous	600,000	775,000	705,690	705,690	705,690	705,690
1001	3982	Public Works Misc Revenue	131,850	131,850	131,850	131,850	131,850	131,850
		<b>Sub Total</b>	<b>846,091</b>	<b>1,021,091</b>	<b>951,781</b>	<b>951,781</b>	<b>951,781</b>	<b>951,781</b>
		<b>TOTAL GENERAL FUND</b>	<b>43,144,766</b>	<b>43,519,766</b>	<b>43,734,233</b>	<b>44,151,769</b>	<b>44,565,766</b>	<b>44,676,936</b>

**#5.**

**Attachment X:**  
**Proposed Organizational  
Restructuring and Alignment**

# Proposed City Organizational Restructuring



**#5.**

Attachment XI:  
Resolution No. 23,533 –  
Adoption of Department of  
Housing and Urban  
Development Annual Action  
Plan



RESOLUTION NO. 23,533

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A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING THE HUD-MANDATED 2012-2013 ANNUAL ACTION PLAN OF THE CONSOLIDATED PLAN AND AUTHORIZING THE SUBMISSION OF THE PLAN TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) has allocated \$2,224,920 for FY 2012-2013 funding to the City of Compton through the Community Development Block Grant (CDBG), Home Investment Partnership (HOME) and Emergency Solutions Grant (ESG); and

WHEREAS, the City's FY 2012-2013 Annual Action Plan of the Consolidated Plan outlines the City's planned uses of these HUD funding allocations; and

WHEREAS, HUD requires that citizens be given the opportunity to comment on the City's proposed Annual Action Plan prior to its submission; and

WHEREAS, in compliance with HUD requirement, copies of the Draft Plan were made available for public viewing in the Office of the City Clerk, City Manager's Office and the Dollarhide Senior Citizen Center; and

WHEREAS, the City noticed the availability of the Draft Plan for public viewing and comment in the local newspaper and informed citizens that they had an option to submit written comments on the proposed Plan; and

WHEREAS, the City held a public hearing on May 8, 2012, to obtain citizen input and comments on the proposed activities.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1: That the City Council hereby adopts the funding recommendations of the proposed FY 2012-2013 Annual Action Plan of the Consolidated Plan, which are as follows:

#5.

RESOLUTION NO. 23,533

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Proposed 2012-2013 CDBG Activities

CDBG Program Activity	2012-2013 Budget
<i>CDBG Administration (20% cap)</i>	
CDBG Program Administration	\$297,131
CDBG Financial Administration - Controller's Office	\$5,000
Fair Housing Services	\$15,000
<i>Sub-Total</i>	<i>\$317,131</i>
<i>CDBG Public Service Activities (15% cap)</i>	
Angels for Sight - Eye Care Service	\$56,362
Champions of Caring Connections- Tutoring	\$10,000
Dickison Community Lighted Schools - Meals for the Elderly	\$84,000
El Nido Family Centers	\$30,000
Graffiti Removal Program (city operated)	\$7,486
Legal Aid Society of OC - Domestic Violence Prevention	\$15,000
The Children's Clinic - Medical Care Service	\$35,000
<i>Sub-Total</i>	<i>\$237,848</i>
<i>CDBG Non-Public Service Activities</i>	
Residential Street Reconstruction 2012	\$678,043
Section 108 Loan Repayment	\$352,635
<i>Sub-Total</i>	<i>\$1,030,678</i>
<b>CDBG TOTAL</b>	<b>\$1,585,657</b>

Proposed 2012-2013 HOME Activities

HOME Program Activity	2012-2013 Budget
<i>HOME Administration (10% cap)</i>	
Home Program Administration	\$47,825
<i>Sub-Total</i>	<i>\$47,825</i>
<i>CHDO Activity (15% cap)</i>	
CHDO Project	\$71,738
<i>Sub-Total</i>	<i>\$71,738</i>
<i>HOME Activities</i>	
First Time Homebuyer Program	\$358,691
<i>Sub-Total</i>	<i>\$358,691</i>
<b>HOME TOTAL</b>	<b>\$478,254</b>

RESOLUTION NO. 23,533  
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Proposed 2012-2013 ESG Activities

ESG Program Activity	2012-2013 Budget
<i>ESG Administration</i>	
ESG Program Administration	\$4,025
<b>Sub-Total</b>	<b>\$4,025</b>
<i>ESG Activity (Los Angeles Homeless Services Authority/LAHSa)</i>	
Street Outreach	\$6,098
Emergency Shelter (Compton Welfare Rights)	\$80,001
Homelessness Prevention	\$10,957
Rapid Re-Housing	\$43,828
HMIS	\$8,050
Administration	\$8,050
<i>Sub-Total to LAHSa</i>	<i>\$156,984</i>
<b>ESG TOTAL</b>	<b>\$161,009</b>

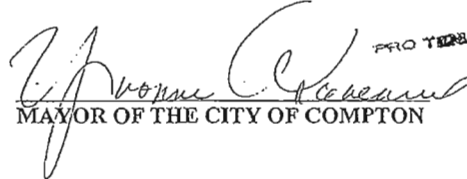
Section 2. That the City Manager is authorized to submit the FY 2012-2013 Annual Action Plan of the Consolidated Plan in accordance with HUD regulations.

Section 3. That the City Manager is authorized to execute all necessary contracts and implement all programs under the FY 2012-2013 Annual Action Plan.

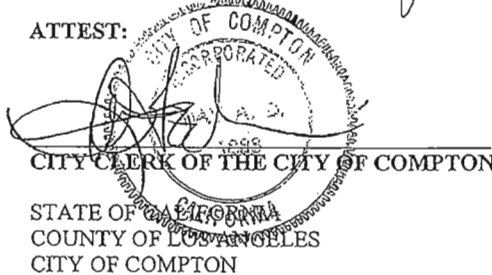
Section 4. That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Attorney, City Controller, Local Housing Authority and the Public Works Department.

Section 5. That the Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

ADOPTED this 8th day of May, 2012.

  
MAYOR OF THE CITY OF COMPTON

ATTEST:

  
CITY CLERK OF THE CITY OF COMPTON  
STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES  
CITY OF COMPTON

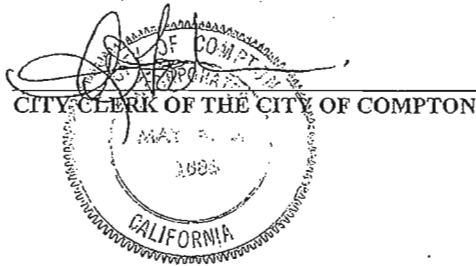
#5.

RESOLUTION NO. 23,533  
Page 4 of 4

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested to by the City Clerk at a regular meeting thereof held on the 8th day of May, 2012.

That said resolution was adopted by the following vote, to wit:

AYES: COUNCIL MEMBERS- Dobson, Arceneaux, Jones  
NOES: COUNCIL MEMBERS- None  
ABSTAIN: COUNCIL MEMBERS- None  
ABSENT: COUNCIL MEMBERS- Zurita, Perrodin



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RESOLUTION SIGN-OFF FORM

DEPARTMENT: City Manager

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2012-2013 FISCAL YEAR BUDGET TO REDUCE GENERAL FUND EXPENDITURES AND INCREASE THE COMPTON LOCAL HOUSING AUTHORITY REVENUE AND EXPENDITURE APPROPRIATIONS BASED ON THE FIRST QUARTER BUDGET REVIEW

Terrance C. Davis  
DEPARTMENT MANAGER'S SIGNATURE

10/11/2012 6:02:20 PM  
DATE

REVIEW / APPROVAL

Ruth Rugley  
CITY ATTORNEY

10/11/2012 6:49:01 PM  
DATE

<ControllerName>  
CITY CONTROLLER

<ControllerDate>  
DATE

G. Harold Duffey  
CITY MANAGER

10/11/2012 6:47:06 PM  
DATE

Use when:	
Public Works:	When contracting for Engineering Services.
City Attorney:	When contracting for legal services; contracts that require City Attorney's review.
Controller/Budget Officer:	Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.
Asst. City Manager/OAS:	All personnel actions.

# **ATTACHMENT IV**

**CHARTER**  
**CITY OF COMPTON**  
**CALIFORNIA**



**REPRINTED WITH AMENDMENTS**  
**APPROVED AS OF JUNE 5, 2012**

Price \$1.00

## CHARTER OF THE CITY OF COMPTON

We, the people of the City of Compton, State of California, do ordain and establish this Charter as the organic law of said City under the Constitution of said State.

### ARTICLE I

#### NAME OF CITY

**Section 100. Name.** The municipal corporation now existing and known as the "CITY OF COMPTON" shall remain and continue to exist as a body politic and corporate, as at present, in name, in fact and in law.

### ARTICLE II

#### BOUNDARIES

**Section 200. Boundaries.** The territory of the City shall be that contained within its present boundaries as now established, with the power and authority to change the same in the manner provided by law.

### ARTICLE III

#### SUCCESSION

**Section 300. Rights and Liabilities.** The City of Compton, as successor in interest of the municipal corporation of the same name, heretofore created and existing, shall own, possess, control, and in every way succeed to and become the owner of rights and of property of every kind and nature by said existing municipal corporation owned, possessed or controlled, and shall be subject to all the debts, obligations, liabilities and duties of said existing corporation.

**Section 301. Ordinances Continue in Effect.** All lawful ordinances, resolutions, rules and regulations, or portions thereof, in force at the time this Charter takes effect, and not in conflict or inconsistent herewith, are hereby continued in force until the same shall have been duly repealed, amended, changed or superseded by proper authority.

**Section 302. Rights of Officers and Employees Preserved.** Nothing in this Charter contained, except as specifically provided, shall affect or impair the Civil Service rights or privileges of officers or employees of the City, or of any office, department or agency thereof, existing at the time this Charter takes effect.



**Section 303. Continuance of Present Officers and Employees.** The present officers and employees shall, without interruption, continue to perform the duties of their respective offices and employments for the compensation provided by the preceding Charter, or existing ordinances, resolutions, rules or laws, until the election, or appointment, and qualification of their successors under this Charter and subject to such removal and control as is herein provided.

Elected Officers: The elected officers of the City, in office at the time this Charter takes effect, shall continue in office until the expiration of their respective term and until their successors are elected and qualified.

**Section 304. Continuance of Contracts and Public Improvements.** All contracts entered into by the City, or for its benefit, prior to the taking effect of this Charter, shall continue in full force and effect. Public improvements for which proceedings have been instituted under laws or charter provisions existing at the time this Charter takes effect, in the discretion of the City Council, may be carried to completion as nearly as practicable in accordance with the provisions of such existing laws and charter provisions or may be continued or perfected hereunder.

**Section 305. Pending Actions and Proceedings.** No action or proceeding, civil or criminal, pending at the time when this Charter takes effect, brought by or against the City or any office, department or agency thereof, shall be affected or abated by the adoption of this Charter or by anything herein contained, but all such actions or proceedings may be continued notwithstanding that functions, powers and duties of any office, department or agency party thereto, by or under this Charter, may be assigned or transferred to another office, department or agency, but in that event the same may be prosecuted or defended by the head of the office, department or agency to which such functions, powers and duties have been assigned or transferred by or under this Charter.

**Section 306. Effective Date of Charter.** This Charter shall not take effect until accepted and filed by the California Secretary of State.

## ARTICLE IV

### POWERS OF CITY

**Section 400. Powers of City.** The City shall have the power to make and enforce all rules and regulations in respect to municipal affairs, subject only to such restrictions and limitations as may be provided in this Charter, and in the Constitution of the State of California. It shall also have the power to exercise any and all rights, powers and privileges heretofore or hereafter established, granted or prescribed by any law of the State, by this Charter, or by other lawful authority, or which a municipal corporation

might or could exercise under the Constitution of the State of California. The enumeration in this Charter of any particular power shall not be held to be exclusive of, or any limitation upon, this general grant of power.

**Section 401. Procedures.** The City Shall have the power to act pursuant to procedures established by any law of the State, unless a different procedure is established under this Charter or by ordinance.

## ARTICLE V

### THE ELECTIVE OFFICERS

**Section 500. Enumeration of and Term.** The elective officers of the City shall consist of:

A City Council composed of five (5) members who are registered voters of the City, four (4) to be residents of their respective districts and nominated and elected only by the residents of their respective districts. The fifth shall be nominated and elected from the City at large and shall hold the office of Mayor:

Other elected officers of the City shall be:

A City Clerk;  
A City Treasurer; and  
A City Attorney.

All of the elected officers shall serve for a term of four (4) years. The terms of office of the members of the City Council residing in districts Two and Three, and the terms of office of the Mayor, City Clerk, City Treasurer and City Attorney elected in 1969 shall expire in the year 1973. The terms of office of the present members of the City Council residing in districts One and Four shall expire in the year 1971.

The terms of all elective officers shall commence on July First following their election and each shall serve until his successor is elected and qualified. Any ties in voting shall be settled by the casting of lots.

Provided, however, the City Council, on and after the operative date (as the term "operative date" is hereafter defined) shall be composed of seven (7) members, six (6) to be residents of their respective districts and nominated and elected only by the residents of their respective districts, and the seventh to be both nominated and elected from the City at large, and to be known as the Mayor;

At any time when the City Council finds by ordinance adopted by not less than four (4) affirmative votes that the population of the City exceeds 100,000 persons, the City Council shall thereupon, and within sixty (60) days after the effective date of such

ordinance, adopt an ordinance by at least three (3) affirmative votes dividing the City into six (6) Districts for the purpose of electing members of the Council.

Said districts so revised and fixed shall comprise as nearly as practicable equal numbers of voters as determined by records of the registration of voters of Los Angeles County on file with the Registrar of Voters of said County and be composed of contiguous and compact territory and bounded by natural boundaries of street lines.

The ordinance shall provide the districts so that each Councilman then in office will reside within the district bearing the number of the district from which he was elected and District 5 and District 6 shall not include the residence of any of the members of the Council except that either such districts may include the residence of the Mayor.

Within thirty (30) days after the effective date of the ordinance establishing six (6) council district, the Council shall in the manner provided by law, call a special election for the purpose of holding an election for a councilman from District 5 and a councilman from District 6. If any candidate receives a majority for either of such offices, the City Council shall declare such candidate or candidates (as the case may be) elected. If no candidate for either or both of such offices receives a majority, a final election shall be held on the Fourth Tuesday following said election between the two candidates receiving the highest vote in the first election of each or either of said offices. Following said second election, the City Council shall declare the candidate receiving the highest vote for each or either of said offices elected.

Such election, including the nominations, notice, canvass and other proceedings, shall follow as near as may be practicable the procedures for elections. The Council may provide procedures for such elections by ordinance.

When the Council has declared a candidate elected for Districts 5 and a candidate elected for District 6, the provisions for a seven (7) member City Council shall become operative at 12:01 a.m. on the seventh day after such declaration or if candidates are declared elected in the two districts at different times, at 12:01 a.m. on the seventh day after the last such declaration. Such seventh day is herein defined as the operative date.

The Councilman elected in the first instance from District 5 shall serve a term that shall commence on the operative date and shall end at the same time that the term of the councilman from District 1 ends. The Councilman elected in the first instance from District 6 shall serve a term that shall commence on the operative date and end at the same time as the term of the councilman from District 2 ends.

Councilmen thereafter elected from Districts 5 and 6 shall serve for a term of four (4) years.

On and after the operative date, the City shall be divided into six (6) districts notwithstanding the provisions of Section 501 of this Charter.

Notwithstanding the provisions of Section 502 of the Charter, and after the operative date, the City Council may change the boundaries of the Six Districts into which the City has been divided by ordinance adopted by at least five (5) affirmative votes whenever in the opinion of the City Council such is necessary to better equalize the population among the respective districts.

On and after the operative date whenever the provisions of the Charter call for three (3) affirmative votes, or the concurrence of the three (3) members of the City Council; or otherwise provide for an action to be taken by three (3) members of the City Council, such provisions shall be construed to require four (4) affirmative votes, or the concurrence of four (4) members of the City Council or otherwise provide for an action to be taken by four (4) members of the City Council.

On and after the operative date whenever the provisions of the Charter call for four (4) affirmative votes, or the concurrence of four (4) members of the City Council, or otherwise provide for an action to be taken by four (4) members of the City Council such provision shall be construed to require six (6) affirmative votes, or the concurrence of six (6) members of the City Council, or otherwise provide for an action to be taken by six (6) members of the City Council.

Notwithstanding the provisions of Section 502 of this Charter, on and after the operative date, a person shall be deemed to have been a resident of the City or a district, at a place which is, at the time of the election, within the City or the District.

**Section 501. Districts.** Following each decennial federal census, and using that census as a basis, the council shall, by ordinance or resolution, adjust the boundaries of any or all of the council districts of the city so that the districts shall be as nearly equal in population as may be and shall comply with the applicable provisions of Section 1973 of Title 42 of the United States Code, as amended. In establishing the boundaries of the districts, the council may give consideration to the following factors: (a) topography, (b) geography, (c) cohesiveness, contiguity, integrity, and compactness of territory, and (d) community of interests of the districts.

**Section 502. Redistricting.** The City Council may change the boundaries of the four districts into which the City is divided by ordinance adopted by at least four affirmative votes whenever, in the opinion of the City Council, such is necessary to better equalize the population among the respective districts.

**Section 503. Eligibility.** No person shall be eligible to hold any other elective office of the City unless he shall be a qualified elector of the City and shall have been such qualified elector for at least thirty (30) days next preceding the date of his nomination or appointment, and as to the offices on the City Council where nomination is by district, unless he shall have been a qualified elector of his district for at least thirty (30) days next preceding the date of his nomination or appointment.

**Section 504. Compensation of Members of the City Council, Various Boards and Commissions.** The members of the City Council shall receive reimbursement for necessary traveling and other expenses when on official duty out of the City on order of the City Council. In addition, members of the City Council, and the Mayor, shall receive a salary of Six Hundred Dollars (\$600.00) per month.

**Other Elective Officers.** The other elective officers, shall severally receive at stated time a compensation for their services in their respective capacities to be fixed by ordinance adopted by the City Council, which compensation for such services shall not be increased or diminished as to any such officer after his election or appointment and during his term of office, nor within thirty days prior to the date when nomination papers for the position may be filed. (Amended June 3, 1957 and June 30, 1969)

**Section 505. Vacancies.** A vacancy in any elective office, from whatever cause arising, shall be filled by appointment by the City Council, such appointee to hold office until the first Tuesday following the next general municipal election, as to any elective officer, and until his successor is elected and qualified. At the next general municipal election following any vacancies, such vacancies shall be filled by election and the person elected shall serve for the remainder of any unexpired term, and until his successor is elected and qualified.

If a member of the City Council absents himself from all regular meetings of his Council for a period of sixty days consecutively from and after the last regular meeting attended by such member, unless by permission of the body expressed in its official minutes, or is convicted of a crime involving moral turpitude, or ceases to be a bona fide resident of the City or District from which he resided at the time of his nomination in the case of a Councilman, or otherwise ceases to be eligible, his office shall become vacant and shall be so declared by the City Council.

In the event the City Council shall fail to fill a vacancy by appointment within thirty days after such office shall have been declared vacant, it shall forthwith cause an election to be held to fill such vacancy.

## ARTICLE VI

### THE CITY COUNCIL

**Section 600. Presiding Officer. Mayor.** The member of the City Council to be nominated from the City at large and to be known as the Mayor shall be the presiding officer of the City Council. The Mayor shall have a voice and vote in all its proceedings. He shall be the official head of the City for all ceremonial purposes and he shall perform such other duties as may be prescribed by this Charter or as may be imposed by the City Council consistent with his office.

**Section 601. Powers Vested in City Council.** All powers of the City shall be vested in the City Council, subject to the provisions of this Charter and to the Constitution of the State of California. It shall be the duty of the City Council to enforce the provisions of the Charter.

**Section 602. Interference in Administrative Service.** Neither the City Council nor any of its members shall order or request, directly or indirectly, the appointment of any person to an office or employment, or his removal there from, by the City Manager, or by any of the elective officers or other department heads in the administrative service of the City. Except for the purpose of inquiry, the City Council and its members shall deal with the administrative service under the City Manager solely through the City Manager, and neither the City Council nor any member shall give orders to any subordinates of the City Manager, either publicly or privately.

**Section 603. Regular Meetings.** The City Council shall hold at least four regular meetings each month, at such times as it shall fix by ordinance or resolution and may adjourn or re-adjourn any regular meeting to a date certain which shall be specified in the order of adjournment and when so adjourned each adjourned meeting shall be a regular meeting for all purposes.

**Section 604. Special Meetings.** Special meetings may be called at any time by the Mayor, or by three members of the City Council in accordance with and pursuant to the procedures set forth in state law for the calling and conducting of special meetings.

**Section 605. Place of Meetings.** Except to the extent otherwise permitted or required by this Charter, by ordinance of state law, all meetings of the City Council shall be held in the Council Chamber of the City Hall or in such place within the City to which any such meeting shall be adjourned and shall be open to the public. If by reason of fire, flood or other emergency it shall be unsafe to meet in the place designated, the meetings may be held for the duration of the emergency at such place as is designated by the Mayor or, if he should fail to act, by three members of the City Council.

**Section 606. Quorum. Proceedings.** Three members of the City Council shall constitute a quorum to do business, but a less number may adjourn from time to time. In the absence of all the City Council from any regular meeting or adjourned regular meeting, the City Clerk may declare the same adjourned to a stated day and hour. Notice of such adjourned meeting shall be given or may be waived in the same manner as specified in this Charter for the giving or waiving of notice of special meeting of the City Council. The City Council shall judge the qualifications of its members as set forth by the Charter and shall judge all election returns. It may establish rules for the conduct of its proceeding to maintain the orderly conduct of meetings. Each member of the City Council shall have the power to administer oaths and affirmations in any investigation or proceeding pending before the City Council. The City Council shall have the power and authority to compel the attendance of witnesses, to examine them under oath and to compel the production of evidence before it. Subpoenas may be issued in the name of the City and be attested by the City Clerk. Disobedience of such subpoenas, or the refusal to

testify (upon other than constitutional grounds), shall constitute a misdemeanor, and shall be punishable in the same manner as violations of this Charter are punishable.

The City Council shall cause the City Clerk to keep a correct record of all its proceedings and at the demand of any member or upon the adoption of any ordinance, resolution, or order for the payment of money, the City Clerk shall call the roll and shall cause the ayes and noes taken on any question to be entered in the minutes of the meeting.

**Section 607. Adoption of Ordinances and Resolutions.** With the sole exception of ordinances which take effect upon adoption, hereinafter referred to, no ordinance shall be adopted by the City Council on the day of its introduction, nor within five days thereafter, nor at any time other than at a regular or adjourned regular meetings. At the time of adoption of an ordinance it shall be read in full, unless, after the reading of the title thereof, the further reading thereof is waived by motion of the City Council regularly made and approved by unanimous consent of the Councilmen present. At the time of adoption of a resolution it need be read in full only if, after reading of title thereof, the further reading thereof is requested. In the event that any ordinance is materially altered after its introduction, the same shall not be finally adopted except at a regular or adjourned regular meeting, held not less than five days after the date upon which such ordinance was so altered. The correction of typographical or clerical errors shall not constitute the making of an alteration within the meaning of the foregoing sentence.

No order for the payment of money shall be adopted or made at any other than a regular or adjourned regular meeting.

Unless a higher vote is required by other provisions of this Charter the affirmative votes of at least three members of the City Council shall be required for the enactment of any ordinance or resolution, or for the making or approving of any order for the payment of money.

**Emergency Ordinance.** Any ordinance declared by the City Council to be necessary as an emergency measure for preserving the public peace, health or safety, and containing a statement of the reasons for its urgency, may be introduced and adopted at one and the same meeting if passed by at least four affirmative votes.

**Section 608. Ordinance. Enactment.** In addition to such acts of the City Council as are required by this Charter to be by ordinance, every act of the City Council establishing a fine or other penalty, or granting franchise, shall be by ordinance.

The enacting clause of all ordinances shall be substantially as follows: "The City Council of the City of Compton does ordain as follows:"

**Section 609. Ordinance. Publication.** The City Clerk shall cause each ordinance or a summary of the ordinance to be published at least once in the official

newspaper within fifteen days after its adoption. A summary of the ordinance need include no more than a brief description of the subject matter of the ordinance, the names of the council members and how they voted on the ordinance, a statement that the full text of the ordinance is available at no charge from the office of the City Clerk, and the telephone number of the office of the City Clerk.

**Section 610. Codification of Ordinances.** Any or all ordinance of the City which have been enacted and published in the manner required at the time of their adoption, and which have not been repealed, may be compiled, consolidated, revised, indexed and arranged as a comprehensive ordinance code and such code may be adopted by reference by the passage of an ordinance for such purpose. Such code need not be published in the manner required for other ordinances, but not less than three copies thereof shall be filed for use and examination by the public in the office of the City Clerk prior to the adoption thereof. Ordinances codified shall be repealed as of the effective date of the code. Subsequent amendments to sections of the code shall be enacted in the same manner as herein required for the amendment of ordinances generally.

Detailed regulations pertaining to any subject such as the construction of buildings, plumbing, wiring, or other subjects which require extensive regulations, after having been arranged as a comprehensive code, may likewise be adopted by reference in the manner hereinabove provided.

**Section 611. Ordinance.** When Effective. No ordinance shall become effective until thirty days from and after the date of its adoption, except the following, which shall take effect upon adoption:

- (a) An ordinance calling or otherwise relating to an election;
- (b) An improvement proceeding ordinance adopted under some law or procedural ordinance;
- (c) An ordinance declaring the amount of money necessary to be raised by taxation, or fixing the rate of taxation; or
- (d) An emergency ordinance adopted in the manner herein provided.

**Section 612. Ordinance, Violation, Penalty.** A violation of any ordinance of the City shall constitute a misdemeanor and may be prosecuted in the name of the People of the State of California or may be redressed by civil action or administrative action. The maximum fine or penalty for any violation of a city ordinance shall be the maximum fine or term of imprisonment, or both, authorized by state law.

**Section 613. Ordinance. Amendment.** The amendment of any section or sections of an ordinance may be accomplished solely by the re-enactment of such section or sections at length, as amended.

**Section 614. Publishing of Legal Notices.** In the event that there is more than one newspaper of general circulation published in the City, the City Council shall annually, publish a notice inviting bids and contract for the publication of all legal notices



or other matter required to be published in a newspaper of general circulation in the City during the ensuing fiscal year. In the event there is only one newspaper of general circulation published in the City, then the City Council shall have the power to contract with such newspaper for the printing and publication of such legal notices without being required to advertise for bids therefore. The newspaper with which any such contract is made shall be designated as the official newspaper for the publication of such notices or other matter for the period of such contract. In no case shall the contract price charged for such publication exceed the customary rates charged by such newspaper for the publication of legal notices of a private character.

Unless otherwise required by this Charter, or law, or ordinance, the City Council may employ other means of publication in lieu of newspaper advertising. In the event there is no official newspaper designated by the City Council, then, unless otherwise required by law, all legal notices or other matter may be published by posting copies thereof in at least three public places in the City designated by ordinance.

No defect or irregularity in proceedings taken under this section, or failure to designate an official newspaper, shall invalidate any publication where the same is otherwise in conformity with the Charter, or law, or ordinance.

## ARTICLE VII

### OFFICERS, POWERS AND DUTIES

**Section 700. City Clerk.** The City Clerk shall have power and be required to:

(a) Attend all meetings of the City Council and be responsible for the recording and maintaining of a full and true record of all of the proceedings of the City Council in books that shall bear appropriate titles and be devoted to such purpose. Such books shall have a general index sufficiently comprehensive to enable a person readily to ascertain matters contained therein;

(b) Maintain ordinance and resolution books into which shall be recorded all City ordinances and resolutions with the certificate of the Clerk annexed to each thereof stating the same to be the original or a correct copy, giving the number of said ordinance or resolution and, as to an ordinance requiring publication, stating that the same has been published or posted in accordance with this Charter;

(c) Be the custodian of the seal of the City;

(d) Administer oaths or affirmations, take affidavits and depositions pertaining to the affairs and business of the City and certify copies of official records;

(e) Have charge of all city elections; and

(f) Devote his full time during business hours to the duties of his office.

**Section 701. City Treasurer.** The City Treasurer shall be the custodian of all public funds belonging to or under the control of the City, or of any office, department or agency thereof, and to that end shall have power and be required to:

(a) Receive and have custody of all monies receivable by the City from any source;

(b) Deposit all monies received in such depositories as may be designated by resolution of the City Council and in compliance with all of the provisions of the State Constitution and laws of the State, governing the handling, depositing and securing of public funds;

(c) Disburse monies on demands properly audited in the manner provided for in this Charter;

(d) Prepare and submit to the City Controller monthly written reports of all receipts, disbursements and fund balances, copies of which shall be filed with the City Manager; and

(e) Devote his full time during business hours to the duties of his office.

**Section 702. City Attorney.** To become eligible for City Attorney the person elected or appointed to the office shall be an attorney at law duly licensed as such under the laws of the State of California and shall have been engaged in the practice of law for at least three years prior to his election or appointment. The City Attorney shall have power to perform and be responsible for the following duties:

(a) Represent and advise the City Council and all City officers in all matters of law pertaining to their offices;

(b) Represent and appear for the City and any City officer or employee, or former City officer or employees, in any or all actions and proceedings in which the City or any such officer or employee, in or by reason of his official capacity, is concerned or is a party, but the City Council shall have control of all legal business and proceedings and may employ other attorneys to take charge of any litigation or matter or to assist the City Attorney therein;

(c) Attend all regular meetings of the City Council and give his advice or opinion in writing whenever requested to do so by the City Council or by any of the boards or officers of the City;

(d) Approve the form of all bonds given to and all contracts made by the City, endorsing his approval thereon in writing;

(e) Prepare or review any and all proposed ordinance or resolution for the City, and amendments thereto;

(f) Prosecute on the behalf of the people such criminal cases for violations of this Charter, of City ordinance or of misdemeanor offenses arising upon violation of the laws of the State as in his opinion or that of the Chief of Police warrant his attention;

(g) Devote his full time during business hours to the duties of his office as may be specified in the ordinance fixing the compensation for such office; and

(h) On vacating the office surrender to his successor all books, papers, files and documents pertaining to the City's affairs.

**Section 703. Officers to be Appointed by the City Council.** The City Council shall appoint the City Manager, which position shall not be in the Classified Service, and who may be removed by motion of the City Council adopted by at least three affirmative votes.

It shall also appoint and may remove, under the Civil Service provisions of this Charter, the City Controller, which position shall be in the Classified Service.

**Section 704. Other Appointive Officers.** In addition to the officers enumerated in the preceding section, there shall be the other appointive officers enumerated in this Charter, who shall be appointed by the City Manager and who shall be the heads of their respective departments.

The City Council may provide by ordinance for the creation or abolishment of other appointive officers or departments.

**Section 705. City Manager. Appointment.** The City Manager shall be chosen on the basis of his executive and administrative qualifications. He shall be paid a salary commensurate with his responsibilities as chief administrative officer of the City. No City Councilman shall receive such appointment during the term for which he shall have been elected, nor within one year after the expiration of his term.

**Section 706. City Manager. Powers and Duties.** The City Manager shall be the chief executive officer and the head of the administrative branch of the City government. He shall be responsible to the City Council for the proper administration of all affairs of the City excepting such matters for which elective officers are made responsible by this Charter, and he shall have power and be required to:

(a) Appoint and remove, subject to the Civil Service provisions of this Charter, all department heads of the City, except elective officers and those the power of appointment of whom is vested in the City Council, and pass upon and approve all proposed appointments and removals of subordinate employees by department heads;

(b) Prepare the budget annually and submit it to the City Council and be responsible for its administration after adoption;

(c) Prepare and submit to the City Council as of the end of the fiscal year a complete report on the finances and administrative activities of the City for the preceding year;

(d) Keep the City Council advised of the financial condition and future needs of the City and make such recommendations as may seem to him desirable; and

(e) Perform such other duties as may be prescribed by this Charter or required of him by the City Council, not inconsistent with this Charter.

**Section 707. City Manager. Council Table.** The City Manager shall be accorded a seat at the City Council table and shall be entitled to participate in the deliberations of the City Council, but shall not have a vote.

**Section 708. City Controller. Powers and Duties.** The City Controller shall have power and be required to:

(a) Compile the budget expense and capital estimates for the City  
Manager;

(b) Supervise and be responsible for the disbursement of all monies and have control over all expenditures to insure that budget appropriations are not exceeded;

(c) Maintain a general accounting system for the City government and each of its offices, departments and agencies;

(d) Require, and supervise the keeping of, current inventories of all property, real and personal, by the respective officers in charge thereof and periodically to audit the same;

(e) Submit to the City Council through the City Manager a monthly statement of all receipts and disbursements in sufficient detail to show the exact financial condition of the City; and, as of the end of each fiscal year, submit a complete financial statement and report; and

(f) Audit and approve before payment all bills, invoices, payrolls, demands or charges against the City Government and, with the advice of the City Attorney, determine the regularity, legality and correctness of such claims, demands or charges.

**Section 709. City Engineer. Powers and Duties.** To be eligible for appointment as City Engineer the appointee shall be a Registered Civil Engineer in the State of California. The City Engineer shall have power and be required to:

- (a) Supervise and be responsible for all City engineering work;
- (b) Supervise and be responsible for the maintenance, properly indexed, of all maps, plans, profiles, field notes and other records and memoranda belonging to the City and pertaining to his office and the work thereof; and
- (c) On vacating the office surrender to his successor all maps, plans, field notes and other records and memoranda pertaining to the City's affairs.

**Section 710. Street Superintendent. Powers and Duties.** The Street Superintendent shall have the general care and supervision of all city streets, sewers and drains, and shall have power and be required to:

- (a) Make frequent inspection of all streets, sewers and drains of the City;
- (b) Receive and investigate all complaints as to their condition and have charge of the enforcement of all laws and ordinances pertaining thereto; and
- (c) Inspect all streets, sewers and drains while the same are in the course of construction; inspect, approve or reject all materials used in such construction, whether done by contract or otherwise and, pending investigations when necessary, stop all work thereon.

**Section 711. Building Official. Powers and Duties.** The Building Official shall have charge of the supervision and inspection of all building construction within the City and shall have power and be required to:

- (a) Examine building plans in order to determine conformity with State laws and ordinances and issue permits for the building thereof; and
- (b) Enforce the laws and ordinances regulating the construction and maintenance of buildings and other structures.

**Section 712. Chief of Police. Powers and Duties.** The Chief of Police shall have the power and be required to:

- (a) Preserve the public peace;
- (b) Execute and return all process issued to him by legal authority; and
- (c) Exercise all the powers that are now, or may hereafter be, conferred upon sheriffs and other police officers by the laws of the State.

**Section 713. Chief of the Fire Department. Powers and Duties.** The Chief of the Fire Department shall have power and be required to:

(a) Be in full charge at the scene of any fire with full power and authority to direct the operations of extinguishing the same, take such precautions as are indicated to prevent the spread thereof, and control all persons and property in the vicinity thereof for the preservation of life and property; and

(c) Make frequent inspection of all property within the city to enforce fire prevention regulations.

## ARTICLE VIII

### THE CITY COURT

Sections 800, 801, 802 deleted from City Charter January 16, 1953.

## ARTICLE IX

### BOARD OF EDUCATION

Section 900 deleted from City Charter April 21, 2009.

## ARTICLE X

### COUNCIL APPOINTED BOARDS AND COMMISSIONS

**Section 1000. In General.** There shall be the following enumerated boards and commissions which shall have the powers and duties herein stated: the Planning Commission, the Personnel Board, and the Recreation and Parks Commission. In addition, the City Council may create by ordinance such advisory boards or commissions as in its judgment are required and may grant to them such powers and duties as are consistent with the provisions of this Charter.

**Section 1001. Appropriations.** The City Council shall include in its annual budget sufficient appropriations of funds for the efficient and proper functioning of such boards and commissions.

**Section 1002. Appointments. Terms.** The members of each of such boards or commissions shall be appointed, and shall be subject to removal, by motion of the City Council adopted by at least four affirmative votes. The members thereof shall serve for a term of four years and until their respective successors are appointed and qualified.

The members first appointed to such boards and commissions shall so classify themselves by lot that each succeeding July 1<sup>st</sup> the term of one of their number shall expire. If the total number of members of a board or commission to be appointed exceeds four, the classification by lot shall provide for the grouping of terms to such an extent as is necessary in order that the term of a least one member shall expire on each succeeding July 1<sup>st</sup>. Thereafter, any appointment to fill an unexpired term shall be for such unexpired period.

**Section 1003** deleted from City Charter April 21, 2009.

**Section 1004. Meetings, Chairman.** As soon as practicable, following the first day of July of every year, each of such boards and commissions shall organize by electing one of its members to serve as presiding officer, at the pleasure of the board or commission. Each board or commission shall hold regular meetings as prescribed by ordinance of the City Council, and such special meetings as it may require. All proceedings shall comply with state laws governing open and public meetings.

The vote of a majority of the entire membership of such board or commission shall be necessary for it to take action.

The City Manager may appoint a secretary for each of such boards and commissions, who shall keep a record of its proceedings and transactions. Each board or commission may prescribe its own rules and regulations which shall be consistent with this Charter and copies of which shall be kept on file in the office of the City Clerk where they shall be available for public inspection. It shall have the same power as the City Council to compel the attendance of witnesses, to examine them under oath and to compel the production of evidence before it.

**Section 1005. Compensation and Vacancies.** The compensation for members of the Planning Commission, the Personnel Board and the Recreation and Parks Commission shall be established by ordinance of the City Council.

Any vacancies in any board or commission from whatever cause arising, shall be filled by appointment by the City Council. If a member of a board or commission absents himself from all regular meetings of such board or commission, for a period of sixty (60) days, consecutively (from and after the last regular meeting of such board or commission attended by such member) unless by permission of the City Council, expressed in its official minutes, or is convicted of a crime involving moral turpitude, or ceases to be a qualified elector of the City, his office shall become vacant and shall be so declared by the City Council.

**Section 1006. Oaths. Affirmations.** Each member of any such board or commission and the secretary thereof, shall have the power to administer oaths and affirmations in any investigation or proceeding pending before such board or commission.

**Section 1007. Planning Commission.** There shall be a City Planning Commission consisting of five members to be appointed by the City Council from the qualified electors of the City, none of whom shall hold any paid office or employment in the City Government during their term of office on the Planning Commission. The number of members to comprise the commission may be changed by ordinance of the City Council to not less than five nor more than nine members.

**Section 1008. Planning Commission. Powers and Duties.** The Planning Commission shall have power and be required to:

- (a) After a public hearing thereon, recommend to the City Council on proposals for the adoption, amendment, or repeal of the City's General Plan or any part thereof for the physical development of the City; and
- (b) Exercise such functions with respect to land subdivisions, planning, and zoning as may be prescribed by ordinance.

**Section 1009. Personnel Board.** There shall be a Personnel Board consisting of five (5) members to be appointed by the City Council from the qualified electors of the City, none of whom shall hold any salaried city public office or city employment, nor while a member of the Board or for a period of one (1) year after he has ceased for any reason to be a member, be eligible for appointment to any salaried office or employment in the service of the City or to any elective office.

The Board shall be appointed and serve in the same manner as other boards and commissions except that Personnel Board Members may be removed by motion of the City Council adopted by at least three (3) affirmative votes.

**Section 1010. Personnel Board. Powers and Duties.** The Personnel Board shall have power and be required to:

- (a) After a public hearing thereon, recommend to the City Council the adoption, amendment or repeal of Civil Service rules and regulations;
- (b) Hear appeals of any person in the Classified Service relative to any suspension, demotion or dismissal;
- (c) Hold hearings and make recommendation to the City Council on the adoption or revision of the position classification plan; and
- (d) Make any investigation not inconsistent with this Charter or state law which it may consider desirable concerning the administration of personnel in the municipal service and report its findings to the City Council and City Manager.

**Section 1011. Recreation and Parks Commission.** There shall be a Recreation and Parks Commission consisting of five members which shall be appointed by the City



Council from the qualified electors of the City, none of whom shall hold any paid office or employment in the City Government. The number of members to comprise the Commission may be changed by ordinance of the City Council to any number not less than five.

**Section 1012. Recreation and Parks Commission.** Powers and Duties. The Recreation and Parks Commission shall have power and be required to:

(a) Act in an advisory capacity to the City Council in all matters pertaining to public recreation, including parks, playgrounds and entertainment;

(b) Consider the annual budget of the Recreation and Parks Department during the process of its preparation and make recommendations with respect thereto to the City Manager and the City Council; and

(c) Assist in the planning of a recreation program for the inhabitants of the City, promote and stimulate public interest therein, and to that end, solicit to the fullest extent possible the cooperation of school authorities and other public and private agencies interested therein.

## ARTICLE XI

### CIVIL SERVICE

**Section 1100. Merit Principle.** Appointments and promotions in the classified service of the City shall be made according to merit and fitness, to be ascertained, wherever there is more than one qualified applicant, by competitive examination. Merit and fitness being equal seniority shall prevail.

All promotions in the Classified Service, where there are in such service personnel possessing the minimum qualifications to qualify for such promotion, shall be limited to persons in the Classified Service, unless the Personnel Board finds and declares that in its opinion, the best interests of the public service require such examination to be open and competitive and not restricted to persons in the Classified Service.

**Existing System.** The ordinance establishing a Civil Service System, and the rules and regulations adopted there under, in effect at the effective date of this Charter are hereby repealed. All employees who have attained regular or probationary status or have been placed on eligible lists, or who have been granted military or other leaves of absence, under the existing Civil Service System, shall retain their respective rights subject to the provisions of this Charter.

**Section 1101. Classified Service.** The Civil Service of the City shall be divided into the Unclassified and the Classified Service.

(a) The Unclassified Service shall comprise the following officers and positions:

1. All elective officers;
2. City Manager;
3. Assistant City Manager;
4. One private secretary to the City Manager;
5. All members of boards and commissions;
6. Positions in any class or grade created for a special or temporary purpose, and which would exist for a period of not longer than ninety days. The Personnel Board, upon application of the appointing officer of board, and after public notice and hearing, by the affirmative votes of four of the members, may exempt any position in any class or grade for a maximum period of six months in any calendar year. Any such exemption shall not affect the tenure of any person whose appointment has become final under civil service;
7. Persons employed to render professional, scientific, technical or expert service of an occasional and exceptional character;
8. Crossing guards; and
9. Part-time employees paid on an hourly or per diem basis.

(b) The Classified Service shall comprise all positions not specifically included by this section in the Unclassified Service.

**Section 1102. Appointments from the Classified to the Unclassified Service.**

In the event an officer or employee of the City, holding a position in the Classified Service, is appointed to a position in the Unclassified Service, and should subsequently be removed or resign there from within six months, he shall revert to his former position in the Classified Service without loss of any rights or privileges and upon the same terms and conditions as if he had remained in said position continuously, unless charges are filed and he is discharged in the manner provided for in this Charter and the rules established hereunder for positions in the Classified Service.

**Section 1103. Classification.** The City Manager shall make periodic studies of the classification and grading of positions and shall submit to the Personnel Board any changes which he deems desirable to better classify positions according to similarity of authority, duties and responsibilities.

The Personnel Board shall hold a public hearing thereon at which officers and employees affected thereby and others interested and desiring to be heard shall be given an opportunity to do so. Upon approval by the Personnel Board, they shall be referred to the City Council for final consideration and adoption.

**Section 1104. Recruitment.** Examinations of applicants for positions in the Classified Service shall be practical and relate to those matters which fairly test the relative capacity of the applicants to discharge the duties of the position to which they seek to be appointed.

No person may be an applicant who is not a legal resident of the United States.

**Section 1104.1. Residency.** Except for City elective officers, emergency personnel and persons employed by the City of Compton shall reside within a reasonable distance of his or her place of employment with the City.

**Section 1105. Veterans.** In all entrance examinations for positions in the Classified Service, veterans who served in the armed forces of the United States during time of war and prior to the cessation of hostilities, and who attain a passing grade, shall be allowed an additional preferential credit of (10%) percent in the case of those veterans who have service-connected disabilities and of five (5%) percent as to other veterans, which percentages are to be based upon the maximum grade for such examinations.

**Section 1106. Appointments.** Upon the receipt of notice of a vacancy in the Classified Service, the clerk of the Personnel Board shall certify to the appointing power names of the three highest candidates on the eligible list for such position. No candidate may be certified more than three times for any one classified position.

The Personnel Board, with the consent of the appointing power, may authorize the certification of less than three names for appointment in the event there remains less than three names on an eligible list and in the opinion of the Personnel Board conditions warrant such action. When no eligible lists are available, the Personnel Board, under such rules and regulations as it shall prescribe, may authorize the appointing power to make temporary appointments in the Classified Service, in order to prevent the stoppage of public business and in order to meet extraordinary conditions, which appointments shall remain in force until regular appointments can be made, but in no case to exceed ninety (90) days in any calendar year.

If sufficient number of applicants for a position in the Classified Service is not received, after advertising therefore has been completed in conformity with this Charter and Rules and Regulations, adopted hereunder, the Personnel Board may authorize an examination to proceed as to a lesser number of qualified applicants.

All original appointments shall be for a probationary period of one year during which the employee may be rejected at any time without right of appeal or hearing in any manner.

All promotional appointments shall be for a probationary period of six months during which time the employee may be rejected at any time without right of appeal or hearing in any manner. An employee rejected during the probationary period from a position to which he has been promoted, shall be reinstated to the position from which he was promoted, unless charges are filed and he is discharged as provided in the Charter and the rules.

**Section 1107. Abolition of Position. Lay-offs.** Whenever it becomes necessary, in the opinion of the City Council, to abolish a position, or to reduce the number of

employees in a given class, in the Classified Service, the City Council may do so, by stating in its proceedings its reasons therefore. Should such position, or positions, be renewed or any position or positions involving substantially the same duties be created or filled within one year, the employee or employees discharged shall be entitled to be appointed thereto.

All lay-offs occasioned by the abolishment of a position or the reduction in number of employees in a given class shall be governed by seniority in service and shall be in the reverse order of employment. Re-employment shall be in the reverse order of the lay-offs.

**Section 1108. Suspension, Demotion, and Dismissal.** The City Council and the elective and appointive officers having appointive power are vested with the right to exercise the disciplinary and removal powers hereinafter provided.

An employee serving a probationary period in any office, position or employment shall be subject to removal there from without right of appeal but subject to his right of reinstatement to the position in the Classified Service from which he has promoted, or transferred, if any.

An employee other than one serving a probationary period, holding a position in the Classified Service shall be subject to suspension without pay for a period of not exceeding thirty (30) days in any one (1) calendar year, or to demotion or removal from his position, for misconduct, incompetency, inefficiency, or for failure to observe the rules or regulations of the department, office or agency, or to cooperate reasonably with his superiors or fellow employees, but subject to the right of the employee to appeal to the Personnel Board in the manner set forth herein.

Such employee shall be entitled to receive, upon request, at the office of the board or officer taking such action, not later than the second business day thereafter, a written statement in item form of the reasons therefore, a copy of which statement shall be furnished the Personnel Board. He shall have ten (10) days after the receipt of such statement within which to file an answer to such statement of charges should he desire to do so.

The answer shall be filed in the office of the City Clerk and with the Clerk of the Personnel Board. In his answer, or if no statement of charges has been made available to him as required, such employee may request a hearing by Personnel Board to review such suspension, demotion or removal which shall be called and held as provided for in the rules and regulations. Hearings may be conducted informally and the rules of evidence need not apply.

Within ten (10) days after concluding the hearing, the Personnel Board shall certify its findings and recommendations to the City Manager. The suspension, demotion, or removal order by the City Manager or other official, from whose action the appeal was taken, shall be sustained unless the said Board shall by majority vote, render its decision

finding that the suspension, demotion, or removal was made without sufficient cause. If the Board shall find that the person suspended, demoted, removed was so suspended, demoted or removed without sufficient cause, said Board in its order shall provide that said person shall be reinstated forthwith to the position from which he was suspended, demoted or removed, and shall order paid to him the salary to which he would have been entitled had he not been suspended, demoted or removed. In filing its decision, the Board shall also make and file written findings of fact covering in general terms the issues involved.

In the absent of fraud or bad faith, the findings and decisions of the said Board shall be final and conclusive.

A reduction in pay shall be a demotion, under this section, unless it is a part of a plan to reduce salaries and wages in connection with a general economy or curtailment program.

The City Manager and any other officer or board in whom is vested by law the power to make transfers, promotions, demotions, reinstatements, lay-offs, and to suspend or dismiss employees, shall retain such power subject to the provisions of this Charter and the rules established hereunder, it being the intent and spirit of this Charter to provide a fair and just approach to municipal employment in order that city employees may be selected and promoted on a merit basis, but in no sense to impair the efficiency of the public service.

**Section 1109. Political Activities Prohibited.** No person holding a position in the Classified Service shall engage in any activities supporting or opposing the elction of any public officer or any state or local ballot measure either during that employee's normal City working hours or at any City facility. Nothing in the section shall be construed to prevent any such person from being or becoming a member of a political club or organization, or from attending political meetings or engaging in political activity while at work as a City employee, or from enjoying entire freedom from all interference in casting his vote, or from seeking election or appointment to public office.

No person in the Classified Service, or seeking admission thereto, shall be employed, promoted, demoted or discharged or in any way favored or discriminated against because of political opinions or affiliation or because of race, ethnicity, gender, national origin or religious belief.

No officer or employee of the city and no candidate for any city office shall, directly or indirectly, solicit any assessment, subscription or contribution, whether voluntary or involuntary, for any political purpose whatever, from anyone on the eligible lists or holding any position in the Classified Service. However, nothing in this section shall prohibit an officer, employee or candidate from communicating through the mail, media or by other means to a significant segment of the public, which may include persons in the Classified Service or on its eligible lists, for such an assessment, subscription or contribution.

**Section 1110. Prohibitions.** No person shall willfully or corruptly make any false statements, certificate, mark, rating or report in regard to an application, test, certification or appointment held or made under the personnel provisions of this Charter or in any manner commit or attempt any fraud preventing the impartial execution of such personnel provisions or rules and regulations made hereunder.

Any person who by himself or with others willfully or corruptly violates any of the provisions of this Article shall be guilty of a misdemeanor and shall, upon conviction thereof, be punished by a fine and/or imprisonment not to exceed the maximum fine or term of imprisonment, or both, authorized by state law for the punishment of misdemeanor crimes. Any person convicted hereunder shall be ineligible for a period of five years for employment in the City service and shall, if he be an officer or employee of the City, immediately forfeit his office or position.

## ARTICLE XII

### GENERAL PROVISIONS RELATING TO OFFICERS AND EMPLOYEES

**Section 1111. Contract for Performance of Administrative Functions.** Upon recommendation of the Personnel Board, the City Council may contract with the governing body of a city, or county within this state, or with a state department or other agency for the preparation or conducting of competitive examinations for positions in the City Service or for the performance of any other personnel administration service.

**Section 1200. Official Bonds.** The City Council shall fix by ordinance the amounts and terms of the official bonds of all officials or employees who are required by this Charter or by ordinance to give such bonds. All bonds shall be approved as to form by the City Attorney, and shall be filed with the City Clerk, except the City Clerk's bond, which shall be filed with the City Treasurer. Premiums on official bonds shall be paid by the City.

In all cases wherein an employee of the City is required to furnish a faithful performance bond, there shall be no personal liability upon, or any right to recover against, his superior officer or other officer or employee, or the bond of the latter, unless such superior officer, or other officer or employee is a party to, or has conspired in, the wrongful act, directly or indirectly causing such loss.

**Section 1201. Oath of Office.** Each member of the City Council, of every board and commission and each officer provided for in this Charter before entering upon the discharge of the duties of his office, shall take, subscribe to and file with the City Clerk the following oath or affirmation:

"I do solemnly swear (or affirm, as the case may be) that I will support the Constitution of the United States and the Constitution of the State of California,

and that I will faithfully discharge the duties of the office of (here inserting name of office) according to the best of my ability.”

**Section 1202. Illegal Contracts. Financial Interest.** No member of the City Council, officer, member of any board or commission or employee of the City, shall be financially interested, directly or indirectly, in any contract, sale or transaction to which the City is a party, in violation of state laws and regulations governing conflicts of interests.

**Section 1203. Duties of Officers and Employees.** The City Council, by ordinance, may assign additional functions or duties to offices, departments or agencies established by this Charter, but may not discontinue or assign to any other office, department or agency any function or duty assigned by this Charter to a particular office, department or agency.

Where the positions are not incompatible, the City Council may combine in one office the powers and duties of two or more offices, created or provided for in the Charter.

**Section 1204. Administering Oaths.** Each department head and his deputies shall have the power to administer oaths and affirmations in connection with any official business pertaining to his department.

**Section 1205. Department Heads. Appointment Powers.** Each elective officer and other department heads shall have the power to appoint, suspend, demote and remove such deputies, assistants, subordinates and employees as are provided for by the City Council for his department upon the following conditions:

- (a) Subject to the Civil Service provisions of this Charter and the rules and regulations promulgated hereunder; and
- (b) Subject to the approval of the City Manager being first had and received, excepting
  1. As to the power of suspension which may be exercised without the prior approval of the City Manager, and
  2. As to the appointment by an elective officer of his principal deputy, which likewise shall not require the approval of the City Manager.

## ARTICLE XIII

### ELECTIONS

**Section 1300. Elections.** Municipal elections held in said city shall be classified as follows:

- (a) Primary nominating elections

- (b) General municipal elections
- (c) Special municipal elections

**Section 1301. Primary Nominating Elections.** Primary Nominating Elections shall be held on the third Tuesday in April in each odd-numbered year for the purpose of nominating not exceeding two candidates for each of the elective offices in which vacancies have occurred since the preceding general municipal election, and for such other purposes as may be provided by Charter or ordinance. The primary nominating election may be consolidated with the election of the Compton Unified School District. (Amended April 22, 1975; Amended November 7, 1978)

**Section 1302. General Municipal Elections.** General Municipal Elections shall be held on the first Tuesday in June in each odd-numbered year for the purpose of electing officers of the City to fill the vacancies and expiring terms in the elective offices and for such other purpose as may be provided by Charter or Ordinance. Notwithstanding the foregoing, the general election date may be changed by ordinance adopted not later than December 1 of any even-numbered year, if the date stated in the ordinance is not later than June 15<sup>th</sup> of the odd-numbered year and will permit consolidation of the next election with that of another public entity. (Amended April 22, 1975).

**Section 1303. Special Municipal Elections.** All other municipal elections, except the elections of members of Board of Education, that may be held by authority of this Charter, or of any law, shall be known as special municipal elections and shall be called by ordinance.

**Section 1304. Procedure for Holding Elections.** Unless otherwise provided by ordinance, all elections shall be held in accordance with the provisions of the Elections Code of the State of California insofar as the same are not in conflict with this Charter.

**Section 1305. Initiative, Referendum and Recall.** There is hereby reserved to the electors of the City the powers of the initiative, referendum and recall of municipal elective officers. The provisions of the Elections Code of the State of California as the same now exist or may hereafter be amended, governing the initiative, referendum and the recall of municipal officers shall apply to the use thereof in the City insofar as such provisions of the Elections Code are not in conflict with this Charter.

## ARTICLE XIV

### FISCAL ADMINISTRATION

**Section 1400. Fiscal Year.** The fiscal year of the City government shall begin on the first day of July of each and end on the thirtieth day of June of the following year.



**Section 1401. Tax System.** Unless otherwise provided by ordinance, the City shall continue to use, for the purpose of ad valorem municipal taxation, the county system of assessment and tax collection, as such system is now in effect or may hereafter be amended and insofar as such provisions are not in conflict with this Charter.

If the City Council shall fail to fix the rates and levy taxes on or before August 31, in any year, the rates for the next preceding fiscal year shall thereupon be automatically adopted and a tax at such rates shall be deemed to have been levied on all taxable property in the City for the current fiscal year.

**Section 1402. Tax Limits.** Exclusive of special levies permitted by this Charter, the City Council shall not levy a property tax in excess of One (\$1.00) Dollar on each One Hundred (\$100.00) Dollars of the assessed value of taxable property in the City for municipal purposes, unless authorized by the affirmative votes of two-thirds of the electors voting on such proposition at any election at which the question of such additional levy for municipal purposes is submitted to the electors.

There shall be levied and collected at the time and in the same manner as other property taxes for municipal purposes are levied and collected, as additional taxes, if no other provision for payment thereof is made:

- (a) A tax sufficient to meet all liabilities of the City for principal and interest of all bonds or judgments due and unpaid, or to become due during the ensuing fiscal year; and
- (b) A tax sufficient to meet all obligations of the City to the State Employees' Retirement System, for the retirement of City Employees, due and unpaid or to become due during the ensuing fiscal year.

A special levy, in addition to the above, may be made annually for park, playground and recreation purposes in an amount not to exceed twenty (20c) cents on each One Hundred (\$100.00) Dollars of the assessed value on taxable property in the City.

Special levies, in addition to the above, may be made annually, for libraries in an amount not to exceed ten (10c) cents on each One Hundred (\$100.00) Dollars of the assessed value of taxable property in the City, and for promotion and advertising in an amount not to exceed five (5c) cents on each One Hundred (\$100.00) Dollars of the Assessed value of taxable property in the City.

The limits upon the special levies permitted hereunder may not be exceeded unless authorized by the affirmative votes of two-thirds of the electors voting on such proposition at an election at which a proposal to exceed any such limit is submitted.

The proceeds of any special levy shall be used for no other purpose than that specified.

**Section 1403. Bonded Debt Limit.** The bonded indebtedness of the City may not exceed the sum of fifteen (15%) percent of the total assessed valuation of property within the City, exclusive of any indebtedness that has been or may hereafter be incurred for the purpose of acquiring, establishing or extending a system of water-works for the supplying of water, or for the purpose of constructing sewers or drains in the City, for which purposes a further indebtedness may be incurred by the issuance of bonds, subject only to the provisions of the State Constitution and of this Charter.

**Section 1404. Annual Budget. Preparation by the City Manager.** At such date as he shall determine, the City Manager, or an officer designated by him, shall obtain from each department head estimates of revenue and expenditure for his department, detailed in such manner as may be prescribed by the City Manager. In preparing the proposed budget, the City Manager shall review the estimates, shall hold conferences thereon with the department heads, respectively, and may revise the estimates as he may deem advisable.

**Section 1405. Budget. Submission to City Council.** Prior to the beginning of each fiscal year, the City Manager shall submit to the City Council the proposed budget as prepared by him. After reviewing same and making such revisions as it may deem advisable, the City Council shall determine the time for the holding of a public hearing thereon and shall cause to be published a notice thereof not less than ten (10) days prior to said hearing by at least one insertion in the official newspaper.

Copies of the proposed budget shall be available for inspection by the public in the office of the City Clerk at least ten days prior to said hearing.

**Section 1406. Budget. Public Hearing.** At the time so advertised, or at any time to which such public hearing shall from time to time be adjourned, the City Council shall hold a public hearing on the proposed budget at which interested persons desiring to be heard shall be given an opportunity to do so.

**Section 1407. Budget. Further Consideration and Adoption.** After the conclusion of the public hearing the City Council shall further consider the proposed budget and make any revisions thereof that it may deem advisable and on or before June 30, it shall adopt the budget with revisions if any, by the affirmative votes of at least three members. Upon final adoption, the budget shall be in effect for the ensuing fiscal year. A copy thereof, certified to by the City Clerk, shall be filed with the City Controller and a further copy shall be placed, and shall remain on file, in the office of the City Clerk where it shall be available for inspection. The budget so certified shall be reproduced and copies made available for the use of officers, departments and agencies of the City.

**Section 1408. Budget Appropriations.** From the effective date of the budget, the several amounts stated therein as proposed expenditures shall be and become appropriated to the several departments, offices and agencies for the respective objects and purposes therein named. All appropriations shall lapse at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered.

At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the affirmative votes of at least four members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget.

**Section 1409. Contracts on Public Works.** Every contract involving an expenditure of more than Twenty Five Thousand Dollars (\$25,000.00) for the construction or improvement (excluding maintenance and repair) of public buildings, works, streets, drains, sewers, utilities, parks and playgrounds shall be to the lowest responsible bidder after notice by publication in the official newspaper by one or more insertions, the first of which shall be at least ten days before the time for opening bids.

The City Council may reject any and all bids presented and may re-advertise in its discretion.

The City Council without advertising for bids, or after rejecting bids, or if no bids are received, may declare and determine that, in its opinion, the work in question may be performed better or more economically by the City with its own employees and after the adoption of a resolution to this effect by at least four affirmative votes, it may proceed to have the said work done in this manner stated without further observance of the provision of this section. Such contracts likewise may be let without advertising for bids, if such work shall be deemed by the City Council to be of urgent necessity for the preservation of life, health or property, and shall be authorized by motion passed by at least four affirmative votes and containing a declaration of the facts constituting such urgency.

**Section 1410. Centralized Purchasing.** Under the control and direction of the City Manager there shall be established a centralized purchasing system for all City departments and agencies. The City Manager shall recommend and the City Council shall consider and adopt by ordinance rules and regulations governing the contracting for, purchasing, storing, distribution or disposal of all supplies, materials and equipment required by any office, department or agency of the City government.

**Section 1411. Competitive Bidding.** Before making purchases of, or contracts for, supplies, materials or equipment, ample opportunity shall be given for competitive bidding, under such rules and regulations and with such exceptions as the City Council may prescribe in the ordinance setting up such rules and regulations. When making purchases for the City, local merchants shall be given the preference, quality and prices being equal.

**Section 1412. Cash Basis Fund.** Deleted from City Charter June 30, 1969.

**Section 1413. Public Service Departments' Depreciation Funds.** The City Council shall annually set aside from the income derived from its revenue producing public utilities, as a separate depreciation fund for each of said public utilities, a sum which, according to the estimate of the City Manager, and approved by the City Council, shall be sufficient to meet the normal depreciation in said public utility. Such depreciation funds shall be used only for the replacement, betterment, and extension of the plants and equipment of said public utilities, respectively.

**Section 1414. Capital Outlays Funds.** A fund for capital outlays, generally, is hereby created, to be known as the "Capital Outlays Fund." The City Council by ordinance may create a special fund or funds for a special capital outlay purpose. The City Council may levy and collect taxes for capital outlays and may include in the annual tax levy a levy for such purposes in which event it must apportion and appropriate to any such fund or funds the monies derived from such levy. It may not, in making such levy, exceed the maximum tax rate provided for in this Charter, unless authorized by the affirmative votes of a majority of the electors voting on the proposition at any election at which such question is submitted. The City Council may transfer to any such fund any unencumbered surplus funds remaining on hand in the City at any time.

Once created, such fund shall remain inviolate for the purposes for which it was created; if, for capital outlay, generally, then for any such purposes, and if for a special capital outlay, then for such purpose only, unless the use of such fund for some other purpose is authorized by the affirmative votes of a majority of the electors voting on such proposition at a general or special election at which such proposition is submitted.

If the purpose for which any capital outlay fund has been created has been accomplished the City Council may transfer any unexpended or unencumbered surplus remaining in such fund to the fund for capital outlays, generally established by this Charter.

**Section 1415. Departmental Trust Fund.** The City Council may prescribe by ordinance for the setting up of a "Treasurer's Departmental Trust Fund" into which the collection of the police department, street department, building official, etc., may be deposited daily by the respective officers with the City Treasurer. Withdrawals from such fund may be made by the Treasurer only on order signed by the proper department head and for the following purposes only:

- (a) The making of refund of bail which has been exonerated or of other refundable deposits;
- (b) The making of settlements with City funds at the end of each calendar month for collections accumulated during the month.

Petty Cash Funds. The City Council may provide for revolving petty cash funds, to be paid to the City Manager or department heads and used for payment in cash of expenditures provided for in the budgets that cannot conveniently be paid otherwise. The City Manager of such other department heads shall account to the City Council for all disbursements made there from when making demand for replenishment of the same and at such other times as the Council may require and the amounts of such disbursements shall thereupon be charged against the proper appropriations.

**Section 1416. Presentation of Demands.** Each demand against the City shall be presented to the City Controller, who shall examine the same. If the amount thereof is legally due and there remains on his books an unexhausted balance or an appropriation against which the same may be charged, he shall approve such demand and draw his warrant on the City Treasurer therefore, payable out of the proper fund. Objections of the Controller may be overruled by the City Council and the warrant ordered drawn.

The City Controller shall transmit such demand with his approval or rejection thereof endorsed thereon and warrant, if any, to the City Manager. If a demand is one for which an appropriation has been made, it shall require the approval of the City Manager. A demand for which no appropriation has been made, shall require the approval of the City Council.

Any person dissatisfied with the refusal of the City Manager to approve any demand, in whole or in part, may present the same to the City Council, which, after examining into the matter may approve or disapprove the demand in whole or in part.

At every regular meeting of the City Council, the City Manager shall furnish the City Council with a list of all demands approved by him since the date of the preceding regular meeting.

**Section 1417. Warrants on Treasury.** After approval by the City Manager, or City Council, as the case may be, the warrant in payment thereof as prepared, by the City Controller, shall be presented to the City Treasurer and shall be paid by him out of the funds designated, if there be sufficient money in the fund for that purpose. A warrant not paid for lack of funds shall be registered, and all registered warrants shall be paid in the order of their registration when funds therefore are available.

In the payment of municipal or other bonds upon presentation and surrender of the proper bonds or coupons, the Treasurer shall draw his warrant for payment thereof which, upon approval by the Controller shall be paid without further approval by any body or officer.

**Section 1418. Actions Against City.** No suit shall be brought on any claim or demand for money or damages against the city or any board, commission or officer thereof until a claim has been presented to the City and rejected in whole or part. The procedures, requirements, restrictions and time limits applicable to and governing the presentation to and processing of claims for damages, and the filing of lawsuits following

the rejection in whole or in part of claims, shall be governed by the California Tort Claims Act as set forth in the California Government Code. The City Council may, by ordinance, require the presentation of claims for demands otherwise exempted from the claims presentation requirements.

**Section 1419. Independent Audit.** The City Council shall employ, at the beginning of each fiscal year, a qualified accountant who, at such time or times as may be specified by the City Council, shall examine the books, records, inventories and reports of all officers and employees who receive, handle or disburse public funds and of such other officers, employees or departments as the City Council may direct. At the end of the year, a final audit and report shall be submitted by such accountant to the City Council, one copy thereof to be distributed to each member, one to the City Manager, City Controller, City Treasurer, and City Attorney, respectively, and three additional copies to be placed on file in the office of the City Clerk where they shall be available for inspection by the general public.

## ARTICLE XV

### PUBLIC UTILITIES. FRANCHISES.

**Section 1500. City-owned Public Utility.** No public utility owned by the City shall be sold, leased or otherwise transferred unless authorized by the affirmative votes of two-thirds of the electors voting on such proposition at a general or special election at which such proposition is submitted.

**Section 1501. Granting of Franchises.** Any person, firm or corporation furnishing the City or its inhabitants with transportation, communication, terminal facilities, water, light, heat, power, refrigeration, storage or any other public utility or service, or using the public streets, ways, alleys, or places for the operation of plants, works, or equipment for the furnishing thereof or traversing any portion of the City for the transmitting or conveying of any such service elsewhere may be required by ordinance to have a valid and existing franchise. The City Council is empowered to grant such franchise to any such person, firm or corporation, whether operating under an existing franchise or not. The City Council may prescribe the terms and conditions of any such grant. It may also provide, by procedural ordinance, the method of procedure and additional terms and conditions for making such grants, subject to the provisions of this Charter.

**Section 1502. Resolution of Intention. Notice and Public Hearing.** Before granting any franchise, the City Council shall pass a resolution declaring its intention to grant the same, stating the name of the proposed grantee, the character of the franchise and the terms and conditions upon which it is proposed to be granted. Such resolution shall fix and set forth the day, hour and place when and where any persons having any interest therein or any objection to the granting thereof may appear before the City Council and be heard thereon. It shall direct the City Clerk to publish said resolution at

least once, within fifteen (15) days of the passage thereof, in the official newspaper. Said notice shall be published at least ten (10) days prior to the date of hearing.

At the time set for the hearing the City Council shall proceed to hear and pass upon all protests and its decision thereon shall be final and conclusive. Thereafter, it may grant, or deny, the franchise, subject to the right of referendum of the people.

**Section 1503. Term of Franchise.** Every franchise shall state the term for which it is granted, which, unless it be indeterminate as provided for herein, shall not exceed twenty-five (25) years.

A franchise grant may be indeterminate, that is to say, it may provide that it shall endure in full force and effect until the same, with the consent of the Public Utilities Commission of the State of California, shall be voluntarily surrendered or abandoned by its possessor, or until the State of California, or some municipal or public corporation, thereunto duly authorized by law, shall purchase by voluntary agreement or shall condemn and take, under the power of eminent domain, all property actually used and useful in the exercise of such franchise and situate within the territorial limits of the State, municipal or public corporation purchasing or condemning such property, or until the franchise shall be forfeited for noncompliance with its terms by the possessor thereof.

**Section 1504. Grant to be in Lieu of All Other Franchises.** Any franchise granted by the City with respect to any given utility service shall be in lieu of all other franchises, rights or privileges owned by the grantee, or by any successor of the grantee to any right under such franchise, for the rendering of such utility service within the limits of the City as they now or may hereafter exist, except any franchise derived under Section 19 of Article XI of the Constitution of California as said section existed prior to the amendment thereof adopted October 10, 1911. The acceptance of any franchise hereunder, shall operate as an abandonment of all such franchises, rights and privileges within the limits of the City as such limits shall at any time exist, in lieu of which such franchise shall be granted.

Any franchise granted hereunder shall not become effective until written acceptance thereof shall have been filed by the grantee thereof with the City Clerk. Such acceptance shall be filed within ten days after the adoption of the ordinance granting the franchise or any extension thereof granted by the City Council and when so filed, such acceptance shall constitute a continuing agreement of such grantee that if any when the City shall thereafter annex, or consolidate with, additional territory, any and all franchises, rights and privileges owned by the grantee therein, except a franchise derived under said constitutional provision, shall likewise be deemed to be abandoned within the limits of such territory.

**Section 1505. Eminent Domain.** No franchise grant shall in any way or to any extent impair or affect the right of the City to acquire the property of the grantee thereof either by purchase or through the exercise of the right of eminent domain, and nothing herein contained shall be construed to contract away or to modify or to abridge either for

a term or in perpetuity the City's right of eminent domain with respect to any public utility. Every franchise grant shall reserve to the City the right to purchase the property of such utility either at an agreed price or a price to be determined in a manner to be prescribed in the grant, or in the procedural ordinance hereinabove mentioned. In fixing the price to be paid by the City for any utility, no allowance shall be made for franchise value (other than the actual amount paid to the City at the time of the franchise acquisition), good will, going concern, earning power, increased cost of reproduction, severance damage, or increased value of right of way.

**Section 1506. Duties of Grantees.** By its acceptance of any franchise hereunder, the grantee shall covenant and agree to perform and be bound by each and all of the terms and conditions imposed in the grant, or by procedural ordinance and shall further agree to:

(a) Comply with all lawful ordinances, rules and regulations theretofore or thereafter adopted by the City Council in the exercise of its police power governing the construction, maintenance and operation of its plants, works, or equipment;

(b) Pay to the City on demand the cost of all repairs to public property made necessary by any of the operations of the grantee under such franchise;

(c) Indemnify and hold harmless the City and its officers from any and all liability for damages proximately resulting from any operations under such franchise;

(d) Remove and relocate without expense to the City any facilities installed, used and maintained under the franchise if and when made necessary by any lawful change of grade, alignment or width of any public street, way, alley or place, including the construction of any subway or viaduct; and

(e) Pay to the City during the life of the franchise a percentage, to be specified in the grant, of the gross annual receipts of the grantee within the limits of the City, or such other compensation as the City Council may prescribe in the grant.

**Section 1507. Exercising Rights Without Franchise.** The exercise by any person, firm or corporation of any privilege for which a franchise is required, without possessing a valid and existing franchise therefore, shall be a misdemeanor and shall be punished in the same manner as violations of this Charter are punishable and each day that such condition continues to exist shall constitute a separate violation.

## ARTICLE XVI

### EMPLOYEES' RETIREMENT SYSTEM



**Section 1600. Employees' Retirement System.** The California Public Employees' Retirement Act, as now existing and as hereafter amended, having previously been adopted by vote of the City electorate as the retirement program for the employees of the City, shall remain the retirement system for the City's employees. Plenary authority and power is hereby vested in the City, its City Council and its several officers, agents and employees to do and perform every act and exercise every power granted, permitted or required in accordance with the provisions of the California Public Employees' Retirement Act to continue the participation by the City as a contract member of the California Public Employees' Retirement System.

**Section 1601. Retirement Contract.** The contract previously entered into with the Board of Administration of the Public Employees' Retirement System may be terminated by the City only under authority granted by ordinance adopted by a majority vote of the electors of the City.

## ARTICLE XVII

### MISCELLANEOUS

**Section 1700. Definitions.** Unless the provision or the context otherwise requires, as used in this Charter:

- (a) "Shall" is mandatory, and "may" is permissive.
- (b) "He" means both masculine and feminine gender.

**Section 1701. State of Extreme Emergency.** During the existence of any national or local emergency created by military attack or sabotage, or in the providing for adequate national or local defense, or upon the occasion of a great public calamity, such as an extraordinary fire, flood, storm, epidemic, earthquake, or other disaster, the City Manager is hereby authorized to take such action as is deemed by him necessary to safeguard life, health or property notwithstanding any other provision of this Charter. During the existence of any such emergency the responsible city officer may comply with any lawful federal or state law, order or regulation and the provisions of this Charter, in safeguarding life, health or property in the City. At the first meeting of the City Council following the commencement of any such emergency, or the taking of any action under this section, the City Council shall review the situation and its findings as to the existence of such emergency or the need for any further action of an emergency nature and contrary to any provision of this Charter, shall be final and conclusive.

**Section 1702. Violations.** The violation of any provision of this Charter shall be deemed a misdemeanor and be punishable upon conviction by a fine or term of imprisonment, or both, authorized by state law for the punishment of misdemeanor crimes.

**Section 1703. Validity.** If any provision of this Charter, or the application thereof to any person or circumstance is held invalid, the remainder of the Charter, and the application of such provision to other persons or circumstances, shall not be affected thereby.

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<b>ZONING Planning Commission</b>	1008

# **ATTACHMENT V**

November 6, 2012

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: G. HAROLD DUFFEY, CITY MANAGER

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH CPA FIRM MGO TO PROVIDE INTERNAL AUDIT SERVICES FOR FISCAL YEAR 2010-2011**

### **SUMMARY**

This Resolution will authorize the City Manager to enter into a contract with a qualified CPA firm to provide internal audit services for fiscal year 2010-2011.

### **BACKGROUND**

The City hired Mayer Hoffman McCann P.C. to provide audit services for fiscal years 2009-2010, 2010-2011 and 2011-2012. During the 2010-2011 audit services, Mayer Hoffman McCann P.C. identified an allegation of fraud, waste and abuse by the Mayor, however, in its opinion, the accounting firm was unable to investigate. Subsequently, the audit firm issued a "disclaimer of opinion" thereby refraining from issuing an audit opinion on all the City's financial statements, including reports and bond compliance certificates. The CPA firm then forwarded a letter to the City terminating its auditing contract with the City effective July 13, 2012.

It is imperative for the City to investigate the allegations of fraud, waste and abuse and subsequently, remove "disclaimer of opinion" from the City's 2010-2011 audit report. As a result, City staff has contacted several CPA firms on its own but was unsuccessful in retaining a CPA firm. However, City staff was able to meet with Los Angeles County Auditor Controller's Office for assistance. After several productive discussions, it was determined that Los Angeles County would be unable to provide forensic auditing services due to the possibility of a subsequent CPA firm not recognizing Los Angeles County's audit findings conducted on behalf of the City.

### **STATEMENT OF ISSUE**

Recently, the City had discussions with MGO, a California CPA and its consulting division, IntelliBridge Partners to address the concerns raised regarding the 2010-2011 fiscal year audit discussed above. This CPA firm has agreed to provide internal auditing services for the City. A resolution is required in order for the City to go forward with the proposal of MGO. MGO's proposal is for a sum not to exceed \$218,950.00.

**FISCAL IMPACT**

MGO's proposal for this internal auditing service is for a sum not to exceed \$218,950.00. Funds for this general fund expenditure are available in the fiscal year 2012/2013 budget as follows:

<u>Account Number</u>	<u>Amount</u>
1001-510-000-4269	\$100,000.00
1001-510-000-4249	\$ 50,000.00
1001-510-IT0-4262	\$ 69,000.00
TOTAL	\$219,000.00

**RECOMMENDATION**

Staff recommends that the City Council adopt the attached Resolution.

**G. HAROLD DUFFEY  
CITY MANAGER**



RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON  
AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT  
WITH CPA FIRM MGO TO PROVIDE INTERNAL AUDIT SERVICES  
FOR FISCAL YEAR 2010-2011**

**WHEREAS**, Section 1419 of the City Charter of the City of Compton provides for employment of a qualified accountant at the beginning of each fiscal year, who at such time or times as may be specified by the City Council shall examine the books, records, inventories and reports of all offices and employees who receive, handle or disburse public funds and of such other offices, employees and departments as the City Council may direct; and

**WHEREAS**, an annual audit is also required to satisfy Federal legislation, state regulations, grants requirements, bonds covenants and other applicable regulations; and

**WHEREAS**, as a result of the competitive bidding process, the City Council authorized the City Manager, pursuant to Resolution No. 23,148, to select Mayer Hoffman McCann P.C. to provide the audit service for the fiscal years 2009-2010, 2010-2011 and 2011-2012; and

**WHEREAS**, Mayer Hoffman McCann P.C. successfully completed the audit for the fiscal year 2009-2010 and issued its opinion on the City's financial reports, Single Audit Report, CRA financial statements, Air Quality Improvement Trust Fund financial statements, bond compliance certification and other applicable reports; and

**WHEREAS**, while Mayer Hoffman McCann P.C. was performing the 2010-2011 audit, an allegation of fraud, waste and abuse was alleged, however, the accounting firm in its opinion was unable to resolve; and

**WHEREAS**, Mayer Hoffman McCann P.C. at the conclusion of the auditing services for fiscal year 2010-2011, issued a "disclaimer of opinion" thereby refraining from issuing an audit opinion on all the City's financial statements, reports and bond compliance certificates, and forwarded a letter to the City terminating the audit contract effective July 13, 2012; and

**WHEREAS**, it is imperative for the City to engage a CPA firm, investigate the outstanding allegation of fraud, waste and abuse against the City and remove the "disclaimer of opinion" status of the 2010-2011 audited financials; and

**WHEREAS**, the City has contacted several CPA firms requesting price quotations for the re-audit of the FY 2010-2011, however only one firm responded indicating that they were not interested in performing the re-audit of fiscal year 2010-2011; and

**WHEREAS**, Resolution Number 23,588 authorized the City Manager to enter into an agreement with Los Angeles County for forensic auditing services for the 2010-2011 fiscal year; and

**WHEREAS**, after several productive discussions with Los Angeles County it was ultimately decided that Los Angeles County would be unable to provide forensic auditing services due to the possibility of a subsequent firm not recognizing Los Angeles County's audit findings; and

RESOLUTION NO. \_\_\_\_\_

Page 2

WHEREAS, MGO, a California certified public accounting firm and its consulting division, IntelliBridge has agreed to provide auditing services for the City of Compton to audit allegations raised regarding the fiscal year 2010-2011 audit for a fee not to exceed \$218,950.00.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON, DOES HEREBY RESOLVE AS FOLLOWS:

**SECTION 1.** That Resolution Number 23,588 is rescinded.

**SECTION 2.** That the City Manager is hereby authorized to enter into an agreement with accounting firm, MGO and IntelliBridge Partners for forensic auditing services for a fee not-to-exceed \$219,000.00 for fiscal year 2010-2011.

**SECTION 3.** That funds are available in the fiscal year 2012/2013 budget as follows:

<u>Account Number</u>	<u>Amount</u>
1001-510-000-4269	\$100,000.00
1001-510-000-4249	\$ 50,000.00
1001-510-IT0-4262	\$ 69,000.00
<b>TOTAL</b>	<b>\$219,000.00</b>

**SECTION 4.** That a duly certified copy of the Resolution shall be filed with the offices of the City Manager, City Clerk, City Attorney and the City Controller.

**SECTION 5.** That the Mayor shall sign and the City Clerk shall attest to this resolution.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
MAYOR OF THE CITY OF COMPTON

ATTEST:

\_\_\_\_\_  
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES  
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

RESOLUTION NO. \_\_\_\_\_  
Page 3

That said resolution was adopted by the following vote:

AYES: COUNCIL MEMBERS-  
NOES: COUNCIL MEMBERS-  
ABSENT: COUNCIL MEMBERS-  
ABSTAINS: COUNCIL MEMBERS-

CITY CLERK OF THE CITY OF COMPTON

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October 29, 2012

Mr. G. Harold Duffey  
City Manager, City of Compton  
205 S. Willowbrook Avenue  
Compton, California 90220

Dear Mr. Duffey,

On behalf of MGO, a California certified public accounting firm and our consulting division, IntelliBridge Partners, we are pleased to provide a proposal to address concerns raised during a meeting that our firm held with the Mayor. Several of the issues discussed may pose a risk of potential fraud, waste or abuse, but no actual incidents were actually identified. As a result, a forensic audit is not needed at this time, but audits of the issues are needed to determine if whether problems exist. Our objective for these projects is to determine whether reasonable internal controls and procedures are in place to prevent potential fraud, waste and abuse. If, for any reason, we are unable to complete the work, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement. We plan to conduct four separate audits related to:

- (1) Are there questionable contracting, financial management, and business practices at the Housing Authority? (Housing Authority audit)
- (2) Is the City implementing correct Journal entries related to PERS contributions, accounts payable, and enterprise accounting? (Journal entry audit)
- (3) Does the City's Planning Department have sufficient cash handling controls?
- (4) City self-insurance activities related to:
  - Has the City appropriately implemented administrative leave policies?
  - Has the City classed employees correctly which impact benefit packages?
  - Are worker compensation payments paid correctly? (Self-insurance audit)
- (5) Has the City planned for and budgeted the re-hiring of retired City employees? (Retirement audit)

Other concerns were cited by the Mayor related to City operations. At the completion of these initial audits, we will use the audit results to determine the need to examine City operations.

The five internal audits that we propose do constitute a financial audit. Should the reviews result in the identification of fraud, we will promptly notify you and discuss the need, at that time, for a forensic audit and negotiate new fees for the work. It is expected, however, that the results of the reviews will alert the City to weaknesses in processes and procedures and lead to recommendations that could lead to better ways to implement operations and service delivery. We can begin the reviews immediately upon authorization by the City. Unless unforeseeable problems are encountered, the engagements – assuming the City wishes to conduct them as soon as possible – should all be completed between December 30, 2012 and January 31, 2013. At the conclusion of each engagement, we will submit a report to the City provided timely receipt of data requested from our firm. All work will be performed according to generally accepted government auditing standards.

Our fee for all five internal audits total \$218,950. Each audit is separately priced in this proposal. The fees will be billed as progress is incurred. The fee estimate is based on the assumption that unexpected circumstances will not be encountered during the engagement. Our invoices for these fees will be rendered for work completed within each calendar month and are payable on presentation.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. All work shall be performed in accordance with generally accepted governmental auditing standards for performance audits. If you have any questions, please feel free to call me at 213.286.6413 or email at [dcallahan@intellibridgepartners.com](mailto:dcallahan@intellibridgepartners.com), or [dcallahan@mgocpa.com](mailto:dcallahan@mgocpa.com).

Very truly yours,

*Denise D. Callahan*

Denise D. Callahan  
Partner

**City of Compton**

**AGREEMENT TO COMMENCE WORK**

This letter sets forth our understanding of the scope of services and provides authorization to MGO and IntelliBridge Partners to perform selected internal audits as address described in this engagement letter. Payment will be rendered on a monthly basis upon receipt of invoice.

\_\_\_\_\_  
G. Harold Duffy, City Manager

Date \_\_\_\_\_

Audits to be performed 1, 2, 3, 4, 5 (Please circle)

Please email a copy of this letter to:  
Dcalahan@intellibrIDGEpartners.com

## Section A: Approach

### Scope of this Project:

We will implement 4 separate audits to address the following issues:

- (1) Are there questionable contracting, financial management, and business practices at the Housing Authority? (Housing Authority audit)
- (2) Is the City implementing correct Journal entries related to PERS contributions, accounts payable, and enterprise accounting? (Journal entry audit)
- (3) Does the City's Planning Department have sufficient cash handling controls? (Cash handling audit)
- (4) City self-insurance activities related to:
  - Has the City appropriately implemented administrative leave policies?
  - Has the City classed employees correctly which impact benefit packages?
  - Are worker compensation payments paid correctly? (Self-insurance audit)
- (5) Has the City planned for and budgeted the re-hiring of retired City employees? (Retirement audit)

The timeframe for both reviews will cover Fiscal Year 10-11.

### Project Approach

Our approach to each audit will be as follows:

#### Planning Phase:

Establishing shared expectations and a clear understanding of roles and responsibilities at the start of a project is critical to the overall success of any project. To accomplish this, MGO/IBP will develop a detailed project work plan and a project schedule and hold an entrance conference with applicable City Department staff. The primary objectives of the meetings will be to confirm both parties' understanding of key study parameters and to discuss the communication protocols that will be used for the engagement. If acceptable to the City, communication protocols will include written monthly progress reports. Key tasks that we will conduct include:

- Meet with Department staff
- Perform risk assessment for audit planning
- Obtain requested data
- Assess reliability of the data
- Develop audit plan

#### Implementation Phase:

Following the Entrance Conference, MGO/IBP will begin the Implementation Phase of this project. The

types of data gathering and collection techniques that we will administer will likely include the following.

The implementation phase will include conducting the work necessary to accomplish the scope of services requested for this project. It is anticipated that the Implementation plan to be developed under the Planning phase of the project will include some or all of the following audit objectives and procedures. :

1. **Interviews:** We will conduct employee interviews as necessary to obtain relevant supporting data and information regarding the City's practices. Depending on the type of review, we may use structured interview guides to collect the information consistently.
2. **Documentation Review:** We will request a target set of documentation for further review to understand the City's control environment.
3. **Identify gaps in controls:** We will assess the gaps in controls.
4. **Sample testing:** We will select a representative sample of transactions to test against pre-defined audit criteria to test the effectiveness of controls and to identify whether fraud, waste or abuse had occurred. The number of transactions will range from 15 to 50 transactions per audit.

### **Phase III: Reporting**

The Reporting Phase will consist of conducting an exit conference to discuss the principal findings and results of the review. Upon completion of the exit conference, our staff will prepare the draft report and submit the draft report to the Controller for review and comment. We will incorporate official City response into the final report.

- We anticipate that key tasks will include:
- Summarize the findings
- Hold an exit conference with controller staff
- Prepare the draft report
- Perform internal quality report review
- Issue the draft report to the City
- Receive agency comments
- Finalize and issue the report



## Project Timeline

MGO/IntelliBridge proposes a project schedule which assumes a realistic view of the complexity and required thoroughness for conducting the various audits. The schedule below reflects the time it will take to complete each of the audits.

### Schedule

Audit	Timeline
1. Housing Authority	November 6 – December 30, 2012
2. Journal entry audit	December 1 – December 31, 2012
3. Cash handling audit	January 1 – January 31, 2013
4. Self-insurance audit	January – March 30, 2013
5. Retirement Audit	January – February 15, 2013

## Section B: Cost Proposal

Our proposed fixed fee and estimated hours for this assessment is below. We based the price on our prior work experience conducting related reviews and on the expected cooperation to be received from City staff. The proposed fees are based on the assumption there will not be any major changes in scope. Our firm may reallocate hours as necessary between activities and proposed staff to help us complete the project within budget. As these are estimated hours only, we may need to reallocate hours and all expenses as necessary to complete the work as necessary under our "fixed price" budget. Invoices will be submitted monthly for progress incurred and are due upon payable. Expenses, such as mileage will be billed as incurred.

### Audit 1: Housing Authority Audit

Position	Hours	Standard Rate	Cost	Total Price
Partner	16	\$350	\$5,600	
Manager	30	\$210	\$6,300	
Sr. Internal auditor	420	\$150	\$63,000	
<b>Auditor</b>				
Not to Exceed labor				\$74,900
<b>SubTotal</b>				
Direct Expense				\$1,500
Estimate (billed as incurred)				
<b>Total</b>				\$76,400

**Audit 2: Journal Entry Audit**

Position	Hours	Standard Rate	Cost	Total Price
Partner	40	\$390	\$15,600	
Manager	85	\$210	\$17,850	
Sr. Internal auditor Auditor	40	\$150	\$6,000	
Not to Exceed Labor SubTotal				\$39,450
Direct Expense Estimate (billed as incurred)				\$1,200
<b>Total</b>				<b>\$40,650</b>

**Audit 3: Cash Handling Audit**

Position	Hours	Standard Rate	Cost	Total Price
Partner	40	\$390	\$15,600	
Manager	30	\$210	\$6,300	
Sr. Internal auditor Auditor	120	\$150	\$18,000	
Not to Exceed Labor SubTotal				\$39,900
Direct Expense Estimate (billed as incurred)				\$1,200
<b>Total</b>				<b>\$40,650</b>

**Audit 4: Self-Insurance Audit**

Position	Hours	Standard Rate	Cost	Total Price
Partner	10	\$350	\$3,500	
Manager	30	\$210	\$6,300	
Sr. Internal auditor Auditor	250	\$150	\$37,500	
Not to Exceed Labor SubTotal				\$47,300
Direct Expense Estimate (e.g. estimated mileage to be billed as incurred)				\$1,800
<b>Total</b>				<b>\$49,100</b>

**Audit 5: Retirement Audit**

<b>Position</b>	<b>Hours</b>	<b>Standard Rate</b>	<b>Cost</b>	<b>Total Price</b>
Partner	2	\$350	\$750	
Manager	10	\$210	\$2,100	
Sr. Internal auditor	60	\$150	\$9,000	
<b>Not to Exceed Labor SubTotal</b>				\$11,850
<b>Direct Expense Estimate (mileage billed as incurred)</b>				\$300
<b>Total</b>				\$12,150



CONTINUITY



Los Angeles County  
Department of Regional Planning

*Planning for the Challenges Ahead*



Richard J. Bruckner  
Director

October 24, 2012

Frederick Piltz, Foreperson  
2012-2013 Los Angeles County Civil Grand Jury  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street, 11<sup>th</sup> Floor, Room 11-506  
Los Angeles, CA 90012

Dear Mr. Piltz:

**ELECTRONIC SUBPOENAS**

Thank you for your inquiry dated October 11, 2012, regarding Electronic Subpoenas (e-Subpoenas). It is our understanding that the Grand Jury recommendation relating to e-Subpoenas was directed to law enforcement and related agencies in Los Angeles County. We recognize the value and importance of such a program and how it would apply. However, the Department of Regional Planning governs land use within the unincorporated areas of the County and is not a law enforcement agency. We do not intend to implement the e-Subpoena program. If you have any further questions, please do not hesitate to contact Dennis Slavin, Chief Deputy Director, at (213) 974-6405 or via e-mail at [dslavin@planning.lacounty.gov](mailto:dslavin@planning.lacounty.gov).

Sincerely,

Richard J. Bruckner  
Director

RJB:DLS:gr

K\_EO\_102412\_L\_PILTZ



# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 5, 2012

TO: Judge Lee Smalley Edmon

FROM: Jerry E. Powers *J. P.*  
Chief Probation Officer

SUBJECT: **2011-2012 RESPONSE TO CIVIL GRAND JURY REPORT DATED  
JUNE 26, 2012**

Please see attached responses to the 2011-2012 Civil Grand Jury Final Report.

If you need additional information, please do not hesitate to contact Reaver E. Bingham, Deputy Chief, at (562) 940-2513.

Attachment

JEP:REB:ed



# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 5, 2012

## RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – LOS ANGELES COUNTY PROBATION  
DEPARTMENT

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
THE IMPLEMENTATION OF THE PUBLIC SAFETY REALIGNMENT ACT (PSRA)  
ADULT FIELD SERVICES BUREAU (AFSB) - POSTRELEASE COMMUNITY  
SUPERVISION (PRCS) AB 109/117 AND THE PROTECTION OF FOSTER YOUTH  
FROM IDENTITY THEFT

### **RECOMMENDATION NO. 2**

The Los Angeles County Probation Department should assign veteran and experienced Deputy Probation Officers (DPOs) at each Probation HUB, whose sole responsibility is to monitor and supervise the incoming N3 probationers from the State prisons.

### **RESPONSE**

The Probation Department partially agrees with this recommendation in that we assign experienced Deputy Probation Officers (DPOs) to work at Probation HUBs and Supervision to the degree possible. Implementation is ongoing.

The Probation Department has existing Memorandum of Agreements (MOAs) with impacted bargaining units which do not necessarily allow the unilateral movement of staff. These agreements require our adherence to a bid process which allows interested staff to apply for positions followed by the Department's obligation to select staff on the basis of seniority. Once the bid process is exhausted we must move forward with the promotional process which may not net experienced or veteran staff. We therefore seek experienced staff to the degree possible and then seek to thoroughly and adequately train the less experienced staff hired through the promotional process. Apart from these options, the Department can utilize the Special Recruitment process for new and/or pilot

programs. This option does allow selections based on special skills and the needs of the program, however this process is limited based on the number of items to be filled.

We must also be clear in distinguishing the role and purpose of the DPOs at Probation HUBs verses DPOs in Supervision. Probation HUBs are designed as multi-disciplinary assessment and orientation centers for Post-release Supervised Persons (PSPs) returning to county jurisdiction from State prison for supervision. As such, the primary goal of the HUB is to conduct initial orientations, initiate case plan development, and make referrals as indicated by assessment results. Thereafter, cases are transferred to Supervision field office DPOs responsible for tracking PSPs to ensure that connection is made to referred agencies.

### **RECOMMENDATION NO. 3**

The Chief of the Probation Department should work with DCFS and take the necessary steps to include Probation Department wards' information into the CRBs in the same manner as DCFS wards.

### **RESPONSE**

The Probation Department agrees with this recommendation. This recommendation has been implemented. The County of Los Angeles Departments of Children and Family Services (DCFS), Probation, and Consumer Affairs (DCA) have entered into an Agreement to provide identity theft protection services to foster youth who are under the care of DCFS and Probation in the County of Los Angeles. Based on the successful completion of pilot project initiated by 5th District Board Supervisor Michael Antonovich in 2009, all three Departments recognize the importance of transition age foster youth leaving the jurisdiction of either child welfare or juvenile delinquency with the greatest opportunity to become successful and self-sufficient young adults. To this end, the purpose of this Agreement for every foster youth between the ages of 16 and 17.5 to have their credit records reviewed and through remedial services, leave with a clear credit record as young adults. We have a current MOU with DCFS and DCA until April 2015.





September 14, 2012

Champions For Our Children

The Honorable Lee Smalley Edmon
Presiding Judge
Los Angeles Superior Court
210 West Temple Street
11th Floor, Room 11-506
Los Angeles, California 90012

COMMISSIONERS
Los Angeles County Supervisor
Zev Yaroslavsky
Chair

Jonathan E. Fielding, M.D., M.P.H.
Vice Chair

RE: Civil Grand Jury Response on Behalf of First 5 LA

Nancy Au

Honorable Judge Edmon:

Jane Boeckmann

On behalf of the First 5 LA Board of Commissioners ("the Commission"), this letter responds to the Los Angeles County Grand Jury Report released on June 29, 2012 regarding the management of First 5 LA ("the Report").

Philip L. Browning

Sandra Figueroa-Villa

The Commission agrees with each of the Grand Jury's findings as articulated in the report. We appreciate the Grand Jury's recognition that First 5 LA has made progress in implementing the recommendations of the audit that this Commission commissioned.

Neal Kaufman, M.D., M.P.H.

Marvin J. Southard, D.S.W.

Antronette K. Yancey, M.D., M.P.H.

With regard to the recommendations made by the Civil Grand Jury, we are pleased to report that the recommendations are in progress and nearly complete. All of the recommended improvements relating to improved fiscal controls, better procedures, and increased transparency have been implemented. The quality and quantity of information supplied to Commissioners has been enhanced. Longer-term recommendations relating to infrastructure improvements and employment studies are in process now and expected to be completed over the coming months. As an on-going matter, the Commission takes seriously its duty to strict monitoring of the Commission's activities and we will continue to improve those efforts. As an example, this year, I appointed a Budget and Finance Committee for the first time to help with fiscal oversight.

EX OFFICIO MEMBERS
Patricia Curry

Arturo Delgado, Ed.D.

Duane Dennis

Deanne Tilton

INTERIM CHIEF EXECUTIVE OFFICER
Craig A. Steele

Thank you for the opportunity to respond to the Report. Please contact me or First 5 LA staff if you have any further questions.

750 N. Alameda Street
Suite 300
Los Angeles, CA 90012
PH: 213.482.5902
FAX: 213.482.5903
www.first5la.org

Sincerely,

Zev Yaroslavsky
Chairman, Board of Commissioners
Supervisor, Third District

A public entity.



**BELL GARDENS**  
POLICE DEPARTMENT

7100 So. Garfield Avenue  
Bell Gardens, California 90201-3293  
Telephone (562) 806-7600

July 3, 2012

Presiding Judge  
Los Angeles Superior Court  
Clara Shorridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Dear Sir or Madam:

I am in receipt of the Civil Grand Jury Final Report released on June 29, 2012. Please accept this letter as our official response to the recommendations in the report related to the jail facility at the Bell Gardens Police Department.

The findings contained in the report state that the sobering cells have no soft padding and recommend that the police department install this material. I disagree with this finding as both sobering cells in the Bell Gardens Police Department jail contain fully padded floors and walls, and have for a significant period of time. It appears that this was an oversight on the part of the person(s) that inspected our facility.

I am respectfully requesting that our facility be re-inspected in order to demonstrate that our facility already meets this requirement. At this time, no further action will be taken as it concerns the recommendations contained in the Civil Grand Jury Final Report until such time as further direction is requested.

Please feel free to contact me at (562) 806-7691 with any questions or concerns that you may have.

Sincerely,

Robert E. Barnes  
Chief of Police

# City of Alhambra

Police Department



*Gateway  
to the  
San Gabriel Valley*

**Mark Yokoyama**  
Chief of Police

211  
South First Street  
Alhambra  
California  
91801-3704

626  
570-5131

July 3, 2012

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

RE: Response to the 2011-2012 Civil Grand Jury Final Report/Recommendations

The Honorable Presiding Judge:

The Alhambra Police Department is in receipt of the 2011-2012 Los Angeles County Civil Grand Jury Final Report detailing findings and recommendations for detention facilities within the county. We agree with the findings and the one recommendation as it relates to the Alhambra Police Department.

The Alhambra Police Department is committed to the safety of its personnel and those that are housed within our detention facility; and accordingly, have placed the recommendation within our internal capital improvement plan for future consideration. Due to the high cost of the recommended action, implementation will require funding that has not yet been identified. It is our intention to begin planning for implementation this fiscal year (2012-2013) with the goal for implementation being fiscal years 2013-2014 or 2014-2015 depending on the identification of funding.

Thank you for allowing us the opportunity to review and respond to the report. Should you have any questions please feel free to contact me at (626) 570-5131.

Sincerely,

Mark Yokoyama  
Chief of Police

MY/la





# COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY

1955 Workman Mill Road, Whittier, CA 90601-1400  
Mailing Address: P.O. Box 4998, Whittier, CA 90607-4998  
Telephone: (562) 699-7411, FAX: (562) 699-5422  
www.lacsd.org

GRACE ROBINSON CHAN  
*Chief Engineer and General Manager*

September 20, 2012

Dear Colleague:

## Annual Status Report on Recycled Water

In response to a number of requests for information regarding the various aspects of the Sanitation Districts' water reuse program, a report for Fiscal Year 2010-11 has been prepared. This report is the twenty-second of its kind and includes plant-by-plant descriptions and diagrams of the various recycled water distribution systems, tables of effluent water quality, lists of the users and quantities used, and future plans for expanding the use of recycled water, among other subjects.

If you would like additional copies of this report or would prefer to receive future copies electronically, if there is someone else in your office who should receive this report, or if you have any ideas as how to improve this report, please contact me at (562) 908-4288, extension 2806, or by email at [ehartling@lacsd.org](mailto:ehartling@lacsd.org).

Very truly yours,  
Grace Robinson Chan

Earle C. Hartling  
Water Recycling Coordinator  
Monitoring Section

ECH:eh  
Enclosure

# LOS ANGELES POLICE DEPARTMENT

**CHARLIE BECK**  
Chief of Police



**ANTONIO R. VILLARAIGOSA**  
Mayor

P. O. Box 30158  
Los Angeles, CA 90030  
Telephone: (213) 486-0150  
TDD: (877) 275-5273  
Ref #: 1.14

September 21, 2012

The Honorable Patricia M. Schnegg  
Presiding Judge, Los Angeles Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, California 90012-3210

Dear Judge Schnegg:

In the County of Los Angeles Civil Grand Jury final report dated June 30, 2012, the Civil Grand Jury provided five recommendations for the Los Angeles Police Department (LAPD or Department) in regards to the detention facilities at Central Area Police Station (A18), Northeast (LA/Eagle Rock) Station (A76) and Van Nuys Division Police Station (A116).

Note: The Civil Grand Jury identified Central Area Community Police Station as Central Area Police Station, Northeast Area Community Police Station as Northeast (LA/Eagle Rock) Station and Van Nuys Area Community Police Station as Van Nuys Division Police Station. The Department's response will refer to the respective stations with their correct names.

The following is LAPD's response to the recommendations:

Central Area Police Station (A18)

- *Provide designated toilet facilities for arrestees, or provide and post a protocol for use of the public restroom for arrestees.*

LAPD's Response: The Department agrees with the finding. The recommendation has been implemented. Currently, Central Area Community Police Station has a posted protocol on the door to each of the public restroom facilities. The notice requires one officer to stay outside the door with the arrestee while the other officer checks the restroom facility. Once the facility has been deemed clear, the officer with the arrestee escorts the arrestee into the restroom while the other officer switches position and stands guard at the door to prevent others from entering.

JEFF  
FILE #23  
LAPD  
EXAMINED

Central Area Police Station (A18)

- *Update video monitor for security.*

LAPD's Response: The Department agrees with the finding. The recommendation will be implemented. Central Area Community Police Station has submitted a request to the Department's Facilities Management Division requesting installation of such monitor for the Watch Commander's office. It is anticipated that this request will be completed within the next six months.

Northeast (LA/Eagle Rock) Station (A76)

- *Provide gun lockers for safety of officers entering detention cells.*
- *Provide toilet facilities for arrestees, or provide and post a protocol for use of the public restroom for arrestees.*

LAPD's Response: The Department disagrees with the findings. The recommendations will not be implemented. Northeast Area Community Police Station is not a jail facility and only has three holding cells that do not have toilets built within the cells. This requires police officers to escort suspects outside of the holding cells to a restroom, approximately 50 feet down a corridor. It would be more tactically sound that the officers conducting the escort be armed as this process is occurring within the police station confines - not within a secured jail facility. The Department will remove the hallway door so that holding cells are completely open to the hallway and there is no chance for any officers to be trapped between the holding cells and the hallway. This will eliminate any need for the officers to secure their weapons prior to placing the suspects in the holding cells.

Note: The Los Angeles City Council has approved the building of a brand new Northeast Area Community Police Station. Construction of the station will begin in the summer of 2013 with an anticipated completion by the summer of 2015. The new station will have holding cells that contain toilets - eliminating this issue in the future.

Van Nuys Division Police Station (A116)

- *Provide sally port.*

LAPD's Response: The Department disagrees with the finding. The recommendation will not be implemented. The recommendation requires significant remodeling of the station to build a sally port when a sally port already exists in the rear of Van Nuys Jail. Van Nuys Area Community Police Station is housed on the same property as Van Nuys Jail. The sally port is secured by an 18 to 21 foot high gate equipped with wire. The access is by remote only, controlled by jail personnel within the jail. Los Angeles County Sheriff's Department uses this area for secure transportation of arrestees. The sally port is also available to all Department personnel, including those assigned to Van Nuys Area Community Police Station, for the transportation of arrestees.

The Honorable Patricia M. Schnegg

Page 3

1.14

Should you have any questions or require further information, please have a member of your staff contact Police Administrator Gerald L. Chaleff, Special Assistant for Constitutional Policing, at (213) 486-8730.

Very truly yours,

A handwritten signature in black ink, appearing to read 'C. Beck', written in a cursive style.

CHARLIE BECK  
Chief of Police

mt 9/26/12

OFFICIAL CORRESPONDENCE REVIEW

INITIATED BY: (NAME, BUREAU OR DIVISION, ETC.) <b>GERALD L. CHALEFF</b> <b>SPECIAL ASSISTANT FOR CONSTITUTIONAL POLICING</b>	DATE: <b>SEPTEMBER 18, 2012</b>
--	------------------------------------

STAFF OFFICER ASSIGNED: (name, bureau or division, phone extension, etc.)  
**Lieutenant Jennifer Thomas, SACP, (213) 486-8730**

DEPARTMENT'S RESPONSE TO THE 2011-2012 LOS ANGELES COUNTY CIVIL GRAND JURY FINAL REPORT

ATTN	REVIEWED BY:	ATTN	REVIEWED BY:
1	SPECIAL ASSISTANT FOR CONSTITUTIONAL POLICING		PROFESSIONAL STANDARDS BUREAU
2	OFFICE OF THE CHIEF OF POLICE, ADMINISTRATIVE SECTION		ADMINISTRATIVE SERVICES BUREAU
3	CHIEF OF STAFF <i>alu</i>		INFORMATION TECHNOLOGY BUREAU
4	OFFICE OF THE CHIEF OF POLICE		COUNTER TERRORISM & SPECIAL OPERATIONS BUREAU
	POLICE COMMISSION		FISCAL OPERATIONS DIVISION
	OFFICE OF ADMINISTRATIVE SERVICES		RISK MANAGEMENT DIVISION
	OFFICE OF OPERATIONS		PLANNING & RESEARCH DIVISION
	OFFICE OF SPECIAL OPERATIONS		INTERNAL AUDITS & INSPECTIONS DIVISION

70-15.75.0 (5/93)

Note: This report must be received by Judge Schnegg by the end of business day on October 1, 2012.

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 OFFICE OF THE CHIEF OF POLICE  
 STP  
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RECEIVED  
 SEP 19 2012  
 Chief of Staff  
 #551

RECEIVED  
 SEP 20 2012  
 907  
 Chief of Police

OCOP #	CB #	SACP #	IAID #	OTHER



LOS ANGELES UNIFIED SCHOOL DISTRICT  
LOS ANGELES SCHOOL POLICE DEPARTMENT



STEVEN K. ZIPPERMAN  
CHIEF OF POLICE

Office of the Chief  
1330 West Pico Boulevard, Los Angeles, California 90015  
Telephone: (213) 742-8222 – Fax: (213) 742-0041



JOHN E. DEASY, PH.D.  
SUPERINTENDENT OF SCHOOLS

MICHELLE KING  
SR. DEPUTY SUPERINTENDENT OF  
SCHOOL OPERATIONS

November 28, 2012

County of Los Angeles  
Civil Grand Jury  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Dear Foreperson Piltz:

I am pleased to inform you that the Los Angeles School Police Department has procured the necessary funding and computer program software to transition to the e-Subpoena system sponsored by the Los Angeles District Attorney's Office. It is anticipated that our agency will be utilizing this system within the first quarter of 2012.

Should you have any questions regarding this correspondence, please contact Deputy Chief Crawford at (213) 742-8237 or by cell at (213) 393-4413.

Sincerely,

  
STEVEN K. ZIPPERMAN  
Chief of Police



**COUNTY OF LOS ANGELES  
PROBATION DEPARTMENT**

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242

(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 26, 2012

TO: Supervisor Zev Yaroslavsky, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

*FOR*

FROM: Jerry E. Powers *J.E.P.*  
Chief Probation Officer

**SUBJECT: RESPONSE TO THE 2011-2012 GRAND JURY'S FINAL REPORT**

Enclosed is the Probation Department's response to the Civil Grand Jury's recommendations contained in their 2011-2012 Final Report.

If you have any questions or need additional information, please contact DeWitt Roberts, Acting Administrative Deputy, Administrative Services Division at (562) 940-2516.

JEP:jmc

Enclosures (5)

c: William T. Fujioka, Chief Executive Officer  
James Hazlet, Chief Executive Office



# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 26, 2012

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – LOS ANGELES COUNTY PROBATION  
DEPARTMENT

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
EDUCATION OF INCARCERATED JUVENILES

## **EDUCATION OF INCARCERATED JUVENILES**

### RECOMMENDATION NO. 5

Negotiate and provide a contract with local hospitals for inoculations and medical services so that juveniles are not absent from classes, and staff is not away from camp for extended periods of time.

### RESPONSE

The Probation Department agrees with this recommendation. The Los Angeles County Juvenile Court Health Services (JCHS) has oversight responsibility over medical services rendered to minors within the Probation Department's juvenile camps and halls. Although certain services are rendered at juvenile facilities, in an effort to render the most comprehensive and quality medical care available, there are times when transporting minors to outside medical treatment facilities becomes imperative. It is the priority of the Probation Department to provide ready access for minors requiring medical treatment while not interrupting educational, vocational or other programmatic commitments. It is for this reason that Probation Department management participated in a meeting with JCHS representatives on July 13, 2012 to address the impact that transporting minors for medical services away from camp and hall facilities was having on educational programming. JCHS is currently engaged in efforts to identify local medical treatment options in the northern portion of Los Angeles County that would be able to provide medical services to juvenile camps and halls in that geographical region. When such services are identified, it is incumbent upon JCHS to negotiate a contract with said facilities. When such contracts are negotiated and approved, the Probation Department will unreservedly support the conditions of the contract.

RECOMMENDATION NO. 6 (The Chief of the Los Angeles County Probation Department and the Superintendent of the Los Angeles County Office of Education)

Address scheduling challenges of Vocational education. Vocational education should be an integral part of the program at the camps.

RESPONSE

The Probation Department agrees with this recommendation. The Probation Department understands the importance of introducing vocational programming opportunities to minors within the department's care that will equip minors with marketable skills that will better prepare them for employment opportunities upon their release from the juvenile camp environment. Due to the success of the department's pilot culinary program at Camp Gonzalez, the Los Angeles County Probation Department in conjunction with the Los Angeles County Office of Education; expanded the culinary arts program to three additional juvenile camps (Rockey, Scott and Challenger). All four programs continue to thrive and minors have shown a significant interest in participating in the Culinary Arts programs. Also in conjunction with LACOE, the Probation Department has recently implemented a Career Technical Education (CTE) program at Challenger Memorial Youth Center in the area of crafts associated with Building Trades. The curriculum consists of 20 construction trade areas (blueprint reading, cabinet making, communications, concrete, drywall, electrical, estimation, finish carpentry, green construction, hand tools, HVAC, masonry, painting, plumbing, power tools, roof framing, surveying and site planning, tile setting, wall framing and weatherization).

Due to the overwhelming interest in the program as well as its success, there is a joint effort between the Probation Department and LACOE to implement the Building Trades vocational programs at camps, Munz, Mendenhall, Miller, Scott and Scudder. Planning is underway to begin these programs in 2013. Minors at camp Paige can take advantage of our Camp 17 Forestry Vocational Program, facilitated by the Los Angeles County Fire Department that trains participants to complete routine brush clearing and plantation maintenance. Recently, as a result of familiarity with the Marshall Canyon area, near camp Paige, some of the program's participants assisted in the rescue of an elderly woman who while hiking, became overcome with heat exhaustion and dehydration and was unable to complete her group's hike.

The Los Angeles County Probation Department in partnership with the Los Angeles County Office of Education is extremely committed to incorporating additional vocational programs into the camp environment that better prepare our minors for success.

Recently, the Probation Department hired a Director of Schools that began on July 25, 2012. The expectation is that the Director of Schools will be a liaison between the Los Angeles County Probation Department and LACOE that will ensure smooth and effective collaboration, effectiveness and expansion of educational programming within the juvenile camp and hall environments. The Director of Schools will also be a key

participant in the Probation Department and LACOE's Comprehensive Educational Reform Committee formed to ensure success in implementing the provisions of the Comprehensive Educational Reform MOU entered into by the Probation Department and LACOE executed on July 14, 2008.

RECOMMENDATION NO. 7 (The Chief of the Los Angeles Probation Department and The Superintendent of the Los Angeles County Office of Education)

Implement a program for volunteers at the camps. A dedicated coordinator position in LACOE, or at various juvenile detention sites, would expand the involvement of the community.

RESPONSE

The Probation Department partially agrees with this recommendation. Although the Probation Department would welcome additional resources by way of a dedicated LACOE Volunteer Coordinator, we believe that our current system allows for adequate community and volunteer participation within the department's camps and halls.

The Probation Department's Behavior Management Program is a collaborative effort between the Los Angeles County Probation Department, the Los Angeles County office of Education, the Department of Mental Health and the Department of Health Services. It is designed to provide minors with information and services to meet their physical, emotional, social and educational needs and assist them in making appropriate decisions to avoid re-offending. The program identifies rules/expectations and reinforces positive behaviors through a mechanism that links rewards, incentives, and consequences to the minor's behavior, and encourages progress toward positive behavior change. The program also utilizes a skills training curriculum of interactive exercises that train minors in the essential coping, adapting and functioning skills they need to experience success in life. Through skills training minors are provided with information on how to replace ineffective and maladaptive emotional and behavioral responses with more effective and skillful responses.

Programs are designed to address the needs of the minors and to decrease their ability and desire to commit criminal acts by involving them in activities that increase self-efficacy and social responsibility. These objectives are achieved by engaging minors in pro-social activities and community engagement. All volunteers are processed through the Volunteers In Service To Others (VISTO) office. Volunteers provide many services to minors including talking with individual minors, conducting group discussions on topics of interest to minors, tutoring and assisting minors in letter writing, organizing and officiating at games and recreational activities and conducting groups in dance and yoga.

RECOMMENDATION NO. 8 (The Chief of the Los Angeles Probation Department and The Superintendent of the Los Angeles County Office of Education)

Provide soft-back leisure reading books to promote book clubs at the camps and to give to the students as they leave.

#### RESPONSE

The Probation Department agrees with this recommendation. In 2011, the Probation Department implemented a plan to expand libraries at each juvenile camp and hall facility. The department consistently seeks and receives donated reading materials from community partners to expose minors to increased opportunities for learning. Currently, the Probation Department in collaboration with LACOE, is planning a book drive for November 2012 and plans have been made to sponsor a volunteer book drive twice a year to ensure that age specific and topic appropriate books are readily available in libraries, schools and housing units throughout the juvenile and camp environments. In planning future book drives, a concerted effort will be made to obtain multiple copies of the same publication of books to encourage minors to form self-lead book clubs. Currently, if a minor has not completed reading a book upon discharge and the minor expresses an interest in completing the book, the minor is allowed and encouraged to take the book home upon release. The Probation Department and LACOE will continue to encourage this practice.

#### RECOMMENDATION NO. 9 (The Chief of the Los Angeles Probation Department and The Superintendent of the Los Angeles County Office of Education)

Form a task force to develop a process so that probation staff and teachers can communicate and work together in a more meaningful way.

#### RESPONSE

The Probation Department agrees with this recommendation. Currently, Multi-Disciplinary Teams (MDT) provide comprehensive assessments of youth with the participation of the juvenile court, parents, other caregivers or surrogates, mental health, educational service providers and probation. The format of the MDT meetings encourages collaborative partners to engage in open dialog about specific minors for the purpose of developing a comprehensive and effective treatment and service plan for the minors. Each collaborating partner is thus provided an opportunity to affect the overall treatment or service delivery in a significant way.

Within the juvenile camp environment, weekly meetings are facilitated by the camp director and attended by LACOE personnel, health services, mental health and religious service leaders. These meetings provide collaborative partners an opportunity to engage in meaningful dialog aimed at sharing pertinent programmatic information, conflict resolution and ways to promote enhanced collaboration among partners.

Probation officers are an integral part of school activities, often being assigned to several classrooms during instruction as well as afternoon programming. The officer's presence signifies the partnership between custody and education and allows for the

sharing of information to enhance a more meaningful collaborative relationship between the Probation Department and its LACOE partners; both of which are committed to creating more opportunities to enhance the existing partnership and improve the quality of service delivery to minors, their families and the community.

RECOMMENDATION NO. 10 (The Chief of the Los Angeles Probation Department and The Superintendent of the Los Angeles County Office of Education)

Invite members of the juvenile court system to visit and observe the improved educational programs at juvenile camps.

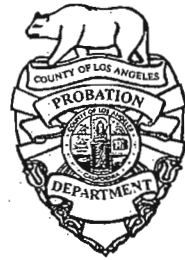
RESPONSE

The Probation Department agrees with this recommendation. The Probation Department and its LACOE partners accepts that a more deliberate effort to invite juvenile court system partners into probation facilities to allow them to observe improvements in educational programming occurring within the juvenile camp and juvenile hall environments must take place. Plans are currently underway to increase the number of open houses and other outreach activities that will allow juvenile court system personnel more opportunities to visit the Probation Department in an effort to showcase educational and vocational improvements. Probation and LACOE staff currently attend regular meetings at the courts to offer information on program content and changes. The Chief Probation Officer meets with the Presiding Judge once a month which also allows for information on educational program enhancements to be shared.



# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 26, 2012

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – LOS ANGELES COUNTY PROBATION  
DEPARTMENT

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
DETENTION COMMITTEE

## **DETENTION COMMITTEE**

### RECOMMENDATION NO. 21

Juvenile Detention Facilities: Challenger (Y12-14), Mendenhall (Y21), Munz (Y23),  
Scott (Y27) and Scudder (Y28)

- Negotiate and provide contracts with a local medical hospital or an appropriate facility for medical services.

### RESPONSE

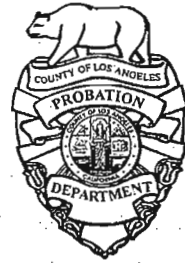
The Probation Department agrees with this recommendation. Please see Section "Education of Incarcerated Juveniles" recommendation number 5 for an explanation on the Probation Department's initiatives to ensure compliance with this recommendation.





# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 26, 2012

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – LOS ANGELES COUNTY PROBATION  
DEPARTMENT

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
LABOR CODE 4850

**LABOR CODE 4850**

## RECOMMENDATION NO. 1

The Los Angeles County Probation Department should adopt the “carve-out” program, as used by the Fire Department, to expedite the process of referring injured workers to approved physicians and to reduce the frequency of LC 4850 eligibility disputes.

## RESPONSE

The Probation Department partially agrees with this recommendation. The Probation Department is committed to researching and subsequently implementing programs aimed at expediting the procedures for injured employees to obtain medical treatment and reducing the number of medical disputes between management and workers. The Probation Department is in communication with representatives of the Los Angeles County Fire Department tasked with developing and implementing the “carve-out” program. We recognize the possibilities that the “carve-out” program offers. However, the Fire Department is not scheduled to implement their “carve-out” program until early 2013. After its implementation, the Probation Department will defer to the Los Angeles County Chief Executive Office-Risk Management unit to determine the program’s effectiveness. If deemed effective and upon being provided authorization to adopt the “carve-out” program within the Probation Department, the program will be implemented.

## RECOMMENDATION NO. 2

The Los Angeles County Probation Department should continue to review all cases involving presumptive injuries to assure that each injury in question is job-related.

## RESPONSE

The Probation Department agrees with this recommendation. The Probation Department continues to be committed to ensuring that department employees receive all benefits rightfully afforded them through California Labor Code 4850 and Labor Code 3212 while also protecting the County of Los Angeles from unwarranted costs through benefit abuses. The Probation Department's Return to Work Unit reviews all claims and works closely with our Third Party Administrator, Acclamation Insurance Management Services (AIMS); especially when claims are deemed questionable or evidence exists to controvert the injury (Labor Code 3212). Beginning January 2012, the Probation Department's Return to Work unit began meeting with our Third Party Administrator (AIMS) on a monthly basis to review, discuss and explore methodologies to expedite resolution to existing injury/illness claims to include presumptive injuries.

## RECOMMENDATION NO. 3

The Los Angeles County Probation Department should adopt the practice of the Fire Department by gathering statistics to determine the most common and prevalent on-the-job injuries, and use these statistics to develop specific injury prevention and mitigation programs and training.

## RESPONSE

The Probation Department agrees with this recommendation. Since July 2011, the Probation has partnered with the Los Angeles County Chief Executive Office (CEO) Risk Management unit in the review of each industrial accident filing and on-the-job accident. Statistics have been compiled that capture the frequency of specific types of claims such as probationer restraints, trips, slips and falls. Based on a review of the industrial accident claim, investigative findings and compiled statistics, Los Angeles County Probation Risk Management Division may be called upon to offer further investigation of the reported injury and to offer insight to corrective action to eliminate or reduce the likelihood of future injuries. In 2011-2012, Los Angeles Probation Department Risk Management Division began conducting Health and Safety training sessions within the department in an effort to reduce the occurrence of accidents and injuries in the workplace.

## RECOMMENDATION NO. 4

The Los Angeles County Probation Department should scrutinize requests from injured workers seeking to renew additional years of 4850 status by considering whether changes of medical tests, exams and treatment plans have occurred.

## RESPONSE

The Probation Department agrees with this recommendation. The Probation Department in partnership with the Los Angeles County Chief Executive Office reviews

all industrial accident claims filed within the department. During this review, careful scrutiny is made of injury cases of employees receiving Labor Code 4850 benefits and who are seeking an extension of LC 4850 benefits or who recently returned to work after the exhaustion of such benefits. In November of 2011, the Probation Department began reviewing all injury claims more strictly and claims for employees with consecutive years of Labor Code 4850 benefits are referred to the department's Third Party Administrator for investigation.

#### RECOMMENDATION NO. 5

The Los Angeles County Probation Department should ensure that the guidelines and standards established by the Medical Treatment Utilization Schedule (MTUS), which includes American College of Occupational and Environmental Medicine (ACOEM) recommendations, are used when setting treatment plans and time off from work in order to reduce excessive absences.

#### RESPONSE

The Probation Department agrees with this recommendation. Since November 2011, the Probation Department has made a concerted effort to scrutinize the processing and handling of work-related injury claims. The department has strengthened its existing partnerships with the Los Angeles County Chief Executive Office and Third Party Administrator, AIMS, in an effort to more effectively process and handle work-related injury claims. Critical to our handling of injury claims is our reliance on the Medical Treatment Utilization Schedule (MTUS) which incorporates American College of Occupational and Environmental Medicine (ACOEM) guidelines.

#### RECOMMENDATION NO. 8

The Los Angeles County Probation Department should review and compare the frequency of the employees' LC 4850 initial claim dates that immediately precede their retirement dates, to determine if the LC 4850 program is being used in accordance with its intent.

#### RESPONSE

The Probation Department agrees with this recommendation. The Probation Department remains committed to overseeing the appropriate utilization of Labor Code 4850 benefits for its qualifying public safety employees. A review of departmental Labor Code 4850 records and statistics do not support that Probation Department employees utilize Labor Code 4850 benefits with any more frequency in their final year preceding retirement in more frequency than such benefits are utilized at any other time during qualifying employees' careers. The Probation Department will continue to maintain statistics to monitor trends in Labor Code 4850 benefit utilization to, among other things, detect misuse and to ensure that benefits are only being utilized in accordance with the spirit in which the law was enacted.



# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 26, 2012

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – LOS ANGELES COUNTY PROBATION  
DEPARTMENT

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
IDENTITY THEFT FOR FOSTER CHILDREN

**IDENTITY THEFT FOR FOSTER CHILDREN**

### RECOMMENDATION NO. 3

The Chief of the Probation Department should work with DCFS and take the necessary steps to include Probation Department wards' information into the CRBs in the same manner as DCFS wards.

### RESPONSE

The Probation Department agrees with and has implemented this recommendation. This recommendation has been implemented. The County of Los Angeles Departments of Children and Family Services (DCFS), Probation, and Consumer Affairs (DCA) have entered into an Agreement to provide identity theft protection services to foster youth who are under the care of DCFS and Probation.

Based on the successful completion of pilot project initiated by 5th District Board Supervisor Michael Antonovich in 2009, all three Departments recognize the importance of transition age foster youth leaving the jurisdiction of either child welfare or juvenile delinquency with the greatest opportunity to become successful and self-sufficient young adults. To this end, the purpose of this Agreement for every foster youth between the ages of 16 and 17.5 to have their credit records reviewed and through remedial services, leave with a accurate credit record as young adults. We have a current MOU with DCFS and DCA until April 2015.



**JERRY E. POWERS**  
Chief Probation Officer

# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



July 26, 2012

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – LOS ANGELES COUNTY PROBATION  
DEPARTMENT

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
PROBATION DEPARTMENT

## **PROBATION DEPARTMENT**

### RECOMMENDATION NO. 2

The Los Angeles County Probation Department should assign veteran and experienced Deputy Probation Officers (DPOs) at each Probation HUB, whose sole responsibility is to monitor and supervise the incoming N3 probationers from the State prisons.

### RESPONSE

The Probation Department partially agrees with this recommendation in that we assign experienced Deputy Probation Officers (DPOs) to work at Probation HUBs and Supervision to the degree possible. Implementation is ongoing.

The Probation Department has existing Memorandum of Agreements (MOAs) with impacted bargaining units which do not necessarily allow the unilateral movement of staff. These agreements require our adherence to a bid process which allows interested staff to apply for positions followed by the Department's obligation to select staff on the basis of seniority. Once the bid process is exhausted we must move forward with the promotional process which may not net experienced or veteran staff. We therefore seek experienced staff to the degree possible and then seek to thoroughly and adequately train the less experienced staff hired through the promotional process. Apart from these options, the Department can utilize the Special Recruitment process for new and/or pilot programs. This option does allow selections based on special skills and the needs of the program, however this process is limited based on the number of items to be filled.

We must also be clear in distinguishing the role and purpose of the DPOs at Probation HUBs versus DPOs in Supervision. Probation HUBs are designed as multi-disciplinary assessment and orientation centers for Post-release Supervised Persons (PSPs) returning to county jurisdiction from State prison for supervision. As such, the primary goal of the HUB is to conduct initial orientations, initiate case plan development, and make referrals as indicated by assessment results. Thereafter, cases are transferred to Supervision field office DPOs responsible for tracking PSPs to ensure that connection is made to referral agencies.



"Enriching Lives"

# COUNTY OF LOS ANGELES

## DEPARTMENT OF CORONER

1104 N. MISSION RD, LOS ANGELES, CALIFORNIA 90033



*Lakshmanan Sathyavagiswaran, MD*  
Chief Medical Examiner-Coroner/Interim  
Director

July 27, 2012

William T Fujioka, Chief Executive Officer  
Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713  
Los Angeles, CA 90012

Dear Mr. Fujioka,

### LOS ANGELES COUNTY CIVIL GRAND JURY REPORT 2011-2012 CORONER RESPONSE

In regards to your memorandum dated July 3, 2012, attached is the Department of Coroner's response to the 2011-2012 Los Angeles County Civil Grand Jury Recommendations.

The Department agrees with all recommendations of the Civil Grand Jury which includes adoption of a new Electronic Case File System, enhanced training and response in emergencies and the replacement of the Chief Medical Examiner-Coroner upon his retirement.

If you have any questions please contact Sarah Ahonima at (323) 343-0784.

Sincerely,



Lakshmanan Sathyavagiswaran, MD  
Chief Medical Examiner-Coroner/Interim Director

#### Accreditations:

National Association of Medical Examiners  
California Medical Association-Continuing Medical Education  
Accreditation Council for Graduate Medical Education

American Society of Crime Laboratory Directors-LAB  
Peace Officer Standards and Training Certified

**RESPONSE TO THE GRAND JURY FINAL REPORT**

**COUNTY OF LOS ANGELES-CORONER**

**SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR CORONER**

**RECOMMENDATION NO.: 1**

The Los Angeles County Office of the Coroner should assign specific employees to act as the Department Emergency Coordinator, Public Information Officer, Operations Section Chief, Logistics Section Chief, Finance/Administration Section Chief, and Coroner Representative to the County Emergency Operations Center. These positions should be filled by other specific, capable, and qualified employees in the event that those assigned employees are no longer employed by the Coroner or unable to perform the assigned duties.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

This recommendation is **completed**. Effective 7/1/2012.

**RECOMMENDATION NO.: 2**

The Los Angeles County Office of the Coroner should provide ongoing training for all employees on a regular basis.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

The Department implemented ongoing training in responding to emergencies. Training has been identified for Floor Wardens and Disaster Response Staff. A comprehensive training program will be implemented 7/2013.



**RECOMMENDATION NO.:** 5

The Los Angeles County Office of the Coroner should create a Senior Criminalist position dedicated to quality assurance to ensure a successful ISO Laboratory Accreditation.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

This recommendation is **completed**. The position has been created and is budgeted. The Department is in the process of recruiting applicants.

**RECOMMENDATION NO.:** 6

The Los Angeles County Office of the Coroner should purchase four additional vehicles necessary for the Coroner to provide the services necessary for the County.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

The Department is currently working with CEO to establish a budget for the vehicle replacement program.

**RECOMMENDATION NO.:** 9

The Los Angeles County Office of the Coroner should establish a keyless card entry system for security of the building used by the Coroner.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

The Department is submitting a request for funding to CEO through supplemental budget 12/13.



**Metro**

Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

213.922.2000 Tel  
metro.net

February 4, 2013

Mr. Gil Zeal  
County of Los Angeles  
Civil Grand Jury  
210 West Temple Street  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

Dear Mr. Zeal:

The "Aging-Out of the foster Care System – Transitional Age Youth (TAY)" Social Issues Committee Report on June 30, 2012, made a number of recommendations. Recommendation #6, "Transportation" is listed below:

"6. MTA has agreed with the action plan made by the Los Angeles County Board of Supervisors to provide "no-cost EZ Transit Passes on all municipal and rail systems to DCFS and probation youth transitioning out of county systems, for youth ages 18-21 for a 12 month period."

LACMTA has complied with the recommendation and has implemented the Youth on the Move Program, effective July 1, 2012. (See attached press release.) We have worked cooperatively with the DCFS and have gotten positive feedback from some of the participants/receivers of the transit cards.

Currently, we have received 1,059 applications, with 900 free transit cards sent out. The remainder are still in process, which takes up to 20 days. This program is a pilot program and will continue for a year until June 30, 2013. An evaluation of the program will be conducted and presented to the LACTMA Board, including recommendations to improve the program, final budget and recommendation for continuation in a few months.

If you have any questions, please give me a call at 213-922-6340.

Sincerely,

Lynda Bybee  
Interim Chief Communications Officer

Cc: Arthur T. Leahy, Chief Executive Officer, LACMTA

# Innovative New Metro Pass Program for Foster Youths Begins One-Year Test

Monday July 02, 2012

**L.A. County Supervisor and new Metro Board Chair Michael Antonovich was joined today by County and Metro officials and foster youths in announcing an innovative new transit pass program -- the first of its kind in the country -- to benefit young people emerging from the Los Angeles County Foster Care system.**

The new program, called Youth on the Move, is a one-year pilot to determine the feasibility of this important addition to Metro's transit pass options. Youth on the Move offers free passes to foster youths participating in the Los Angeles County Youth Self-Sufficiency Program that helps them transition from foster care to independent living.

The Youth on the Move idea was introduced to the Metro Board by L.A. County Supervisor and Metro Board Chair Antonovich and subsequently approved for the one-year test by the Metro Board.

"County government must work effectively and efficiently to prepare foster and probation youth for a successful transition to productive adulthood," said Supervisor Antonovich. "This new countywide transit pass program -- aimed specifically at foster youths transitioning to adulthood -- is designed to be a tool to help them continue their education, search for work and be able to accept work in any part of our county."

The new pass program began pre-testing in June when about 20 foster youths between the ages of 18 and 21 were issued Metro passes and EZ transit passes. (EZ passes are valid on Metro bus and rail, as well as on many other carriers in Los Angeles County.) The program is launching today and as many as 2,000 young people could ultimately benefit from the pilot program this year.

All of the youths in the new Metro program are self sufficient, meaning that they are no longer living with a family or are transitioning out of a group home setting. And all are either employed, looking for work, going to school or, in some cases, all three.

Participants are being issued special TAP transit cards with photos that allow them to travel anywhere in Los Angeles County. Should the cards be lost they can be replaced, since individual users are registered and their passes protected. Distribution of the passes and trip data will be collected and used to help determine the success of the program.

Metro-123

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# Central Basin

Municipal Water District

April 10, 2013

6252 Telegraph Road  
Commerce, CA 90040-2512

Phone: 323.201.5500  
Fax: 323.201.5550  
[www.centralbasin.org](http://www.centralbasin.org)

### Board of Directors

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#### Division IV

Leticia Vasquez

#### Division V

Phillip D. Hawkins

Via Email and Federal Express

Presiding Judge  
County of Los Angeles  
Civil Grand Jury  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street, 11th Floor, Room 11-506  
Los Angeles, CA 90012

To the Presiding Judge,

Thank you for providing Central Basin Municipal Water District (Central Basin or the District) with a copy of your final report dated June 30, 2012. We greatly appreciate the Grand Jury's recognition of the changes that have occurred at Central Basin over the last six months and the extra time allowed to provide this letter response. We will provide a review of the findings of the Grand Jury, the recommendations made and how Central Basin is instituting those recommendations.

The Board of Directors and the staff of Central Basin take very seriously their responsibilities as keepers of the public trust. As such, we invite criticisms and evaluations by responsible entities such as the Grand Jury to provide an independent review of our practices. This gives us opportunities to constantly improve what we are doing to serve the public interest.

The final report is the result of an investigation by the Grand Jury over several months in early 2012. The purpose of the investigation was to review the business practices as related to administrative policies and procedures and the financial management practices of the District. The Grand Jury also reviewed representation of the District's constituency at the Metropolitan Water District of Southern California (MWD). After many questions and a careful review of the District's practices and representation in the above mentioned areas, the Grand Jury concluded with the following findings:

### Findings

- Central Basin does not have a Chief Financial Officer and uses a consultant for financial advice for investments.
- Central Basin serves a large number of cities with a high density of citizens but is underrepresented on the voting Board of the MWD. Representation should occur by population and water use rather than assessed valuation of the resident's properties.

### Serving the Cities of

Artesia	La Mirada
Bell	Lynwood
Bellflower	Maywood
Bell Gardens	Montebello
Carson	Monterey Park
Cerritos	Norwalk
Commerce	Paramount
Compton	Pico Rivera
Cudahy	Santa Fe Springs
Downey	Signal Hill
East Los Angeles	South Gate
Florence-Graham	Walnut Park
Hawaiian Gardens	Whittier
Huntington Park	Willowbrook
La Habra Heights	Vernon
Lakewood	

As a result of the above findings, the Grand Jury provided the following recommendations:

### Recommendations

- Central Basin should hire a Chief Financial Officer or the equivalent to ensure financial stability and a viable investment portfolio.
- Central Basin should develop effective accounting policies and procedures, effective internal controls and separate the authority and the responsibility of handling of assets.
- Central Basin should hire a purchasing officer or the equivalent to oversee procurement and contracts.

### Results

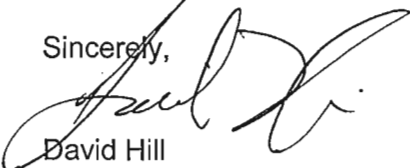
As mentioned, Central Basin has used consultants for the position of Finance Manager for approximately the last two years. Consistent with the recommendations made in the Grand Jury report, Central Basin is now undergoing a search for a qualified person to fill the position of finance manager.

Senior management staff has already initiated the process of developing a policy and procedure manual for the finance department. A draft of the manual is expected to be completed within the next 4 to 6 weeks. Last year, the District began the process to institute a new Financial Management System (FMS) for our computer network that will provide the entire staff with better tools for internal financial controls and asset management. The District already maintains a contracts person, under the authority of the finance manager, who manages all aspects of contract preparation, execution and maintenance. These are controls that are now part of the FMS. However, it is expected that the new finance manager will want to institute more practical changes in the handling of contracts to enhance quality control.

Finally, in regard to Central Basin's representation at MWD, this is an issue that cannot be handled exclusively by Central Basin since any changes to MWD's representational model is a function of the Metropolitan Water District Act of 1928 and would affect the other 26 member agencies. While we agree with the findings of the Grand Jury in this respect, any changes in policy at MWD will have to come from the California State Legislature and the Governor.

We genuinely believe that the results of the investigation are consistent with the recommendations made by the Grand Jury. It is our sincere hope that you agree as well. If you have any questions or concerns, please contact me at (323) 201-5501 or via email at [daveh@centralbasin.org](mailto:daveh@centralbasin.org).

Sincerely,



David Hill  
Interim Chief Operating Officer

cc: Central Basin MWD Board of Directors

*Twenty-Second*  
**ANNUAL STATUS REPORT**

**ON**

**RECYCLED WATER USE**

***Fiscal Year 2010-11***

---

***Sanitation Districts of Los Angeles County***  
***1955 Workman Mill Road***  
***Whittier, CA 90601***

## PREFACE

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In addition to its mission of collecting, treating and disposing of municipal wastewater, the Sanitation Districts of Los Angeles County (Sanitation Districts) have adopted the goal of maximizing the beneficial reuse of the highly treated effluents produced by its water reclamation plants. The Sanitation Districts work with a number of local, regional, and state agencies and other entities in an effort to continue developing recycled water as a "local" water supply to supplement the area's limited groundwater and imported water supplies.

In response to many requests for information regarding various aspects of the Sanitation Districts' water reuse program, this fiscal year report has been prepared for distribution to interested parties. This report is the twenty-second of its kind and includes: historic recycled water use activities, descriptions of plant operations, diagrams of the various recycled water distribution systems, lists of the users and quantities used, tables of recycled water quality, and plans for expanding the use of recycled water, among other subjects.

This report is divided into five chapters. Chapter 1 is an overview of the Sanitation Districts' water reuse program. Chapters 2, 3, and 4 detail the water reuse activities at each of the Sanitation Districts' ten water reclamation plants, which are grouped in three geographic areas: Los Angeles Basin, Santa Clarita Valley, and Antelope Valley, respectively. Chapter 5 details the various proposed water recycling projects in the Sanitation Districts' service area that are currently under development or in the planning phase.

In order to improve the flow and readability of this report, the narrative descriptions of the more complicated distribution system facilities (Long Beach Water Department, City of Cerritos, City of Lakewood, Central Basin Municipal Water District's Century and Rio Hondo systems, Walnut Valley Water District, Puente Hills/Rose Hills system, Upper San Gabriel Valley Municipal Water District's Whittier Narrows Recreation Area Extension, and the Sanitation Districts' Eastern Agricultural Site in Lancaster) have been moved to their own individual appendices at the end of this report. The same has been done for the chronology of Sanitation Districts' reuse activities and all of the individual effluent quality tables.

A "Facts-at-a-Glance" summary page containing a brief list of data regarding the Sanitation Districts' water recycling program for the fiscal year appears before Chapter 1.

If you would like additional copies of this report (paper or electronic), or would like to comment on its contents, please contact Earle Hartling, Water Recycling Coordinator at (562) 908-4288, extension 2806, or by email at [ehartling@lacsdsd.org](mailto:ehartling@lacsdsd.org). Further information regarding the Sanitation Districts and its water recycling activities can be found at the Sanitation Districts' website at <http://www.lacsdsd.org/waterreuse/>.

*Cover Photo: Rose Hills Memorial Park is the largest such facility in North America. Beginning in 1998, recycled water from the San Jose Creek Water Reclamation Plant began being delivered for irrigation, first to the upper area from the distribution system serving the Sanitation Districts' Puente Hills Landfill (background), then to the lower area via the Upper San Gabriel Valley Municipal Water District's extension to the Central Basin Municipal Water District's Rio Hondo distribution system. Currently, over 900 acre-feet per year are used on nearly 600 acres of cemetery, consistently making Rose Hills one of the Sanitation Districts' ten largest reuse sites.*



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## ***FY 10-11 FACTS-AT-A-GLANCE***

---

### **SANITATION DISTRICTS**

Total Effluent Produced: 442.43 MGD (495,766 AFY), 0.2% decrease

Total Recycled Water Produced: 163.92 MGD (183,678 AFY), 64.8% of capacity, 37.0% of the total produced, 0.6% increase

Total Recycled Water Used: 76.25 MGD (85,448 AFY), 46.5% of recycled water produced, 12.1% decrease, 649 sites (26 new sites added, 2 sites disconnected)

<i>Groundwater replenishment (4) -</i>	40.52 MGD (45,401 AFY)	52.4% of total reuse	19.2% decrease
<i>Landscape irrigation (602) -</i>	13.66 MGD (15,306 AFY)	18.2% of total reuse	0.4% decrease
<i>Agriculture (11) -</i>	12.13 MGD (13,591 AFY)	16.1% of total reuse	8.1% decrease
<i>Industrial (20) -</i>	2.79 MGD (3,131 AFY)	3.7% of total reuse	1.1% decrease
<i>Environmental (1) -</i>	7.15 MGD (8,012 AFY)	9.5% of total reuse	4.1% increase

Total Reuse Since Inception: 2,497,638 AF (813.6 billion gallons)

Transmission lines: 1,360,790 linear feet (258 miles)

Acreage Served: 14,387 acres (direct non-potable use)

Jurisdictions Served: 31 (30 cities plus Los Angeles County Unincorporated Areas)

Recycled Water Purveyors: 30

Recycled Water Contracts: 24

Chemical Savings<sup>1</sup>: \$128,000

Greenhouse Gas Reduction<sup>2</sup>: 192,260 tons of carbon dioxide

Capacity of Future Planned Reuse Projects: 77,220 AFY (68.91 MGD)

### **JOINT OUTFALL SYSTEM**

Total Effluent Produced: 402.46 MGD (450,980 AFY), 0.6% decrease

Total Recycled Water Produced: 123.95 MGD (138,891 AFY), 30.8% of the total produced, 0.1% decrease

Total Recycled Water Used: 56.97 MGD (63,842 AFY), 46.0% of recycled water produced, 15.3% decrease

### **SANTA CLARITA**

Total Recycled Water Produced: 19.96 MGD (22,365 AFY), 1.8% decrease

Total Recycled Water Used: 0.300 MGD (337 AFY), 1.5% of recycled water produced, 9.4% decrease

### **ANTELOPE VALLEY**

Total Wastewater Treated: 23.10 MGD, 1.7% decrease

Total Recycled Water Produced: 20.01 MGD (22,422 AFY), 3.5% increase

Total Recycled Water Used: 18.98 MGD (21,270 AFY), 94.9% of recycled water produced, 1.1% decrease

---

1 Recycled water delivered to the various distribution systems is not dosed with either sulfur dioxide or sodium bisulfate for dechlorination or with defoamant.

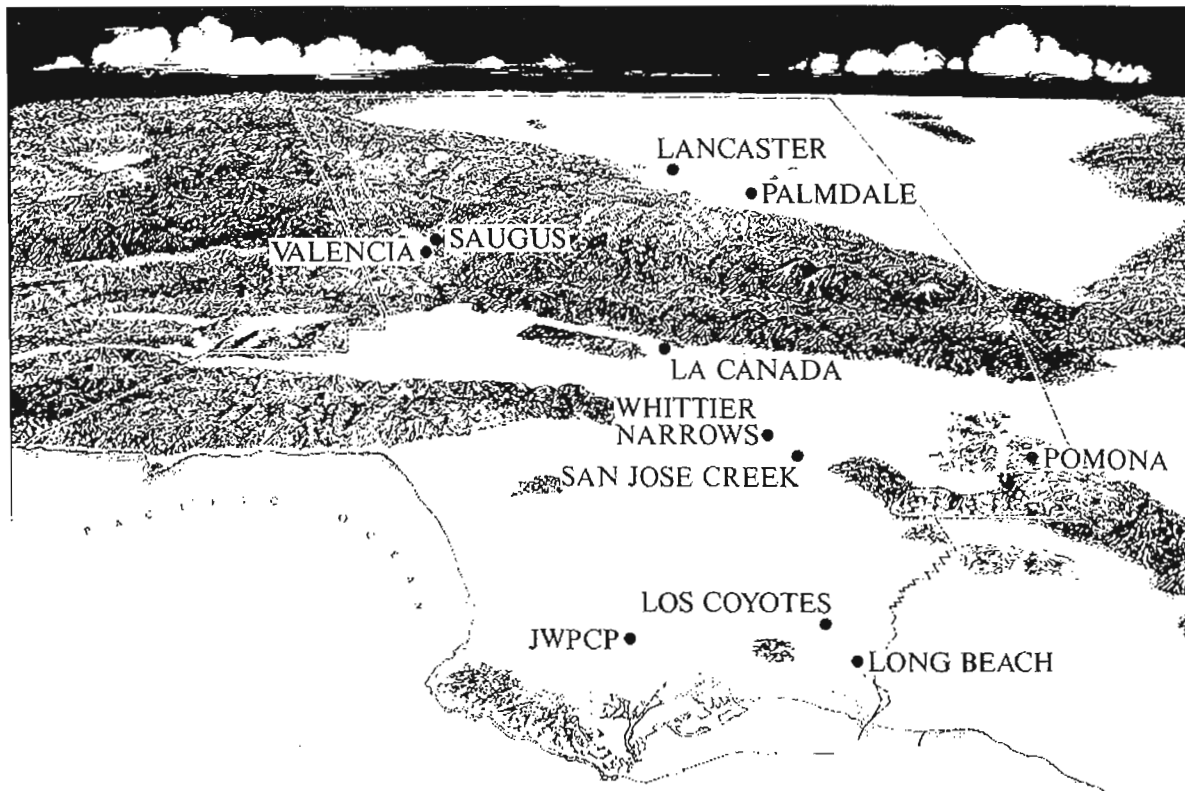
2 The use of locally produced recycled water eliminates the need to pump State Project water into the Los Angeles Basin at an energy cost of approximately 3,000 kWh/AF with the attendant CO<sub>2</sub> production.

# 1. OVERVIEW

## 1.1 WATER RECLAMATION ACTIVITIES

The Sanitation Districts of Los Angeles County (Sanitation Districts) operate 11 wastewater treatment facilities (Figure 1), 10 of which are classified as water reclamation plants (WRPs). These facilities serve approximately five million people in 78 cities and unincorporated areas within Los Angeles County. Effluent quality from the WRPs ranges from undisinfected secondary quality recycled water to filtered, disinfected tertiary quality recycled water. During Fiscal Year 2010-11 (FY 10-11), Sanitation Districts' facilities produced an average of 442.43 million gallons per day (MGD), or 495,766 acre-feet per year (AFY) of effluent, which is a decrease of 0.2% from the preceding fiscal year, and a 17.4% decrease from the historic peak of FY 89-90. Following this peak, total average effluent flow had decreased by 11% in FY 91-92 as a result of widespread water conservation in response to a drought-induced, statewide water crisis, as well as an economic recession. After the drought ended in 1992, overall effluent flows increased, due in part to population growth, a healthier economy, and the easing of conservation measures in response to the improved statewide water supply situation. Total effluent flow peaked again in 1998 due to the extremely heavy, El Niño generated rainfall. Since 1999, total flow production has continued decreasing despite population growth in the Sanitation Districts' service area. The 14.5% decrease in effluent production since FY 04-05 is a result of a downturn in local economic activity combined with increasing water conservation efforts (low flow toilets, waterless urinals, water efficient washing machines, etc.) due to a three-year statewide drought (2006-09). Effluent production at Sanitation Districts' facilities is currently at levels last seen in the late 1970s.

FIGURE 1  
LOCATION OF SANITATION DISTRICTS' WASTEWATER TREATMENT FACILITIES

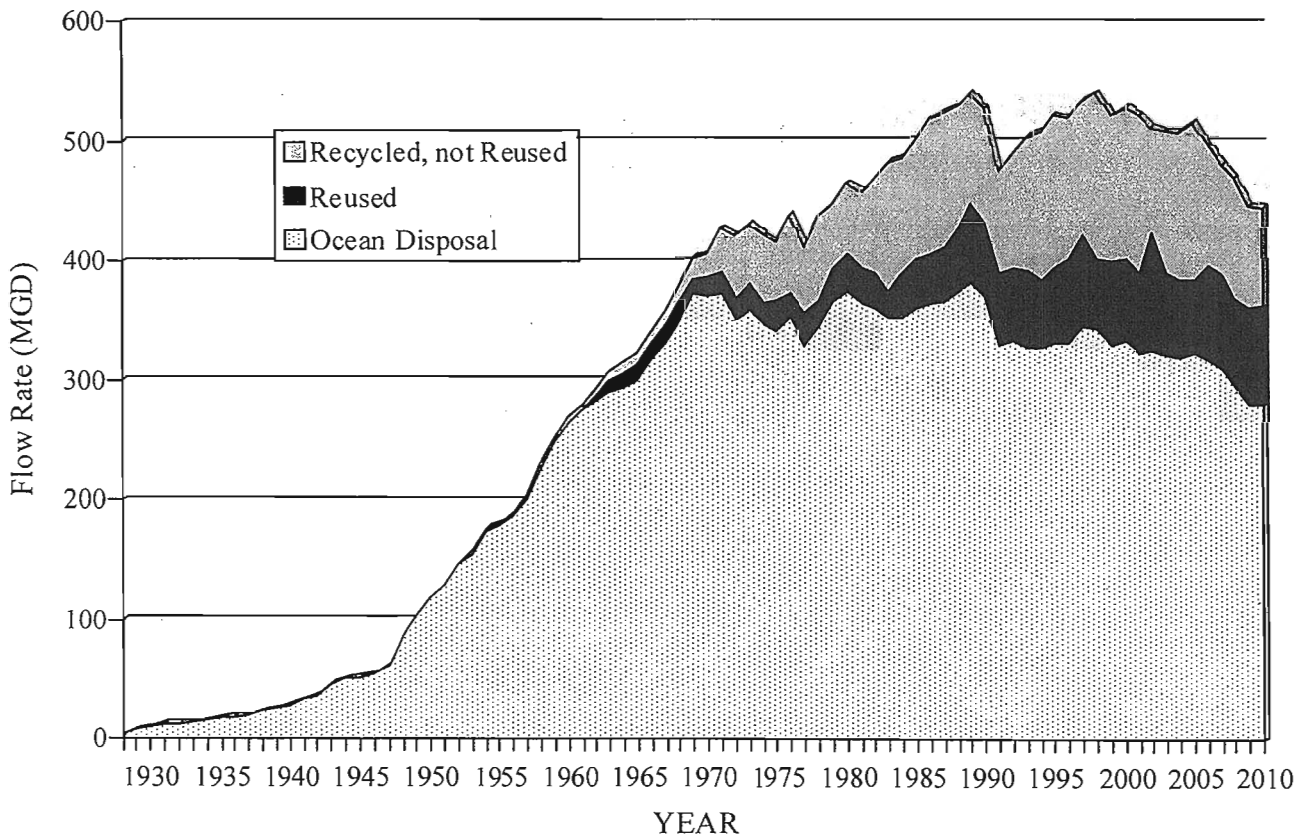




Capacity at the ten Sanitation Districts' WRPs is 252.8 MGD (283,285 AFY) as of the end of FY10-11. However, of the total effluent produced, only 163.92 MGD (183,678 AFY) consisted of recycled water available for reuse from these 10 facilities (64.8% of capacity). This amount is 37.0% of the total amount of effluent produced, and an increase of 0.6% over the preceding fiscal year. The remaining 278.51 MGD (312,089 AFY) was effluent discharged to the ocean from the Sanitation Districts' Joint Water Pollution Control Plant (JWPCP) in the City of Carson, a 0.7% decrease from the preceding fiscal year.

For the past half century, the Sanitation Districts have diverted high quality wastewater flows away from direct ocean disposal to the upstream WRPs in order to provide recycled water supplies for eventual reuse, as illustrated in Figure 2 (data through the end of calendar year 2010). Discharge to the ocean (lower band on graph) has steadily decreased since the WRPs in the Los Angeles Basin (i.e., the Joint Outfall System, or JOS) were built in the early 1970's, while additional needed treatment capacity has been added to the WRPs (the combined upper two bands on the graph). Significant drops in effluent production occurred in 1977 and 1991 in response to serious droughts. A similar drop in effluent production has been occurring since 2006 when the current water crisis in the State became apparent and conservation actions began to be implemented. The majority of these decreases came from the JWPCP, while the upstream WRPs were able to maintain a relatively high level of production, which contributed to recycled water's reputation as being "drought-proof." The center band represents the recycled water produced by the WRPs that is actually being put to beneficial use, while the upper band represents the remaining recycled water that is currently being discharged to rivers, but has the potential to be beneficially reused.

**FIGURE 2**  
**SANITATION DISTRICTS' FLOW DIVERSION TO RECYCLING**  
**1928-2010**



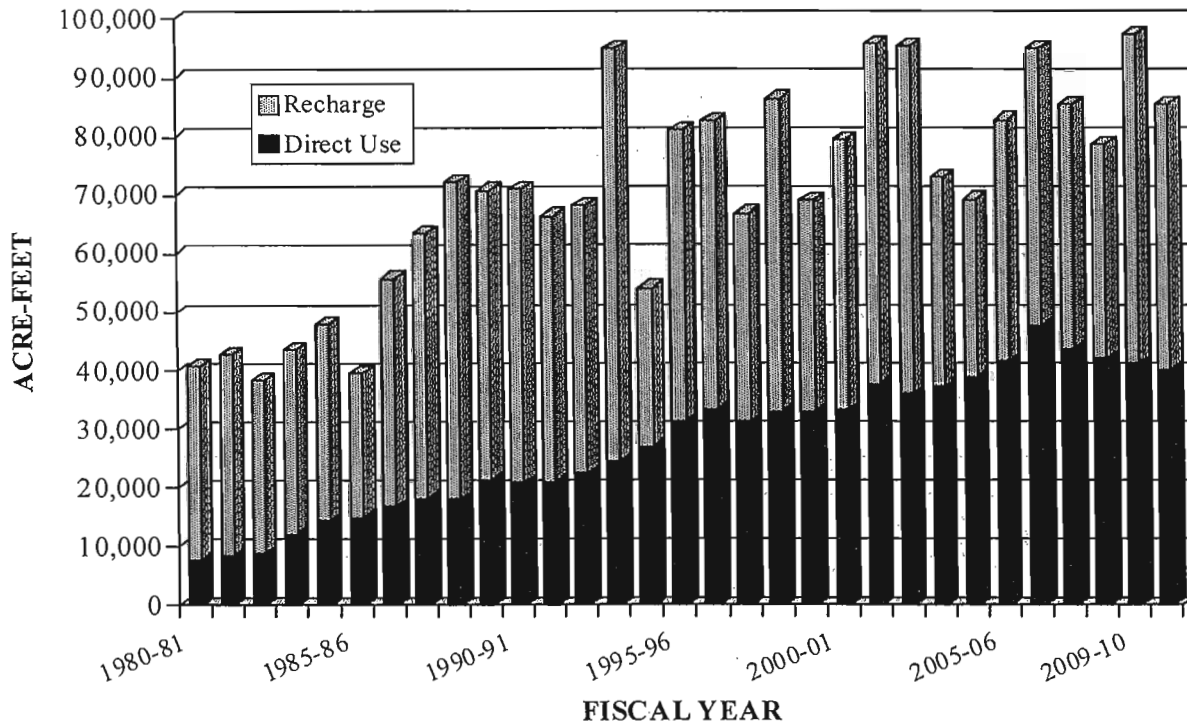
Of the total amount of recycled water produced, 76.256 MGD (85,448 AFY) was actively reused for a variety of applications including urban landscape irrigation, agricultural irrigation, industrial process water, recreational impoundments, wildlife habitat maintenance, and groundwater replenishment. The amount of recycled water produced and reused at each of the WRPs and the percent change from the preceding fiscal year is summarized in Table 1. The amount reused was 46.5% of the recycled water produced, a 12.1% decrease from the preceding fiscal year, which had seen higher than normal reuse volumes. During FY 10-11, 23 new landscape irrigation and three non-irrigation reuse sites began receiving Sanitation Districts' recycled water.

**TABLE 1**  
**RECYCLED WATER PRODUCED AND REUSED AT WATER RECLAMATION PLANTS**  
**FISCAL YEAR 2010-11**

<b>Water Reclamation Plant</b>	<b>Nominal Treatment Capacity (AFY)</b>	<b>Quantity Recycled (AFY)</b>	<b>Percent Change from FY 09-10 (+/-)</b>	<b>Quantity Reused (AFY)</b>	<b>Percent Change from FY 09-10 (+/-)</b>	<b>Percent of Recycled Water Used</b>
La Cañada	225	106	-0.9	106	-0.9	100
Long Beach	28,015	21,052	+2.7	6,428	-1.9	30.5
Los Coyotes	42,020	23,388	-13.6	5,617	-4.1	24.0
Pomona	16,810	10,089	+7.4	7,620	-7.5	75.6
San Jose Creek	112,055	75,555	-1.7	35,740	-27.5	47.3
Whittier Narrows	16,810	8,701	+64.1	8,330	+57.1	95.7
Valencia	24,205	16,749	-3.9	337	-9.4	2.0
Saugus	7,285	5,616	+5.0	0	0	0
Lancaster	19,050	13,323	+2.0	13,277	+1.6	99.7
Palmdale	16,810	9,099	+6.5	7,993	-5.2	87.8
<b>TOTAL</b>	<b>283,285</b>	<b>183,678</b>	<b>+0.05</b>	<b>85,448</b>	<b>-12.1</b>	<b>46.5</b>

The amount of recycled water used for replenishment of the underground water supply can vary greatly from year to year, depending on the amount and timing of rainfall runoff, maintenance activities in the spreading grounds, and other factors, as illustrated by the upper bar in Figure 3. The long-term trend of recycled water usage is best represented by the increase in direct, non-potable reuse for landscape and agricultural irrigation, industrial process supply, and environmental enhancement. The lower bar on Figure 3 shows the steady growth of annual average daily demand for direct, non-potable reuse through FY 10-11.

**FIGURE 3**  
**DIRECT NON-POTABLE REUSE VS. GROUNDWATER RECHARGE**  
**1980-81 TO 2010-11**



**1.2 WATER RECYCLING PROJECTS**

In 1970, prior to the droughts of 1976-77 and 1987-92, there were six reuse customers using 21 MGD on 940 acres (consisting of both irrigable acres and recharge basins). By the end of the subject fiscal year, there were a total of 649 reuse sites on approximately 14,387 acres, utilizing approximately 1,360,790 linear feet (about 258 miles) of transmission pipelines in 30 cities. This usage includes one city employing a water truck to haul recycled water to various greenbelt areas and occasional private water trucks hauling recycled water to construction sites. Table 2 summarizes the approximate length of distribution system pipelines (where applicable), the amount of recycled water used by each of the water recycling projects (detailed in later sections), the percent change from the preceding fiscal year, and the number of new reuse sites added to that recycling project over the past fiscal year. Figure 4 shows the increase in the number of reuse sites receiving recycled water from the Sanitation Districts from 1970 to mid- 2011.

***Cities with Sites Using Sanitation Districts' Recycled Water***

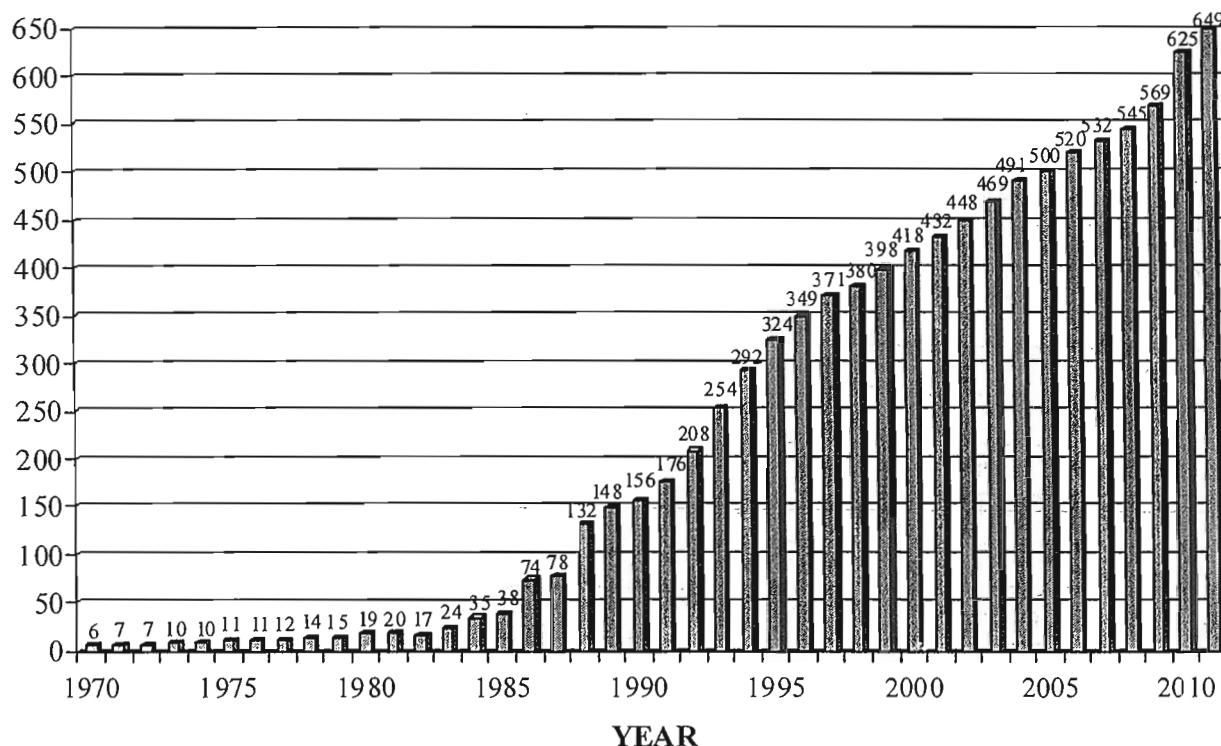
Bellflower	Norwalk
Bell Gardens	Palmdale
Cerritos	Paramount
Compton	Pico Rivera
Cudahy	Pomona
Diamond Bar	Rowland Heights
Downey	Santa Clarita
El Monte	Santa Fe Springs
Huntington Park	Signal Hill
Industry	South El Monte
La Cañada	South Gate
Lakewood	Vernon
Lancaster	Walnut
Long Beach	West Covina
Lynwood	Whittier

*Note: Recycled water is also used in areas of Unincorporated Los Angeles County*

**TABLE 2**  
**RECYCLED WATER USED BY WATER RECYCLING PROJECT**  
**FISCAL YEAR 2010-11**

<b>Project Name</b>	<b>Pipeline Length (linear feet)</b>	<b>Recycled Water Used (AFY)</b>	<b>Percent Change from FY 09-10 (+/-)</b>	<b>No. of New Reuse Sites</b>
La Cañada-Flintridge Country Club		106	-0.9	
Long Beach Water Department	176,630	4,056	-5.1	2
Alamitos Seawater Barrier		2,372	+4.1	
City of Bellflower	1,900	42	-19.2	
City of Cerritos	142,600	1,823	-2.6	
City of Lakewood	28,300	443	-0.2	
Central Basin MWD (Century)	292,500	3,309	-5.1	2
Pomona Water Department	37,000	1,347	-28.3	
Spadra Landfill		350	-9.1	
Walnut Valley Water District	166,320	1,168	-5.6	2
Water Replenishment District		43,029	-41.8	
City of Industry	44,350	957	-18.9	
Rowland Water District	97,680	75	+8.7	18
California Country Club		423	-10.2	
LA Sanchez Nursery		12	0	
Central Basin MWD (Rio Hondo)	138,900	227	+8.6	
Puente Hills/Rose Hills	8,900	2,109	-6.2	
USGVMWD Rio Hondo Extension	11,020	544	-12.4	
F.L. Norman's Nursery <sup>1</sup>		17	-29.2	
Whittier Narrows Recreation Area	18,900	1,432	+149.0	
Castaic Lake Water Agency	16,490	337	-9.4	1
Piute Pond		8,012	+4.1	
Nebeker Ranch	15,900	4,111	-1.9	
Apollo Community Regional Park	23,800	206	+5.1	
Eastern Agricultural Site	96,600	947	-3.2	
City of Lancaster	29,800	1	-90.0	1
Los Angeles World Airports Lease	13,200	7,993	-5.2	
<b>TOTALS</b>	<b>1,360,790</b>	<b>85,448</b>	<b>-12.1</b>	<b>26</b>
1. Site ceased operations in April 2011.				

**FIGURE 4**  
**INCREASE IN NUMBER OF REUSE SITES**  
**1970-2011**



During FY 10-11, 34.156 MGD (38,274 AFY) was used for groundwater replenishment from the San Jose Creek and Whittier Narrows WRPs. Approximately 1,534,463 acre-feet (AF) of recycled water from these two plants have been used to recharge the Central Basin aquifer since August 1962, when the Whittier Narrows WRP was commissioned, through the end of FY 10-11. Another 4.244 MGD (4,755 AFY) of effluent discharged from the Pomona WRP to the San Jose Creek Channel was credited toward indirect groundwater recharge, after estimating how much of this discharge was lost to the ocean during the winter storm season. In the past, this flow stream was not included in the total amount of recycled water used, since most of it entered groundwater via incidental recharge upstream of the spreading grounds. However, because this flow stream is credited against the allowable amount to be recharged, it has been included in the total amount of water actively reused, beginning in FY 94-95.

More recycled water is typically used for groundwater recharge (via surface spreading) than for all other applications combined because of its cost-effectiveness. The San Jose Creek, Whittier Narrows, and Pomona WRPs discharge to rivers or creeks (i.e., flood control channels) that can convey the water by gravity to existing off-stream recharge basins. These basins and the unlined portions of the rivers and creeks permit large volumes of recycled water to percolate by gravity into the aquifer. Recycled water used in this way requires no additional capital improvement and related operation and maintenance (O&M) costs or any energy consumption for pumping.

There was another source of replenishment water during FY 10-11, as the Alamitos Seawater Intrusion Barrier received 2.116 MGD (2,372 AFY) of recycled water originating from the Long Beach WRP and treated to an advanced level (see details in Section 2.2.2). Even though the purpose of this facility is to prevent seawater from moving inland and contaminating the groundwater aquifer, most of the injected water (roughly 80%) moves inland and becomes part of the region's drinking water supply. Due to operational limitations, the full

capacity of the Leo Vander Lans advanced treatment plant that supplies the Alamitos Barrier is still not being realized.

During FY 10-11, the total of 40.516 MGD (45,401 AFY) that went to groundwater replenishment was a 19.2% decrease from the preceding fiscal year. Of the total amount of water reused during FY 10-11, 52.4% went for groundwater replenishment, which is only the second time in the past seven years that this reuse application has made up more than half of total reuse. Concerns over the potential for a fish kill of a colony of non-native *Tilapia* fish living in effluent from the San Jose Creek WRP discharged to the lined portion of the San Gabriel River had previously prevented that effluent source from being diverted directly into the San Gabriel Coastal Spreading Grounds, necessitating that it continue to be discharged to the lined portion of the river instead. However, modifications were made at the spreading ground diversion gate that allowed it to be partially closed. In March 2009, a partial closure of the gate was initiated, with the degree of closure being increased incrementally over the following months to a point where the majority of flow in the Outfall was being diverted for recharge. The small amount of effluent being discharged to the lined portion of the San Gabriel River is sufficient to sustain the fish until a permanent solution for this invasive species can be found.

The remainder of the recycled water usage was divided between four broad categories of direct usage:

- A total of 602 of the individual reuse sites used recycled water for some form of landscape irrigation, and approximately 13.659 MGD (15,306 AFY), or 18.2% of the total water reused, went toward this application. These sites include 104 parks, 101 schools, 195 commercial and office buildings (e.g., offices, warehouses, retail, car dealerships, hotels, restaurants, etc.), 107 roadway greenbelts, 27 public facilities (e.g., police station, post office, libraries, landfills, etc.), 23 golf courses, 21 nurseries, 17 residential developments, 11 churches, and 7 cemeteries.
- Agricultural usage at 11 reuse sites accounted for approximately 12.129 MGD (13,591 AFY), or 16.1% of the total reused.
- Twenty-one industrial applications of recycled water (which include carpet dyeing, oil field injection, power plant cooling towers, metal finishing, street sweeping, sewer flushing, and construction applications such as dust control and concrete mixing) totaled 2.794 MGD (3,131 AFY), or 3.7% of the total reused.
- Approximately, 7.150 MGD (8,012 AFY), or 9.5% of the total reused, went to environmental enhancement of a wildlife habitat (Piute Ponds) in the Mojave Desert.

**TOP TEN – LARGEST DIRECT REUSE SITES OF 2010-11\***

1. Antelope Valley Farms Palmdale WRP (agricultural irrigation of alfalfa)	7,887 AFY	6. Industry Hills Recreation Area San Jose Creek WRP (landscape irrigation)	957 AFY
2. Nebeker Ranch Lancaster WRP (agricultural irrigation of alfalfa)	4,111 AFY	7. Eastern Agricultural Site Lancaster WRP (agricultural irrigation of alfalfa)	947 AFY
3. Alamitos Intrusion Barrier Long Beach WRP (seawater barrier injection)	2,372 AFY	8. Rose Hills Memorial Park San Jose Creek WRP (landscape irrigation)	910 AFY
4. THUMS Long Beach WRP (oil zone repressurization)	1,160 AFY	9. Whittier Narrows Recreation Area Whittier Narrows WRP (landscape irrigation)	798 AFY
5. Puente Hills Landfill San Jose Creek WRP (irrigation & dust control)	1,005 AFY	10. Bonelli County Regional Park Pomona WRP (landscape irrigation)	740 AFY

\* excluding discharge-based reuse applications of groundwater recharge by spreading and Piute Ponds

Table 3 lists the number of sites in each category of use, along with total acreage and average daily usage. Figure 5 shows the distribution of reuse flows among these various applications.

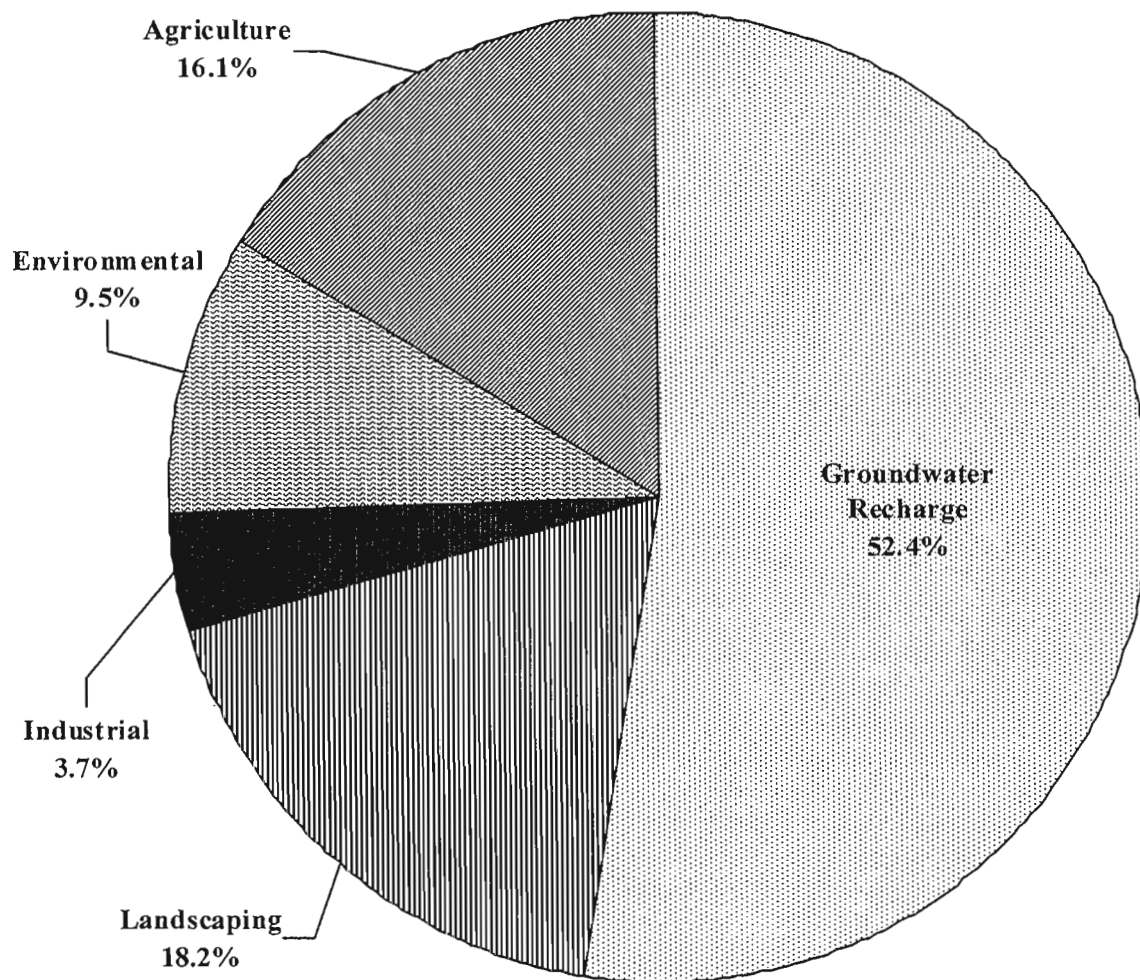
**TABLE 3**  
**CATEGORIES OF RECYCLED WATER USAGE**  
**FISCAL YEAR 2010-11**

<b>Reuse Application</b>	<b>No. of Sites</b>	<b>Area Applied (acres)</b>	<b>Usage (MGD)</b>
Parks	104	3,458.9	3.770
Golf Courses	23	2,665.8	3.999
Schools	101	1,203.7	1.548
Roadway Greenbelts	107	640.8	0.907
Public Facilities <sup>1</sup>	27	494.0	1.100
Commercial Buildings <sup>2</sup>	195	426.4	0.896
Nurseries	21	134.5	0.130
Cemeteries	7	701.4	1.037
Residential Developments	17	114.3	0.236
Churches	11	12.5	0.036
Industrial <sup>3</sup>	21	157.5	2.794
Agriculture <sup>4</sup>	10	3,977.0	12.129
Environmental Enhancement	1	400	7.150
<b>SUBTOTAL</b>	<b>645</b>	<b>14,386.8</b>	<b>35.732</b>
Groundwater Recharge	4	646	40.516
<b>TOTAL</b>	<b>649</b>	<b>15,032.8</b>	<b>76.248</b>

NOTES:

1. "Public Facilities" includes police stations, libraries, post offices, city halls, government offices, landfills, etc.
2. "Commercial Buildings" includes offices, warehouses, retail, car dealerships, hotels, restaurants, etc.
3. Industrial processes receiving recycled water include paper manufacturing, carpet dyeing, concrete mixing, cooling, oil field injection, construction applications such as soil compaction and dust control, and process equipment testing at the Alamitos Barrier Advanced Treatment Plant.
4. California Polytechnic University, Pomona, while technically a school, uses most of its recycled water for agricultural purposes and is thus included in this category.

FIGURE 5  
DISTRIBUTION OF RECYCLED WATER USAGE  
FISCAL YEAR 2010-11



### 1.3 ECONOMIC AND ENVIRONMENTAL IMPACTS

At the end of FY 10-11, the Sanitation Districts had 24 contracts (four pending initial deliveries) for the sale and/or delivery of recycled water produced at its facilities. Actual O&M and energy costs incurred by the Sanitation Districts while operating the pump stations on behalf of the purchasers of recycled water are also fully recovered through these contracts. Since the recycled water delivered to the various distribution systems was not dosed with either sulfur dioxide or sodium bisulfate for dechlorination or with defoamant, an estimated \$128,000 in chemical savings was realized at the five Sanitation Districts' tertiary WRPs located in the JOS and at the Valencia WRP in the Sanitation Districts' Santa Clarita Valley Joint Sewerage System (SCVJSS).

Table 4 compares selected potable water rates and recycled water rates (in effect as of the end of FY 10-11), illustrating the savings realized by the end users. Table 5 lists all of the current recycled water purveyors.



**TABLE 4**  
**POTABLE VS. RECYCLED WATER RATES**  
**FISCAL YEAR 2010-11**

Purveyor	Potable Water (\$/AF)	Recycled Water (\$/AF)	Discount (%)
Long Beach Water Department	1,062.43	531.43 – 744.00	30 – 50
City of Cerritos	614.20	326.70	47
City of Lakewood	945.25	444.31	53
Central Basin MWD	805.00 – 915.00	283.00 – 506.00	31 – 63
Pomona Water Department	962.68	521.67	46
Walnut Valley Water District	1,019.30	649.04	36
Rowland Water District	1,010.59	635.98	37
San Gabriel Valley Water Co.	899.95	220.00 – 771.62	14 – 76
Valencia Water Company	609.40	511.83	16

To put things into perspective, the 85,448 AF of water reused in FY 10-11 is equivalent to the water supply for a population of 427,240, between the cities of Virginia Beach, VA and Atlanta, GA, the 39<sup>th</sup> and 40<sup>th</sup> largest cities in the U.S.<sup>3</sup> The use of locally produced recycled water reduces the need to pump State Project water over the Tehachapi Mountains at a net energy cost of roughly 3,000 kilowatt-hours (kWh) per acre-foot.<sup>4</sup> Thus, approximately 256.3 million kWh of electricity were conserved in FY 10-11, which is equivalent to the annual output of a 29.3-megawatt power plant consuming nearly 140,000 barrels of oil. At \$0.15/kWh (based on Southern California Edison residential billing rate), this equates to an annual savings of approximately \$38.5 million in electricity. At \$94.94/barrel,<sup>5</sup> this equates to an annual savings of approximately \$13.2 million in oil.

The conservation of fossil fuels and energy also resulted in significant reductions in potential air pollutants. During FY 10-11, 147.4 tons of nitrogen oxide, 25.6 tons of carbon monoxide, 15.4 tons of sulfur oxides, 5.1 tons of particulates, and 1.3 tons of reactive organic gases were kept out of the atmosphere.<sup>6</sup> Perhaps more important, the use of local recycled water avoided the production of approximately 192,300 tons of carbon dioxide, a greenhouse gas that contributes to global warming.<sup>7</sup>

Table 6 summarizes the water, energy, chemicals, and air pollutant savings realized by the use of local recycled water sources.

<sup>3</sup> 2010 Census.

<sup>4</sup> "Refining Estimates of Water-Related Energy Use in California," California Energy Commission, December 2006.

<sup>5</sup> June 30, 2011 spot price for "West Texas Intermediate crude oil".

<sup>6</sup> Estimates based upon emission factors from "Power Plant Fuel Use and Emissions," South Coast Air Quality Management District, May 1986.

<sup>7</sup> Estimate based upon data from "Compilation of Air Pollutant Emission Factors, Vol. 1: Stationary Point and Area Sources," USEPA, January 1995.

**TABLE 5**  
**RECYCLED WATER PURVEYORS**

City of Long Beach  
1800 East Wardlow Road  
Long Beach, CA 90807-4994  
(562) 570-2300

City of Cerritos  
Bloomfield at 183<sup>rd</sup> Street  
Cerritos, CA 90701  
(562) 860-0311

City of Lakewood  
5050 North Clark Avenue  
Lakewood, CA 90714  
(562) 866-9771

City of Bellflower  
16600 Civic Center Drive  
Bellflower, CA 90706  
(562) 804-1424

City of Industry  
P.O. Box 3366  
Industry, CA 91744  
(626) 333-2211

City of Pomona  
505 South Garey Avenue  
Pomona, CA 91766  
(909) 620-2253

City of Cudahy  
5220 Santa Ana Street  
Cudahy, CA 90201  
(323) 773-5143

Walnut Valley Water District  
271 South Brea Canyon Road  
Walnut, CA 91789  
(909) 595-1268

City of Pico Rivera  
6615 Passons Boulevard  
Pico Rivera, CA 90660-1016  
(562) 801-4462

City of Vernon  
4305 Santa Fe Avenue  
Vernon, CA 90058  
(323) 583-8811

City of Paramount  
16400 Colorado Avenue  
Paramount, CA 90723  
(562) 220-2020

City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
(562) 868-0511

City of Downey  
9252 Stewart & Gray Road  
Downey, CA 90242  
(562) 904-7202

City of Whittier  
13250 East Penn Street  
Whittier, CA 90602  
(562) 945-8215

City of South Gate  
4244 Santa Ana Street  
South Gate, CA 90280  
(323) 563-5795

City of Lynwood  
11330 Bullis Road  
Lynwood, CA 90262  
(562) 603-0220

City of Norwalk  
12700 Norwalk Boulevard  
Norwalk, CA 90650  
(562) 929-2677

Rowland Water District  
3021 S. Fullerton Road  
Rowland Heights, CA 91748  
(562) 697-1726

Castaic Lake Water Agency  
27234 Bouquet Canyon Road  
Santa Clarita, CA 91350  
(661) 297-1600

City of Lancaster  
615 West Avenue H  
Lancaster, CA 93534  
661-945-6863

Central Basin Municipal Water District  
6252 Telegraph Road  
Commerce, CA 90040-2512  
(323) 201-5555

Park Water Company  
9750 Washburn Road  
Downey, CA 90241  
(562) 923-0711

Bellflower Municipal Water Systems  
16913 Lakewood Blvd.  
Bellflower, CA 90706  
(562) 531-1500

Bellflower-Somerset Mutual Water Co.  
10016 Flower Street  
Bellflower, CA 90706  
(562) 866-9980

Golden State Water Company  
11469 Rosecrans Avenue  
Norwalk, CA 90650  
(562) 907-9200

San Gabriel Valley Water Company  
11142 Garvey Avenue  
El Monte, CA 91733  
(626) 448-6183

City of Huntington Park  
6900 Bissell Street  
Huntington Park, CA 90255  
(323) 584-6323

Upper San Gabriel Valley MWD  
11310 East Valley Boulevard  
El Monte, CA 91731  
(626) 423-2297

Valencia Water Company  
24631 Avenue Rockefeller  
Valencia, CA 91355  
(661) 294-0828

Los Angeles Co. Waterworks No. 40  
900 S. Fremont Avenue  
Alhambra, CA 91803  
(626) 458-5100

**TABLE 6**  
**WATER, ENERGY, CHEMICAL, AND AIR POLLUTANT SAVINGS**  
**FROM RECYCLED WATER USAGE - FISCAL YEAR 2010-11**

Category	Units	Savings
Water Supply	acre-feet	85,448
Water Supply	No. of People	427,240
Energy	kilowatt-hours	256,344,000
Energy	megawatts	29.3
Energy	barrels of oil	138,914
Electricity	dollars	38,451,600
Petroleum	dollars	13,188,495
WRP chemicals	dollars	128,000
Nitrogen oxide	tons	147.4
Carbon monoxide	tons	25.6
Sulfur oxides	tons	15.4
Particulates	tons	5.1
Reactive organic gases	tons	1.3
Carbon dioxide	tons	192,258

#### 1.4 SUMMARY

Of the 442.43 MGD of treated effluent produced by the Sanitation Districts, 163.92 MGD (37.0%) was treated to a suitable level for reuse, with 76.256 MGD (17.2%) actually being reused at 649 individual sites in 30 cities for numerous diverse applications (with slightly more than half of the reuse being for groundwater replenishment). Effluent production continued to decrease due to increased conservation and reduced commercial/industrial activity. The top 10 largest direct reuse sites (less than 2% of all sites, excluding recharge and environmental) used almost 25% of the recycled water delivered during the fiscal year. Twenty-six new reuse sites were added during FY 10-11; however, the amount of recycled water used decreased by 12.1% from the preceding fiscal year mostly due to a decrease in the amount of groundwater replenishment. The use of 85,448 AF of locally produced recycled water essentially resulted in the conservation of the water supply needs of nearly half a million people, and in significant reductions in treatment plant chemical usage, water rates for end users, energy consumption, and air pollution.

Since the official beginning of the Sanitation Districts' water recycling program in August 1962 with the start-up of the Whittier Narrows WRP, approximately 2,497,638 AF (813.6 billion gallons) of recycled water produced by Sanitation Districts' facilities have been beneficially used. This use of recycled water has avoided the release of approximately 5.62 million tons of carbon dioxide and 5,695 tons of other air pollutants into the atmosphere.

All of the currently active reuse sites, along with their acreage, start-up dates, applications, and quantities of recycled water used for FY 10-11 are presented chronologically in Table 7. A chronology of significant events in the Sanitation Districts' reuse programs is presented at the end of this report in Appendix A. Final effluent quality for each of the Sanitation Districts' tertiary WRPs is presented in Appendix B.

**TABLE 7**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**(PAGE 1 OF 12)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Water Replenishment District (WNWRP)	Aug 62	--	R	6.141	6,881
La Cañada-Flintridge Country Club (La Cañada)	Oct 62	105	L,P	0.095	106
Apollo Lakes Community Regional Park (Lancaster)	Jun 69	56	L,P	0.184	206
Water Replenishment District (SJCWRP)	Jun 71	--	R	28.015	33,933
Cal Poly, Pomona-Kellogg (Pomona)	Dec 73	500	AG,L,O,P,AF	0.469	526
Lanterman Hospital (Pomona)	Dec 73	100	AG	0	0
South Campus Drive Parkway (Pomona)	Dec 73	8	L	0.010	11
Route 57 and 10 Freeways (Pomona)	May 75	18	L	0.020	23
Bonelli Regional County Park (San Dimas)	Apr 77	789	L	0.660	740
California Country Club (Industry)	Jun 78	120	L,P	0.378	423
Ironwood 9 Golf Course (Cerritos)	Nov 78	25	L,P	0.083	93
Caruthers Park (Bellflower)	Nov 78	5	L	0.038	42
El Dorado Park West (Long Beach)	Aug 80	135	L	0.128	144
El Dorado Golf Course (Long Beach)	Aug 80	150	L	0.223	249
Suzanne Park (Walnut)	Oct 80	12	L	0.014	16
Route 71 and 10 Freeways (Pomona)	Apr 81	12	L	0.036	40
Piute Ponds (Lancaster)	May 81	400	E	7.150	8,012
Recreation Park (Long Beach)	Oct 82	26	L	0.042	47
Recreation Golf Course (Long Beach)	Oct 82	149	L	0.197	221
Norman's Nursery (El Monte)	Mar 83	20.2	O	0.016	17
Whaley Park (Long Beach)	Jun 83	9	L	0.017	19
Industry Hills Recreation Area (Industry)	Aug 83	600	L,P	0.854	957
El Dorado Park East (Long Beach)	Jan 84	300	L	0.326	365
Nature Center (Long Beach)	Jan 84	60	L	0.058	64
605 Freeway at Wardlow (Long Beach)	Feb 84	50	L	0.028	32
Heartwell Park (Long Beach)	Feb 84	120	L	0.131	147
Skylinks Golf Course (Long Beach)	Apr 84	155	L,P	0.228	255
Douglas Park (Long Beach)	Apr 84	3	L	0.003	4
405 Freeway at Atherton (Long Beach)	May 84	5	L	0.00001	0.01
DeMille Junior High School (Long Beach)	Jun 84	5	AF,L	0.0004	0.4
Heartwell Golf Park (Long Beach)	Jun 84	30	L	0.060	68
Spadra Landfill landscape (Pomona)	Jul 84	53	L	0.240	269
Spadra Landfill dust control (Pomona)	Jul 84	--	I	0.010	11
Veterans Memorial Stadium (Long Beach)	Jan 85	6	AF	0.021	24
Harrington Farms Pistachio Orchard (Palmdale)	Apr 85	23	AG	0.082	92
Recreation Park Bowling Green (Long Beach)	Aug 85	3	L	0.004	5
California State University, Long Beach	Dec 85	52	AF,L	0.112	125
Long Beach City College (Long Beach)	Feb 86	15	AF,L	0.022	25
Recreation 9-Hole Golf Course (Long Beach)	Mar 86	37	L	0.059	66
Blair Field (Long Beach)	Apr 86	5	AF	0.010	12
Woodlands Park (Long Beach)	Apr 86	7	L	0.011	12
Colorado Lagoon Park (Long Beach)	Apr 86	4	L	0.003	4
Marina Vista Park (Long Beach)	Apr 86	30	L	0.027	30
Suzanne Middle School (Walnut)	May 86	4	AF,L	0.012	13
Walnut High School (Walnut)	May 86	15	AF,L	0.019	21
Vejar School (Walnut)	May 86	3	AF,L	0.010	11
Morris School (Walnut)	May 86	9	AF,L	0.009	10
Snow Creek Park (Walnut)	May 86	7	L	0.011	12
Snow Creek Landscape Maintenance Dist. (Walnut)	May 86	13.5	L	0.036	41
Lemon Creek Park (Walnut)	May 86	5	L	0.005	6
Friendship Park (West Covina)	May 86	6	L	0.007	8
Hollingsworth School (West Covina)	May 86	3	AF,L	0.007	8
Lanesboro Park (West Covina)	May 86	2	L	0.007	7
Rincon Middle School (West Covina)	May 86	3	AF,L	0.008	9

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**TABLE 7**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**(PAGE 2 OF 12)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Route 57 and 60 Freeways (Rowland Heights)	May 86	19.7	L	0.035	39
Rowland Heights Reg. Co. Park (Rowland Heights)	May 86	11	L	0.012	13
Rowland High School (Rowland Heights)	May 86	9	AF,L	0.020	23
Killian Elementary School (Rowland Heights)	May 86	3	AF,L	0.005	6
Walnut Elementary School (Walnut)	May 86	4	AF,L	0.001	1
WUSD Administrative Service Center (Walnut)	May 86	4	L	0.002	3
Walnut Ranch Park (Walnut)	Jun 86	26	L	0.019	22
Amar Road greenbelt (Walnut)	Jun 86	16	L	0.015	17
Diamond Bar Golf Course (Diamond Bar)	Jul 86	174	L,P	0.165	185
Walnut Ridge Landscape Maintenance Dist. (Walnut)	Mar 87	25.5	L	0.030	34
Morningside Park (Walnut)	Mar 87	4	L	0.004	4
Gateway Corporate Center (Diamond Bar)	Jun 87	45	L	0.045	51
Library/Civic Center (Cerritos)	Dec 87	4	L	0.014	16
Olympic Natatorium (Cerritos)	Dec 87	6	L	0.016	18
Whitney Learning Center (Cerritos)	Dec 87	10	AF,L	0.019	21
Gonsalves Elementary School (Cerritos)	Dec 87	5	AF,L	0.014	16
Wittman Elementary School (Cerritos)	Dec 87	5	AF,L	0.009	10
Gahr High School (Cerritos)	Dec 87	28	AF,L	0.053	60
Area Development Project No. 2 (Cerritos)	Jan 88	11.5	L,P	0.055	61
Medians/Parkways (Cerritos)	Jan 88	42.8	L	0.145	162
605 Freeway (Cerritos)	Jan 88	58.6	L	0.131	147
91 Freeway (Cerritos)	Jan 88	70	L	0.036	41
Frontier Park (Cerritos)	Jan 88	2.5	L	0.008	9
Carmenita Junior High School (Cerritos)	Jan 88	5	AF,L	0.017	19
Cerritos Elementary School (Cerritos)	Jan 88	6	AF,L	0.017	20
Stowers Elementary School (Cerritos)	Jan 88	6	AF,L	0.022	25
Kennedy Elementary School (Cerritos)	Jan 88	7	AF,L	0.021	24
City Park East (Cerritos)	Jan 88	18	L	0.040	45
Satellite Park (Cerritos)	Jan 88	2	L	0.005	5
Leal Elementary School (Cerritos)	Jan 88	6	AF,L	0.010	11
Cerritos High School (Cerritos)	Jan 88	20	AF,L	0.039	44
Elliott Elementary School (Cerritos)	Jan 88	7	AF,L	0.013	14
Carmenita Park (Cerritos)	Jan 88	4.5	L	0.012	14
Juarez Elementary School (Cerritos)	Jan 88	7	AF,L	0.019	21
ABC Adult School & Office (Cerritos)	Jan 88	3	L	0.014	15
Tracy Education Center (Cerritos)	Jan 88	6	AF,L	0.003	3
Liberty Park (Cerritos)	Jan 88	20	L	0.069	77
Gridley Park (Cerritos)	Jan 88	9	L	0.019	21
Jacob Park (Cerritos)	Jan 88	4.5	L	0.012	13
Heritage Park (Cerritos)	Feb 88	12	L	0.034	38
Bragg Elementary School (Cerritos)	Feb 88	7	AF,L	0.023	26
Haskell Junior High School (Cerritos)	Feb 88	18	AF,L	0.039	44
Pat Nixon Elementary School (Cerritos)	Feb 88	5	AF,L	0.009	10
Cabrillo Lane Elementary School (Cerritos)	Feb 88	9	AF,L	0	0
Sunshine Park (Cerritos)	Feb 88	3.5	L	0.008	9
Friendship Park (Cerritos)	Feb 88	4	L	0.008	9
Bettencourt Park (Cerritos)	Feb 88	2	L	0.005	5
Brookhaven Park (Cerritos)	Feb 88	2	L	0.006	7
Saddleback Park (Cerritos)	Feb 88	2	L	0.005	5
Westgate Park (Cerritos)	Feb 88	4	L	0.007	8
Rainbow Park (Cerritos)	Mar 88	2.5	L	0.007	8
Bellflower Christian School (Cerritos)	Mar 88	31.4	AF,L	0.034	38
Cerritos Community College (Cerritos)	Mar 88	55	AF,L	0.074	83
Cerritos Regional County Park (Cerritos)	Apr 88	59	L	0.109	122

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**TABLE 7**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**(PAGE 3 OF 12)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Artesia Cemetery District (Cerritos)	Apr 88	10.9	L	0.022	24
Rosewood Park (Cerritos)	Apr 88	2.7	L	0.008	9
20659 E. Valley Blvd. (Walnut)	May 88	7	O	0.0001	0.01
Nebeker Ranch (Lancaster)	Jun 88	600	AG	3.668	4,111
Lakewood 1st Presbyterian Church (Long Beach)	Sep 88	1	L	0.001	1
Westhoff Elementary School (Walnut)	Sep 88	8	AF,L	0.006	6
Tree Farm (Palmdale)	Feb 89	46	O	0.012	13
Virginia Country Club (Long Beach)	Mar 89	135	L,P	0.077	86
Lakewood Golf Course (Long Beach)	Mar 89	128	L,P	0.272	305
Scherer Park (Long Beach)	Mar 89	24	L	0.031	35
Sports Complex (Cerritos)	Mar 89	25	AF,L	0.045	51
Sunnyside Memorial Park (Long Beach)	Apr 89	35	L	0.071	79
All Soul's Cemetery (Long Beach)	Apr 89	40	L	0.104	116
Cherry Avenue Park (Long Beach)	May 89	10	L	0.011	13
River (Rynerson) Park (Lakewood)	Aug 89	40	L	0.064	72
Monte Verde Park (Lakewood)	Aug 89	4	L	0.051	58
Mae Boyer Park (Lakewood)	Aug 89	8	L	0.032	35
Jose Del Valle Park (Lakewood)	Aug 89	12	L	0.026	29
Jose San Martin Park (Lakewood)	Aug 89	9.3	L	0.021	23
City Water Yard (Lakewood)	Aug 89	1	L	0.010	11
Woodruff Avenue greenbelt (Lakewood)	Aug 89	4.1	L	0.011	12
South Street greenbelt (Lakewood)	Aug 89	3.3	L	0.009	10
Mayfair Park (Lakewood)	Dec 89	18	L	0.039	44
Shoemaker On/Off Ramp - 91 Freeway (Cerritos)	Dec 89	4.6	L	0.013	14
Temple Avenue greenbelt (Walnut)	Jan 90	1	L	0.001	1
Transpacific Development Co. (Cerritos)	Feb 90	6.9	L	0.010	11
Automated Data Processing (Cerritos)	Feb 90	0.7	L	0.004	4
Sheraton Hotel (Cerritos)	Mar 90	0.6	L	0.003	4
Walnut Tech Business Center (Walnut)	Apr 90	1	L	0.002	2
Cerritos Pontiac/GMC Truck (Cerritos)	May 90	0.5	L	0.001	1
Moothart Chrysler (Cerritos)	May 90	0.4	L	0.005	6
St. Joseph Parish School (Lakewood)	Aug 90	3.5	AF,L	0.010	11
Foster Elementary School (Lakewood)	Sep 90	6	AF,L	0.016	18
Windjammer Off Ramp - 91 Freeway	Sep 90	0.8	L	0.002	2
Browning Oldsmobile (Cerritos)	Sep 90	0.1	L	0.001	1
Civic Center Way and City Hall	Nov 90	2.8	L	0.014	16
Los Coyotes Diagonal (Long Beach)	Mar 91	1	L	0.001	1
City Water Truck (Cerritos)	May 91	--	L	0.0003	0.4
Private Haulers (Cerritos)	May 91	--	I	0	0
Parkside Condominiums (Cerritos)	May 91	1.8	L	0.006	6
Mayfair High School (Lakewood)	May 91	36.5	AF,L	0.041	46
Wilson High School	Jun 91	5	AF,L	0.022	24
Concordia Church (Cerritos)	Jun 91	4	L	0.005	6
Church of the Nazarene (Cerritos)	Aug 91	1	L	0.003	4
B&B Stables (Cerritos)	Aug 91	18	I	0.005	5
Lemon Avenue greenbelt (Walnut)	Sep 91	4.3	L	0.006	7
Lindstrom Elementary School (Lakewood)	Sep 91	12	AF,L	0.014	15
Lakewood High School (Lakewood)	Sep 91	25	AF,L	0.024	27
Shadow Park Homeowner's Association (Cerritos)	Nov 91	6	L	0.014	16
South Coast AQMD Headquarters (Diamond Bar)	Nov 91	2	L	0.005	5
Long Beach Water Department office	Jan 92	2	L	0.002	2
Reservoir Park (Signal Hill)	Feb 92	2	L	0.009	10
Burroughs Elementary School (Signal Hill)	Feb 92	4	AF,L	0.003	3
Andy's Nursery (Bellflower)	Feb 92	9	O	0	0

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**TABLE 7**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**(PAGE 4 OF 12)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Lake Center Park (Santa Fe Springs)	Mar 92	8	L	0.018	20
Lake Center School (Santa Fe Springs)	Mar 92	8	AF,L	0.016	18
Clarkman Walkway (Santa Fe Springs)	Mar 92	0.1	L	0.0003	0.3
Hughes Middle School (Long Beach)	Apr 92	3	AF,L	0.013	15
405 Freeway at Walnut (Long Beach)	Apr 92	9	L	0.008	9
Area Development Project No. 6 (Cerritos)	Apr 92	9	L	0.056	63
Towne Center Walkway (Santa Fe Springs)	Apr 92	0.1	L	0.0003	0.3
Lakeview Child Care (Santa Fe Springs)	May 92	0.2	L	0.001	2
Orr & Day Road medians (Santa Fe Springs)	May 92	0.1	L	0.00002	0.03
Somerset Park (Long Beach)	May 92	3	L	0.001	1
Longfellow Elementary School (Long Beach)	May 92	1	AF,L	0	0
Granada Park Homeowners Association (Cerritos)	May 92	3.8	L	0.013	15
Walnut Valley Water Dist. reservoir (Diamond Bar)	May 92	1	L	0.005	6
Florence Avenue medians (Santa Fe Springs)	Jun 92	3	L	0.005	6
Gauldin Elementary School (Downey)	Jun 92	8.4	AF,L	0.005	5
Rio San Gabriel School (Downey)	Jun 92	14.8	AF,L	0.014	16
Bellflower High School (Bellflower)	Jul 92	28.4	AF,L	0.063	70
Ernie Pyle Elementary School (Bellflower)	Aug 92	4.9	AF,L	0.012	13
Telegraph Road medians (Santa Fe Springs)	Aug 92	0.5	L	0.003	3
Lakeview Park (Santa Fe Springs)	Aug 92	6.7	L	0.011	12
Clark Estate (Santa Fe Springs)	Aug 92	4.3	L	0.005	5
Towne Center Green (Santa Fe Springs)	Aug 92	2.3	L	0.006	7
Pioneer Road medians (Santa Fe Springs)	Sep 92	0.4	L	0.030	34
Police Station (Santa Fe Springs)	Sep 92	0.2	L	0.001	1
Aquatic Center (Santa Fe Springs)	Sep 92	0.5	L	0.004	4
Lewis School (Downey)	Nov 92	4.6	AF,L	0.005	6
Wilderness Park (Downey)	Nov 92	24	L	0.092	103
First Chinese Baptist Church (Walnut)	Dec 92	0.3	L	0.002	2
605 Freeway at Foster (Bellflower)	Jan 93	14	L	0	0
Promenade Walkway (Santa Fe Springs)	Jan 93	0.3	L	0.001	1
Rio San Gabriel Park (Downey)	Jan 93	6.4	L	0.032	36
East Middle School (Downey)	Jan 93	26	AF,L	0.017	19
Zinn Park (Bellflower)	Jan 93	1.7	L	0.003	4
Cerritos Post Office (Cerritos)	Feb 93	0.7	L	0.005	6
605/105 Interchange (Bellflower)	Feb 93	22	L	0.0001	0.1
Hollywood Sports Center (Bellflower)	Feb 93	22.5	L	0.002	2
Santa Fe Springs High School (Santa Fe Springs)	Feb 93	14.5	AF,L	0.023	25
605/5 Freeway at Florence (Santa Fe Springs)	Feb 93	17	L	0.0002	0.2
Center for the Performing Arts (Cerritos)	Mar 93	1	L	0.004	4
Old Downey Cemetery (Downey)	Apr 93	7.5	L	0.026	30
Thompson Park (Bellflower)	Apr 93	15	L	0.014	16
105 Freeway at Bellflower (Downey)	May 93	17.9	L	0.009	10
Palms Park (Lakewood)	May 93	20	L	0.003	3
Crawford Park (Downey)	Jul 93	2.1	L	0.006	7
Humedo Nursery (Downey)	Aug 93	11	O	0.005	6
105 Freeway at Lakewood (Downey)	Sep 93	25	L	0.003	4
Shaw Industries Carpet Mill (Santa Fe Springs)	Sep 93	--	I	0.076	85
Palms Elementary School (Lakewood)	Sep 93	3.5	AF,L	0.012	13
Artesia High School (Lakewood)	Sep 93	20.9	AF,L	0.033	37
West Middle School (Downey)	Oct 93	19.5	AF,L	0.015	17
Circle Park (South Gate)	Oct 93	4	L	0.013	15
Burger King restaurant (Diamond Bar)	Oct 93	0.2	L	0.001	1
Majestic Mgmt., 19850 E. Business Pkwy (Walnut)	Nov 93	0.8	L	0.004	4
General Electric, 19705 E. Business Pkwy. (Walnut)	Nov 93	1.6	L	0.006	7

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**TABLE 7**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**(PAGE 5 OF 12)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Hollydale Park (South Gate)	Nov 93	46	L	0.112	126
Delta Dental (Cerritos)	Nov 93	1.8	L	0.002	2
Cal Poly LandLab (Pomona)	Nov 93	2.5	AG,L	0.013	15
Rodeo Ridge Estates (Walnut)	Dec 93	6.3	L	0.005	6
Robertson's Ready-Mix (Santa Fe Springs)	Dec 93	--	I	0.005	5
710/105 Interchange (Paramount)	Dec 93	18.5	L	0	0
Downey/Contreras greenbelt (Paramount)	Dec 93	0.1	L	0.0003	0.3
Compton Golf Course (Paramount)	Dec 93	13	L	0.021	24
Alondra Junior High School (Paramount)	Dec 93	14	AF,L	0.012	14
Mokler Elementary School (Paramount)	Dec 93	10	AF,L	0.009	11
Los Cerritos Elementary School (Paramount)	Dec 93	8	AF,L	0.011	12
Wirtz Elementary School (Paramount)	Dec 93	9	AF,L	0.011	12
Keppel Elementary School (Paramount)	Dec 93	4	AF,L	0.002	3
Billy Lee Nursery (Paramount)	Dec 93	2.5	O	0.008	9
Golden Springs Drive medians (Diamond Bar)	Jan 94	1.3	L	0.005	6
105 Freeway at Wright (Lynwood)	Jan 94	19.6	L	0.001	2
710 Freeway at M.L. King (Lynwood)	Jan 94	15.5	L	0	0
710 Freeway at Rosecrans (Compton)	Jan 94	24.2	L	0.007	8
Independence Park (Downey)	Feb 94	10.4	L	0.011	13
Paramount Park (Paramount)	Feb 94	9	L	0.022	24
Paramount High School (Paramount)	Feb 94	19	AF,L	0.021	23
Southern California Edison nursery (Cerritos)	Mar 94	3.5	O	0.004	5
Walnut Hills Village Shopping Center (Walnut)	Mar 94	2.4	L	0.004	5
Rosecrans/Paramount medians (Paramount)	Mar 94	0.2	L	0.002	2
Somerset medians (Paramount)	Apr 94	0.9	L	0.005	6
Rio Hondo Golf Course (Downey)	Apr 94	92.4	L	0.193	216
Zimmerman Park (Norwalk)	Apr 94	9.5	L	0.015	17
Vista Verde Park (Norwalk)	Apr 94	6.5	L	0.012	14
Gerdes Park (Norwalk)	Apr 94	8.6	L	0.015	17
Clearwater Junior High School (Paramount)	Apr 94	4	AF,L	0.031	35
Vestar Development (Cerritos)	Jun 94	9.6	L	0.035	39
Steam Engine Park (Paramount)	Jun 94	0.6	L	0.001	1
5 Freeway at Shoemaker/Firestone (Norwalk)	Jul 94	0.8	L	0.003	4
Spane Park (Paramount)	Jul 94	5	L	0.008	9
Orange/Cortland Parkway (Paramount)	Jul 94	1.3	L	0.002	3
Carpenter School (Downey)	Aug 94	7.4	AF,L	0.007	7
Brookside Equestrian Center (Walnut)	Aug 94	13.6	L	0.003	3
Field, S/W corner Norwalk/Telegraph (S.F. Springs)	Aug 94	5.2	L	0.010	11
Washington Elementary School (Whittier)	Sep 94	5	AF,L	0.007	3
605 Freeway at Beverly (Whittier)	Sep 94	30	L	0.044	50
John Anson Ford Park (Bell Gardens)	Sep 94	45	L	0.054	60
Ramona Park (Norwalk)	Oct 94	4.8	L	0.004	4
Alondra median (Paramount)	Oct 94	0.6	L	0.007	8
Imperial/Wright Road medians (Lynwood)	Oct 94	0.2	L	0.001	1
Walnut Valley Water District Office (Walnut)	Oct 94	0.2	L	0.002	2
Cattelus Development (Walnut)	Oct 94	18.9	L	0.016	18
Circuit City, 501 Cheryl Lane (Walnut)	Oct 94	1	L	0.007	8
Dreyer's Grand Ice Cream, 351 Cheryl Lane (Walnut)	Oct 94	0.6	L	0.003	3
Sorenson Elementary School (Whittier)	Oct 94	4	AF,L	0.006	7
Palm Park West (Whittier)	Nov 94	5	L	0.008	8
Metrolink Station (Industry)	Nov 94	0.6	L	0.002	3
Little Lake Park (Santa Fe Springs)	Dec 94	18	L	0.033	36
Sundance Condominiums (Cerritos)	Jan 95	9	L	0.028	32
Del Paso High School (Walnut)	Jan 95	3	AF,L	0.003	3

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**TABLE 7**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**(PAGE 6 OF 12)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Dow Corning, 20832 Currier Road (Walnut)	Jan 95	0.1	L	0.0001	0.1
John Anson Ford Park (Bell Gardens)	Sep 94	45	L	0.054	60
Circuit City Headquarters, Currier/Lemon (Walnut)	Apr 95	1.1	L	0.005	6
Sysco Food Service, 20701 Currier Road (Walnut)	Apr 95	2.3	L	0.012	13
Tung Hsin Trading, 20420 E. Business Pkwy (Walnut)	Apr 95	0.8	L	0.003	4
Amergence Tech. Inc., 20480 E. Bus. Pkwy (Walnut)	Apr 95	0.9	L	0.003	3
Dura Freight Lines, 515-525 S. Lemon (Walnut)	Apr 95	0.5	L	0.001	1
S/W-S/E Corner Lemon/Bus. Parkway (Walnut)	Apr 95	0.2	L	0.004	4
Dura Freight Lines, 20275 Bus. Parkway (Walnut)	Apr 95	1.3	L	0.003	3
Coaster Co. of America, 20300 Bus. Parkway (Walnut)	Apr 95	0.7	L	0.003	3
Dura Freight Lines, 20405 Bus. Parkway (Walnut)	Apr 95	1	L	0.003	3
Dura Freight Lines, 20595 E. Business Pkwy (Walnut)	Apr 95	0.8	L	0.001	2
Dura Freight Lines, 20445 E. Business Pkwy (Walnut)	Apr 95	0.7	L	0.001	2
Orange Grove School (Whittier)	Apr 95	6.6	AF,L	0.004	5
South Middle School (Downey)	May 95	15.8	AF,L	0.007	8
Nuffer Elementary School (Norwalk)	Jun 95	10.4	AF,L	0.007	8
Lampton Middle School (Norwalk)	Jun 95	9.5	AF,L	0.009	10
THUMS (Long Beach)	Jun 95	8	I	1.035	1,160
820 Fairway Drive medians (Industry)	Jun 95	0.1	L	0.002	2
Spencer N Enterprises, Inc., 435 S. Lemon (Walnut)	Jun 95	0.5	L	0.001	1
General Electric, 19805 E Business Pkwy (Walnut)	Jun 95	1.1	L	0.005	6
Menlo Logistics, 20002 E. Business Pkwy (Walnut)	Jun 95	4	L	0.006	7
General Electric, 20005 E. Business Parkway (Walnut)	Jun 95	6.7	L	0.010	11
Hargitt Middle School (Norwalk)	Jul 95	9.5	AF,L	0.025	28
Norwalk Adult School (Norwalk)	Jul 95	17.2	AF,L	0.026	29
John Glenn High School (Norwalk)	Jul 95	38.8	AF,L	0.039	44
Ramona Elementary School (Norwalk)	Jul 95	6.8	AF,L	0.004	4
New River Elementary School (Norwalk)	Jul 95	10.3	AF,L	0.008	9
Morrison Elementary School (Norwalk)	Sep 95	7.7	AF,L	0.003	4
Katherine Edwards Middle School (Whittier)	Sep 95	19	AF,L	0.022	24
Longfellow Elementary School (Whittier)	Sep 95	4.5	AF,L	0.004	5
Walter Dexter Middle School (Whittier)	Sep 95	15.5	AF,L	0.007	8
D.D. Johnston Elementary School (Norwalk)	Sep 95	8.9	AF,L	0.006	7
Corvallis Middle School (Norwalk)	Sep 95	16.9	AF,L	0.030	34
Norwalk High School (Norwalk)	Sep 95	35.1	AF,L	0.033	37
Heritage Park (Santa Fe Springs)	Oct 95	9.2	L	0.009	10
Belloso Farm Nursery (Paramount)	Oct 95	2.5	O	0.002	2
Robertson's Ready-Mix (Paramount)	Nov 95	--	I	0.007	8
Cerritos Nursery (Cerritos)	Dec 95	3	O	0.006	7
Spadra Gas-to-Energy Plant	Dec 95	--	I	0.049	55
Founders Memorial Park (Whittier) (13)	Jan 96	4	L	0.008	9
Los Nietos Park (Santa Fe Springs)	Jan 96	11.2	L	0.014	15
Bell Gardens Soccer Field (Bell Gardens)	Feb 96	2.6	AF	0.004	5
Jersey Ave. School/city athl. fields (S.F. Springs)	Mar 96	8	AF	0.004	5
Salt Lake Municipal Park (Huntington Park) (14)	Apr 96	20.9	L	0.040	45
Sorenson Park (Whittier) (15)	May 96	10.7	L	0.016	18
Sorenson Library (Whittier) (16)	May 96	0.4	L	0	0
Encore Maintenance-Warmington Homes (Cerritos)	May 96	1.1	L	0.002	3
Bellflower Blvd. medians (Bellflower)	Jul 96	0.3	L	0.002	3
Alta Produce (Paramount)	Aug 96	4	AG	0.003	2
Artesia Off Ramp - 91 Freeway (Cerritos)	Aug 96	3.3	L	0.005	6
Ping Ting Hsu, 20701 Currier Road (Walnut)	Aug 96	0.1	L	0.001	1
Belloso Farm Nursery (South Gate)	Sep 96	2.5	O	0.001	1
Temple Park (Downey)	Oct 96	1	L	0.001	1

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**TABLE 7**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**(PAGE 7 OF 12)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreeage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Woodruff Avenue medians (Bellflower)	Oct 96	0.8	L	0.005	5
Lawrence Allen & Assoc., 20822 Currier Rd. (Walnut)	Oct 96	0.1	L	0.0001	0.1
Fairway Business Cntr., 19700 Bus. Parkway (Walnut)	Nov 96	0.4	L	0.002	2
Joe Rodgers Park (Long Beach)	Nov 96	4.5	L	0.007	7
Ham Park (Lynwood)	Dec 96	10	L	0	0
Jauregui Nursery (Paramount)	Dec 96	2	O	0.005	6
Heritage Corporate Center (Santa Fe Springs)	Jan 97	29.9	L	0.027	30
Belloso Farm Nursery (Bellflower)	Jan 97	8	O	0	0
Foster Road medians (Norwalk)	Jan 97	0.3	L	0.002	2
Rowland Heights Christian Church (Rowland Heights)	Feb 97	0.5	L	0.001	1
Rosecrans Avenue medians (Paramount)	Mar 97	0.2	L	0.008	9
Texaco/Somerset medians (Paramount)	Mar 97	0.2	L	0.001	1
McLane Mowers (Paramount)	Mar 97	0.6	L	0	0
ABC Nursery (Paramount)	Mar 97	16	O	0	0
L.A. Co. Vector Control Bldg. (S.F. Springs)	Mar 97	3.8	L	0.003	4
Greenstone Warehouse (Santa Fe Springs)	Apr 97	0.4	L	0.002	2
Viewsonic, 510 Cheryl/455 Brea Canyon (Walnut)	Jul 97	1.8	L	0.011	12
Jauregui Nursery (Long Beach)	Jul 97	5	O	0.029	33
McNab Avenue medians (Bellflower)	Jul 97	0.1	L	0.0004	0.5
Foster Road/Premier Ave. medians (Downey)	Aug 97	0.1	L	0.001	1
Palm Growers Nursery (Downey)	Oct 97	7.3	O	0	0
Alondra Blvd medians @ SGR (Bellflower)	Oct 97	0.1	L	0.0002	0.2
Puente Hills Landfill irrigation (Industry)	Nov 97	320	L	0.764	856
Puente Hills Landfill dust control (Industry)	Nov 97	130	I	0.133	149
Puente Hills Gas-to-Energy Facility (Industry)	Nov 97	--	I	0.607	680
Midway International (Cerritos)	Feb 98	0.3	L	0.001	1
Countryside Suites (Diamond Bar)	Mar 98	1.4	L	0.003	3
Lugo Park (Cudahy)	Apr 98	7	L	0.005	5
Rose Hills Memorial Park - upper area (Whittier)	Jun 98	298	L	0.373	418
El Dorado Lakes Condominiums (Long Beach)	Aug 98	11	L	0.025	28
Bloomfield Associates, 17871 Park Plaza Dr. (Cerritos)	Sep 98	0.5	L	0.001	1
Maruichi American building (Santa Fe Springs)	Oct 98	0.4	L	0.001	1
Diamond Crest Homeowners Assn. (Diamond Bar)	Oct 98	14	L	0.018	20
Norm Ashley Park (Walnut)	Nov 98	0.2	L	0.0005	1
Play Hut, 368 Cheryl Lane (Walnut)	Nov 98	0.8	L	0.003	3
Waterfall Estates (Rowland Heights)	Dec 98	1.2	L	0.004	5
WalMart (Long Beach)	Dec 98	3	L	0.014	16
Norwalk Golf Course (Norwalk)	Jan 99	8	L	0.022	25
Vestar Development (Long Beach)	Feb 99	8	L	0.035	39
Soco-Lynch Corp. building (Santa Fe Springs)	Feb 99	1	L	0.002	3
183 <sup>rd</sup> Street On Ramp - 91 Freeway (Cerritos)	Feb 99	0.6	L	0.001	1
MC&C building (Santa Fe Springs)	Mar 99	0.7	L	0.007	7
Lakewood Blvd. medians (Paramount)	Mar 99	0.2	L	0.002	2
Progress Park (Paramount)	Mar 99	6.2	L	0.012	14
Garfield Avenue medians (Paramount)	Apr 99	0.1	L	0.001	1
Calvary Chapel (Diamond Bar)	Apr 99	1	L	0.014	16
B&B Pallet Co. (South Gate)	May 99	--	I	0	0
Hi-Tek Warehouse, 20851 Currier Road (Walnut)	Jun 99	0.2	L	0.001	1
Garcia's Nursery (Bellflower)	Jun 99	6	O	0	0
Campus Group Inc, 319 Cheryl Road (Walnut)	Jul 99	0.1	L	0	0
Wind River Homeowners Assn. (Rowland Heights)	Jul 99	12.6	L	0.031	35
AT&T building, 12900 Park Plaza Drive (Cerritos)	Aug 99	0.9	L	0.010	11
Orange Avenue medians (Paramount)	Aug 99	0.1	L	0.003	3
Metropolitan State Hospital (Norwalk)	Sep 99	80	L	0	0

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**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**(PAGE 8 OF 12)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Moffit School (Norwalk)	Sep 99	1.6	AF,L	0.005	5
L.A. Fitness Inter., 20801 Golden Springs (Industry)	Sep 99	1.2	L	0.001	2
Comtop Enterprises, 268 Benton Court (Industry)	Sep 99	0.3	L	0.001	1
Gemini Foods Corp., 251 Benton Court (Industry)	Sep 99	0.6	L	0.001	1
Tri-Net Technology, 21709 Ferraro Parkway (Industry)	Sep 99	0.3	L	0.001	1
Hupa International, 21717 Ferraro Parkway (Industry)	Oct 99	0.3	L	0.0003	0.3
Nu-Health Products, 20875-85-95 Currier (Walnut)	Oct 99	0.1	L	0	0
Rio Hondo Channel (Downey)	Nov 99	0.8	L	0.001	1
Simms Park (Bellflower)	Dec 99	12.5	L	0.014	15
Lemon Avenue medians (Industry)	Dec 99	0.1	L	0.0003	0.4
Prudential Insurance Co., 21558 Ferraro. (Walnut)	Jan 00	3.5	L	0.008	9
Foster Road Greenbelt (Norwalk)	Mar 00	3.3	L	0.003	3
McDonald's Restaurant (Diamond Bar)	Mar 00	0.1	L	0.001	1
San Luis Street @ flood channel (Paramount)	Apr 00	3	L	0.005	1
J&L Footwear, 250 Benton Court (Industry)	Jul 00	0.6	L	0.001	1
Jefferson School (Paramount)	Jul 00	0.5	AF,L	0.003	3
Columbus High School (Downey)	Aug 00	25	AF,L	0.015	17
Triangle Park (South Gate)	Nov 00	0.4	L	0.002	2
Markwins Inter. Corp., 22067 Ferraro (Industry)	Nov 00	1.9	L	0.004	4
Lee Wang LLC, 21901 Ferraro Parkway (Industry)	Nov 00	2	L	0.005	6
Sun Yin USA, 280 Maclin Court (Industry)	Nov 00	0.8	L	0.001	2
SL Investment Group LLC, 218 Maclin Ct. (Industry)	Nov 00	1.5	L	0.002	2
Morrow Meadows, 231 Benton Court (Industry)	Apr 01	0.9	L	0.002	2
Golden Springs Business Park (Santa Fe Springs)	Apr 01	31.4	L	0.113	126
The Cross Schools of Education (Walnut)	May 01	0.6	AF,L	0.001	1
Bellflower Storage (Bellflower)	Jun 01	3	L	0.002	2
Railroad Beautification (Paramount)	Jul 01	0.5	L	0	0
Rio Hondo Channel (Bell Gardens)	Jul 01	0.3	L	0.003	3
Bank of the West (Rowland Heights)	Sep 01	0.1	L	0.0004	0.4
Gym/Teen Center (Walnut)	Sep 01	0.6	L	0.001	2
CDM building (Santa Fe Springs)	Oct 01	0.1	L	0.002	2
Laskey-Weil building, 13101 Moore Street (Cerritos)	Oct 01	0.4	L	0.002	2
Willow Street medians (Long Beach)	Dec 01	2.4	L	0.003	3
Yellow Box Corp., 19835 Walnut Drive (Walnut)	Dec 01	0.3	L	0.002	2
Harvard Estates (Rowland Heights)	Dec 01	2	L	0.002	3
L.A. Co. Recorder's Office (Norwalk)	Jan 02	2.7	L	0.014	15
Tays Cool Fuel (Paramount)	Feb 02	0.2	L	0.003	3
Walnut Nazarene Church (Walnut)	Feb 02	0.8	L	0.0003	0.3
Antelope Valley Farms (Palmdale)	Mar 02	2,100	AG	7.038	7,887
L.A. River landscaping (South Gate)	Mar 02	2.5	L	0.001	1
Majestic Mgmt., 168-188 Brea Canyon Rd. (Walnut)	Apr 02	0.6	L	0.002	2
Synnex, 108-118 Brea Canyon Rd. (Walnut)	Apr 02	0.7	L	0.002	3
Majestic Management, 108-288 Mayo Drive (Walnut)	Apr 02	0.1	L	0.005	5
Holiday Inn Express (Walnut)	May 02	0.4	L	0.002	2
Lemon Avenue Investments (Walnut)	Jun 02	0.6	L	0.002	3
Magnolia at Snow Creek (Walnut)	Jul 02	5.4	L	0.018	21
Lakewood-Adoree medians to 105 Fwy. (Downey)	Jul 02	3.4	L	0.031	35
River Ridge Golf Course (Pico Rivera)	Jul 02	21.3	L	0.021	24
Long Beach Water Dept. Impoundment (Long Beach)	Jul 02	--	I	0.001	1
Everbright Management, 1163 Fairway (Industry)	Sep 02	0.6	L	0.003	4
Everbright Management, 1169 Fairway (Industry)	Sep 02	0.2	L	0.001	1
Kelly Paper, 228 Brea Canyon Road (Walnut)	Sep 02	1.2	L	0.0004	0.4
V-Tec Automotive, 19677 Valley Blvd. (Walnut)	Sep 02	0.1	L	0.0001	0.2
Grand and Valley landscaping (Walnut)	Sep 02	0.1	L	0.005	6

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**TABLE 7**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**(PAGE 9 OF 12)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Extra Space Storage (Walnut)	Oct 02	0.8	L	0.001	1
Latter Days Saints Church (Walnut)	Oct 02	0.9	L	0.003	3
Nogales and Killian landscaping (Rowland Heights)	Oct 02	0.1	L	0.001	1
A&R West Family LLC, 20855 Golden Sprgs. (D. Bar)	Nov 02	0.2	L	0.001	1
Chancellor Village Senior Housing (Cerritos)	Nov 02	0.9	L	0.002	2
Simon Trucking (Santa Fe Springs)	Nov 02	0.9	L	0.001	1
Foster/Coldbrook medians (Bellflower)	Nov 02	0.1	L	0.0003	0.4
L.A. County Library (Norwalk)	Nov 02	0.9	L	0.005	6
Metro State/Wheelabrator (Norwalk)	Jan 03	B	I	0.248	278
Alamitos Seawater Intrusion Barrier (Long Beach)	Feb 03	--	R	2.116	2,372
Boeing (Long Beach)	Mar 03	52	L	0.013	14
Brea Canyon Rd./Old Ranch Road medians (Industry)	May 03	0.1	L	0.0002	0.2
CLT Computers, Inc., 20153 Paseo del Prado (Walnut)	May 03	0.6	L	0.002	2
Rio Hondo College (Whittier)	Jun 03	85	AF,L	0.023	26
Mill Elementary School (Whittier)	Jun 03	15	AF,L	0.008	9
Del Amo Blvd. Greenbelt (Lakewood)	Jul 03	0.3	L	0.002	3
Imperial Equestrian (South Gate)	Jul 03	1.5	L	0.004	4
Norwalk Walkway/Parking (Santa Fe Springs)	Jul 03	1	L	0.003	4
Tournament Players Club (Santa Clarita)	Aug 03	120	L	0.277	311
The Old Road medians, 26840-27236 (Santa Clarita)	Aug 03	5.8	L	0.020	22
Autosmart Intl., 19885 Harrison Ave. (Industry)	Aug 03	0.2	L	0.001	1
Broadway.com, 19715 Harrison Ave. (Industry)	Aug 03	0.5	L	0.002	2
Bayharbor-Harrison Assn., 19901 Harrison (Industry)	Aug 03	0.8	L	0.003	4
J Pack International, 19789 Harrison Ave. (Industry)	Aug 03	0.5	L	0.001	1
Ziprint Image Corp., 19805 Harrison Ave. (Industry)	Aug 03	0.2	L	0.001	1
San Malone Enterprises, 19865 Harrison (Industry)	Aug 03	0.3	L	0.002	3
Shinotec Group, Inc., 19685 Harrison Ave. (Industry)	Aug 03	0.4	L	0.001	1
Majestic Realty, Grand Ave./Village Staples (Walnut)	Aug 03	1.6	L	0.005	6
Orange Grove Services, Lemon/La Puente (Walnut)	Sep 03	0.4	L	0.003	3
Max Property LLC, 21401 Ferraro Pkwy. (Industry)	Sep 03	0.7	L	0.004	5
NP 21301 Ferraro Pkwy., 21301 Ferraro (Industry)	Sep 03	0.8	L	0.002	2
568 TriNet Court (Walnut)	Oct 03	0.3	L	0.001	1
Steve Horn Way/Bellflower medians (Downey)	Nov 03	0.3	L	0.015	17
Walnut City Hall (Walnut)	Dec 03	0.6	L	0.001	1
Walnut Senior Center (Walnut)	Dec 03	0.5	L	0.001	1
Hill's Pet Nutrition, 318 Brea Canyon Rd. (Walnut)	Dec 03	2.6	L	0.006	7
Young Hoon Cho, 1709 Nogales St. (Rowland Heights)	Mar 04	0.1	L	0.0003	0.4
Shell Station, 21103 Golden Springs Dr. (Diamond Bar)	Mar 04	0.1	L	0.0003	0.4
Ferraro/Grand East ramp (Industry)	Apr 04	3.8	L	0.005	6
Hing Wa Lee Plaza, 1569 Fairway Dr. (Walnut)	May 04	0.1	L	0.001	1
Tucker Elementary School (Long Beach)	May 04	3	AF, L	0.005	6
Southcoast Cabinet, 20625 Lycoming St. (Walnut)	Jun 04	0.3	L	0.001	1
APL Logistics, 408 Brea Canyon Rd. (Walnut)	Jun 04	2.1	L	0.006	7
Alamitos Hill Reservoir landscaping (Long Beach)	Jul 04	8.6	L	0.002	2
Adnoff Family Trust, 20801 Currier Rd. (Walnut)	Jul 04	0.1	L	0.001	1
Sentous Valley LLC, 2889 Valley Blvd. (Walnut)	Aug 04	0.1	L	0.0004	0.4
Pro Growers Nursery (Norwalk)	Sep 04	11.3	O	0.040	45
Kaiser Administration building (Downey)	Oct 04	2.5	L	0.005	6
Downey Studios (Downey)	Oct 04	1	L	0.004	5
Community Day School (Walnut)	Nov 04	0.1	AF,L	0.0004	0.5
Majestic Mgmt., Bldg. 25 on Mayo Dr. (Walnut)	Jan 05	0.1	L	0.0003	0.3
Gateway Pointe (Whittier)	Jan 05	8	L	0.016	18
Puente Hills Materials Recovery Facility (Industry)	Feb 05	2.4	L	0.005	5
Sy Develop. condos, 20118-20138 Colima, (Walnut)	Jun 05	0.1	L	0.00001	0.01

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**TABLE 7**  
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**(PAGE 10 OF 12)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Dills Park (Paramount)	Jul 05	12.5	L	0.030	34
N/E corner Cheryl Lane/Baker Parkway (Industry)	Aug 05	3.3	L	0.014	16
Jakk's Pacific, Inc. 21733-21749 Baker (Industry)	Aug 05	1.2	L	0.004	4
20813 Valley Blvd. medians (Walnut)	Sep 05	0.4	L	0.001	1
20265 Valley Blvd. medians (Walnut)	Sep 05	0.4	L	0.001	1
19849 Valley Blvd. medians (Walnut)	Sep 05	0.4	L	0.001	1
Kohl's Center (Walnut)	Sep 05	2	L	0.009	10
Hollydale Elementary (South Gate)	Sep 05	3	AF,L	0.001	1
Malburg Generation Station (Vernon)	Oct 05	B	I	0.597	668
Phoenix Private Schools (Rowland Heights)	Dec 05	0.1	AF,L	0.0002	0.2
The Home Depot, 21535-21651 Baker (Industry)	Jan 06	2.8	L	0.009	10
Industry East Land LLC, 21415 Baker (Industry)	Jan 06	2.3	L	0.006	7
Stuart and Gray medians (Downey)	Dec 05	0.4	L	0.006	7
Woodruff and Maple medians (Bellflower)	Mar 06	0.1	L	0.0001	0.1
Charles Hailong Cui, 350 Cheryl Lane (Walnut)	Apr 06	0.7	L	0.004	5
LA Sanchez Nursery (Industry)	Apr 06	5	O	0.010	12
Sculpture Garden (Santa Fe Springs)	May 06	0.6	L	0	0
Fairway median@ Brea Canyon (Walnut)	Jun 06	0.3	L	0.001	1
Grand Avenue Crossing (Industry)	Jul 06	18.5	L	0.019	21
22002 Valley Blvd. (Industry)	Jul 06	1.6	L	0.003	4
Foster Road medians (Santa Fe Springs)	Jul 06	1	L	0.009	11
Rose Hills Memorial Park - lower area (Whittier)	Aug 06	275	L	0.438	491
Christian Chapel of Walnut Valley (Walnut)	Aug 06	2.2	L	0.006	6
Target Store T-2179, 747 Grand Ave. (Walnut)	Sep 06	3.9	L	0.006	6
Whittier Narrows Recreation Area (South El Monte)	Sep 06	568	L	0.712	798
Leg Avenue, 19601 E. Walnut Dr. (Walnut)	Oct 06	0.5	L	0.003	3
LandRover (Cerritos)	Dec. 06	0.3	L	0.003	3
Harold M. Pitman Co., 21908-21958 Baker (Industry)	Jan 07	0.8	L	0.002	2
Eastern Agricultural Site (Lancaster)	Feb 07	696	AG	0.845	947
Williams-Sonoma, 21508-21662 Baker (Industry)	Apr 07	4.8	L	0.012	14
FedEx Ground, 200 Old Ranch Road (Walnut)	May 07	28	L	0.012	13
Currier Road Devel. Inc., 20819 Currier Rd. (Walnut)	May 07	0.3	L	0.001	1
Bluff Park (Long Beach)	Jul 07	25.8	L	0.016	17
Stearns Park (Long Beach)	Jul 07	21	L	0.021	24
Bixby Park (Long Beach)	Jul 07	12.5	L	0.013	14
South El Monte High School (South El Monte)	Aug 07	16.1	AF, L	0.062	69
Williams-Sonoma, 21700 Baker (Industry)	Aug 07	2	L	0.006	6
Douglas Park development (Long Beach)	Nov 07	2.1	L	0.062	70
21350 Valley Blvd. (Industry)	Feb 08	0.4	L	0.001	1
Grand Avenue Venture, 21508 Ferraro Pkwy (Walnut)	Apr 08	3.5	L	0.003	4
Space Learning Center (Downey)	Apr 08	10.5	L	0.024	27
Surgical Center, Carmenita & 166 <sup>th</sup> (Cerritos)	May 08	0.1	L	0.0003	0.4
UPS Parking Structure, 13150 Moore (Cerritos)	May 08	0.5	L	0.001	1
Grand Avenue/Baker Parkway medians (Industry)	May 08	6.7	L	0.013	14
Majestic Management, 21530-21590 Baker (Industry)	May 08	2	L	0.008	9
Cornerstone Commerce Center (Downey)	Jun 08	0.8	L	0.006	7
Gomez Upholstery, 19935 Valley Blvd. (Walnut)	Jul 08	2	L	0	0
Susann Sutseng Lee, 1335-1337 Otterbein (Rowland)	Jul 08	0.1	L	0.0004	0.4
Golden Springs Plaza (20657 Golden Sprgs (Dia. Bar)	Aug 08	0.4	L	0.002	2
Chili's Restaurant, Golden Springs Dr. (Diamond Bar)	Sep 08	0.01	L	0.001	1
Majestic Management, 21808 Garcia Ln. (Industry)	Sep 08	0.5	L	0.001	2
Majestic Management, 21858 Garcia Ln. (Industry)	Sep 08	0.4	L	0.001	2
Majestic Management, 21912 Garcia Ln. (Industry)	Sep 08	0.3	L	0.001	1
Majestic Management, 21760-21788 Garcia (Industry)	Sep 08	0.4	L	0.001	2

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				<u>(MGD)</u>	<u>(AFY)</u>
CFT Development, Golden Springs Dr. (Diamond Bar)	Oct 08	0.01	L	0.001	1
Mora Drive medians (Santa Fe Springs)	Oct 08		L	0.004	5
Jenny Hsieh, 20125 Valley Blvd. (Walnut)	Nov 08	0.03	L	0.00003	0.03
UPS Main Building, 13233 Moore (Cerritos)	Nov 08	4.4	L	0.012	13
Fountain Walk Senior, 18310 Carmenita (Cerritos)	Nov 08	0.1	L	0.0004	0.4
Public Works Dept. sewer flushing (Lancaster)	Jan 09	--	I	0.001	1
Public Works Dept. street sweeping (Lancaster)	Feb 09	--	I	0.0004	0.4
ASCIIP Building, 16550 Bloomfield (Cerritos)	Feb 09	0.1	L	0.0004	1
Tincher Elementary School (Long Beach)	Feb 09	1.5	AF, L	0.004	5
Firestone Blvd. medians (Downey)	Feb 09	0.1	L	0.0004	0.4
Citibank, 8764 Firestone Blvd. (Downey)	Feb 09	0.1	L	0.001	1
Brea Canyon Rd./Currier Road median (Walnut)	Feb 09	2	L	0.005	5
Cardinal Capital Partners, Currier/Lemon (Walnut)	Mar 09	2.5	L	0	0
Family Property Holdings, 20888 Amar Rd. (Walnut)	May 09	0.04	L	0.0004	0.5
KW Global Inc., 293 Brea Canyon Drive (Walnut)	May 09	0.3	L	0.001	2
Steve Horn Pkwy. medians @ Kaiser (Downey)	May 09	1.4	L	0.023	26
Walgreens/Big Lots, 9018 Firestone (Downey)	May 09	0.4	L	0.003	4
Lancaster University Center (Lancaster)	May 09	2	L	0	0
12800 Center Court (Cerritos)	Jul 09	0.4	L	0.002	2
Pacific Alloy Casting (South Gate)	Jul 09	--	I	0.016	18
Sunshine Park (L.A. County)	Jul 09 (May 86)	4	L	0.002	3
Rowland Elementary School (Rowland Heights)	Jul 09 (May 86)	3	AF,L	0.002	2
Farjardo School (Rowland Heights)	Jul 09 (May 86)	4	AF,L	0.0005	1
Farjardo Park (Rowland Heights)	Jul 09 (May 86)	4	L	0.001	2
Nogales High School (L.A. County)	Jul 09 (Jun 86)	11	AF,L	0.005	6
Queen of Heaven Cemetery (Rowland Hts.)	Jul 09 (Jun 86)	35	L	0.003	3
Schabarum Regional County Park (L.A. County)	Jul 09 (Sep 86)	233	L	0.020	22
Pepperbrook Park (Hacienda Heights)	Jul 09	4.4	L	0.002	2
Countrywood Park (Hacienda Heights)	Jul 09	5.4	L	0.002	2
Rowland Heights Golf Center (Rowland Heights)	Jul 09	8	L	0.002	3
Medians at 755 Nogales (Industry)	Jul 09	0.1	L	0.0001	0.1
Medians at 4115-1/2 Nogales (West Covina)	Jul 09	0.1	L	0.001	2
Medians at 2654-1/2 Valley (West Covina)	Jul 09	0.2	L	0.00003	0.03
Bu Sha Temple, 4111 Nogales (West Covina)	Jul 09	0.5	L	0.0001	0.1
Megan Racing, 788 Phillips (Industry)	Jul 09	0.1	L	0.0004	0.4
JJ Plaza, 18253 Colima (Rowland Heights)	Jul 09	0.1	L	0.0001	0.1
New World RTCI-LP, 18958 Daisetta (Rowland Hts.)	Jul 09	0.1	L	0.00001	0.02
Battery Technology, 16651 Johnson (Industry)	Jul 09	0.1	L	0.0001	0.1
FTH Group Inc., 16685 Johnson (Industry)	Jul 09	0.1	L	0.0001	0.1
Ancillary Provider 16664 Johnson (Industry)	Jul 09	0.1	L	0.0001	0.1
Ancillary Provider 16666 Johnson (Industry)	Jul 09	0.2	L	0.0002	0.3
Pan American, 16610 Gale Ave. (Industry)	Jul 09	0.2	L	0.0002	0.2
Blue Pacific, 1354 Marion Ct. (Industry)	Jul 09	0.2	L	0.0003	0.3
Romano's Macaroni Grill, 17603 Colima (Rowland)	Jul 09	0.1	L	0.001	1
Acosta Growers, 16412 Wedgeworth Dr. (Industry)	Jul 09	5	O	0.001	1
Wedgeworth Elementary School (Hacienda Heights)	Aug 09	2.5	AF,L	0.001	1
Wilson High School (Hacienda Heights)	Aug 09	18.3	AF,L	0.006	7
Light of America, Inc. (20722 Currier Rd.) (Walnut)	Sep 09	0.1	L	0.0003	0.3
Ybarra Elementary School (Rowland Heights)	Sep 09	5.6	AF,L	0.008	9
Bixby Elementary School (Hacienda Heights)	Sep 09	6.1	AF,L	0.002	2
Jade Fashion, 1350 Bixby (Industry)	Sep 09	0.1	L	0.0002	0.3
Gutierrez Nursery, 16411 Wedgeworth (Industry)	Sep 09	4	O	0.001	1
Robertson's Ready-Mix	Oct 09	--	I	0.006	7
MTA Bike Trail (Bellflower)	Nov 09	0.1	L	0.001	1

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**TABLE 7**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**(PAGE 12 OF 12)**

Whittier Narrows Golf Course (South El Monte)	Dec 09	260	L	0.504	565
Frank Raper, 1215 Bixby (Industry)	Dec 09	0.1	L	0.0001	0.2
Laido International, 16710-12 Johnson (Industry)	Dec 09	0.1	L	0.0002	0.2
Bolt Products, 16725 Johnson Dr. (Industry)	Dec 09	0.1	L	0.0001	0.1
Ily Enterprise, 783 Phillips (Industry)	Jan 10	0.1	L	0.0003	0.3
Superior Profiles, 1325 Bixby (Industry)	Jan 10	0.2	L	0.0002	0.2
60 Fwy., Countrywood & Fullerton (Industry)	Jan 10	5	L	0.003	3
Camacho Strawberries (Industry)	Jan 10	3	O	0.0001	0.1
Advanced Media, 881 Azusa (Industry)	Jan 10	0.1	L	0.001	1
East Group Prop., 855 Anaheim-Puente (Industry)	Mar 10	0.6	L	0.0003	0.4
So.Cal. Air Condition, 16950 Chestnut (Industry)	Mar 10	2	L	0.0003	0.3
USACD, 17101 Chestnut (Industry)	Mar 10	0.3	L	0.0003	0.3
Azusa Blvd Medians (Industry)	Mar 10	0.2	L	0.0001	0.1
Acosta Growers, 17101 Chestnut (Industry)	Mar 10	2.4	O	0.0002	0.2
Paramount Blvd. Medians (Paramount)	Mar 10		L	0.004	4
L.A. Co. ISD bldg., 16610 Chestnut (Industry)	Apr 10	0.5	L	0.0003	0.3
Azusa Property Co., 885 Azusa (Industry)	Apr 10	0.2	L	0.0002	0.2
Golden West Footwear, 16750 Chestnut (Industry)	Apr 10	0.3	L	0.0002	0.2
Teledyne Instruments, 16830 Chestnut (Industry)	Apr 10	0.4	L	0.0004	0.4
Medians, 18927 Daisetta (Rowland Heights)	Apr 10	0.2	L	0.0001	0.1
Colima Medians (L.A. County)	Apr 10	0.1	L	0.0002	0.2
Medians, 1442 Fullerton (Industry)	Apr 10	0.3	L	0.00004	0.05
Teledyne Picco, 16800 Chestnut (Industry)	May 10	0.4	L	0.0003	0.3
Hou Yi Mao Nursery, 18002 Colima (Rowland Hts.)	May 10	1.3	O	0.0002	0.3
East Group Prop., 16700 Chestnut (Industry)	Jun 10	0.6	L	0.001	1
Pro Motion Distribution, 883 Azusa (Industry)	Jun 10	0.1	L	0.0001	0.1
New Age Kaleidoscope, 7 Colima (Industry)	Jun 10	0.6	L	0.001	1
Min Maw Intl. Inc., 18350 San Jose (Industry)	Jun 10	0.7	L	0.001	1
Hot Topic, 18350 San Jose Ave. (Industry)	Jul 10	0.6	L	0.001	1
FedEx, 18305 San Jose Ave. (Industry)	Jul 10	0.6	L	0.001	1
Long Beach DPW sewer flushing (Long Beach)	Aug 10	--	I	0.001	1
Long Beach DPW street sweeping (Long Beach)	Aug 10	--	I	0.0003	0.3
Los Amigos Golf Course (L.A. County)	Aug 10	110	L	0.004	4
Public Works Dept. dust control (Lancaster)	Sep 10	--	I	0.00001	0.01
Donald Miller, 19803 Valley (Walnut)	Sep 10	0.1	L	0.0001	0.3
Hudd Distribution, 18215 Rowland St. (Industry)	Sep 10	0.6	L	0.0003	0.4
New Age Kaleidoscope, 5 Stoner Creek (Industry)	Oct 10	1.4	L	0.0003	0.4
Perrin Manufacturing, 1020 Bixby (Industry)	Oct 10	0.1	L	0.0001	0.2
Centro Watt Operating, 17518A Colima (Industry)	Oct 10	0.4	L	0.00003	0.03
Centro Watt Operating, 17414 Colima (Industry)	Oct 10	0.5	L	0.0001	0.1
717 Nogales LLC, 717 Nogales (Industry)	Oct 10	0.5	L	0.0001	0.1
The Old Road/Magic Mtn. Pkwy medians (Snt. Clarita)	Nov 10	2.8	L	0.003	4
Walgreens, 18308 Colima (Industry)	Dec 10	0.1	L	0.0001	0.1
RWD Office, 3021 S. Fullerton (Industry)	Dec 10	0.3	L	0.0001	0.1
Bell Memorial Church, 1747 Nogales (Rowland Hts.)	Dec 10	0.3	L	0.0002	0.3
Atlantic Ave. medians (South Gate)	Mar 11	16.3	L	0.107	120
Pathfinder Park (Rowland Heights) (Industry)	May 11	29	L	0.00001	0.01
USGVMWD site, 401 Nogales St. (Industry)	May 11	0.5	L	0.0000003	0.0003
East Group Prop., 18551 Arenth Ave. (Industry)	May 11	0.7	L	0.000003	0.003
717 Nogales LLC, 18961 Arenth Ave. (Industry)	May 11	0.5	L	0.000003	0.003
Kimco Realty, 17100 Colima Rd. (Industry)	May 11	3	L	0.000003	0.003
Acme Trading Group, 18501 Arenth (Industry)	May 11	0.9	L	0.00001	0.01
Third Party Enterprises, 18501 Arenth (Industry)	May 11	0.6	L	0.000001	0.001
Floria International 18701 Arenth (Industry)	May 11	0.4	L	0.000003	0.003

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

## 2. LOS ANGELES BASIN

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The treatment plants operated by the Sanitation Districts in the Los Angeles Basin area are the Joint Water Pollution Control Plant (JWPCP) with ocean disposal, and six water reclamation plants (WRPs): La Cañada, Long Beach, Los Coyotes, Pomona, San Jose Creek, and Whittier Narrows. These facilities and the associated trunk sewers comprise the Joint Outfall System (JOS) and together produced 402.46 MGD (450,980 AFY) of effluent in FY 10-11, a decrease of 0.6% from the preceding fiscal year. This decrease was due to the on-going effects of water conservation in response to the 2006-2009 drought and to the lingering effects of the recent nationwide economic recession. This level of flow is equal to that first seen in 1971 and again during the 1976-77 drought. Of the total amount of effluent produced, 123.95 MGD (138,891 AFY), or 30.8 %, was recycled water available for reuse, a slight decrease of 0.1% in total flow from the preceding fiscal year. During FY 10-11, 56.97 MGD (63,842 AFY) was actively reused, a 15.3% decrease from the preceding fiscal year, due mainly to above average rainfall during that year that reduced the use of recycled water for groundwater replenishment. This quantity was 46.0% of the recycled water available and 14.2% of the total effluent produced in the JOS (both percentages decreasing somewhat from the preceding year).

### 2.1 LA CAÑADA WRP

This treatment facility, completed in 1962 and expanded in 1971, is the smallest one operated by the Sanitation Districts and is located on the site of the La Cañada-Flintridge Country Club (Figure 6), at 533 Meadowview Drive, La Cañada, CA 91011. In February 1996, an outfall trunk sewer (for waste activated sludge disposal and excess storm flows) was completed that connected this plant with the main sewer system in the Los Angeles Basin, officially making this plant a JOS facility. The plant, which produces disinfected secondary (activated sludge) effluent, has a capacity of 0.2 MGD; however, it only treated an average of 0.095 MGD (106 AFY) of wastewater generated by the 425 homes surrounding the country club in FY 10-11 (0.02% of the effluent produced in the JOS).

This flow rate represents a 0.9% decrease in average daily flows over the preceding fiscal year. The operation and maintenance (O&M) cost in FY 10-11 to produce this water was approximately \$2,805/AF.

Use of recycled water from this facility is permitted under California Regional Water Quality Control Board, Los Angeles Region (LARWQCB) Order No. 00-099. All of the disinfected secondary effluent from the plant is conveyed to four lakes on the 105-acre golf course. Lake water (augmented by potable water during the summer) is used for landscape irrigation of the golf course. The developers of the country club and neighboring homes financed the construction of the treatment plant, which was later sold to the Sanitation Districts for \$77,268, and the homeowners in District No. 28 finance the plant O&M costs. The operators of the country club are required to use all of the recycled water produced at this facility for irrigation.

### 2.2 LONG BEACH WRP

This treatment facility, located at 7400 East Willow Street, Long Beach, CA 90815, was completed in 1973 and was expanded in 1984 to its current design capacity of 25 MGD. However, it produced only 18.79 MGD (21,052 AFY) of coagulated, filtered, disinfected tertiary recycled water in FY 10-11 (4.7% of the effluent

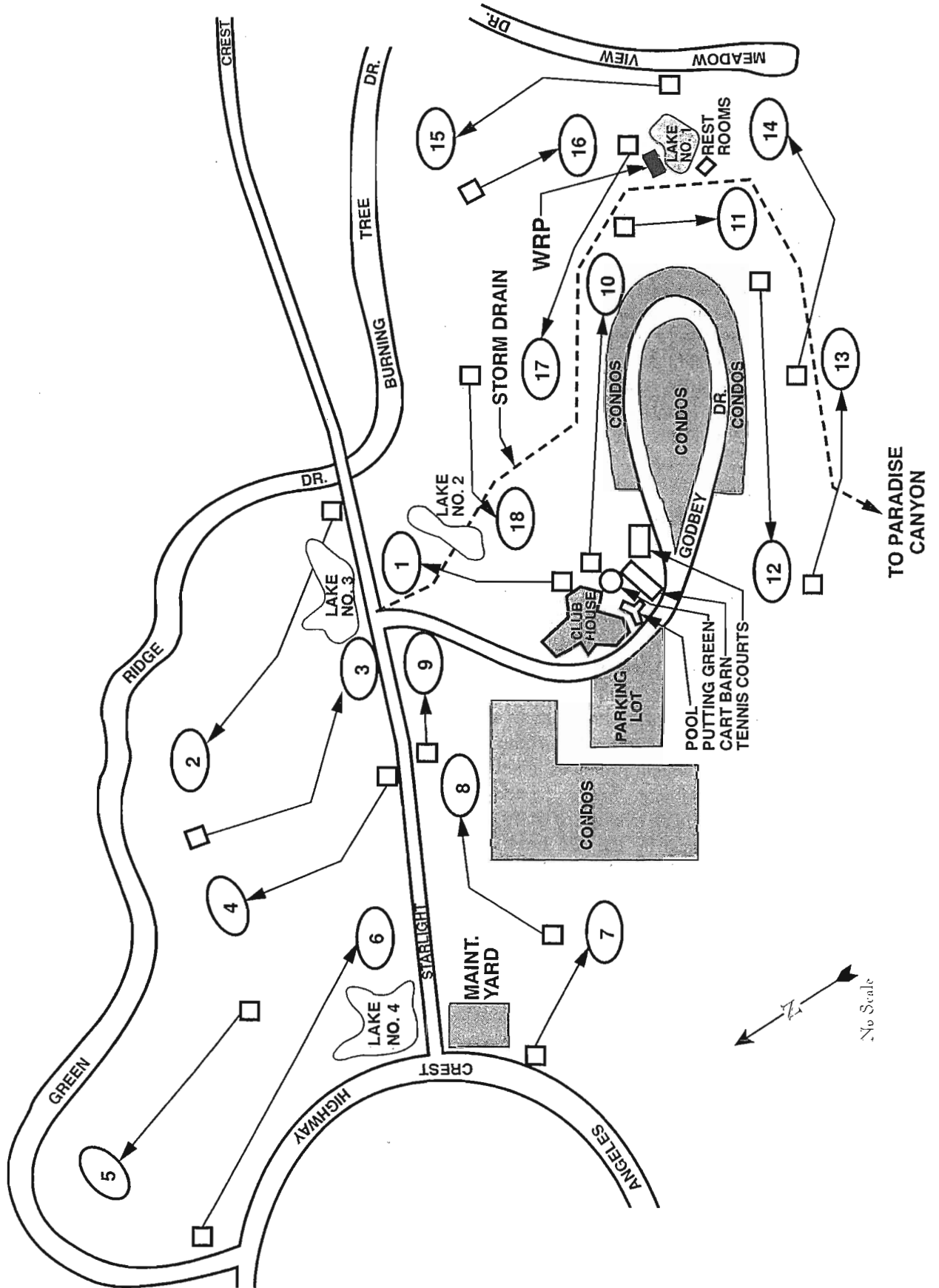
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LA CAÑADA WRP FACTS	
Plant capacity:	0.2 MGD
Water produced and reused:	0.095 MGD 106 AFY 0.9% FY decrease
FY10-11 O&M:	\$2,805/AF
No. of reuse sites:	1 105 acres

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FIGURE 6  
LA CANADA-FLINTRIDGE COUNTRY CLUB



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### LONG BEACH WRP FACTS

Plant capacity:	25 MGD
Water produced:	18.79 MGD 21,052 AFY 2.7% FY increase
FY10-11 O&M:	\$254/AF
Water reused:	5.736 MGD 6,428 AFY 1.9% FY decrease 30.5% of production
Delivery systems:	2 176,630 ft. of pipe
No. of reuse sites:	58 1,928.3 acres

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produced in the JOS), which was a 2.7% increase over the preceding fiscal year, at an O&M cost of approximately \$254/AF. The increase in recycled water production was the result of completed upgrades to the secondary treatment process facilities.

Recycled water quality for FY 10-11 is presented in Table B-1 of Appendix B. An average of 5.736 MGD (6,428 AFY), or 30.5% of the recycled water produced at this plant was delivered for reuse during FY 10-11. This represents a 1.9% decrease from the preceding fiscal year. Use of recycled water from this facility during this fiscal year was permitted under LARWQCB Order Nos. 87-47 and 97-072 (for direct, non-potable reuse), R4-2009-0049 (for non-irrigation uses), and R4-2005-0061 (for seawater intrusion barrier injection).

#### 2.2.1 LONG BEACH WATER DEPARTMENT

Beginning in 1980, the City of Long Beach Water Department (LBWD) embarked on a multi-phase program to distribute recycled water throughout the city, mainly for landscape irrigation (Figure 7). (Note: All recycled water produced at this plant goes to LBWD in exchange for the land on which the Sanitation Districts built the Long Beach WRP.) Recycled water service for use in repressurization of the oil-bearing strata, initially constructed in 1971, was restored to the THUMS project on Island White in June 1995. A narrative description of the layout of LBWD's recycled water distribution system is contained in Appendix C. Table 8 lists the users of the LBWD system as of the end of FY 10-11.

During FY 10-11, LBWD served 3.620 MGD (4,056 AFY), or 19.2% of the recycled water produced at this plant, through approximately 176,630 feet of pipeline (6- to 24-inches in diameter) to 57 direct, non-potable reuse sites encompassing 1,928 acres (additional recycled water was delivered by LBWD to the Alamitos Seawater Intrusion Barrier project, see Section 2.2.2, below). This was a 5.1% decrease from the preceding fiscal year. In August 2010, truck hauling of recycled water from LBWD's recycled water distribution system began for street sweeping and sewer flushing as allowed under the non-irrigation use permit.

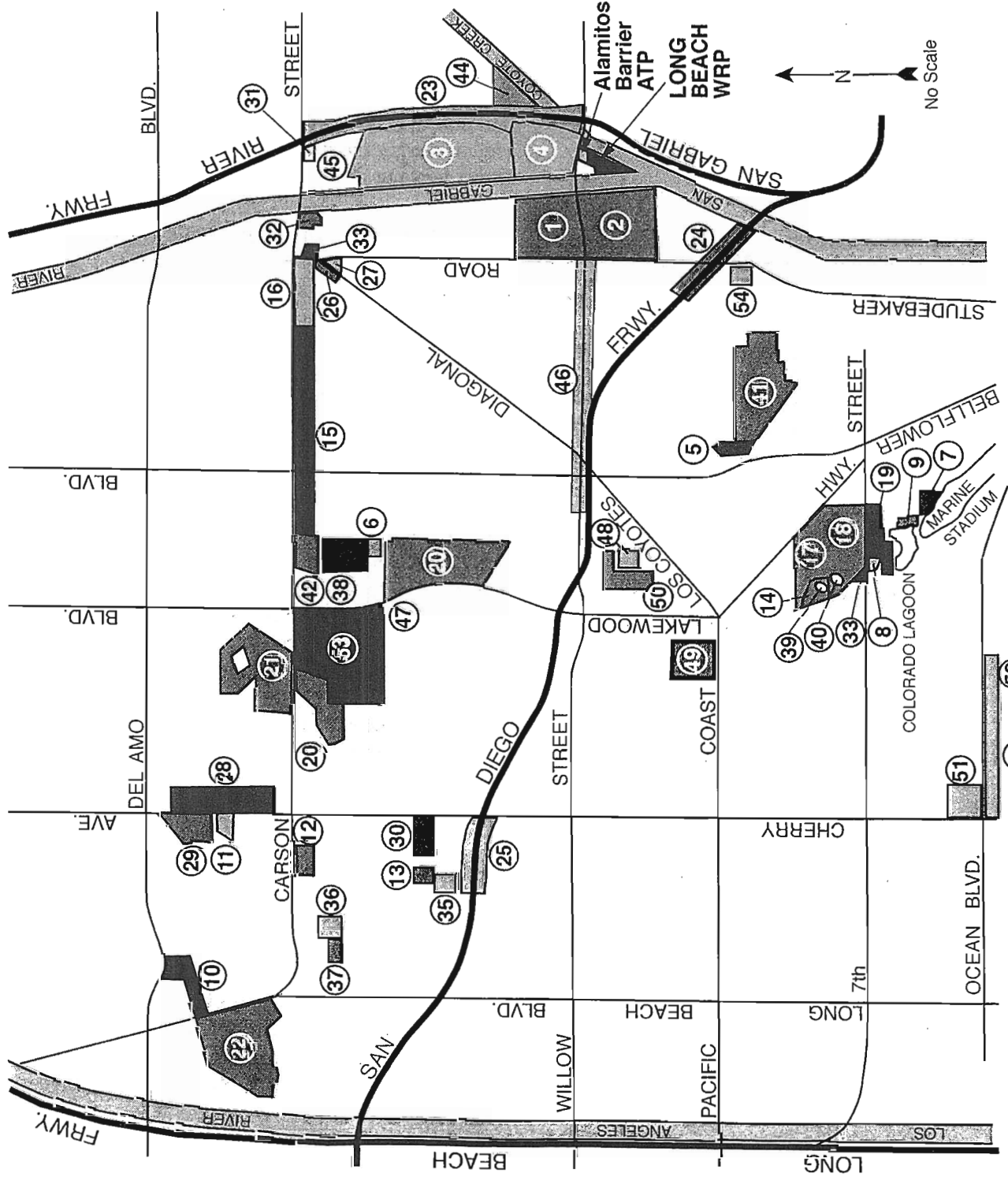
LBWD sells the recycled water at a rate of \$744.00/AF for peak demand (nighttime) usage or \$531.43/AF for off-peak demand (daytime) usage, or between 50-70% of the potable water rate of \$1,062.43/AF.

#### 2.2.2 ALAMITOS SEAWATER INTRUSION BARRIER

Due to over-drafting of the Central Basin aquifer, which underlies and supplies water to the Metropolitan Los Angeles area, the groundwater level in that basin dropped below sea level by the 1950's. This condition allowed salt water to move inland into the aquifer at various points along the coastline leading to contamination of the groundwater supplies. In response, the Los Angeles County Department of Public Works (LACDPW) constructed engineered, freshwater injection barriers in front of the advancing seawater at three locations in Los Angeles County in an effort to stem the landward movement of seawater. One of these barrier projects, the Alamitos Seawater Intrusion Barrier (Alamitos Barrier) is two miles south of the Long Beach WRP, straddling the San Gabriel River and the Los Angeles/Orange County line and creating a pressure ridge in five aquifers across the Alamitos Gap. Historically, between 4,000 and 7,000 AFY of non-interruptible imported water

FIGURE 7  
LONG BEACH WATER DEPARTMENT REUSE SITES

- 1 El Dorado Park West
- 2 El Dorado Golf Course
- 3 El Dorado Park East
- 4 Nature Center
- 5 Whaley Park
- 6 Douglas Park
- 7 Marina Vista Park
- 8 Woodlands Park
- 9 Colorado Lagoon Park
- 10 Scherer Park
- 11 Cherry Ave. Park
- 12 Somerset Park
- 13 Reservoir Park
- 14 Joe Rodgers Park
- 15 Heartwell Park
- 16 Heartwell Golf Course
- 17 Recreation Park
- 18 Recreation Golf Course
- 19 Recreation 9-Hole Golf Course
- 20 Skylinks Golf Course
- 21 Lakewood Golf Course
- 22 Virginia Country Course
- 23 Cal Trans - 605 Frwy.  
@ Warlow, Pioneer, Spring
- 24 Cal Trans - 405 Frwy. @ Atherton
- 25 Cal Trans - 405 Frwy. @ Walnut
- 26 Los Coyotes Diagonal greenbelt
- 27 Lakewood 1st Presbyterian Church
- 28 All Souls Cemetery
- 29 Sunnyside Memorial Park
- 30 Long Beach Water Dept. Office
- 31 WalMart
- 32 Sunrise Growers Nursery
- 33 DeMille Junior High School
- 34 Wilson High School
- 35 Burroughs Elementary School
- 36 Hughes Middle School
- 37 Longfellow Elementary School
- 38 Veteran's Memorial Stadium
- 39 Recreation Park Bowling Green
- 40 Blair Field
- 41 Cal State University, Long Beach
- 42 Long Beach City College
- 43 THUMS
- 44 El Dorado Lakes Condominiums
- 45 Vestar Development (Towne Centre)
- 46 Willow Street medians
- 47 Boeing
- 48 Tucker Elementary School
- 49 Alamitos Hill Reservoir
- 50 Stearns Park
- 51 Bixby Park
- 52 Bluff Park
- 53 Douglas Park Development
- 54 Timber Elementary School



**TABLE 8**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**LONG BEACH WATER DEPARTMENT**  
**(PAGE 1 OF 2)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
El Dorado Park West	Aug 80	135	L	0.128	144
El Dorado Golf Course	Aug 80	150	L	0.223	249
Recreation Park	Oct 82	26	L	0.042	47
Recreation Golf Course	Oct 82	149	L	0.197	221
Whaley Park	Jun 83	9	L	0.017	19
El Dorado Park East	Jan 84	300	L	0.326	365
Nature Center	Jan 84	60	L	0.058	64
605 Freeway at Wardlow	Feb 84	50	L	0.028	32
Heartwell Park	Feb 84	120	L	0.131	147
Skylinks Golf Course	Apr 84	155	L,P	0.228	255
Douglas Park	Apr 84	3	L	0.003	4
405 Freeway at Atherton	May 84	5	L	0.00001	0.01
DeMille Junior High School	Jun 84	5	AF,L	0.0004	0.4
Heartwell Golf Park	Jun 84	30	L	0.060	68
Veterans Memorial Stadium	Jan 85	6	AF	0.021	24
Recreation Park Bowling Green	Aug 85	3	L	0.004	5
California State University, Long Beach	Dec 85	52	AF,L	0.112	125
Long Beach City College	Feb 86	15	AF,L	0.022	25
Recreation 9-Hole Golf Course	Mar 86	37	L	0.059	66
Blair Field	Apr 86	5	AF	0.010	12
Woodlands Park	Apr 86	7	L	0.011	12
Colorado Lagoon Park	Apr 86	4	L	0.003	4
Marina Vista Park	Apr 86	30	L	0.027	30
Lakewood 1st Presbyterian Church	Sep 88	1	L	0.001	1
Virginia Country Club	Mar 89	135	L,P	0.077	86
Lakewood Golf Course	Mar 89	128	L,P	0.272	305
Scherer Park	Mar 89	24	L	0.031	35
Sunnyside Memorial Park	Apr 89	35	L	0.071	79
All Soul's Cemetery	Apr 89	40	L	0.104	116
Cherry Avenue Park	May 89	10	L	0.011	13
Los Coyotes Diagonal	Mar 91	1	L	0.001	1
Wilson High School	Jun 91	5	AF,L	0.022	24
Long Beach Water Department office	Jan 92	2	L	0.002	2
Reservoir Park (Signal Hill)	Feb 92	2	L	0.009	10
Burroughs Elementary School (Signal Hill)	Feb 92	4	AF,L	0.003	3
Hughes Middle School	Apr 92	3	AF,L	0.013	15
405 Freeway at Walnut	Apr 92	9	L	0.008	9
Somerset Park	May 92	3	L	0.001	1
Longfellow Elementary School	May 92	1	AF,L	0	0
THUMS	Jun 95	8	I	1.035	1,160
Joe Rodgers Park	Nov 96	4.5	L	0.007	7
Jauregui Nursery	Jul 97	5	O	0.029	33
El Dorado Lakes Condominiums	Aug 98	11	L	0.025	28
WalMart	Dec 98	3	L	0.014	16
Vestar Development	Feb 99	8	L	0.035	39
Willow Street medians	Dec 01	2.4	L	0.003	3
Long Beach Water Department Impoundment	Jul 02	--	I	0.001	1
Alamitos Seawater Intrusion Barrier (WRD)	Feb 03	--	R	2.116	2,372
Boeing	Mar 03	52	L	0.013	14
Tucker Elementary School	May 04	3	AF, L	0.005	6
Alamitos Hill Reservoir landscaping	Jul 04	8.6	L	0.002	2
Bluff Park	Jul 07	25.8	L	0.016	17
Stearns Park	Jul 07	21	L	0.021	24

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**TABLE 8**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**LONG BEACH WATER DEPARTMENT**  
**(PAGE 2 OF 2)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Bixby Park	Jul 07	12.5	L	0.013	14
Douglas Park residential/commercial development	Nov 07	2.1	L	0.062	70
Tincher Elementary School	Feb 09	1.5	AF, L	0.004	5
Long Beach Public Works sewer flushing	Aug 10	--	I	0.001	1
Long Beach Public Works street sweeping	Aug 10	--	I	0.0003	0.3
<b>TOTALS</b>		<b>1,928.3</b>		<b>5.736</b>	<b>6,428</b>

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

jointly purchased from the Metropolitan Water District of Southern California (MWD) by the Water Replenishment District of Southern California (WRD) and the Orange County Water District (OCWD) was injected into the Alamitos Barrier. In 1993, additional injection wells were constructed, and have increased the freshwater injection capacity at the Alamitos Barrier to 7,500 AFY.

Originally conceived of in the late 1980's, the Leo J. Vander Lans Advanced Water Treatment Facility (LVLAWTF) treats tertiary effluent from the Long Beach WRP with microfiltration and reverse osmosis (MF/RO), followed by application of ultraviolet light (UV) for the destruction of NDMA. The advanced treated product water is then blended with MWD supplies for injection into the seawater intrusion barrier. This project uses the existing 27-inch MWD supply line to the Alamitos Barrier. Construction of the treatment processes on four acres of land directly north of the Long Beach WRP began in late 2001 and was completed in early 2003. After equipment testing and permit adoption by the LARWQCB, actual recycled water deliveries for injection began in October 2005. The approximate \$15 million cost for the LVLAWTF was funded in part by MWD's Local Resource Program and the federal government.

During FY 10-11, the LVLAWTF produced 2.116 MGD (2,372 AFY) of advanced treated recycled water that was injected into the Alamitos Barrier, or 11.3% of the effluent produced at the Long Beach WRP. This was a 4.1% increase in the amount of recycled water used for this application from the preceding fiscal year, although still below the production capacity of the LVLAWTF.

### 2.3 LOS COYOTES WRP

This treatment facility, located at 16515 Piuma Avenue, Cerritos, CA 90703, was completed in 1970 and was expanded in 1975 to its current design capacity of 37.5 MGD. This plant produced an average of 20.87 MGD (23,388 AFY) of coagulated, filtered, disinfected tertiary recycled water during FY10-11 (5.2% of the effluent produced in the JOS), which was a decrease of 13.6% from the preceding fiscal year, at an O&M cost of approximately \$319/AF. Effluent water quality for FY 10-11 is presented in Table B-2 of Appendix B.

Through three contracts, an average of 5.012 MGD (5,617 AFY), or 24.0% of the recycled water produced at this plant was delivered during FY 10-11 for use in the cities of Bellflower, Bell Gardens, Cerritos, Compton, Downey, Lakewood, Lynwood, Norwalk, Paramount, Santa Fe Springs, South Gate, and Vernon. This represents a 4.1% decrease in reuse flows from the preceding fiscal year. Since

the majority of reuse from this plant is for landscape irrigation, the decrease in use is directly attributable to the significant increase in rainfall from the preceding fiscal year. Use of recycled water from this facility is permitted under LARWQCB Order Nos. 87-51 and 97-072.

#### 2.3.1 CITY OF BELLFLOWER

Recycled water deliveries to a single, 5-acre site (Ruth B. Caruthers Park) in this city began in November 1978. During FY 10-11, an average of 0.038 MGD (42 AFY), or about 0.2% of the recycled water produced at this plant, was used at this site for landscape irrigation. This was a 19.2% decrease from the preceding fiscal year.

LOS COYOTES WRP FACTS	
Plant capacity:	37.5 MGD
Water produced:	20.87 MGD 23,388 AFY 13.6% FY decrease
FY10-11 O&M:	\$319/AF
Water reused:	5.012 MGD 5,617 AFY 4.1% FY decrease 24.0% of production
Delivery systems:	4 465,300 ft. of pipe
No. of reuse sites:	275 2,471.5 acres

A 30 HP pump at the end of the plant's effluent forebay supplies recycled water to the park through 1,900 feet of 4-inch pipe that crosses the San Gabriel River along a footbridge.

### *2.3.2 CITY OF CERRITOS*

Initial deliveries to this city also began in November 1978 and consisted of landscape irrigation and ornamental lake supply at the 25-acre Ironwood Nine Golf Course next to the Los Coyotes WRP. Recycled water was supplied to this site by means of a 50 HP pump at the plant's effluent forebay (next to the City of Bellflower pump) and 75 feet of 6-inch pipe. This system was abandoned in May 1988 when the City of Cerritos completed its citywide distribution system, including 142,600 feet of pipeline (Figure 8). A narrative description of the layout of the City of Cerritos' recycled water distribution system is contained in Appendix D. Table 9 lists all of the users of recycled water on the City of Cerritos distribution system as of the end of FY 10-11.

No new users of recycled water were added to the City of Cerritos distribution system during FY 10-11. During FY 10-11, the City of Cerritos used 1.627 MGD (1,823 AFY), or 7.8% of the recycled water produced at the Los Coyotes WRP, for landscape irrigation and impoundments on 755.4 acres at 83 individual sites. This was a decrease of 2.6% from the preceding fiscal year. City trucks also hauled a small amount of recycled water for landscape irrigation. No private water trucks hauled recycled water during this fiscal year. In FY 10-11, the City of Cerritos charged its recycled water customers \$326.70/AF, or 53% of the potable water rate of \$614.20/AF.

### *2.3.3 CITY OF LAKEWOOD*

In August 1989, the City of Lakewood connected to two of the stub-outs provided in the City of Cerritos recycled water distribution system to supply their own distribution system. In 1989, this system consisted of 28,300 feet of pipelines that initially served eight sites. Nine other sites have been connected since then. All of the users of recycled water from the City of Lakewood distribution system, as of the end of FY 10-11, are shown in Figure 9 and listed in Table 10. A narrative description of the layout of the City of Lakewood's recycled water distribution system is contained in Appendix E.

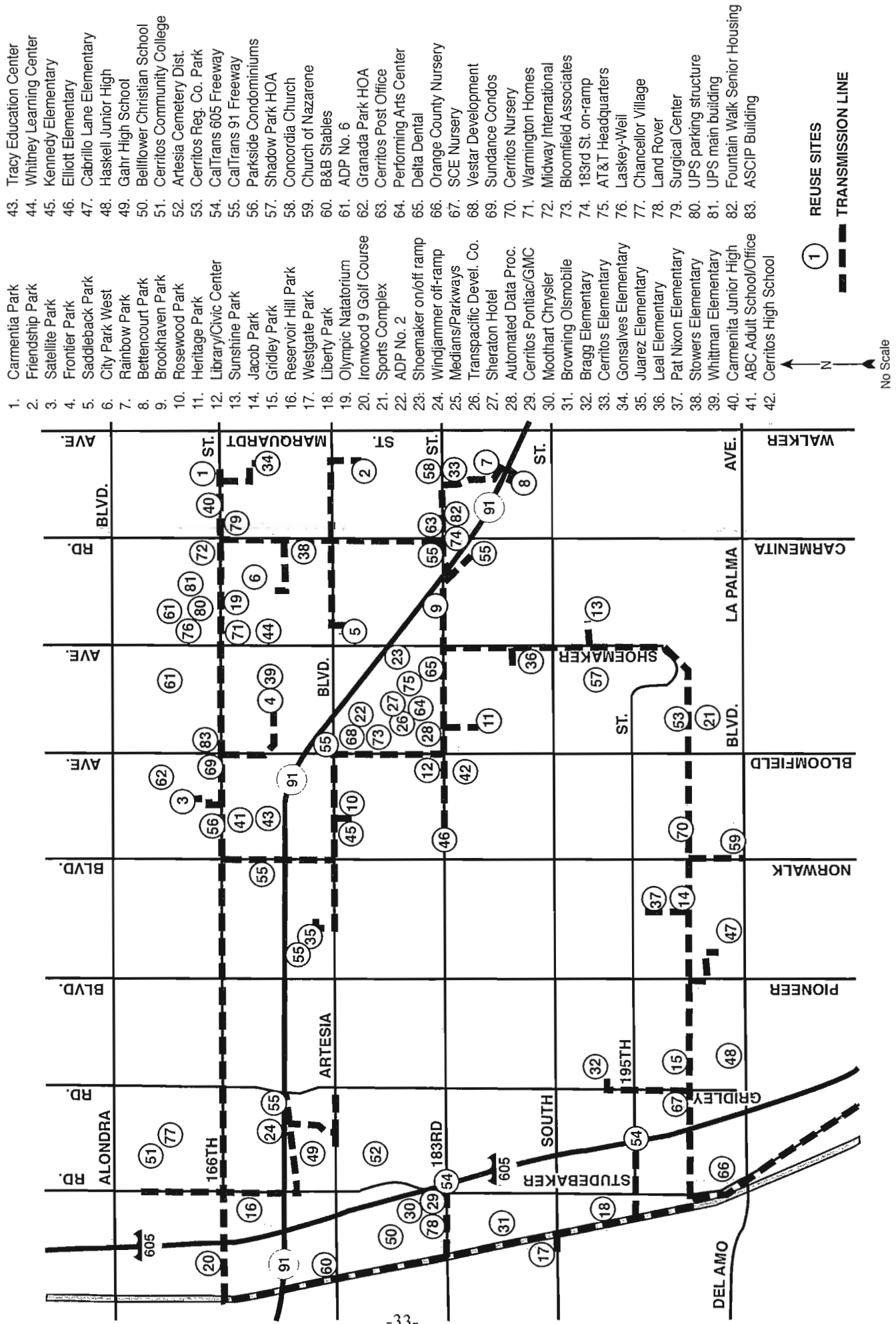
During FY 10-11, the City of Lakewood used 0.395 MGD (443 AFY), or 1.9% of recycled water produced at the Los Coyotes WRP, for irrigation of landscaping, athletic fields, and vegetables on approximately 191 acres at 17 individual sites. This was a slight decrease of 0.2% from the preceding fiscal year. No new reuse sites were added to City's recycled water distribution system in FY 10-11.

The City of Lakewood was charged \$435.60/AF by the City of Cerritos during FY 10-11. The City of Lakewood, in turn, retailed the recycled water to its customers for \$444.31/AF, or 47% of its potable rate of \$945.25/AF. However, it is the City's policy to reimburse its recycled water customers for their capital expenditures to convert their on-site facilities to accept recycled water.

### *2.3.4 CENTRAL BASIN MUNICIPAL WATER DISTRICT (CENTURY SYSTEM)*

Central Basin Municipal Water District (CBMWD), a regional wholesale water purveyor and member agency of MWD, is the lead agency in developing the regional Century recycled water distribution system that serves the cities of Bellflower, Bell Gardens, Compton, Downey, Lakewood, Lynwood, Norwalk, Paramount, Santa Fe Springs, and South Gate. The \$15 million project initially consisted of 26 miles of pipeline connected to one of the 24-inch distribution lines coming from the City of Cerritos pump station, and now has 189,800 feet of pipeline. The backbone of the distribution system is a 30-inch pipeline paralleling the San Gabriel River.

**FIGURE 8**  
**CITY OF CERRITOS RECLAIMED WATER DISTRIBUTION SYSTEM**



1. Carmentia Park
2. Friendship Park
3. Satellite Park
4. Frontier Park
5. Saddleback Park
6. City Park West
7. Rainbow Park
8. Bettencourt Park
9. Brookhaven Park
10. Rosewood Park
11. Heritage Park
12. Library/Civic Center
13. Sunshine Park
14. Jacob Park
15. Gridley Park
16. Reservoir Hill Park
17. Westgate Park
18. Liberty Park
19. Olympic Natatorium
20. Ironwood 9 Golf Course
21. Sports Complex
22. ADP No. 2
23. Shoemaker on/off ramp
24. Windjammer off-ramp
25. Medians/Parkways
26. Transpacific Devel. Co.
27. Sheraton Hotel
28. Automated Data Proc.
29. Cerritos Pontiac/GMC
30. Moothart Chrysler
31. Browning Olsmobile
32. Bragg Elementary
33. Cerritos Elementary
34. Gonsalves Elementary
35. Juarez Elementary
36. Leal Elementary
37. Pat Nixon Elementary
38. Stowers Elementary
39. Whitman Elementary
40. Carmentia Junior High
41. ABC Adult School/Office
42. Cerritos High School
43. Tracy Education Center
44. Whitney Learning Center
45. Kennedy Elementary
46. Elliott Elementary
47. Cabrillo Lane Elementary
48. Haskell Junior High
49. Gahr High School
50. Bellflower Christian School
51. Cerritos Community College
52. Artesia Cemetery Dist.
53. Cerritos Reg. Co. Park
54. CalTrans 605 Freeway
55. CalTrans 91 Freeway
56. Parkside Condominiums
57. Shadow Park HOA
58. Concordia Church
59. Church of Nazarene
60. B&B Stables
61. ADP No. 6
62. Granada Park HOA
63. Cerritos Post Office
64. Performing Arts Center
65. Delta Dental
66. Orange County Nursery
67. SCE Nursery
68. Vestar Development
69. Sundance Condos
70. Cerritos Nursery
71. Warrington Homes
72. Midway International
73. Bloomfield Associates
74. 183rd St. on-ramp
75. AT&T Headquarters
76. Laskey-Well
77. Chancellor Village
78. Land Rover
79. Surgical Center
80. UPS parking structure
81. UPS main building
82. Fountain Walk Senior Housing
83. ASCIP Building



**TABLE 9**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**CITY OF CERRITOS**  
**(PAGE 1 OF 2)**

<u>Reuse Site</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Ironwood 9 Golf Course	Nov 78	25	L,P	0.083	93
Library/Civic Center	Dec 87	4	L	0.014	16
Olympic Natatorium	Dec 87	6	L	0.016	18
Whitney Learning Center	Dec 87	10	AF,L	0.019	21
Gonsalves Elementary School	Dec 87	5	AF,L	0.014	16
Wittman Elementary School	Dec 87	5	AF,L	0.009	10
Gahr High School	Dec 87	28	AF,L	0.053	60
Area Development Project No. 2	Jan 88	11.5	L,P	0.055	61
Medians/Parkways	Jan 88	42.8	L	0.145	162
605 Freeway	Jan 88	58.6	L	0.131	147
91 Freeway	Jan 88	70	L	0.036	41
Frontier Park	Jan 88	2.5	L	0.008	9
Carmenita Junior High School	Jan 88	5	AF,L	0.017	19
Cerritos Elementary School	Jan 88	6	AF,L	0.017	20
Stowers Elementary School	Jan 88	6	AF,L	0.022	25
Kennedy Elementary School	Jan 88	7	AF,L	0.021	24
City Park East	Jan 88	18	L	0.040	45
Satellite Park	Jan 88	2	L	0.005	5
Leal Elementary School	Jan 88	6	AF,L	0.010	11
Cerritos High School	Jan 88	20	AF,L	0.039	44
Elliott Elementary School	Jan 88	7	AF,L	0.013	14
Carmenita Park	Jan 88	4.5	L	0.012	14
Juarez Elementary School	Jan 88	7	AF,L	0.019	21
ABC Adult School & Office	Jan 88	3	L	0.014	15
Tracy Education Center	Jan 88	6	AF,L	0.003	3
Liberty Park	Jan 88	20	L	0.069	77
Gridley Park	Jan 88	9	L	0.019	21
Jacob Park	Jan 88	4.5	L	0.012	13
Heritage Park	Feb 88	12	L	0.034	38
Bragg Elementary School	Feb 88	7	AF,L	0.023	26
Haskell Junior High School	Feb 88	18	AF,L	0.039	44
Pat Nixon Elementary School	Feb 88	5	AF,L	0.009	10
Cabrillo Lane Elementary School	Feb 88	9	AF,L	0	0
Sunshine Park	Feb 88	3.5	L	0.008	9
Friendship Park	Feb 88	4	L	0.008	9
Bettencourt Park	Feb 88	2	L	0.005	5
Brookhaven Park	Feb 88	2	L	0.006	7
Saddleback Park	Feb 88	2	L	0.005	5
Westgate Park	Feb 88	4	L	0.007	8
Rainbow Park	Mar 88	2.5	L	0.007	8
Bellflower Christian School	Mar 88	31.4	AF,L	0.034	38
Cerritos Community College	Mar 88	55	AF,L	0.074	83
Cerritos Regional County Park	Apr 88	59	L	0.109	122
Artesia Cemetery District	Apr 88	10.9	L	0.022	24
Rosewood Park	Apr 88	2.7	L	0.008	9
Sports Complex	Mar 89	25	AF,L	0.045	51
Shoemaker On/Off Ramp - 91 Freeway	Dec 89	4.6	L	0.013	14
Transpacific Development Co.	Feb 90	6.9	L	0.010	11
Automated Data Processing	Feb 90	0.7	L	0.004	4
Sheraton Hotel	Mar 90	0.6	L	0.003	4
Cerritos Pontiac/GMC Truck	May 90	0.5	L	0.001	1
Moothart Chrysler	May 90	0.4	L	0.005	6
Windjammer Off Ramp - 91 Freeway	Sep 90	0.8	L	0.002	2

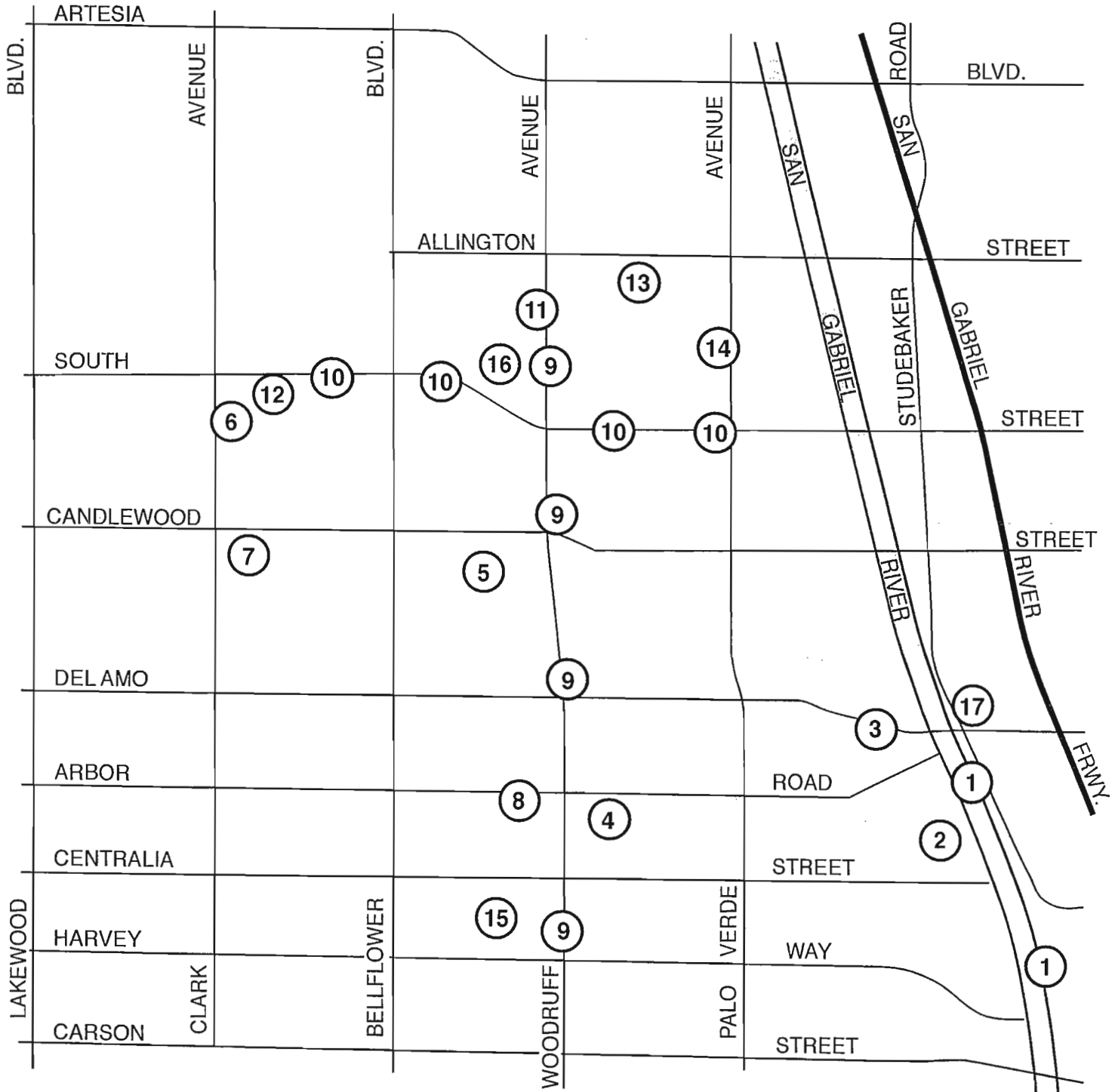
NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**TABLE 9**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**CITY OF CERRITOS**  
**(PAGE 2 OF 2)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Browning Oldsmobile	Sep 90	0.1	L	0.001	1
City Water Truck	May 91	--	L	0.0003	0.4
Private Haulers	May 91	--	I	0	0
Parkside Condominiums	May 91	1.8	L	0.006	6
Concordia Church	Jun 91	4	L	0.005	6
Church of the Nazarene	Aug 91	1	L	0.003	4
B&B Stables	Aug 91	18	I	0.005	5
Shadow Park Homeowner's Association	Nov 91	6	L	0.014	16
Area Development Project No. 6	Apr 92	9	L	0.056	63
Granada Park Homeowners Association	May 92	3.8	L	0.013	15
Cerritos Post Office	Feb 93	0.7	L	0.005	6
Center for the Performing Arts	Mar 93	1	L	0.004	4
Delta Dental	Nov 93	1.8	L	0.002	2
Southern California Edison nursery	Mar 94	3.5	O	0.004	5
Vestar Development	Jun 94	9.6	L	0.035	39
Sundance Condominiums	Jan 95	9	L	0.028	32
Cerritos Nursery	Dec 95	3	O	0.006	7
Encore Maintenance-Warmington Homes	May 96	1.1	L	0.002	3
Artesia Off Ramp - 91 Freeway	Aug 96	3.3	L	0.005	6
Midway International	Feb 98	0.3	L	0.001	1
Bloomfield Associates, 17871 Park Plaza Drive	Sep 98	0.5	L	0.001	1
183 <sup>rd</sup> Street On Ramp - 91 Freeway	Feb 99	0.6	L	0.001	1
AT&T building, 12900 Park Plaza Drive	Aug 99	0.9	L	0.010	11
Laskey-Weil building, 13101 Moore Street	Oct 01	0.4	L	0.002	2
Chancellor Village Senior Housing	Nov 02	0.9	L	0.002	2
LandRover	Dec. 06	0.3	L	0.003	3
Surgical Center, Carmenita & 166 <sup>th</sup>	May 08	0.1	L	0.0003	0.4
UPS Parking Structure, 13150 Moore	May 08	0.5	L	0.001	1
UPS Main Building, 13233 Moore	Nov 08	4.4	L	0.012	13
Fountain Walk Senior Housing, 18310 Carmenita	Nov 08	0.1	L	0.0004	0.4
ASCIP Building, 16550 Bloomfield	Feb 09	0.1	L	0.0004	1
12800 Center Court	Jul 09	0.4	L	0.002	2
<b>TOTALS</b>		<b>755.4</b>		<b>1.627</b>	<b>1,823</b>

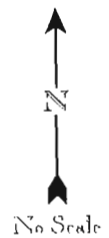
NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**FIGURE 9  
CITY OF LAKEWOOD REUSE SITES**



- ① RIVER (RYNERSON) PARK
- ② MONTE VERDE PARK
- ③ MAE BOYER PARK
- ④ JOSE DEL VALLE PARK
- ⑤ JOSE SAN MARTIN PARK
- ⑥ MAYFAIR PARK
- ⑦ CIVIC CENTER WAY & CITY HALL
- ⑧ CITY WATER YARD
- ⑨ WOODRUFF AVENUE GREENBELT

- ⑩ SOUTH STREET GREENBELT
- ⑪ ST. JOSEPH'S PARISH SCHOOL
- ⑫ FOSTER ELEMENTARY SCHOOL
- ⑬ MAYFAIR HIGH SCHOOL
- ⑭ LINDSTROM ELEMENTARY SCHOOL
- ⑮ LAKEWOOD HIGH SCHOOL
- ⑯ MY HOA FARM
- ⑰ DEL AMO BLVD. MEDIANS



**TABLE 10**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**CITY OF LAKEWOOD**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
River (Rynerson) Park	Aug 89	40	L	0.064	72
Monte Verde Park	Aug 89	4	L	0.051	58
Mae Boyer Park	Aug 89	8	L	0.032	35
Jose Del Valle Park	Aug 89	12	L	0.026	29
Jose San Martin Park	Aug 89	9.3	L	0.021	23
City Water Yard	Aug 89	1	L	0.010	11
Woodruff Avenue greenbelt	Aug 89	4.1	L	0.011	12
South Street greenbelt	Aug 89	3.3	L	0.009	10
Mayfair Park	Dec 89	18	L	0.039	44
St. Joseph Parish School	Aug 90	3.5	AF,L	0.010	11
Foster Elementary School	Sep 90	6	AF,L	0.016	18
Civic Center Way and City Hall	Nov 90	2.8	L	0.014	16
Mayfair High School	May 91	36.5	AF,L	0.041	46
Lindstrom Elementary School	Sep 91	12	AF,L	0.014	15
Lakewood High School	Sep 91	2.5	AF,L	0.024	27
My Hoa Farm	May 93	5	AG	0.011	13
Del Amo Blvd. greenbelt	Jul 03	0.3	L	0.002	3
<b>TOTALS</b>		<b>190.8</b>		<b>0.395</b>	<b>443</b>

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

Construction of the initial system was completed in 1992, with the delivery of recycled water for applications such as landscape irrigation of parks, schools, and freeway slopes, nursery stock irrigation, and various industrial applications. To ensure reliable and efficient delivery of recycled water to the City of Vernon's Malburg Electrical Generation Station, along with existing and future Sanitation Districts' customers, CBMWD worked with the City of South Gate to construct a booster pump at the City's Hollydale Park in November 2004. The Hollydale Pump Station has improved the overall water pressure and supply reliability for CBMWD's recycled water customers in various local cities, including the cities of South Gate, Lynwood, Huntington Park, and Vernon.

This system was also connected in 1994 to the completed portions of the Rio Hondo recycled water distribution system, as detailed in Section 2.5.6 below. Both the Century and Rio Hondo distribution systems can be partially supplied with recycled water from either the Los Coyotes or San Jose Creek WRPs individually or in combination. Most of the recycled water delivered through the Century distribution system actually originated at the San Jose Creek WRP. However, the usage is still reported from the Los Coyotes WRP, as there is no way to differentiate which reuse sites receive which recycled water. Therefore, for the sake of consistency, recycled water usage along the Century facilities is reported in the water reuse reports as coming from the Los Coyotes WRP, and along the Rio Hondo facilities as coming from the San Jose Creek WRP. Figure 10 shows all of the pipelines for both distribution systems, as well as all of the current recycled water use sites. A narrative description of the layout of the Century recycled water distribution system is contained in Appendix F. Table 11 lists all of the recycled water use sites connected to the Century distribution system through FY 10-11.

CBMWD has constructed the delivery facilities right up to the end user; however, the local retail water purveyor is the entity actually supplying the recycled water. Over the past few years, three of the retail purveyors, the cities of Downey, Santa Fe Springs and Lynwood, constructed an additional 20,800 feet of pipelines connecting to the CBMWD distribution system. During FY 10-11, two new sites were added to the Century recycled water distribution system. In August 2010, Los Amigos Golf Course was connected. In March 2011, the medians along Atlantic Blvd in South Gate were connected.

During FY 10-11, CBMWD delivered 2.953 MGD (3,309 AFY) of recycled water, or 14.1% of recycled water produced at the Los Coyotes WRP, through 11 retail water purveyors to 172 individual sites for landscape and athletic field irrigation on approximately 1,504 acres and for industrial process water. This was a decrease of 5.1% from the preceding fiscal year.

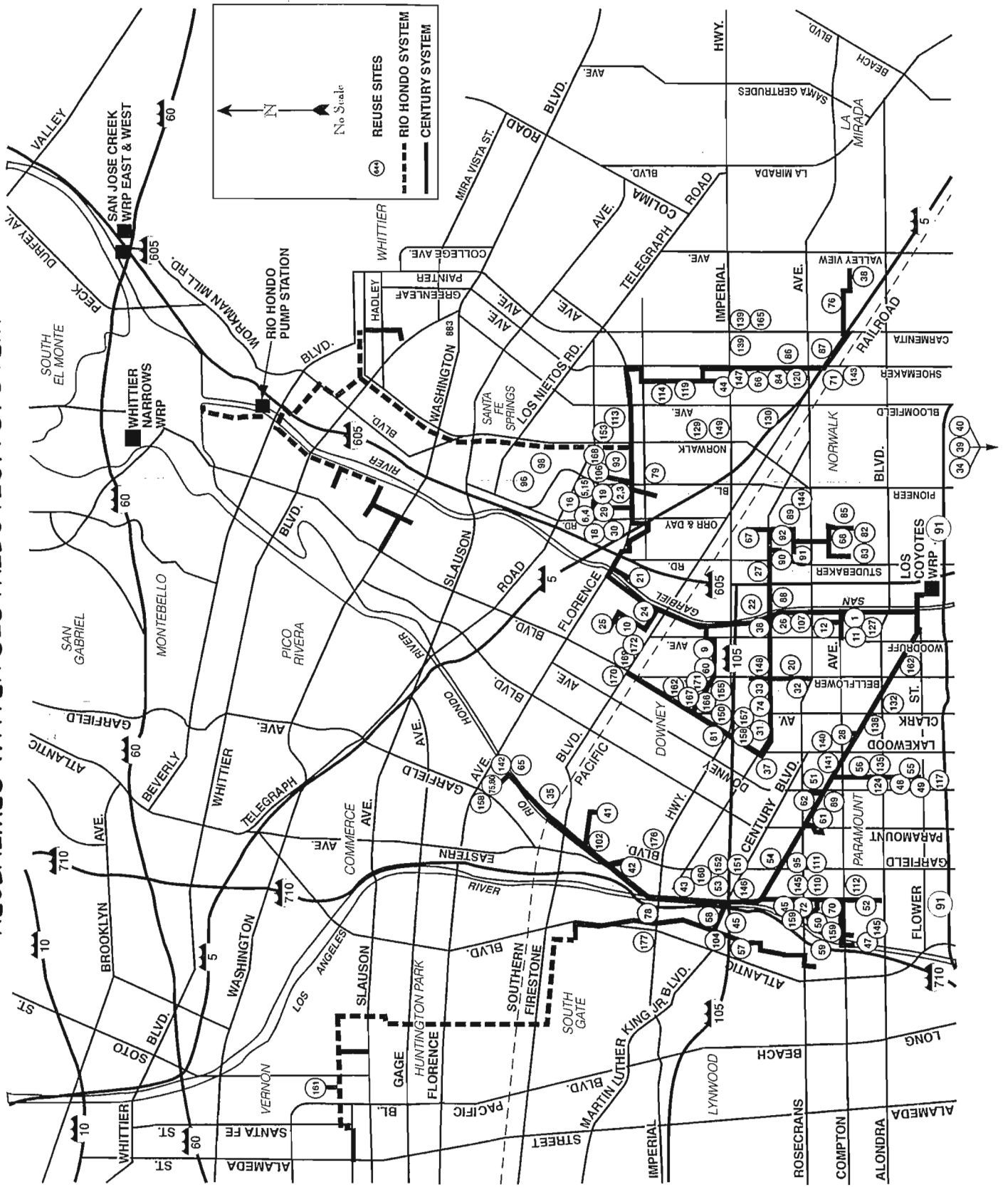
In FY 10-11, CBMWD sold the recycled water on a wholesale basis to its retail water purveyor customers on a monthly use, tiered rate schedule of \$506 for the first 50 AF, and \$460 for anything above 50 AF. This price is between 57% and 62% of the rate of \$805/AF it charges for Tier 1 non-interruptible potable water supplied by MWD, and between 50% and 55% of the rate of \$915/AF it charges for Tier 2 supplies. Recycled water delivered outside of CBMWD's service area was subject to a \$20/AF surcharge for each of the two tiers. Recycled water deliveries to the Malburg power plant in Vernon received an industrial use rate of \$357 for the first 25 AF, \$332 for the next 25 AF, \$308 for the next 50 AF, and \$283 for anything above 100 AF. Once they receive recycled water from CBMWD, the retail purveyors then set their own rates for the recycled water delivered to individual customers.

## **2.4 POMONA WRP**

Several treatment plants serving the east San Gabriel Valley were constructed and operated by other agencies as early as 1927. The current Pomona WRP, located at 295 Humane Way, Pomona, CA 91766, was completed in 1966 and most recently expanded in 1991, allowing the plant to treat up to 15 MGD. In FY 10-11, the plant

FIGURE 10

# CENTRAL BASIN MUNICIPAL WATER DISTRICT RECLAIMED WATER DISTRIBUTION SYSTEM



**TABLE 11**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**CENTURY DISTRIBUTION SYSTEM**  
**(PAGE 1 OF 4)**

<u>Reuse Site (City) (Map No.)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Andy's Nursery (Bellflower) (1)	Feb 92	9	O	0	0
Lake Center Park (Santa Fe Springs) (2)	Mar 92	8	L	0.018	20
Lake Center School (Santa Fe Springs) (3)	Mar 92	8	AF,L	0.016	18
Clarkman Walkway (Santa Fe Springs) (4)	Mar 92	0.1	L	0.0003	0.3
Towne Center Walkway (Santa Fe Springs) (5)	Apr 92	0.1	L	0.0003	0.3
Lakeview Child Care (Santa Fe Springs) (6)	May 92	0.2	L	0.001	2
Orr & Day Road medians (Santa Fe Springs) (7)	May 92	0.1	L	0.00002	0.03
Florence Avenue medians (Santa Fe Springs) (8)	Jun 92	3	L	0.005	6
Gauldin Elementary School (Downey) (9)	Jun 92	8.4	AF,L	0.005	5
Rio San Gabriel School (Downey) (10)	Jun 92	14.8	AF,L	0.014	16
Bellflower High School (Bellflower) (11)	Jul 92	28.4	AF,L	0.063	70
Ernie Pyle Elementary School (Bellflower) (12)	Aug 92	4.9	AF,L	0.012	13
Telegraph Road medians (Santa Fe Springs) (13)	Aug 92	0.5	L	0.003	3
Lakeview Park (Santa Fe Springs) (14)	Aug 92	6.7	L	0.011	12
Clark Estate (Santa Fe Springs) (15)	Aug 92	4.3	L	0.005	5
Towne Center Green (Santa Fe Springs) (16)	Aug 92	2.3	L	0.006	7
Pioneer Road medians (Santa Fe Springs) (17)	Sep 92	0.4	L	0.030	34
Police Station (Santa Fe Springs) (18)	Sep 92	0.2	L	0.001	1
Aquatic Center (Santa Fe Springs) (19)	Sep 92	0.5	L	0.004	4
Lewis School (Downey) (20)	Nov 92	4.6	AF,L	0.005	6
Wilderness Park (Downey) (21)	Nov 92	24	L	0.092	103
605 Freeway at Foster (Bellflower) (22)	Jan 93	14	L	0	0
Promenade Walkway (Santa Fe Springs) (23)	Jan 93	0.3	L	0.001	1
Rio San Gabriel Park (Downey) (24)	Jan 93	6.4	L	0.032	36
East Middle School (Downey) (25)	Jan 93	26	AF,L	0.017	19
Zinn Park (Bellflower) (26)	Jan 93	1.7	L	0.003	4
605/105 Interchange (Bellflower) (27)	Feb 93	22	L	0.0001	0.1
Hollywood Sports Center (Bellflower) (28)	Feb 93	22.5	L	0.002	2
Santa Fe Springs High School (Santa Fe Springs) (29)	Feb 93	14.5	AF,L	0.023	25
605/5 Freeway at Florence (Santa Fe Springs) (30)	Feb 93	17	L	0.0002	0.2
Old Downey Cemetery (Downey) (31)	Apr 93	7.5	L	0.026	30
Thompson Park (Bellflower) (32)	Apr 93	15	L	0.014	16
105 Freeway at Bellflower (Downey) (33)	May 93	17.9	L	0.009	10
Palms Park (Lakewood) (34)	May 93	20	L	0.003	3
Crawford Park (Downey) (35)	Jul 93	2.1	L	0.006	7
Humedo Nursery (Downey) (36)	Aug 93	11	O	0.005	6
105 Freeway at Lakewood (Downey) (37)	Sep 93	25	L	0.003	4
Shaw Industries Carpet Mill (Santa Fe Springs) (38)	Sep 93	--	I	0.076	85
Palms Elementary School (Lakewood) (39)	Sep 93	3.5	AF,L	0.012	13
Artesia High School (Lakewood) (40)	Sep 93	20.9	AF,L	0.033	37
West Middle School (Downey) (41)	Oct 93	19.5	AF,L	0.015	17
Circle Park (South Gate) (42)	Oct 93	4	L	0.013	15
Hollydale Park (South Gate) (43)	Nov 93	46	L	0.112	126
Robertson's Ready-Mix (Santa Fe Springs) (44)	Dec 93	--	I	0.005	5
710/105 Interchange (Paramount) (45)	Dec 93	18.5	L	0	0
Downey/Contreras greenbelt (Paramount) (46)	Dec 93	0.1	L	0.0003	0.3
Compton Golf Course (Paramount) (47)	Dec 93	13	L	0.021	24
Alondra Junior High School (Paramount) (48)	Dec 93	14	AF,L	0.012	14
Mokler Elementary School (Paramount) (49)	Dec 93	10	AF,L	0.009	11
Los Cerritos Elementary School (Paramount) (50)	Dec 93	8	AF,L	0.011	12
Wirtz Elementary School (Paramount) (51)	Dec 93	9	AF,L	0.011	12
Keppel Elementary School (Paramount) (52)	Dec 93	4	AF,L	0.002	3
Billy Lee Nursery (Paramount) (56)	Dec 93	2.5	O	0.008	9

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**TABLE 11**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**CENTURY DISTRIBUTION SYSTEM**  
**(PAGE 2 OF 4)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
105 Freeway at Wright (Lynwood) (57)	Jan 94	19.6	L	0.001	2
710 Freeway at M.L. King (Lynwood) (58)	Jan 94	15.5	L	0	0
710 Freeway at Rosecrans (Compton) (59)	Jan 94	24.2	L	0.007	8
Independence Park (Downey) (60)	Feb 94	10.4	L	0.011	13
Paramount Park (Paramount) (61)	Feb 94	9	L	0.022	24
Paramount High School (Paramount) (62)	Feb 94	19	AF,L	0.021	23
Rosecrans/Paramount medians (Paramount) (63)	Mar 94	0.2	L	0.002	2
Somerset medians (Paramount) (64)	Apr 94	0.9	L	0.005	6
Rio Hondo Golf Course (Downey) (65)	Apr 94	92.4	L	0.193	216
Zimmerman Park (Norwalk) (66)	Apr 94	9.5	L	0.015	17
Vista Verde Park (Norwalk) (67)	Apr 94	6.5	L	0.012	14
Gerdes Park (Norwalk) (68)	Apr 94	8.6	L	0.015	17
Clearwater Junior High School (Paramount) (69)	Apr 94	4	AF,L	0.031	35
Steam Engine Park (Paramount) (70)	Jun 94	0.6	L	0.001	1
5 Freeway at Shoemaker/Firestone (Norwalk) (71)	Jul 94	0.8	L	0.003	4
Spang Park (Paramount) (72)	Jul 94	5	L	0.008	9
Orange/Cortland Parkway (Paramount) (73)	Jul 94	1.3	L	0.002	3
Carpenter School (Downey) (74)	Aug 94	7.4	AF,L	0.007	7
John Anson Ford Park (Bell Gardens) (75)	Sep 94	45	L	0.054	60
Ramona Park (Norwalk) (76)	Oct 94	4.8	L	0.004	4
Alondra median (Paramount) (77)	Oct 94	0.6	L	0.007	8
Imperial/Wright Road medians (Lynwood) (78)	Oct 94	0.2	L	0.001	1
Little Lake Park (Santa Fe Springs) (79)	Dec 94	18	L	0.033	36
John Anson Ford Golf Course (Bell Gardens) (80)	Feb 95	13.6	L	--	--
South Middle School (Downey) (81)	May 95	15.8	AF,L	0.007	8
Nuffer Elementary School (Norwalk) (82)	Jun 95	10.4	AF,L	0.007	8
Lampton Middle School (Norwalk) (83)	Jun 95	9.5	AF,L	0.009	10
Hargitt Middle School (Norwalk) (84)	Jul 95	9.5	AF,L	0.025	28
Norwalk Adult School (Norwalk) (85)	Jul 95	17.2	AF,L	0.026	29
John Glenn High School (Norwalk) (86)	Jul 95	38.8	AF,L	0.039	44
Ramona Elementary School (Norwalk) (87)	Jul 95	6.8	AF,L	0.004	4
New River Elementary School (Norwalk) (88)	Jul 95	10.3	AF,L	0.008	9
Morrison Elementary School (Norwalk) (89)	Sep 95	7.7	AF,L	0.003	4
D.D. Johnston Elementary School (Norwalk) (90)	Sep 95	8.9	AF,L	0.006	7
Corvallis Middle School (Norwalk) (91)	Sep 95	16.9	AF,L	0.030	34
Norwalk High School (Norwalk) (92)	Sep 95	35.1	AF,L	0.033	37
Heritage Park (Santa Fe Springs) (93)	Oct 95	9.2	L	0.009	10
Belloso Farm Nursery (Paramount) (94)	Oct 95	2.5	O	0.002	2
Robertson's Ready-Mix (Paramount) (95)	Nov 95	--	I	0.007	8
Los Nietos Park (Santa Fe Springs) (96)	Jan 96	11.2	L	0.014	15
Bell Gardens Soccer Field (Bell Gardens) (97)	Feb 96	2.6	AF	0.004	5
Jersey Ave. School/city athl. fields (S.F. Springs) (98)	Mar 96	8	AF	0.004	5
Bellflower Blvd. medians (Bellflower) (99)	Jul 96	0.3	L	0.002	3
Alta Produce (Paramount) (100)	Aug 96	4	AG	0.003	2
Belloso Farm Nursery (South Gate) (101)	Sep 96	2.5	O	0.001	1
Temple Park (Downey) (102)	Oct 96	1	L	0.001	1
Woodruff Avenue medians (Bellflower) (103)	Oct 96	0.8	L	0.005	5
Ham Park (Lynwood) (104)	Dec 96	10	L	0	0
Jauregui Nursery (Paramount) (105)	Dec 96	2	O	0.005	6
Heritage Corporate Center (Santa Fe Springs) (106)	Jan 97	29.9	L	0.027	30
Belloso Farm Nursery (Bellflower) (107)	Jan 97	8	O	0	0
Foster Road medians (Norwalk) (108)	Jan 97	0.3	L	0.002	2
Rosecrans Avenue medians (Paramount) (109)	Mar 97	0.2	L	0.008	9

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.



**TABLE 11**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**CENTURY DISTRIBUTION SYSTEM**  
**(PAGE 3 OF 4)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Texaco/Somerset medians (Paramount) (110)	Mar 97	0.2	L	0.001	1
McLane Mowers (Paramount) (111)	Mar 97	0.6	L	0	0
ABC Nursery (Paramount) (112)	Mar 97	16	O	0	0
L.A. Co. Vector Control Bldg. (S.F. Springs) (113)	Mar 97	3.8	L	0.003	4
Greenstone Warehouse (Santa Fe Springs) (114)	Apr 97	0.4	L	0.002	2
McNab Avenue medians (Bellflower) (115)	Jul 97	0.1	L	0.0004	0.5
Foster Road/Premier Ave. medians (Downey) (116)	Aug 97	0.1	L	0.001	1
Palm Growers Nursery (Downey) (117)	Oct 97	7.3	O	0	0
Alondra Blvd medians @ SGR (Bellflower) (118)	Oct 97	0.1	L	0.0002	0.2
Maruichi American building (Santa Fe Springs) (119)	Oct 98	0.4	L	0.001	1
Norwalk Golf Course (Norwalk) (120)	Jan 99	8	L	0.022	25
Soco-Lynch Corp. building (Santa Fe Springs) (121)	Feb 99	1	L	0.002	3
MC&C building (Santa Fe Springs) (122)	Mar 99	0.7	L	0.007	7
Lakewood Blvd. medians (Paramount) (123)	Mar 99	0.2	L	0.002	2
Progress Park (Paramount) (124)	Mar 99	6.2	L	0.012	14
Garfield Avenue medians (Paramount) (125)	Apr 99	0.1	L	0.001	1
B&B Pallet Co. (South Gate) (126)	May 99	--	I	0	0
Garcia's Nursery (Bellflower) (127)	Jun 99	6	O	0	0
Orange Avenue medians (Paramount) (128)	Aug 99	0.1	L	0.003	3
Metropolitan State Hospital (Norwalk) (129)	Sep 99	80	L	0	0
Moffit School (Norwalk) (130)	Sep 99	1.6	AF,L	0.005	5
Rio Hondo Channel (Downey) (131)	Nov 99	0.8	L	0.001	1
Simms Park (Bellflower) (132)	Dec 99	12.5	L	0.014	15
Foster Road Greenbelt (Norwalk) (133)	Mar 00	3.3	L	0.003	3
San Luis Street @ flood channel (Paramount) (134)	Apr 00	3	L	0.005	1
Jefferson School (Paramount) (135)	Jul 00	0.5	AF,L	0.003	3
Columbus High School (Downey) (136)	Aug 00	25	AF,L	0.015	17
Triangle Park (South Gate) (137)	Nov 00	0.4	L	0.002	2
Golden Springs Business Park (Santa Fe Springs) (139)	Apr 01	31.4	L	0.113	126
Bellflower Storage (Bellflower) (140)	Jun 01	3	L	0.002	2
Railroad Beautification (Paramount) (141)	Jul 01	0.5	L	0	0
Rio Hondo Channel (Bell Gardens) (142)	Jul 01	0.3	L	0.003	3
CDM building (Santa Fe Springs) (143)	Oct 01	0.1	L	0.002	2
L.A. Co. Recorder's Office (Norwalk) (144)	Jan 02	2.7	L	0.014	15
Tays Cool Fuel (Paramount) (145)	Feb 02	0.2	L	0.003	3
L.A. River landscaping (South Gate) (146)	Mar 02	2.5	L	0.001	1
Lakewood-Adoree medians (Downey) (150)	Jul 02	3.4	L	0.031	35
Simon Trucking (Santa Fe Springs) (147)	Nov 02	0.9	L	0.001	1
Foster/Coldbrook medians (Bellflower) (148)	Nov 02	0.1	L	0.0003	0.4
L.A. County Library (Norwalk) (149)	Nov 02	0.9	L	0.005	6
Metro State/Wheelabrator (Norwalk) (129)	Jan 03	B	I	0.248	278
Imperial Equestrian (South Gate) (152)	Jul 03	1.5	L	0.004	4
Norwalk Walkway/Parking (Santa Fe Springs) (153)	Jul 03	1	L	0.003	4
Steve Horn Way/Bellflower medians (Downey) (155)	Nov 03	0.3	L	0.015	17
Pro Growers Nursery (Norwalk) (156)	Sep 04	11.3	O	0.040	45
Kaiser Administration building (Downey) (157)	Oct 04	2.5	L	0.005	6
Downey Studios (Downey) (158)	Oct 04	1	L	0.004	5
Dills Park (Paramount) (159)	Jul 05	12.5	L	0.030	34
Hollydale Elementary (South Gate) (160)	Sep 05	3	AF,L	0.001	1
Malburg Generation Station (Vernon) (161)	Oct 05	B	I	0.597	668
Stuart and Gray medians (Downey) (162)	Dec 05	0.4	L	0.006	7
Woodruff and Maple medians (Bellflower) (163)	Mar 06	0.1	L	0.0001	0.1
Sculpture Garden (Santa Fe Springs) (164)	May 06	0.6	L	0	0

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**TABLE 11**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**CENTURY DISTRIBUTION SYSTEM**  
**(PAGE 4 OF 4)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Foster Road medians (Santa Fe Springs) (165)	Jul 06	1	L	0.009	11
Space Learning Center (Downey) (166)	Apr 08	10.5	L	0.024	27
Cornerstone Commerce Center (Downey) (167)	Jun 08	0.8	L	0.006	7
Mora Drive medians (Santa Fe Springs) (168)	Oct 08		L	0.004	5
Firestone Blvd. medians (Downey) (169)	Feb 09	0.1	L	0.0004	0.4
Citibank, 8764 Firestone Blvd. (Downey) (170)	Feb 09	0.1	L	0.001	1
Steve Horn Pkwy. medians @ Kaiser (Downey) (171)	May 09	1.4	L	0.023	26
Walgreens/Big Lots, 9018 Firestone (Downey) (172)	May 09	0.4	L	0.003	4
Pacific Alloy Casting (South Gate) (173)	Jul 09	--	I	0.016	18
MTA Bike Trail (Bellflower) (174)	Nov 09	0.1	L	0.001	1
Paramount Blvd. Medians (Paramount) (175)	Mar 10		L	0.004	4
Los Amigos Golf Course (L.A. County) (176)	Aug 10	110	L	0.004	4
Atlantic Ave. medians (South Gate) (177)	Mar 11	16.3	L	0.107	120
<b>TOTALS</b>		<b>1,520.3</b>		<b>2.953</b>	<b>3,309</b>

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

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**POMONA WRP FACTS**

Plant capacity:	15 MGD
Water produced:	9.00 MGD 10,089 AFY 7.4% FY increase
FY10-11 O&M:	\$299/AF
Water reused: (excluding recharge)	2.557 MGD 2,865 AFY 18.2% FY decrease 28.4% of production
Delivery systems:	2 190,100 ft. of pipe
No. of reuse sites:	192 2,192.5 acres

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produced 9.00 MGD (10,089 AFY) of coagulated, filtered, disinfected tertiary recycled water (2.2% of the effluent produced in the JOS), which was a 7.4% increase over the preceding fiscal year, at a FY 10-11 O&M cost of approximately \$299/AF. Recycled water quality for FY 10-11 is presented in Table B-3 of Appendix B.

Two agencies, the Pomona Water Department (PWD) and the Walnut Valley Water District (WVWD), along with the Sanitation Districts' Spadra Landfill, together used 2.557 MGD (2,865 AFY) or 28.4% of the plant's total production. This was an 18.2% decrease from the preceding fiscal year. A third purveyor, Rowland Water District (RWD), took over operation of that portion of the WVWD recycled water distribution system that ran through its service area and has connected to the City of Industry system which gets its recycled water from the San Jose Creek WRP (Section 2.5.3).

The remaining recycled water is discharged to south fork of San Jose Creek, which is tributary to the unlined portion of the San Gabriel River. Therefore, nearly 100% of the recycled water produced at this plant is reused, since most of the river discharge percolates into the underlying groundwater. Use of recycled water from this facility is

permitted by the LARWQCB under Order Nos. 81-34 and 97-072 for direct, non-potable applications, and No. 91-100 for groundwater replenishment.

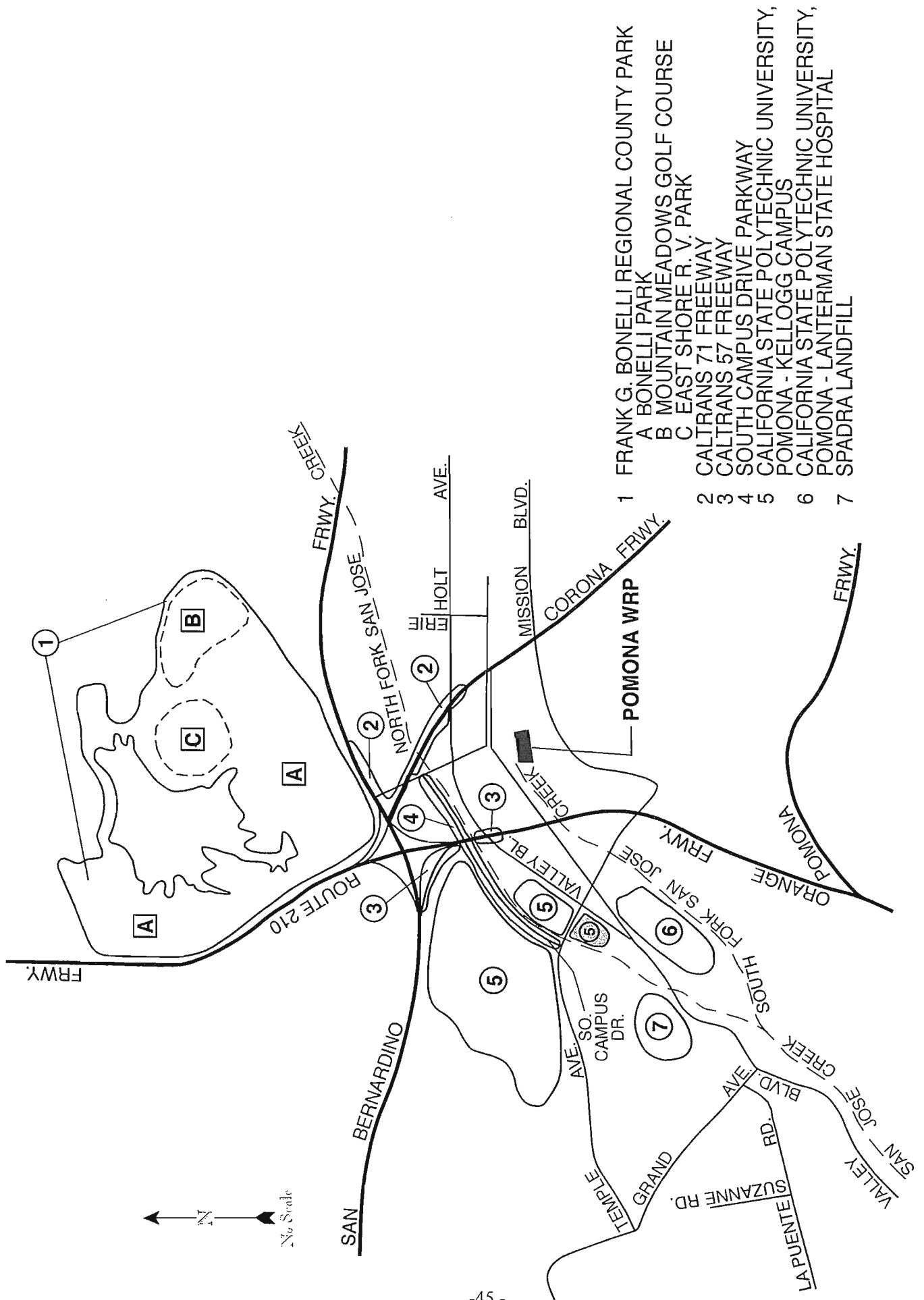
#### 2.4.1 POMONA WATER DEPARTMENT

Documented use of recycled water in the Pomona area goes as far back as 1904 when effluents treated to various levels were used on the many farms and ranches in the area. The PWD began using recycled water from the Sanitation Districts' current treatment facility in December 1973 when agricultural irrigation at California State Polytechnic University, Pomona (Cal Poly) and its occasional satellite farming operation at Lanterman State Hospital, and landscape irrigation along South Campus Drive Parkway were connected to a recycled water distribution system.

The distribution system consists of a 490 HP, 9,000 gpm pump station that feeds two, 21-inch pipelines. One 21-inch line runs east along Pomona Boulevard and Vernon Avenue. The other 21-inch line runs north along Ridgeway Street to a T-section at South Campus Drive and the 71 Freeway. From this point, an 18-inch line continues north along Ridgeway, then east along Murchison Avenue for a short distance before it terminates at a 4.5 million gallon storage reservoir in Bonelli Park. At the T-section, a 16-inch line runs west along South Campus Drive, serving the parkway, Cal Poly, and the 57 and 71 Freeways. Lanterman Hospital had been served by a 21-inch unreinforced concrete gravity line from the Pomona WRP that currently serves the former Landfill site and the WVWD pump station (discussed in Sections 2.4.2 and 2.4.3, below).

During FY 10-11, the PWD delivered 1.251 MGD (1,347 AFY), or 13.4% of the recycled water from the Pomona WRP though 37,000 feet of pipeline, to seven retail customers on 1,427 acres as shown in Figure 11. This was a 28.3% decrease from the preceding fiscal year. Table 12 lists the users of the PWD system as of the end of FY 10-11. No new users were added during this fiscal year.

FIGURE 11  
 POMONA WATER DEPARTMENT AND SPADRA LANDFILL REUSE SITES



**TABLE 12**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**POMONA WATER DEPARTMENT & SANITATION DISTRICTS' SPADRA SITE**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Cal Poly, Pomona-Kellogg	Dec 73	500	AG,L,O,P,AF	0.469	526
Lanerman Hospital	Dec 73	100	AG	0	0
South Campus Drive Parkway	Dec 73	8	L	0.010	11
Route 57 and 10 Freeways	May 75	18	L	0.020	23
Bonelli Regional County Park	Apr 77	789	L	0.660	740
Route 71 and 10 Freeways	Apr 81	12	L	0.036	40
Spadra Landfill landscape	Jul 84	53	L	0.240	269
Spadra Landfill dust control	Jul 84	--	I	0.010	11
Cal Poly LandLab	Nov 93	2.5	AG,L	0.013	15
Spadra Gas-to-Energy Plant	Dec 95	--	I	0.049	55
Robertson's Ready-Mix	Oct 09	--	I	0.006	7
<b>TOTALS</b>		<b>1,482.5</b>		<b>1.514</b>	<b>1,697</b>

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial,  
L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

During FY 10-11, the PWD sold the recycled water to its customers from its pressure system at a rate of \$521.67/AF. This is 54% of its potable water rate of \$962.68/AF.

#### *2.4.2 SPADRA LANDFILL SITE*

The Sanitation Districts' Spadra Landfill began receiving recycled water from the Pomona WRP in July 1984 from the 21-inch unreinforced concrete gravity line from the plant. A pressure-sustaining valve on the line at the landfill site provides enough static head in the pipeline for the pumps of the landfill to operate. Cal Poly's LandLab project began receiving recycled water from the landfill site in November 1993, and the Spadra Gas-to-Energy (SGE) Facility began using recycled water in its cooling towers in December 1995. These sites are shown in Figure 11 and are also listed in Table 12 along with the users of the Pomona Water Department system.

During FY 10-11, 0.312 MGD (350 AFY), or 3.5% of the recycled water from the Pomona WRP, was used on approximately 56 acres at the former Spadra Landfill site, the SGE Facility, and Cal Poly's LandLab. This was a 9.1% decrease from the preceding fiscal year.

#### *2.4.3 WALNUT VALLEY WATER DISTRICT*

In March 1986, WVWD completed the initial construction of its recycled water distribution system. This system consists of a 3,500 gpm pump station and an 8,000 gallon wet well at the end of the 21-inch concrete gravity line from the Pomona WRP, approximately 166,320 feet of pipeline, and a 2 million gallon reservoir. A second, 2 million gallon reservoir was constructed in mid-1992 to provide more storage for the nighttime peak demands. The distribution system is supplemented during the peak summer demand periods with non-potable water from a well located next to the recycled water line on Fairway Avenue and with imported water from MWD at the pump station. Initially, 26 individual sites were served following completion of the distribution system. In January 2003, the RWD assumed operation of the 29,280 feet of the WVWD recycled water system pipeline serving seven reuse sites in RWD's service area which was connected to the City of Industry main recycled transmission line in July 2009 (see Section 2.5.3 below). Figure 12 and Table 13 present the users of the WVWD system as of the end of FY 10-11. A narrative description of the layout of the WVWD recycled water distribution system is contained in Appendix G.

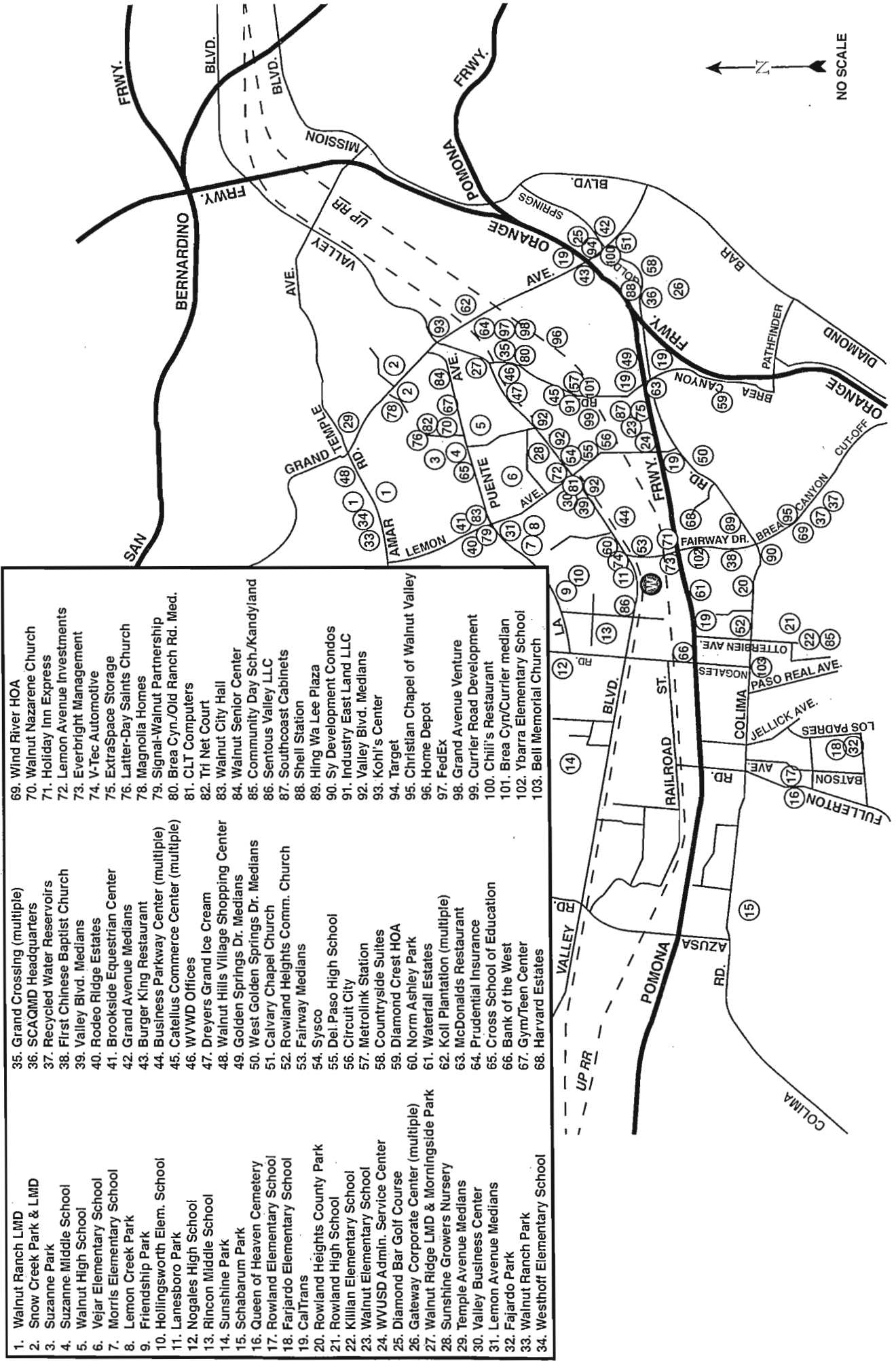
In FY 10-11, two new sites were added to the WVWD distribution system. In September 2010, the landscaping at the Donald Miller building (19803 Valley Blvd.) was connected. In December 2010, the landscaping around Bell Memorial Church (1747 Nogales St.) was connected.

During FY 10-11, WVWD delivered 1.043 MGD (1,168 AFY), or 11.6% of the recycled water produced at the Pomona WRP, a decrease of 5.6% from the preceding fiscal year. WVWD received the recycled water directly from the Sanitation Districts and retailed it to its 183 customers (which irrigate approximately 708.5 acres) at 64% of its potable water rate of \$1,019.30/AF, or \$649.04/AF.

### **2.5 SAN JOSE CREEK WRP**

This treatment facility, located at 1965 Workman Mill Road, Whittier, CA 90601, was first built in 1971 with a design capacity of 37.5 MGD. The 25 MGD Stage II expansion was completed in 1982, and the 37.5 MGD Stage III expansion was completed in 1993. The facility currently has a design capacity of 100 MGD, with enough space for a future 25 MGD Stage IV expansion (however, there is no set schedule for this project). During FY 10-11, Stages I & II (east side) produced 46.00 MGD (51,547 AFY) and Stage III (west side) produced 21.42 MGD (24,008 AFY), at O&M costs of \$248/AF and \$221/AF, respectively. The entire facility,

FIGURE 12  
WALNUT VALLEY WATER DISTRICT RECLAIMED WATER DISTRIBUTION SYSTEM



NO SCALE

1. Walnut Ranch LMD
2. Snow Creek Park & LMD
3. Suzanne Park
4. Suzanne Middle School
5. Walnut High School
6. Vejar Elementary School
7. Morris Elementary School
8. Lemon Creek Park
9. Friendship Park
10. Hollingsworth Elem. School
11. Lanesboro Park
12. Nogales High School
13. Rincon Middle School
14. Sunshine Park
15. Schabarum Park
16. Queen of Heaven Cemetery
17. Rowland Elementary School
18. Farjardo Elementary School
19. CalTrans
20. Rowland Heights County Park
21. Rowland High School
22. Killian Elementary School
23. Walnut Elementary School
24. WVUSD Admn. Service Center
25. Diamond Bar Golf Course
26. Gateway Corporate Center (multiple)
27. Walnut Ridge LMD & Morningside Park
28. Sunshine Growers Nursery
29. Temple Avenue Medians
30. Valley Business Center
31. Lemon Avenue Medians
32. Fajardo Park
33. Walnut Ranch Park
34. Westhoff Elementary School
35. Grand Crossing (multiple)
36. SCAQMD Headquarters
37. Recycled Water Reservoirs
38. First Chinese Baptist Church
39. Valley Blvd. Medians
40. Rodeo Ridge Estates
41. Brookside Equestrian Center
42. Grand Avenue Medians
43. Burger King Restaurant
44. Business Parkway Center (multiple)
45. Catellus Commerce Center (multiple)
46. WVWD Offices
47. Dreyers Grand Ice Cream
48. Walnut Hills Village Shopping Center
49. Golden Springs Dr. Medians
50. West Golden Springs Dr. Medians
51. Calvary Chapel Church
52. Rowland Heights Comm. Church
53. Fairway Medians
54. Sysco
55. Del Paso High School
56. Circuit City
57. Metrolink Station
58. Countryside Suites
59. Diamond Crest HOA
60. Norm Ashley Park
61. Waterfall Estates
62. Koll Plantation (multiple)
63. McDonalds Restaurant
64. Prudential Insurance
65. Cross School of Education
66. Bank of the West
67. Gym/Teen Center
68. Harvard Estates
69. Wind River HOA
70. Walnut Nazarene Church
71. Holiday Inn Express
72. Lemon Avenue Investments
73. Everbright Management
74. V-Tec Automotive
75. ExtraSpace Storage
76. Latter-Day Saints Church
78. Magnolia Homes
79. Signal-Walnut Partnership
80. Brea Cyn./Old Ranch Rd. Med.
81. CLT Computers
82. Tri Net Court
83. Walnut City Hall
84. Walnut Senior Center
85. Community Day Sch./Kandyland
86. Sentous Valley LLC
87. Southcoast Cabinets
88. Shell Station
89. Hing Wa Lee Plaza
90. Sy Development Condos
91. Industry East Land LLC
92. Valley Blvd. Medians
93. Kohl's Center
94. Target
95. Christian Chapel of Walnut Valley
96. Home Depot
97. FedEx
98. Grand Avenue Venture
99. Currier Road Development
100. Chili's Restaurant
101. Brea Cyn/Currier median
102. Ybarra Elementary School
103. Bell Memorial Church

**TABLE 13**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**WALNUT VALLEY WATER DISTRICT**  
**(PAGE 1 OF 4)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Suzanne Park (Walnut)	Oct 80	12	L	0.014	16
Suzanne Middle School (Walnut)	May 86	4	AF,L	0.012	13
Walnut High School (Walnut)	May 86	15	AF,L	0.019	21
Vejar School (Walnut)	May 86	3	AF,L	0.010	11
Morris School (Walnut)	May 86	9	AF,L	0.009	10
Snow Creek Park (Walnut)	May 86	7	L	0.011	12
Snow Creek Landscape Maintenance Dist. (Walnut)	May 86	13.5	L	0.036	41
Lemon Creek Park (Walnut)	May 86	5	L	0.005	6
Friendship Park (West Covina)	May 86	6	L	0.007	8
Hollingworth School (West Covina)	May 86	3	AF,L	0.007	8
Lanesboro Park (West Covina)	May 86	2	L	0.007	7
Rincon Middle School (West Covina)	May 86	3	AF,L	0.008	9
Route 57 and 60 Freeways (Rowland Heights)	May 86	19.7	L	0.035	39
Rowland Heights Reg. Co. Park (Rowland Heights)	May 86	11	L	0.012	13
Rowland High School (Rowland Heights)	May 86	9	AF,L	0.020	23
Killian Elementary School (Rowland Heights)	May 86	3	AF,L	0.005	6
Walnut Elementary School (Walnut)	May 86	4	AF,L	0.001	1
WUSD Administrative Service Center (Walnut)	May 86	4	L	0.002	3
Walnut Ranch Park (Walnut)	Jun 86	26	L	0.019	22
Amar Road greenbelt (Walnut)	Jun 86	16	L	0.015	17
Diamond Bar Golf Course (Diamond Bar)	Jul 86	174	L,P	0.165	185
Walnut Ridge Landscape Maintenance Dist. (Walnut)	Mar 87	25.5	L	0.030	34
Morningside Park (Walnut)	Mar 87	4	L	0.004	4
Gateway Corporate Center (Diamond Bar)	Jun 87	45	L	0.045	51
20659 E. Valley Blvd. (Walnut)	May 88	7	O	0.0001	0.01
Westhoff Elementary School (Walnut)	Sep 88	8	AF,L	0.006	6
Temple Avenue greenbelt (Walnut)	Jan 90	1	L	0.001	1
Walnut Tech Business Center (Walnut)	Apr 90	1	L	0.002	2
Lemon Avenue greenbelt (Walnut)	Sep 91	4.3	L	0.006	7
South Coast AQMD Headquarters (Diamond Bar)	Nov 91	2	L	0.005	5
WVWD reservoir (Diamond Bar)	May 92	1	L	0.005	6
First Chinese Baptist Church (Walnut)	Dec 92	0.3	L	0.002	2
Burger King restaurant (Diamond Bar)	Oct 93	0.2	L	0.001	1
Majestic Mgmt., 19850 E. Business Pkwy (Walnut)	Nov 93	0.8	L	0.004	4
General Electric, 19705 E. Business Pkwy (Walnut)	Nov 93	1.6	L	0.006	7
Rodeo Ridge Estates (Walnut)	Dec 93	6.3	L	0.005	6
Golden Springs Drive medians (Diamond Bar)	Jan 94	1.3	L	0.005	6
Walnut Hills Village Shopping Center (Walnut)	Mar 94	2.4	L	0.004	5
Brookside Equestrian Center (Walnut)	Aug 94	13.6	L	0.003	3
WVWD Office (Walnut)	Oct 94	0.2	L	0.002	2
Cattelus Development (Walnut)	Oct 94	18.9	L	0.016	18
Circuit City, 501 Cheryl Lane (Walnut)	Oct 94	1	L	0.007	8
Dreyer's Grand Ice Cream, 351 Cheryl Lane (Walnut)	Oct 94	0.6	L	0.003	3
Metrolink Station (Industry)	Nov 94	0.6	L	0.002	3
Del Paso High School (Walnut)	Jan 95	3	AF,L	0.003	3
Dow Corning, 20832 Currier Road (Walnut)	Jan 95	0.1	L	0.0001	0.1
Circuit City Headquarters, Currier/Lemon (Walnut)	Apr 95	1.1	L	0.005	6
Sysco Food Service, 20701 Currier Road (Walnut)	Apr 95	2.3	L	0.012	13
Tung Hsin Trading, 20420 E. Business Pkwy (Walnut)	Apr 95	0.8	L	0.003	4
Amergence Tech. Inc., 20480 E. Bus. Pkwy (Walnut)	Apr 95	0.9	L	0.003	3
Dura Freight Lines, 515-525 S. Lemon (Walnut)	Apr 95	0.5	L	0.001	1
S/W-S/E Corner Lemon/Bus. Parkway (Walnut)	Apr 95	0.2	L	0.004	4
Dura Freight Lines, 20275 Bus. Parkway (Walnut)	Apr 95	1.3	L	0.003	3

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.



**TABLE 13**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**WALNUT VALLEY WATER DISTRICT**  
**(PAGE 2 OF 4)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreege</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Coaster Co. of America, 20300 Bus. Parkway (Walnut)	Apr 95	0.7	L	0.003	3
Dura Freight Lines, 20405 Bus. Parkway (Walnut)	Apr 95	1	L	0.003	3
Dura Freight Lines, 20595 E. Business Pkwy (Walnut)	Apr 95	0.8	L	0.001	2
Dura Freight Lines, 20445 E. Business Pkwy (Walnut)	Apr 95	0.7	L	0.001	2
820 Fairway Drive medians (Industry)	Jun 95	0.1	L	0.002	2
Spencer N Enterprises, Inc., 435 S. Lemon (Walnut)	Jun 95	0.5	L	0.001	1
General Electric, 19805 E Business Pkwy (Walnut)	Jun 95	1.1	L	0.005	6
Menlo Logistics, 20002 E. Business Pkwy (Walnut)	Jun 95	4	L	0.006	7
General Electric, 20005 E. Business Parkway (Walnut)	Jun 95	6.7	L	0.010	11
Ping Ting Hsu, 20701 Currier Road (Walnut)	Aug 96	0.1	L	0.001	1
Lawrence Allen & Assoc., 20822 Currier Rd. (Walnut)	Oct 96	0.1	L	0.0001	0.1
Fairway Business Cntr., 19700 Bus. Parkway (Walnut)	Nov 96	0.4	L	0.002	2
Rowland Heights Christian Church (Rowland Hghts.)	Feb 97	0.5	L	0.001	1
Viewsonic, 510 Cheryl/455 Brea Canyon (Walnut)	Jul 97	1.8	L	0.011	12
Countryside Suites (Diamond Bar)	Mar 98	1.4	L	0.003	3
Diamond Crest Homeowners Assn. (Diamond Bar)	Oct 98	14	L	0.018	20
Norm Ashley Park (Walnut)	Nov 98	0.2	L	0.0005	1
Play Hut, 368 Cheryl Lane (Walnut)	Nov 98	0.8	L	0.003	3
Waterfall Estates (Rowland Heights)	Dec 98	1.2	L	0.004	5
Calvary Chapel (Diamond Bar)	Apr 99	1	L	0.014	16
Hi-Tek Warehouse, 20851 Currier Road (Walnut)	Jun 99	0.2	L	0.001	1
Campus Group Inc, 319 Cheryl Road (Walnut)	Jul 99	0.1	L	0	0
Wind River Homeowners Assn. (Rowland Heights)	Jul 99	12.6	L	0.031	35
L.A. Fitness Inter., 20801 Golden Springs (Industry)	Sep 99	1.2	L	0.001	2
Comtop Enterprises, 268 Benton Court (Industry)	Sep 99	0.3	L	0.001	1
Gemini Foods Corp., 251 Benton Court (Industry)	Sep 99	0.6	L	0.001	1
Tri-Net Technology, 21709 Ferraro Parkway (Industry)	Sep 99	0.3	L	0.001	1
Hupa International, 21717 Ferraro Parkway (Industry)	Oct 99	0.3	L	0.0003	0.3
Nu-Health Products, 20875-85-95 Currier (Walnut)	Oct 99	0.1	L	0	0
Lemon Avenue medians (Industry)	Dec 99	0.1	L	0.0003	0.4
Prudential Insurance Co., 21558 Ferraro. (Walnut)	Jan 00	3.5	L	0.008	9
McDonald's Restaurant (Diamond Bar)	Mar 00	0.1	L	0.001	1
J&L Footwear, 250 Benton Court (Industry)	Jul 00	0.6	L	0.001	1
Markwins Inter. Corp., 22067 Ferraro (Industry)	Nov 00	1.9	L	0.004	4
Lee Wang LLC, 21901 Ferraro Parkway (Industry)	Nov 00	2	L	0.005	6
Sun Yin USA, 280 Maclin Court (Industry)	Nov 00	0.8	L	0.001	2
SL Investment Group LLC, 218 Maclin Ct. (Industry)	Nov 00	1.5	L	0.002	2
Morrow Meadows, 231 Benton Court (Industry)	Apr 01	0.9	L	0.002	2
The Cross Schools of Education (Walnut)	May 01	0.6	AF,L	0.001	1
Bank of the West (Rowland Heights)	Sep 01	0.1	L	0.0004	0.4
Gym/Teen Center (Walnut)	Sep 01	0.6	L	0.001	2
Yellow Box Corp., 19835 Walnut Drive (Walnut)	Dec 01	0.3	L	0.002	2
Harvard Estates (Rowland Heights)	Dec 01	2	L	0.002	3
Walnut Nazarene Church (Walnut)	Feb 02	0.8	L	0.0003	0.3
Majestic Mgmt., 168-188 Brea Canyon Rd. (Walnut)	Apr 02	0.6	L	0.002	2
Synnex, 108-118 Brea Canyon Rd. (Walnut)	Apr 02	0.7	L	0.002	3
Majestic Management, 108-288 Mayo Drive (Walnut)	Apr 02	0.1	L	0.005	5
Holiday Inn Express (Walnut)	May 02	0.4	L	0.002	2
Lemon Avenue Investments (Walnut)	Jun 02	0.6	L	0.002	3
Magnolia at Snow Creek (Walnut)	Jul 02	5.4	L	0.018	21
Everbright Management, 1163 Fairway (Industry)	Sep 02	0.6	L	0.003	4
Everbright Management, 1169 Fairway (Industry)	Sep 02	0.2	L	0.001	1
Kelly Paper, 228 Brea Canyon Road (Walnut)	Sep 02	1.2	L	0.0004	0.4

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**TABLE 13**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**WALNUT VALLEY WATER DISTRICT**  
**(PAGE 3 OF 4)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
V-Tec Automotive, 19677 Valley Blvd. (Walnut)	Sep 02	0.1	L	0.0001	0.2
Grand and Valley landscaping (Walnut)	Sep 02	0.1	L	0.005	6
Extra Space Storage (Walnut)	Oct 02	0.8	L	0.001	1
Latter Days Saints Church (Walnut)	Oct 02	0.9	L	0.003	3
Nogales and Killian landscaping (Rowland Heights)	Oct 02	0.1	L	0.001	1
A&R West Family LLC, 20855 Golden Sprgs (D. Bar)	Nov 02	0.2	L	0.001	1
Brea Canyon Rd./Old Ranch Road medians (Industry)	May 03	0.1	L	0.0002	0.2
CLT Computers, Inc., 20153 Paseo del Prado (Walnut)	May 03	0.6	L	0.002	2
Autosmart Intl., 19885 Harrison Ave. (Industry)	Aug 03	0.2	L	0.001	1
Broadway.com, 19715 Harrison Ave. (Industry)	Aug 03	0.5	L	0.002	2
Bayharbor-Harrison Assn., 19901 Harrison (Industry)	Aug 03	0.8	L	0.003	4
J Pack International, 19789 Harrison Ave. (Industry)	Aug 03	0.5	L	0.001	1
Ziprint Image Corp., 19805 Harrison Ave. (Industry)	Aug 03	0.2	L	0.001	1
San Malone Enterprises, 19865 Harrison (Industry)	Aug 03	0.3	L	0.002	3
Shinetec Group, Inc., 19685 Harrison Ave. (Industry)	Aug 03	0.4	L	0.001	1
Majestic Realty, Grand Ave./Village Staples (Walnut)	Aug 03	1.6	L	0.005	6
Orange Grove Services, Lemon/La Puente (Walnut)	Sep 03	0.4	L	0.003	3
Max Property LLC, 21401 Ferraro Pkwy. (Industry)	Sep 03	0.7	L	0.004	5
NP 21301 Ferraro Pkwy., 21301 Ferraro (Industry)	Sep 03	0.8	L	0.002	2
568 TriNet Court (Walnut)	Oct 03	0.3	L	0.001	1
Walnut City Hall (Walnut)	Dec 03	0.6	L	0.001	1
Walnut Senior Center (Walnut)	Dec 03	0.5	L	0.001	1
Hill's Pet Nutrition, 318 Brea Canyon Rd. (Walnut)	Dec 03	2.6	L	0.006	7
Young Hoon Cho, 1709 Nogales St. (Rowland Heights)	Mar 04	0.1	L	0.0003	0.4
Shell Station, 21103 Golden Springs Dr. (Diamond Bar)	Mar 04	0.1	L	0.0003	0.4
Ferraro/Grand East ramp (Industry)	Apr 04	3.8	L	0.005	6
Hing Wa Lee Plaza, 1569 Fairway Dr. (Walnut)	May 04	0.1	L	0.001	1
Southcoast Cabinet, 20625 Lycoming St. (Walnut)	Jun 04	0.3	L	0.001	1
APL Logistics, 408 Brea Canyon Rd. (Walnut)	Jun 04	2.1	L	0.006	7
Adnoff Family Trust, 20801 Currier Rd. (Walnut)	Jul 04	0.1	L	0.001	1
Sentous Valley LLC, 2889 Valley Blvd. (Walnut)	Aug 04	0.1	L	0.0004	0.4
Community Day School (Walnut)	Nov 04	0.1	AF,L	0.0004	0.5
Majestic Mgmt., Bldg. 25 on Mayo Dr. (Walnut)	Jan 05	0.1	L	0.0003	0.3
Sy Develop. condos, 20118-20138 Colima, (Walnut)	Jun 05	0.1	L	0.00001	0.01
N/E corner Cheryl Lane/Baker Parkway (Industry)	Aug 05	3.3	L	0.014	16
Jakk's Pacific, Inc. 21733-21749 Baker (Industry)	Aug 05	1.2	L	0.004	4
20813 Valley Blvd. medians (Walnut)	Sep 05	0.4	L	0.001	1
20265 Valley Blvd. medians (Walnut)	Sep 05	0.4	L	0.001	1
19849 Valley Blvd. medians (Walnut)	Sep 05	0.4	L	0.001	1
Kohl's Center (Walnut)	Sep 05	2	L	0.009	10
Phoenix Private Schools (Rowland Heights)	Dec 05	0.1	AF,L	0.0002	0.2
The Home Depot, 21535-21651 Baker (Industry)	Jan 06	2.8	L	0.009	10
Industry East Land LLC, 21415 Baker (Industry)	Jan 06	2.3	L	0.006	7
Charles Hailong Cui, 350 Cheryl Lane (Walnut)	Apr 06	0.7	L	0.004	5
Fairway median@ Brea Canyon (Walnut)	Jun 06	0.3	L	0.001	1
Grand Avenue Crossing (Industry)	Jul 06	18.5	L	0.019	21
22002 Valley Blvd. (Industry)	Jul 06	1.6	L	0.003	4
Christian Chapel of Walnut Valley (Walnut)	Aug 06	2.2	L	0.006	6
Target Store T-2179, 747 Grand Ave. (Walnut)	Sep 06	3.9	L	0.006	6
Leg Avenue, 19601 E. Walnut Dr. (Walnut)	Oct 06	0.5	L	0.003	3
Harold M. Pitman Co., 21908-21958 Baker (Industry)	Jan 07	0.8	L	0.002	2
Williams-Sonoma, 21508-21662 Baker (Industry)	Apr 07	4.8	L	0.012	14
FedEx Ground, 200 Old Ranch Road (Walnut)	May 07	28	L	0.012	13

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**TABLE 13**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**WALNUT VALLEY WATER DISTRICT**  
**(PAGE 4 OF 4)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Currier Road Devel. Inc., 20819 Currier Rd. (Walnut)	May 07	0.3	L	0.001	1
Williams-Sonoma, 21700 Baker (Industry)	Aug 07	2	L	0.006	6
21350 Valley Blvd. (Industry)	Feb 08	0.4	L	0.001	1
Grand Avenue Venture, 21508 Ferraro Pkwy (Walnut)	Apr 08	3.5	L	0.003	4
Grand Avenue/Baker Parkway medians (Industry)	May 08	6.7	L	0.013	14
Majestic Management, 21530-21590 Baker (Industry)	May 08	2	L	0.008	9
Gomez Upholstery, 19935 Valley Blvd. (Walnut)	Jul 08	2	L	0	0
Susann Sutseng Lee, 1335-1337 Otterbein (Row. Hts.)	Jul 08	0.1	L	0.0004	0.4
Golden Springs Plaza (20657 Golden Sprgs (Dia. Bar)	Aug 08	0.4	L	0.002	2
Chili's Restaurant, Golden Springs Dr. (Diamond Bar)	Sep 08	0.01	L	0.001	1
Majestic Management, 21808 Garcia Ln. (Industry)	Sep 08	0.5	L	0.001	2
Majestic Management, 21858 Garcia Ln. (Industry)	Sep 08	0.4	L	0.001	2
Majestic Management, 21912 Garcia Ln. (Industry)	Sep 08	0.3	L	0.001	1
Majestic Management, 21760-21788 Garcia (Industry)	Sep 08	0.4	L	0.001	2
CFT Development, Golden Springs Dr. (Diamond Bar)	Oct 08	0.01	L	0.001	1
Jenny Hsieh, 20125 Valley Blvd. (Walnut)	Nov 08	0.03	L	0.00003	0.03
Brea Canyon Rd./Currier Road median (Walnut)	Feb 09	2	L	0.005	5
Cardinal Capital Partners, Currier/Lemon (Walnut)	Mar 09	2.5	L	0	0
Family Property Holdings, 20888 Amar Rd. (Walnut)	May 09	0.04	L	0.0004	0.5
KW Global Inc., 293 Brea Canyon Drive (Walnut)	May 09	0.3	L	0.001	2
Light of America, Inc. (20722 Currier Rd.) (Walnut)	Sep 09	0.1	L	0.0003	0.3
Ybarra Elementary School (Rowland Heights)	Sep 09	5.6	AF,L	0.008	9
Donald Miller, 19803 Valley (Walnut)	Sep 10	0.1	L	0.0001	0.3
Bell Memorial Church, 1747 Nogales (Rowland Hts.)	Dec 10	0.3	L	0.0002	0.3
<b>TOTALS</b>		<b>708.5</b>		<b>1.043</b>	<b>1,168</b>

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial,  
L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

therefore, produced a total of 67.43 MGD (75,555 AFY) of coagulated, filtered, disinfected tertiary recycled water (16.8% of the effluent produced in the JOS), a 1.7% decrease from the preceding fiscal year.

Recycled water quality from both the east and west sides of the plant for FY 10-11 is presented in Tables B-4 and B-5, respectively, of Appendix B. Of the total amount of recycled water produced, 31.895 MGD (35,740 AFY), or 47.3% of the plant's combined production, was actively reused, a 27.5% decrease from the preceding fiscal year. This increase was mainly due to above average rainfall that greatly reduced the amount of recycled water used for groundwater replenishment during this fiscal year.

The remaining effluent was discharged to the concrete-lined portion of the San Gabriel River below Firestone Boulevard where it flows to the ocean. Recycled water from this plant is used at 101 sites (not including recharge) shown in Figure 13 and listed in Table 14. Use of recycled water from this facility is permitted under LARWQCB Order Nos. 87-50 and 97-072 for direct, non-potable applications, and Nos. 91-100 and R4-2009-0048 for groundwater replenishment.

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**SAN JOSE CREEK WRP FACTS**

Plant capacity:	100 MGD
Water produced:	67.43 MGD 75,555 AFY 1.7% FY decrease
FY10-11 O&M:	\$248/AF (east) \$221/AF (west)
Water reused:	31.895 MGD 35,740 AFY 27.5% FY decrease 47.3% of production
Delivery systems:	7 300,850 ft. of pipe
No. of reuse sites:	101 2,881.3 acres

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**2.5.1 WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA**

The great majority (87.8%) of recycled water actively used from the San Jose Creek WRP goes to recharge the Central Basin groundwater aquifer, which in FY 10-11 was 28.015 MGD (31,393 AFY), a 29.4% decrease from the preceding fiscal year and 41.5% of the recycled water produced by this plant. In FY 10-11, 20.467 MGD (22,935 AFY) was directed either to the San Gabriel Coastal Spreading Grounds or to the Rio Hondo Spreading Grounds via the plant's discharge point from the east side to the San Jose Creek channel (88.9%). Another 0.108 MGD (121 AFY), or 0.5%, was discharged from the west side into the San Gabriel River upstream of the Zone 1 Ditch. Deliveries of recycled through the plant's 66-inch outfall pipe directly to the San Gabriel Coastal Spreading Grounds turnout resumed in March 2009 as the diversion gate began to be incrementally opened to the spreading grounds. This was done slowly as to determine the impact on non-native fish that have colonized the lined portion of the San Gabriel River downstream of the Outfall's discharge point. The partial opening of the diversion gate will allow for much greater amounts of recycled water to be delivered directly to the spreading grounds for recharge in the future. However, only 2.444 MGD (2,738 AFY), or 10.6%, was able to be recharged directly during this fiscal year, as excess storm water being conserved from the river prevented the release of recycled water from the Outfall.

Of the total amount of recycled water delivered from the San Jose Creek WRP, 6.776 MGD (7,593 AFY), or 23.3%, went to the Rio Hondo Spreading Grounds and 21.775 MGD (24,400 AFY), or 74.9%, went to the San Gabriel Coastal Spreading Grounds. Another 0.536 MGD (601 AFY), or 1.8% of the recycled water delivered, was bypassed around the spreading grounds and lost to the ocean during December 2010 and January and March 2011. Any discrepancy between the total amount discharged and the totals recharged and bypassed is attributed to differences in metering between the Sanitation Districts and the LACDPW.

The groundwater recharge operation with recycled water had been limited by its 1991 permit to a three-year running total of 150,000 AFY, with no more than 35% recycled water being recharged (with maximums of



**TABLE 14**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**SAN JOSE CREEK WRP**  
**(PAGE 1 OF 2)**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Water Replenishment District (1)	Jun 71	--	R	28.015	33,393
California Country Club (Industry) (2)	Jun 78	120	L,P	0.378	423
Industry Hills Recreation Area (Industry) (3)	Aug 83	600	L,P	0.854	957
Field, S/W corner Norwalk/Telegraph (S.F. Spgs.) (4)	Aug 94	5.2	L	0.010	11
Washington Elementary School (Whittier) (5)	Sep 94	5	AF,L	0.007	3
605 Freeway at Beverly (Whittier) (6)	Sep 94	30	L	0.044	50
Sorenson Elementary School (Whittier) (7)	Oct 94	4	AF,L	0.006	7
Palm Park West (Whittier) (8)	Nov 94	5	L	0.008	8
Orange Grove School (Whittier) (9)	Apr 95	6.6	AF,L	0.004	5
Katherine Edwards Middle School (Whittier) (10)	Sep 95	19	AF,L	0.022	24
Longfellow Elementary School (Whittier) (11)	Sep 95	4.5	AF,L	0.004	5
Walter Dexter Middle School (Whittier) (12)	Sep 95	15.5	AF,L	0.007	8
Founders Memorial Park (Whittier) (13)	Jan 96	4	L	0.008	9
Salt Lake Municipal Park (Huntington Park) (14)	Apr 96	20.9	L	0.040	45
Sorenson Park (Whittier) (15)	May 96	10.7	L	0.016	18
Sorenson Library (Whittier) (16)	May 96	0.4	L	0	0
Puente Hills Landfill irrigation (Industry) (17)	Nov 97	320	L	0.764	856
Puente Hills Landfill dust control (Industry) (18)	Nov 97	130	I	0.133	149
Puente Hills Gas-to-Energy Facility (Industry) (19)	Nov 97	--	I	0.607	680
Lugo Park (Cudahy) (20)	Apr 98	7	L	0.005	5
Rose Hills Memorial Park - upper area (Whittier) (21)	Jun 98	298	L	0.373	418
River Ridge Golf Course (Pico Rivcra) (23)	Jul 02	21.3	L	0.021	24
Rio Hondo College (Whittier) (24)	Jun 03	85	AF,L	0.023	26
Mill Elementary School (Whittier) (25)	Jun 03	15	AF,L	0.008	9
Gateway Pointe (Whittier) (26)	Jan 05	8	L	0.016	18
Puente Hill Materials Recovery Facility (Industry) (27)	Feb 05	2.4	L	0.005	5
LA Sanchez Nursery (Industry) (28)	Apr 06	5	O	0.010	12
Rose Hills Memorial Park - lower area (Whittier) (29)	Aug 06	275	L	0.438	491
Sunshine Park (L.A. County) (30)	Jul 09 (May 86)	4	L	0.002	3
Rowland Elementary School (Rowland Hts.) (31)	Jul 09 (May 86)	3	AF,L	0.002	2
Farjardo School (Rowland Heights) (32)	Jul 09 (May 86)	4	AF,L	0.0005	1
Farjardo Park (Rowland Heights) (33)	Jul 09 (May 86)	4	L	0.001	2
Nogales High School (L.A. Co.) (34)	Jul 09 (Jun 86)	11	AF,L	0.005	6
Queen of Heaven Cemetery (Rowland Hts.) (35)	Jul 09 (Jun 86)	35	L	0.003	3
Schabarum Regional County Park (L.A. Co.) (36)	Jul 09 (Sep 86)	233	L	0.020	22
Pepperbrook Park (Hacienda Heights) (37)	Jul 09	4.4	L	0.002	2
Countrywood Park (Hacienda Heights) (38)	Jul 09	5.4	L	0.002	2
Rowland Heights Golf Center (Rowland Heights) (39)	Jul 09	8	L	0.002	3
Medians at 755 Nogales (Industry) (40)	Jul 09	0.1	L	0.0001	0.1
Medians at 4115-1/2 Nogales (West Covina) (41)	Jul 09	0.1	L	0.001	2
Medians at 2654-1/2 Valley (West Covina) (42)	Jul 09	0.2	L	0.00003	0.03
Bu Sha Temple, 4111 Nogales (West Covina) (43)	Jul 09	0.5	L	0.0001	0.1
Megan Racing, 788 Phillips (Industry) (44)	Jul 09	0.1	L	0.0004	0.4
JJ Plaza, 18253 Colima (Rowland Heights) (45)	Jul 09	0.1	L	0.0001	0.1
New World RTCI-LP, 18958 Daisetta (Row. Hts.) (46)	Jul 09	0.1	L	0.00001	0.02
Battery Technology, 16651 Johnson (Industry) (47)	Jul 09	0.1	L	0.0001	0.1
FTH Group Inc., 16685 Johnson (Industry) (48)	Jul 09	0.1	L	0.0001	0.1
Ancillary Provider 16664 Johnson (Industry) (49)	Jul 09	0.1	L	0.0001	0.1
Ancillary Provider 16666 Johnson (Industry) (50)	Jul 09	0.2	L	0.0002	0.3
Pan American, 16610 Gale Ave. (Industry) (51)	Jul 09	0.2	L	0.0002	0.2
Blue Pacific, 1354 Marion Ct. (Industry) (52)	Jul 09	0.2	L	0.0003	0.3
Romano's Macaroni Grill, 17603 Colima (R. Hts.) (53)	Jul 09	0.1	L	0.001	1
Acosta Growers, 16412 Wedgeworth Dr. (Industry) (54)	Jul 09	5	O	0.001	1

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

**TABLE 14**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**SAN JOSE CREEK WRP**  
**(PAGE 2 OF 2)**

Wedgeworth Elementary School (Hacienda Hts.) (55)	Aug 09	2.5	AF,L	0.001	1
Wilson High School (Hacienda Heights) (56)	Aug 09	18.3	AF,L	0.006	7
Bixby Elementary School (Hacienda Heights) (57)	Sep 09	6.1	AF,L	0.002	2
Jade Fashion, 1350 Bixby (Industry) (58)	Sep 09	0.1	L	0.0002	0.3
Gutierrez Nursery, 16411 Wedgeworth (Industry) (59)	Sep 09	4	O	0.001	1
Frank Raper, 1215 Bixby (Industry) (60)	Dec 09	0.1	L	0.0001	0.2
Laido International, 16710-12 Johnson (Industry) (61)	Dec 09	0.1	L	0.0002	0.2
Bolt Products, 16725 Johnson Dr. (Industry) (62)	Dec 09	0.1	L	0.0001	0.1
Ily Enterprise, 783 Phillips (Industry) (63)	Jan 10	0.1	L	0.0003	0.3
Superior Profiles, 1325 Bixby (Industry) (64)	Jan 10	0.2	L	0.0002	0.2
60 Fwy., Countrywood & Fullerton (Industry) (65)	Jan 10	5	L	0.003	3
Camacho Strawberries (Industry) (66)	Jan 10	3	O	0.0001	0.1
Advanced Media, 881 Azusa (Industry) (67)	Jan 10	0.1	L	0.001	1
East Group Prop., 855 Anaheim-Puente (Industry) (68)	Mar 10	0.6	L	0.0003	0.4
So.Cal. Air Condition, 16950 Chestnut (Industry) (69)	Mar 10	2	L	0.0003	0.3
USACD, 17101 Chestnut (Industry) (70)	Mar 10	0.3	L	0.0003	0.3
Azusa Blvd Medians (Industry) (71)	Mar 10	0.2	L	0.0001	0.1
Acosta Growers, 17101 Chestnut (Industry) (72)	Mar 10	2.4	O	0.0002	0.2
L.A. Co. ISD bldg., 16610 Chestnut (Industry) (73)	Apr 10	0.5	L	0.0003	0.3
Azusa Property Co., 885 Azusa (Industry) (74)	Apr 10	0.2	L	0.0002	0.2
Golden West Footwear, 16750 Chestnut (Industry) (75)	Apr 10	0.3	L	0.0002	0.2
Teledyne Instruments, 16830 Chestnut (Industry) (76)	Apr 10	0.4	L	0.0004	0.4
Medians, 18927 Daisetta (Rowland Heights) (77)	Apr 10	0.2	L	0.0001	0.1
Colima Medians (L.A. County) (78)	Apr 10	0.1	L	0.0002	0.2
Medians, 1442 Fullerton (Industry) (79)	Apr 10	0.3	L	0.00004	0.05
Teledyne Picco, 16800 Chestnut (Industry) (80)	May 10	0.4	L	0.0003	0.3
Hou Yi Mao Nursery, 18002 Colima (Row. Hts.) (81)	May 10	1.3	O	0.0002	0.3
East Group Prop., 16700 Chestnut (Industry) (82)	Jun 10	0.6	L	0.001	1
Pro Motion Distribution, 883 Azusa (Industry) (83)	Jun 10	0.1	L	0.0001	0.1
New Age Kaleidoscope, 7 Colima (Industry) (84)	Jun 10	0.6	L	0.001	1
Min Maw Intl. Inc., 18350 San Jose (Industry) (85)	Jun 10	0.7	L	0.001	1
Hot Topic, 18350 San Jose Ave. (Industry) (86)	Jul 10	0.6	L	0.001	1
FedEx, 18305 San Jose Ave. (Industry) (87)	Jul 10	0.6	L	0.001	1
Hudd Distribution, 18215 Rowland St. (Industry) (88)	Sep 10	0.6	L	0.0003	0.4
New Age Kaleidoscope, 5 Stoner Creek (Industry) (89)	Oct 10	1.4	L	0.0003	0.4
Perrin Manufacturing, 1020 Bixby (Industry) (90)	Oct 10	0.1	L	0.0001	0.2
Centro Watt Operating, 17518A Colima (Industry) (91)	Oct 10	0.4	L	0.00003	0.03
Centro Watt Operating, 17414 Colima (Industry) (92)	Oct 10	0.5	L	0.0001	0.1
717 Nogales LLC, 717 Nogales (Industry) (93)	Oct 10	0.5	L	0.0001	0.1
Walgreens, 18308 Colima (Industry) (94)	Dec 10	0.1	L	0.0001	0.1
RWD Office, 3021 S. Fullerton (Industry) (95)	Dec 10	0.3	L	0.0001	0.1
Pathfinder Park (Rowland Heights) (Industry) (97)	May 11	29	L	0.00001	0.01
USGVMWD site, 401 Nogales St. (Industry) (98)	May 11	0.5	L	0.0000003	0.0003
East Group Prop., 18551 Arenth Ave. (Industry) (100)	May 11	0.7	L	0.000003	0.003
717 Nogales LLC, 18961 Arenth Ave. (Industry) (101)	May 11	0.5	L	0.000003	0.003
Kimco Realty, 17100 Colima Rd. (Industry) (102)	May 11	3	L	0.000003	0.003
Acme Trading Group, 18501 Arenth (Industry) (103)	May 11	0.9	L	0.00001	0.01
Third Party Enterprises, 18501 Arenth (Industry) (104)	May 11	0.6	L	0.000001	0.001
Floria International 18701 Arenth (Industry) (105)	May 11	0.4	L	0.000003	0.003
<b>TOTALS</b>		<b>2,881.3</b>		<b>31.895</b>	<b>35,740</b>

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

60,000 AFY and 50% in any one year). To allow the use of more recycled water, WRD requested that the LARWQCB revise the 1991 recharge permit to eliminate the existing annual and three-year total quantity limits (60,000 and 150,000 AF, respectively), and rely on a running 5-year average recycled water contribution of 35%. This permit modification was supported by State DPH staff and was adopted by the LARWQCB in April 2009. Sampling and analysis for TOC at the spreading grounds shallow monitoring wells has been increased from bimonthly to weekly during the first year of operation. Assuming there is sufficient dilution water, this change would allow approximately 5,000 AFY more of recycled water to be recharged.

### *2.5.2 CITY OF INDUSTRY*

In August 1983, the City of Industry completed a recycled water distribution system to serve the Industry Hills Recreation and Conservation Area. This system includes a 7,100 gpm pump station at the San Jose Creek WRP, 36,960 feet of 36-inch pipe following the San Jose Creek Channel, and a 2 million gallon reservoir with a 3,400 gpm booster pump station at Anaheim-Puente Road. From this point, a 16-inch pipe with a second, 3,300 gpm booster pump station brings recycled water into the 600-acre reuse site for landscape irrigation of two 18-hole golf courses and an equestrian center, and as a source of supply for eight ornamental lakes and storage impoundments. During FY 10-11, 0.854 MGD (957 AFY), or 1.3% of recycled water produced at this plant, was delivered through a total of 44,350 feet of pipeline and used at this site, an 18.9% decrease from the preceding fiscal year. While no new sites were directly connected to the Industry distribution system, RWD did, however, continue connecting sites to its own extension off the Industry system throughout the fiscal year. This system is discussed in the following section.

### *2.5.3 ROWLAND WATER DISTRICT*

In July 2009, RWD began recycled water deliveries through a new distribution system that branched off the City of Industry pipeline. In FY 10-11, RWD connected 18 new reuse sites to its distribution system: In July 2010, the landscaping around Hot Topic (18350 San Jose Ave.) and FedEx (18305 San Jose Ave.) was connected. In September 2010, the landscaping around Hudd Distribution (18215 Rowland St.) was connected. In October 2010, the landscaping around New Age Kaleidoscope (5 Stoner Creek Rd.), Perrin Manufacturing (1020 Bixby), Centro Watt Operating (17518A and 17414 Colima Rd.), and 717 Nogales LLC (717 Nogales) was connected. In December 2010, the landscaping around the Walgreens (18308 Colima Rd.) and the Rowland Water District Office (3021 S. Fullerton) was connected. In May, Pathfinder Park and the landscaping around the Upper San Gabriel Valley Municipal Water District (USGVMWD) site at 401 Nogales St., East Group Properties (18551 Arenth Ave.), 717 Nogales LLC (18961 Arenth Ave.), Kimco Realty (17100 Colima Rd.), Acme Trading Group (18501 Arenth Ave.), Third Party Enterprises (18501 Arenth Ave.), and Floria International Inc. (18701 Arenth Ave.) were connected.

During FY 10-11, RWD delivered 0.067 MGD (75 AFY), or 0.1% of the recycled water produced at the San Jose Creek WRP to 74 sites listed in Table 14 and shown in Figure 13. This was an 8.7% increase over the preceding fiscal year. RWD purchased the recycled water from the City of Industry, retailing it at 63% of its potable rate of \$1,010.59/AF (for "Zone I" elevation), or \$635.98/AF.

### *2.5.4 CALIFORNIA COUNTRY CLUB*

In June 1978, deliveries of recycled water began to this 120-acre golf course located directly across the San Jose Creek Channel from the San Jose Creek WRP. An 8-inch polypropylene line inside a 24-inch reinforced concrete pipe siphon under the channel delivers chlorinated recycled water from the plant's "foam spray" system to the golf course's 0.75-acre lake No. 2. The golf course irrigation system is supplied by two pumps that can deliver a maximum of 1,800 gallons per minute (gpm) of recycled water from the lake. During FY 10-



11, 0.378 MGD (423 AFY), or 0.6% of recycled water produced at this plant, was delivered to this site, a decrease of 10.2% from the preceding fiscal year.

#### *2.5.5 SAN GABRIEL VALLEY WATER COMPANY - LA SANCHEZ NURSERY*

This nursery has signed a lease with Los Angeles Department of Water and Power (LADWP) for the property immediately adjacent to San Jose Creek WRP West formerly occupied by Arbor, Chuy's, J&E's and Ortiz's nurseries. During FY 10-11, 0.010 MGD (12 AFY), or <0.02% of recycled water produced at this plant, was delivered to this site for the irrigation of ornamental plants for commercial resale. This was essentially the same amount that was delivered during the preceding fiscal year. Contract No. 3286 with the San Gabriel Valley Water Company (SGVWC) replaced the old contract for the sale of recycled water directly to this nursery's predecessor (Contract No. 2835) beginning in September 1994. SGVWC resold the recycled water to the nursery for \$473.28/AF, a 47% discount from its corresponding potable water rate of \$899.95/AF.

#### *2.5.6 CENTRAL BASIN MUNICIPAL WATER DISTRICT (RIO HONDO SYSTEM)*

CBMWD continues to develop its second regional distribution system to deliver an estimated 5,000 to 10,000 AFY of recycled water from the San Jose Creek WRP to sites in the upper portion of its service area in the cities of Montebello, Pico Rivera, Commerce, Cudahy, Huntington Park, Bell Gardens, Vernon, Santa Fe Springs, and Whittier. This project is patterned after the regional concept of the "Century Project" described previously in Section 2.3.4. Interconnections with the Century distribution system originating from the Los Coyotes WRP will allow for a looped system (once the western connection is completed, see Section 5.4.4) served by both treatment plants for additional reliability and system pressures. Both the Century and Rio Hondo distribution systems can be partially supplied with recycled water from either the Los Coyotes WRP or either side of the San Jose Creek WRP individually or in combination. However, for the sake of consistency, recycled water usage at the Rio Hondo facilities is reported in water reuse reports as coming from the San Jose Creek WRP, and at the Century facilities as coming from the Los Coyotes WRP, as there is no way to differentiate which reuse sites receive which recycled water. Recycled water is used at 15 sites shown in Figure 13 and listed in Table 14. A narrative description of the layout of the Rio Hondo recycled water distribution system is contained in Appendix H. The layout of the pipelines for both the Century and Rio Hondo distribution systems is shown in Figure 10.

During FY 10-11, CBMWD delivered 0.203 MGD (227 AFY), or 0.3% of the recycled water produced at this plant, through 95,000 feet of pipeline to six water purveyors (SGVWC and the cities of Whittier, Cudahy, Huntington Park, Pico Rivera, and Santa Fe Springs) for landscape and athletic field irrigation on approximately 159 acres at the 15 sites. This represents a 8.6% increase over the preceding fiscal year. CBMWD has constructed the delivery facilities right up to the end user; however, the local retail water purveyor is the entity actually supplying the recycled water. No new sites were connected to the Rio Hondo recycled water distribution system during FY 10-11.

In FY 10-11, CBMWD wholesaled the recycled water to its customers, the retail water purveyors, on a monthly use, tiered rate schedule (\$506 for the first 50 AF, and \$460 for anything above 50 AF). This is between 57% and 62% of the rate of \$805/AF it charges for Tier 1 non-interruptible potable water supplied by MWD, and between 50% and 55% of the rate of \$915/AF it charges for Tier 2 supplies. Recycled water delivered outside of CBMWD's service area was subject to a \$20/AF surcharge on each of the two tiers. Recycled water deliveries to the Malburg power plant in Vernon received an industrial use rate (\$357 for the first 25 AF, \$332 for the next 25 AF, \$308 for the next 50 AF, and \$283 for anything above 100 AF). The retail purveyors then set their own rates for the recycled water.

### *2.5.7 PUENTE HILLS/ROSE HILLS*

A distribution system was constructed to deliver recycled water from the San Jose Creek WRP to the Sanitation Districts' nearby Puente Hills Landfill, Materials Recovery Facility (MRF), Puente Hills Energy Recovery from Landfill Gas (PERG) Facility, and to Rose Hills Memorial Park. These sites are shown in Figure 13 and listed in Table 14.

This project was conceived of as far back as 1978 as a means of reducing the Landfill's \$20,000 per month water bill; however, various impediments stalled this project over the years. Not the least of these impediments was the claim of "duplication of services" by the local water company that had served domestic water to the Puente Hills Landfill. To resolve this, Senate Bill 778 was passed and became law on January 1, 1995. This legislation allowed the Sanitation Districts to deliver their own recycled water to their landfill, without having to pay the water company for lost revenues, only for the physical facilities that would be rendered less useful.

Recycled water deliveries to the Puente Hills Landfill and the PERG Facility began in November 1997, while deliveries to Rose Hills began in June 1998 and to the MRF began in February 2005. The total project cost was approximately \$7.2 million and was funded by a low-interest State water reclamation loan. In order to serve the eastern portions of the Landfill and the upper areas of the cemetery, \$4 million of additional on-site distribution facilities were completed in mid-2001. A narrative description of the layout of the Puente Hills/Rose Hills recycled water distribution system is contained in Appendix I.

During FY 10-11, the Puente Hills/Rose Hills distribution system delivered 1.882 MGD (2,109 AFY), or 2.8% of the recycled water produced at this plant, through 8,900 feet of pipeline to five users on approximately 855 acres, a decrease of 6.2% from the preceding fiscal year. Recycled water is used for landscape irrigation of slopes and for dust control on the working deck at the Puente Hills Landfill and MRF, for cooling tower supply at the PERG Facility, and for landscape irrigation and impoundments at Rose Hills Memorial Park. The irrigation of strawberries by J&M Farming, which had leased cemetery property from Rose Hills, ended in July 2010.

### *2.5.8 UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT (PHASE I EXTENSION)*

A distribution system has been completed that transports water from CBMWD's Rio Hondo distribution system to the Upper San Gabriel Valley Municipal Water District's (USGVMWD's) service area, referred to by this agency as its Phase I Extension. This system will ultimately deliver approximately 1,800 AFY from the San Jose Creek WRP to a number of sites. Rio Hondo College and Mill Elementary School were both connected in June 2003 and the Gateway Pointe commercial development was connected in January 2005. In August 2006, recycled water deliveries to 275 acres of the lower, older portion of Rose Hills Memorial Park began (acreage was erroneously reported as 858 previously). Due to the age of its irrigation system, Rose Hills required extensive retrofitting, mainly consisting of the installation of a separate domestic water system to serve hose bibbs for visitor use (i.e., vase filling). These sites are shown in Figure 13 and listed in Table 14.

From the existing Whittier Connector Unit on CBMWD's Rio Hondo distribution system (Section 2.5.5 above), a 36-inch distribution pipeline located at intersection of Strong Avenue and Pioneer Avenue, USGVMWD installed a tee connecting to a 16-inch steel pipeline, which extends north along Pioneer Avenue to Workman Mill Road. Approximately 200 feet north of the intersection of Workman Mill Road and Mill Road, a 6-inch service lateral provides service to Mill Elementary School. The 16-inch steel pipeline continues north along Workman Mill Road and terminates approximately 50 feet south of the main entrance of Rio Hondo College in a 10-inch service connection to the college.

During FY 10-11, the USGVMWD distribution system delivered 0.486 MGD (544 AFY), or 0.7% of the recycled water produced at this plant, through 11,020 feet of pipeline to four users on 383 acres, a decrease of 12.4% from the preceding fiscal year. SGVWC, the retail purveyor for this system, resold the recycled water to three of its customers at its tariff rate of \$771.62/AF, or 86% of its corresponding potable water rate of \$899.95/AF. Since Rose Hills Memorial Park is not a part of SGVWC's service area, it received recycled water at a contract rate of \$220/AF.

## 2.6 WHITTIER NARROWS WRP

### WHITTIER NARROWS WRP FACTS

Plant capacity:	15 MGD
Water produced:	7.76 MGD 8,701 AFY 64.1% FY increase
FY10-11 O&M:	\$398/AF
Water reused:	7.434 MGD 8,330 AFY 57.1% FY increase 95.7% of production
Delivery systems:	1 18,900 ft. of pipe
No. of reuse sites:	3 604.3 acres

This treatment facility, located at 301 North Rosemead Boulevard, El Monte, CA 91733, was the first activated sludge water reclamation plant built by the Sanitation Districts and was completed in 1962 with a design capacity of 15 MGD. Of the 7.76 MGD (8,701 AFY) of coagulated, filtered, disinfected tertiary recycled water produced during FY 10-11 (1.9% of the effluent produced in the JOS), at an O&M cost of \$398/AF, 7.434 MGD (8,330 AFY) was actively reused. The amount produced was a 64.1% increase in recycled water production over the preceding fiscal year, while the amount reused was a 57.1% increase, both as a result of completion of the plant's conversion to the NDN secondary treatment process. (Note: The entire treatment plant had been completely shut down for this conversion between August 17 and November 2 of the preceding year).

Recycled water quality for FY 10-11 is presented in Table B-6 of Appendix B. Recycled water from this plant is used at two direct, non-potable reuse sites and for groundwater recharge of the Central Basin, as shown on Figure 14 and listed in Table 15. Use of recycled water from this facility is

permitted under LARWQCB Order Nos. 88-107 and 97-072 for direct, non-potable applications, and Nos. 91-100 and R4-2009-0048 for groundwater replenishment (see Section 2.5.1 for a discussion on the amended groundwater recharge permit).

### 2.6.1 WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

The majority (82.6%) of recycled water actively used from this plant went to recharge the Central Basin aquifer. In FY 10-11, 6.141 MGD (6,881 AFY) was used to replenish the groundwater supply, a 49.1% increase over the preceding fiscal year. In FY 10-11, 3.617 MGD (4,053 AFY) was delivered to the Rio Hondo Spreading Grounds via the plant's main discharge point to the Rio Hondo (56.0%), with another 2.174 MGD (2,436 AFY), or 33.6%, being directed to the San Gabriel Coastal Spreading Grounds via the plant's 45-inch outfall pipe. The third discharge point, the Zone 1 Ditch leading to the Rio Hondo Spreading Grounds, received the remaining 0.674 MGD (755 AFY), or 10.4%, of the recycled during the fiscal year.

Of the total amount of recycled water delivered from the Whittier Narrows WRP, 4.280 MGD (4,797 AFY), or 63.1%, went to the Rio Hondo Spreading Grounds and 2.181 MGD (2,444 AFY), or 32.2%, went to the San Gabriel Coastal Spreading Grounds. Another 0.321 MGD (359 AFY), or 4.7% of the recycled water delivered, was bypassed around the spreading grounds and lost to the ocean during November 2010 through March 2011 as a result of heavy rainfall runoff. Any discrepancy between the total amount discharged and the totals



**TABLE 15**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**WHITTIER NARROWS WRP**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Water Replenishment District	Aug 62	--	R	6.141	6,881
Norman's Nursery	Mar 83	20.2	O	0.016	17
Whittier Narrows Recreation Area	Sep 06	568	L	0.712	798
South El Monte High School	Aug 07	16.1	AF, L	0.062	69
Whittier Narrows Golf Course	Dec.09	260	L	0.504	565
<b>TOTALS</b>		<b>864.3</b>		<b>7.434</b>	<b>8,330</b>

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial,  
L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

recharged and bypassed is attributed to differences in metering between the Sanitation Districts and the LACDPW.

### *2.6.2 SAN GABRIEL VALLEY WATER COMPANY - F.L. NORMAN'S NURSERY*

In March 1983, Flora Nursery leased from the Sanitation Districts the 17-acre parcel known as the arboretum site northwest of the junction of the 60 and 605 Freeways adjacent to the San Jose Creek WRP, and contracted for the purchase of recycled water from this plant for the irrigation of nursery stock. F.L. Norman's Nursery purchased this operation in March 1986. The Stage III expansion of the San Jose Creek WRP required the relocation of the nursery operations from the arboretum site to land owned by the Sanitation Districts and the Army Corps of Engineers next to the Whittier Narrows WRP. This relocation began in December 1988 and was completed in May 1989. Recycled water is supplied to the nursery operation directly from the plant's chlorine contact tanks through the nursery's own pump. During FY 10-11, 0.016 MGD (17 AFY), or 0.2% of the recycled water produced at this plant, was delivered to this 20.2-acre site for the irrigation of ornamental plants for commercial resale, a 29.2% decrease from the preceding fiscal year. This company ceased nursery operations at this site and deliveries of recycled water ended in April 2011.

Contract No. 3286 with SGVWC replaced the old contract for the sale of recycled water directly to the nursery (Contract No. 2835) beginning in September 1994. SGVWC resold the recycled water to the nursery at its contract rate of \$473.28/AF, a 47% discount from its corresponding potable water rate of \$899.95/AF.

### *2.6.3 UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT (PHASE II-A EXTENSION) - WHITTIER NARROWS RECREATION AREA*

This project (designated Phase II-A by USGVMWD) was completed in September 2006, at which time deliveries of recycled water began to the Los Angeles County Department of Parks and Recreation's (LACDPR's) Whittier Narrows Recreation Area, located adjacent to the Whittier Narrows WRP. The athletic fields and landscaping at South El Monte High School were connected in July 2007. Construction of a pipeline to the adjacent Golf Course was completed and the golf course connected in December 2009. The \$9 million project was constructed with the help of a \$2.1 million Prop. 50 grant from the SWRCB and utilizes the plant's existing chlorine contact tanks, which will no longer be regularly needed for effluent disinfection after the plant is converted from sodium hypochlorite to UV disinfection.

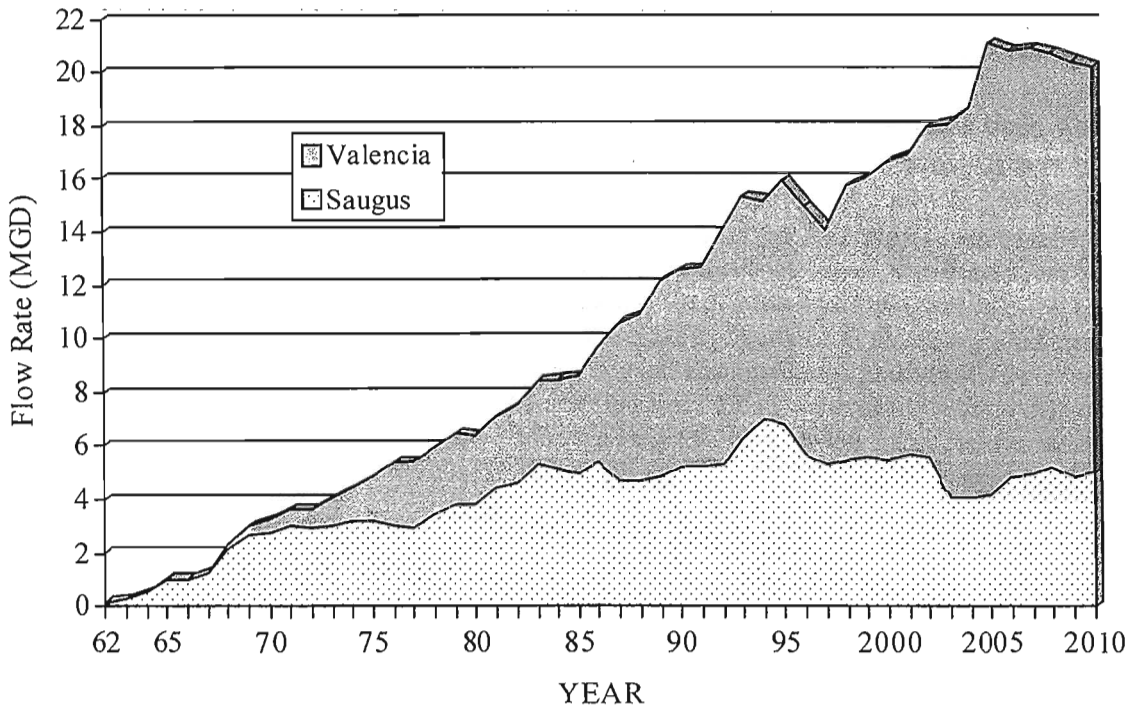
During FY 10-11, the USGVMWD distribution system delivered 1.278 MGD (1,432 AFY) through 18,900 feet of pipeline for use on 864 acres. This was 16.5% of the recycled water produced at this plant and a 149.0% increase over the preceding fiscal year. This increase was primarily due to the plant shutdown during the previous fiscal year for construction, followed by increased flows during the current fiscal year making more recycled water available. No new sites were added to the system during FY 10-11, although construction of the Rosemead extension to this system was completed (see Section 5.5.1).

USGVMWD wholesaled the recycled water to SGVWC, the retail purveyor for this system, who then resold the recycled water to the LACDPR at a contract rate of \$696.00/AF, or 77% of its corresponding potable water rate of \$899.95/AF. LACDPR then leases a portion of its groundwater pumping rights to SGVWC in exchange, resulting in a lower effective rate for the recycled water. The golf course and high school were charged their tariff rate of \$726.23/AF, 81% of the potable water rate.

### 3. SANTA CLARITA VALLEY

This area, which includes the City of Santa Clarita, is located northwest of the City of Los Angeles. The Valencia and Saugus WRPs together make up the Santa Clarita Valley Joint Sewerage System (SCVJSS) and have a design capacity of 28.1 MGD (31,487 AFY). During FY 10-11, these plants produced 19.96 MGD (22,365 AFY) of recycled water available for reuse, a 1.8% decrease from the preceding fiscal year. Figure 15 illustrates the growth of recycled water production from Valencia and Saugus WRPs from 1962 through the end of 2010. During most of the history of these plants, only occasional reuse via water truck hauling occurred. The use of recycled water through a permanent distribution system began during FY 03-04, with 0.300 MGD (336 AFY), or 1.5% of the total amount of recycled water produced in the SCVJSS, being delivered from the Valencia WRP during FY 10-11. This was a 9.4% decrease from the preceding fiscal year.

FIGURE 15  
SANTA CLARITA VALLEY JOINT SEWERAGE SYSTEM RECYCLED WATER PRODUCTION  
1962-2010



#### 3.1 VALENCIA WRP

The Valencia WRP, located at 28185 The Old Road, Valencia, CA 91355, was completed in 1967. Following several expansions, the construction of a 4.4 million gallon flow equalization tank in February 1995, a solids handling expansion in August 2002, and the construction of additional aeration tanks for NDN in May 2003, the Valencia WRP now has a capacity of 21.6 MGD. In FY 10-11, the plant produced an average of 14.95 MGD (16,749 AFY) of recycled water, a 3.9% decrease from the preceding fiscal year. The FY 10-11 O&M cost to produce this water was approximately \$623/AF, which includes solids processing for both the Saugus and Valencia WRPs. Recycled water quality for FY 10-11 is presented in Table B-7 of Appendix B.

Use of recycled water from this facility is permitted under Los Angeles RWQCB Order Nos. 87-48 and 97-072. During FY 10-11, 0.300 MGD (337 AF), or 2.0% of the recycled water produced was actively reused, a 9.4% decrease from the preceding year.

### 3.1.1 CASTAIC LAKE WATER AGENCY

The Castaic Lake Water Agency (CLWA), the regional importer and wholesaler of State Project water in the Santa Clarita Valley, has begun the implementation of a recycled water distribution system. In spring 1998, Kennedy/Jenks completed design of a 10,000 gpm pump station located adjacent to the Valencia WRP's chlorine contact tanks, with enough pipeline to go through the plant site to the street, with construction being completed in 1999. Construction of a 20- and 24-inch pipeline southerly along The Old Road to Valencia Boulevard was completed in May 2002. Recycled water deliveries for hydrostatic testing of the storage reservoir constructed at the Westridge Development reuse site as a part of this project began in August 2003, with irrigation of the Tournament Players Club golf course beginning the following month. These facilities are shown in Figure 16 and listed in Table 16.

During FY 10-11, 0.300 MGD (337 AF), or 2.0% of the recycled water produced at the Valencia WRP was delivered through 16,490 feet of pipeline, a 9.4% decrease over the preceding fiscal year. In FY 10-11, 2.8 acres of landscaping at the intersection of The Old Road and Magic Mountain Parkway were connected.

Valencia Water Company, the retail purveyor for this system, purchased the recycled water from CLWA for \$486.24/AF and resold it at its tariff rate of \$511.83/AF, or 84% of its corresponding potable water rate of \$609.40/AF.

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<b>VALENCIA</b>	<b>WRP FACTS</b>
Plant capacity:	21.6 MGD
Water produced:	14.95 MGD 16,749 AFY 3.9% FY decrease
FY10-11 O&M:	\$623/AF
Water reused:	0.300 MGD 337 AFY 2.0% of production 9.4% FY decrease
Delivery systems:	1
No. of reuse sites:	3 129 acres

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### 3.2 SAUGUS WRP

<b>SAUGUS WRP FACTS</b>	
Plant capacity:	6.5 MGD
Water produced:	5.01 MGD 5,616 AFY 5.0% FY increase
FY10-11 O&M:	\$499/AF
Water reused:	none

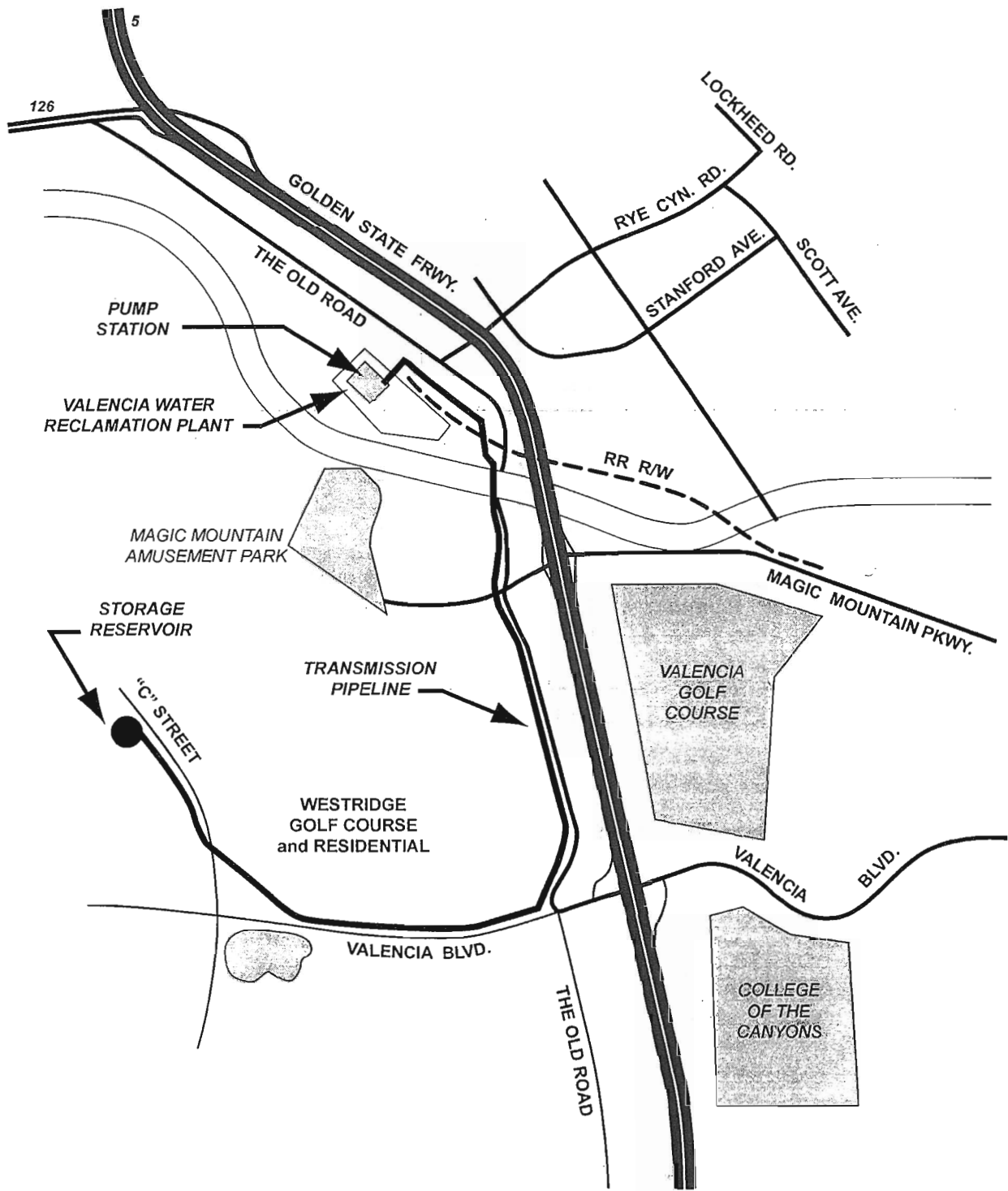
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The Saugus WRP, located at 26200 Springbrook Avenue, Saugus, CA 91350, was completed in 1962. Three subsequent expansions in 1964, 1965, and 1968 and flow equalization facilities in 1991 brought its current design capacity to 6.5 MGD. The treatment process was upgraded to tertiary with the addition of dual-media pressure filters in 1987. No future conventional expansions are possible due to space limitations on the site; any increase in plant capacity would have to be in some form of compact treatment technology, such as membrane bioreactors (MBRs). In FY 10-11, the plant produced an average of 5.01 MGD (5,616 AFY) of recycled water, which was a 5.0% increase over the preceding fiscal year, at an O&M

cost of \$499/AF. Recycled water quality for FY 10-11 is presented in Table B-8 of Appendix B. Use of recycled water from this facility is permitted under LARWQCB Order Nos. 87-49 and 97-072; however, no recycled water was used from this facility in FY 09-10.



FIGURE 16  
 CASTAIC LAKE WATER AGENCY  
 RECLAIMED WATER DISTRIBUTION SYSTEM



**TABLE 16**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**VALENCIA WRP**

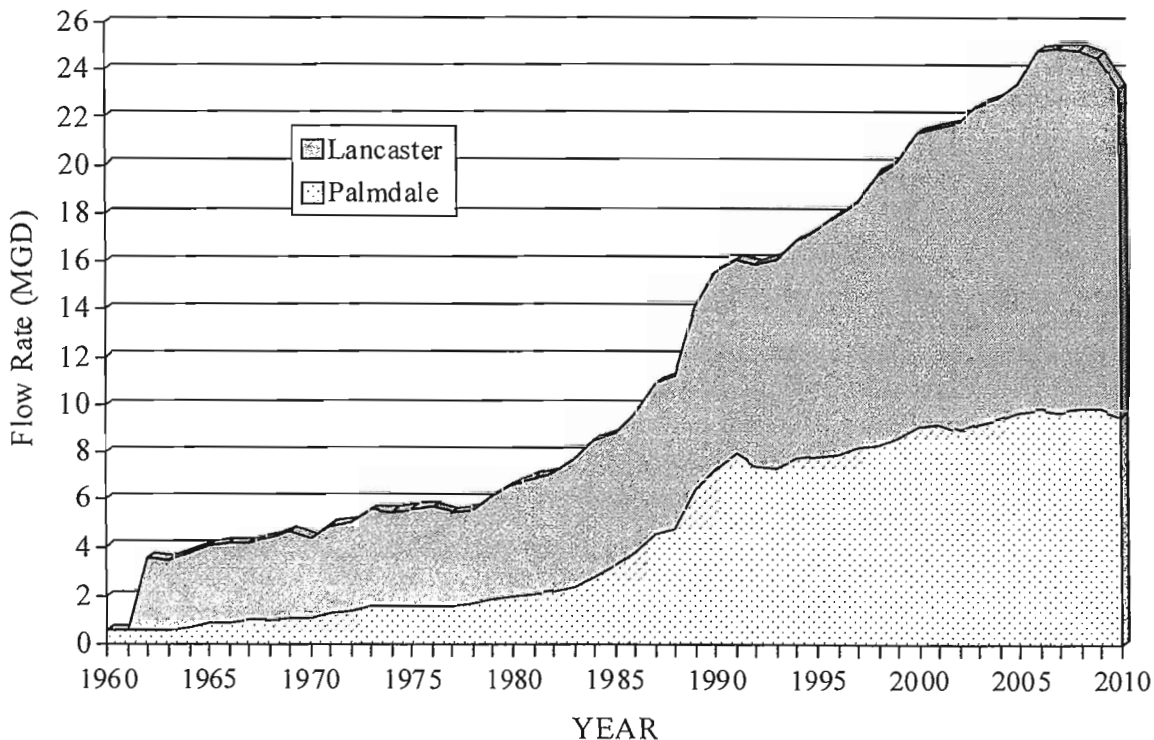
<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Tournament Players Club at Valencia	Aug 03	120	L	0.277	311
The Old Road medians, (26840-27236 The Old Road)	Aug 03	5.8	L	0.020	22
The Old Road/Magic Mtn. Pkwy medians	Nov 10	2.8	L	0.003	4
<b>TOTALS</b>		<b>128.6</b>		<b>0.300</b>	<b>337</b>

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial,  
L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

## 4. ANTELOPE VALLEY

Two treatment plants serve the communities of the Antelope Valley, one each in the cities of Lancaster and Palmdale. Both WRPs produce secondary effluent by means of oxidation ponds followed by disinfection with chlorine, both use anaerobic digesters and drying beds for solids processing and both are in the process of being converted to activated sludge with tertiary filtration and disinfection (the conversion of the Palmdale WRP actually completed in December 2011). Together, during FY 10-11 the two WRPs treated approximately 23.10 MGD of wastewater to produce 20.01 MGD (22,421 AFY) of effluent available for reuse, an increase of 3.5% over the preceding fiscal year. Figure 17 illustrates the growth of influent flows at the Lancaster and Palmdale WRPs from 1960 through the end of 2010. In this case, influent is a more accurate gauge of plant flows because the actual amount of effluent is variable from month to month, as water is either lost in the oxidation ponds by evaporation/percolation or gained by rainfall. From this graph, it appears from the decrease in influent flows over the past few years that water conservation and the economic slowdown have finally outweighed population growth in regard to wastewater generation in the Antelope Valley. During FY 10-11, 18.98 MGD (21,270 AFY), or 94.9% of the recycled water produced, was actively reused, a 1.1% decrease from the preceding fiscal year. Reuse flows from both WRPs are presented in Table 17.

FIGURE 17  
ANTELOPE VALLEY WRPs INFLUENT FLOW  
1960-2010



### 4.1 LANCASTER WRP

The existing treatment facility, located at 1865 West Avenue D, Lancaster, CA 93534, began operation in 1959, replacing an earlier treatment plant that had begun operation in 1941. The plant's capacity was expanded

**TABLE 17**  
**SUMMARY OF FISCAL YEAR 10-11 RECYCLED WATER USAGE**  
**LANCASTER AND PALMDALE WRPs**

<u>Reuse Site (City)</u>	<u>Start-up Date</u>	<u>Acreage</u>	<u>Type of Use</u>	<u>Usage</u>	
				<u>(MGD)</u>	<u>(AFY)</u>
Apollo Lakes Community Regional Park (Lancaster)	Jun 69	56	L,P	0.184	206
Piute Ponds (Lancaster)	May 81	400	E	7.150	8,012
Harrington Farms Pistachio Orchard (Palmdale)	Apr 85	23	AG	0.082	92
Nebeker Ranch (Lancaster)	Jun 88	600	AG	3.668	4,111
Tree Farm (Palmdale)	Feb 89	46	O	0.012	13
Antelope Valley Farms (Palmdale)	Mar 02	2,100	AG	7.038	7,887
Eastern Agricultural Site (Lancaster)	Feb 07	696	AG	0.845	947
Public Works Dept. sewer flushing (Lancaster)	Jan 09	--	I	0.001	1
Public Works Dept. street sweeping (Lancaster)	Feb 09	--	I	0.0004	0.4
Lancaster University Center (Lancaster)	May 09	2	L	0	0
Public Works Dept. dust control (Lancaster)	Sep 10		I	0.00001	0.01
<b>TOTALS</b>		<b>3,920</b>		<b>18.981</b>	<b>21,270</b>

NOTES: AF = Athletic field irrigation, AG = Agricultural irrigation, E = Environmental enhancement, I = Industrial, L = Landscape irrigation, O = Ornamental plant irrigation, P = Impoundment, R = Groundwater replenishment.

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**LANCASTER WRP FACTS**

Plant capacity:	17 MGD
Water produced	11.89 MGD 13,323 AFY 2.0% FY increase
FY10-11 O&M:	\$387/AF
Water reused:	11.85 MGD 13,277 AFY 99.7% of production 1.6% FY increase
Delivery systems:	5
No. of reuse sites:	7 1,752 acres

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in 1989 to 8 MGD, with 460 million gallons (1,400 AF) of storage ponds to capture excess winter flows. The Stage III expansion increased plant capacity to 10 MGD in December 1992. The Stage IV expansion, consisting of a flow equalization basin, two sedimentation tanks and additional aeration equipment in the oxidation ponds, increased the plant's secondary treatment capacity to 16 MGD in May 1997. The MBR plant that went into operation in February 2007 raised the total plant treatment capacity to 17 MGD. In June 1969, the Antelope Valley Tertiary Treatment Plant (AVTTP) was placed in operation with the ability to treat 0.6 MGD of Lancaster WRP secondary effluent to tertiary quality. This plant completed its conversion to full tertiary treatment in mid-2012.

This plant treated an average of 13.51 MGD in FY 10-11, utilizing oxidation ponds to produce 11.89 MGD (13,323 AFY) of recycled water, or a 2.0% increase over the preceding fiscal year. Approximately 8.9% of the production is tertiary effluent being produced by both the AVTTP and the MBR plant (1.057 MGD, 1,184 AFY), with the remainder being secondary effluent. A portion of the wastewater entering the plant is lost due to evaporation from

the oxidation and storage ponds during the summer, while additional flows are gained by precipitation during the winter. The FY 10-11 O&M cost to produce secondary effluent (based on influent flow) was approximately \$387/AF (including solids processing). Besides a small amount of tertiary effluent used for on-site irrigation and construction at the WRP, all of the recycled leaving the plant was reused at four sites shown in Figure 18, and presented in Table 17.

#### 4.1.1 PIUTE PONDS

The initial discharge point for disposal of effluent from the Lancaster WRP had been to Amargosa Creek that then flowed onto Rosamond Dry Lake. In order to prevent flooding of the dry lakebed (which is located within the boundaries of Edwards Air Force Base), a 1-½ mile long dike was constructed in 1960 to impound the effluent. Approximately 200 acres of wetlands formed, becoming an important migratory stopover for ducks along the Pacific Flyway. In a memorandum of understanding signed in 1981 with Edwards Air Force Base and the California Department of Fish and Game, the Sanitation Districts agreed to maintain at least 200 acres of wetlands with recycled water in order to preserve Piute Ponds as a wildlife refuge. The secondary effluent is disinfected with chlorine in order to protect the health of Air Force officers who use this area as a duck-hunting club.

In FY 10-11, 7.150 MGD (8,012 AFY) was delivered to Piute Ponds, an increase of 4.1% over the preceding fiscal year. This reuse constitutes 60.1% of the recycled water produced at this facility.

#### 4.1.2 NEBEKER RANCH

The dike constructed by the Air Force did not completely eliminate the flow of recycled water onto Rosamond Dry Lake during winter when evaporation was at a minimum and additional rainfall runoff entered Piute Ponds. Five hundred million gallons of storage capacity were added in 1988 to collect excess recycled water produced during the winter for delivery to the 680-acre (approximately 600 acres cultivated) Nebeker Ranch,



an alfalfa farm located approximately three miles northwest of the treatment plant. The ranch is served by a pump station and 15,900 feet of 24-inch force main.

During FY 10-11, 3.668 MGD (4,111 AFY) of recycled water was used for agricultural irrigation at this site, a decrease of 1.9% from the preceding fiscal year. This reuse constitutes 30.9% of the recycled water produced at this plant. Deliveries of recycled water to this site will cease in the near future following the upgrade of the Lancaster WRP to full tertiary treatment and the full utilization of recycled water by the Eastern Agricultural site (Section 4.1.4) and the planned recycled water distribution systems by the City of Lancaster (Section 4.1.5) and the Los Angeles County Waterworks (Section 5.8.1).

#### *4.1.3 APOLLO COMMUNITY REGIONAL PARK*

In 1962, the then Los Angeles County Engineer devised and developed an aquatic recreation area next to the General William J. Fox Airfield in the City of Lancaster. The source of water is an advanced treatment plant located at the Sanitation Districts' Lancaster WRP that consists of chemical coagulation (for the reduction of phosphate to inhibit algal growth), sedimentation, dual-media filtration, and chlorination. The Antelope Valley Tertiary Treatment Plant (AVTTP) was placed in operation in June 1969 with a capacity of 0.6 MGD. Recycled water from the AVTTP is delivered by means of a 12-inch force main for construction of the 56-acre Apollo Community Regional Park (formerly known as Apollo Lakes County Park), which was opened to the public in November 1972.

In FY 10-11, 0.184 MGD (206 AFY) of recycled water was delivered through 23,800 feet of pipeline to maintain 26 acres (80 million gallon) of lakes at the park to make up for evaporative losses and for irrigation water withdrawn from the lakes for use on the park, an increase of 5.1% over the preceding fiscal year. This reuse constitutes 1.5% of the recycled water produced at this plant. The three lakes in the park, named Aldrin, Armstrong, and Collins, are stocked with trout and catfish for public fishing, although no swimming is allowed. Contract No. 1601 specifies that the County of Los Angeles reimburse the Sanitation Districts for all of the O&M costs incurred in operating the AVTTP. The upgrade of the Lancaster WRP to tertiary treatment may render the AVTTP superfluous if nutrients can be managed.

#### *4.1.4 EASTERN AGRICULTURAL SITE DEVELOPMENT AND STORAGE PROJECT*

In order to prevent unauthorized overflows of effluent from Piute Ponds onto Rosamond Dry Lake and to handle future increases in effluent flow, the 2020 Facilities Plan for the Lancaster WRP identified new treatment processes (conventional NDN activated sludge replacing oxidation ponds, followed by tertiary filtration and disinfection) and treatment capacity expansion (18 MGD in 2010, with an ultimate capacity of 26 MGD by 2020). This plant expansion is currently under construction. Additionally, since demand for recycled water is seasonal and weather dependent, approximately 4,000 AF of storage ponds have been constructed in advance of startup of the new treatment facilities.

There has been an increased interest in the recycled water that will be produced by the new plant. Agreements for the purchase of recycled water have been executed with Los Angeles County Waterworks District 40 (13,500 AFY), City of Lancaster (950 AFY), and City of Palmdale (2,000 AFY). These agreements allow recycled water to be provided from the Lancaster and/or Palmdale WRPs. Since many industrial/municipal reuse projects and the required infrastructure are still in their early development stages, the Eastern Agricultural Site was developed to immediately utilize the water. In February 2006, construction of the 18.3-mile distribution pipeline was completed. A narrative description of the layout of this system is included in Appendix K.

In the interim, while the new treatment facilities are being designed and constructed, a 1 MGD MBR pilot plant (with a temporary chlorine disinfection system and ultimately a UV disinfection system) was installed and put into operation in February 2007. The effluent from this plant is being delivered to the first agricultural area consisting of eight center pivot irrigation systems in the area bounded by 70<sup>th</sup> and 90<sup>th</sup> Streets East and Avenues D and E, which is being operated by Harrington Farms under contract to the Sanitation Districts. During FY 10-11, 0.845 MGD (947 AFY) of recycled water was used at this site for the irrigation of Sudan grass and a combination of barley, oats, and wheat, as well as for maintenance activities such as construction, dust control, and pipeline testing. Reuse at this site constitutes 7.1% of the recycled water produced at this plant, and a decrease of 3.2% from the preceding fiscal year.

**4.1.5 CITY OF LANCASTER - DIVISION STREET CORRIDOR**

A contract for the sale of recycled water produced at the Lancaster and Palmdale WRPs to the City of Lancaster was signed in March 2008 for deliveries of up to 950 AFY. Recycled water deliveries from the Lancaster WRP to the City’s Division Street Corridor Recycled Water Project (Division Street Corridor) began in January 2009. The City, in collaboration with the U.S. Army Corps of Engineers, has begun construction of distribution system that will eventually deliver recycled water from the Lancaster WRP following its upgrade to tertiary treatment. Through the Sanitation Districts’ Supplementary Environmental Project Fund, \$1 million was contributed to the construction of this system. The remaining financing consisted of City and American Recovery and Reinvestment Act funds. During FY 10-11, a total of 0.001 MGD (1 AFY) was delivered through 29,800 feet of pipeline, a 90% decrease from the preceding fiscal year. For the time being, production from the MBR plant is being delivered to the following reuse sites: the City’s Public Works Department used 0.001 MGD (1 AFY) for sewer flushing, 0.0004 MGD (0.4 AFY) for street sweeping of 2,125 curb-miles of roadways and parking lots and 0.00001 MGD (0.01 AFY) for dust control. Lancaster University Center and the short-term Northeast Gateway demolition site were no longer using recycled water. The City has an existing storage reservoir to serve their planned system, and a permanent pump station is under development.

**4.2 PALMDALE WRP**

This treatment facility, located at 39300 30<sup>th</sup> Street East, Palmdale, CA 93550, began operation in 1953 as 0.75 MGD plant, with subsequent expansions in 1958 (2.5 MGD), 1972 (3.1 MGD), 1989 (6.5 MGD), 1993 (8 MGD), and 1996 (15 MGD). This plant completed its conversion to full tertiary treatment in December 2011.

This plant treated an average of 9.59 MGD in FY 10-11 using oxidation ponds to produce 8.12 MGD (9,099 AFY) of secondary effluent, or a 6.5% increase over the preceding fiscal year. The O&M cost to produce this water (based on influent flow) was approximately \$372/AF (including solids processing).

During FY 10-11, 7.133 MGD (7,993 AFY), or 87.8% of the plant’s production, was actively reused on 2,069 acres at three sites. All reuse occurred on property owned by the City of Los Angeles World Airports (LAWA) but now under long-term lease to the Sanitation Districts. This usage represents a 5.2% decrease in reuse from the preceding fiscal year. The area

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<b>PALMDALE WRP FACTS</b>	
Plant capacity:	15 MGD
Water produced:	8.12 MGD 9,099 AFY 6.5% FY increase
FY10-11 O&M:	\$372/AF
Water reused:	7.133 MGD 7,993 AFY 5.2% FY decrease 87.8% of production
Delivery systems:	1
No. of reuse sites:	3 2,069 acres

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receiving recycled water is shown in Figure 19. The reuse sites are listed in Table 16 along with the reuse flows from the Lancaster WRP.

#### *4.2.1 CITY OF LOS ANGELES WORLD AIRPORTS LEASE*

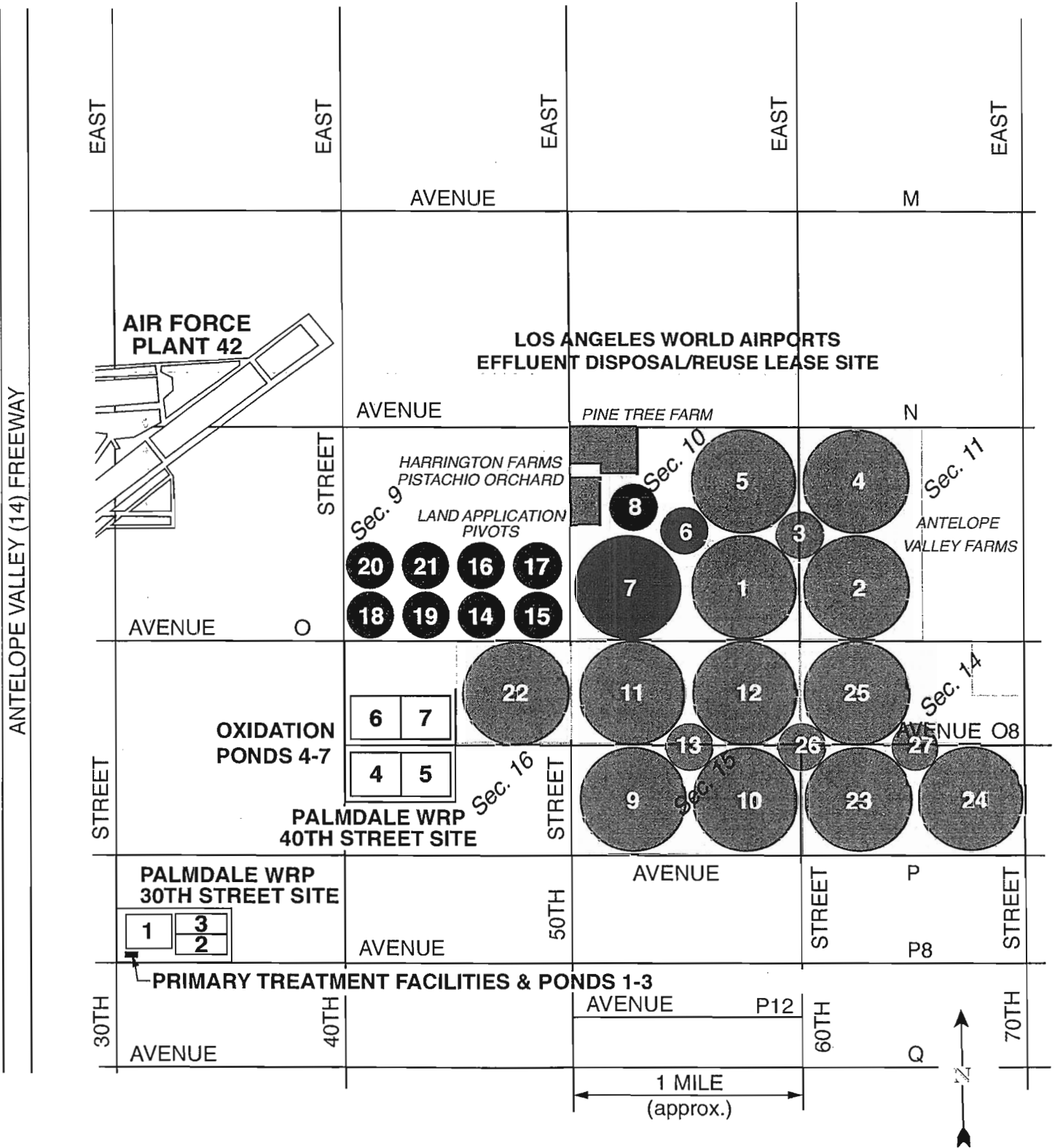
Recycled water from the Palmdale WRP has been sold to a series of local farmers since 1959. However, since the recycled water produced at the Palmdale WRP was historically secondary effluent, its applications have been limited. In January 1981, the Sanitation Districts signed Contract No. 2474 for the delivery of all the plant's effluent to City of Los Angeles World Airports (LAWA) (formerly known as the Department of Airports, or DOA), who had purchased much of the land in the area in anticipation of the construction of Palmdale International Airport. LAWA had planned to lease out the land that they owned to farmers until the airport could be built, and would resell the recycled water to these farmers, with the excess water being spread on uncultivated land. However, since LAWA was unable to find tenants to buy the recycled water, a second contract (No. 3013) was signed in 1989 allowing the Sanitation Districts to land apply all water from the Palmdale WRP on LAWA land at no charge to either party.

In January 2001, in accordance with the plant's Waste Discharge Requirements (WDRs), the Sanitation Districts submitted a Farm Management Plan (FMP), an Effluent Disposal Plan, and a Corrective Action Plan for the Palmdale WRP. The three documents provide an integrated solution for meeting the revised WDR established in the permit, Order No. 6-00-57. As a means of implementing the FMP, the Sanitation Districts signed a long-term lease with LAWA for four square miles of land to allow for the development of an integrated reuse system for water produced by the Palmdale WRP. As the master leaseholder, the Sanitation Districts are directly responsible for all land application and reuse activities at the site and, accordingly, have implemented agricultural management measures to minimize impacts to groundwater quality in land application areas. In March 2009, the Sanitation Districts eliminated land application and maximized reuse activities.

Recycled water is delivered to the Sanitation Districts' LAWA-leased property through 13,200 feet of 36-inch DIP force main. An average of 0.082 MGD (92 AFY) was used during FY 10-11 to irrigate 23 acres of the Pistachio Orchard (previously planted and maintained by LAWA). Another 0.012 MGD (13 AFY) was used at a 46-acre Sanitation Districts-operated tree farm (formerly operated by Tree Mover). The Pistachio Orchard and Tree Farm are leased from the Sanitation Districts by Harrington Farms.

As part of the FMP implementation, the Sanitation Districts embarked on the Palmdale Agricultural Effluent Reuse Project, submitting an Engineering Report for the Demonstration Phase to the Lahontan RWQCB in October 2001. In March 2002, this project officially began with Antelope Valley Farms installing two center-pivot irrigation systems (125 acres each) on land leased by the Sanitation Districts from LAWA. The only cost to the farmer was the capital costs for the irrigation systems and the O&M and energy costs for the booster pumps. By the end of FY 10-11, a total of 13 center pivots and 14 mini-pivots had been installed. Previously, the pivots were used primarily for land application of effluent on crops (i.e., above agronomic rates) and were not considered as "reuse". However, all application of recycled water began meeting agronomic rates in March 2009, therefore is now counted as reuse. During FY 10-11, this 2,000-acre site used 7.038 MGD (7,887 AFY), or 86.7% of the recycled water produced by the Palmdale WRP to grow livestock feed (first oats and later alfalfa). This was a 4.8% decrease from the preceding fiscal year.

**FIGURE 19  
PALMDALE WATER RECLAMATION PLANT FACILITIES**



## **5. FUTURE WATER RECYCLING PROJECTS**

Several recycled water distribution projects throughout the Sanitation Districts' service area are in various stages of development to make use of up to an estimated 61,220 AFY of the remaining recycled water currently produced but not yet beneficially reused, with the possibility of another 16,000 AFY of effluent from JWPCP receiving additional treatment prior to reuse. These projects are listed in Table 17 along with the WRP that would supply the recycled water, the estimated quantities of recycled water, and the anticipated completion date. Unsecured funding, institutional concerns, and lack of regulatory approval make the anticipated completion dates for several projects uncertain. In addition to the projects listed in Table 18, there are a number of other potential reuse projects that are much more conceptual at this time that are described in Section 5.8 below.

**TABLE 18  
SUMMARY OF FUTURE WATER RECYCLING PROJECTS**

Project Name	Recycled Water Source	Quantity (AFY)	Anticipated Completion
Long Beach Water Department	Long Beach WRP	4,510	TBD
City of Lakewood	Los Coyotes WRP	160	TBD
Walnut Valley Water District	Pomona WRP	4,550	TBD
City of Pomona Master Plan (recommended)	Pomona WRP	1,500	2030
Groundwater Reliability Improvement Program	San Jose Creek WRP	21,000	TBD
East San Gabriel Valley Regional	San Jose Creek WRP	1,710	2012
La Puente Valley County Water District	San Jose Creek WRP	280	TBD
Southeast Water Reliability Project	San Jose Creek WRP	1,000	2013
CBMWD La Mirada Extension	San Jose Creek WRP	1,200	TBD
USGVMWD II-a Rosemead Extension	Whittier Narrows WRP	270	Spring 2011
City of Arcadia	Whittier Narrows WRP	740	2013
West Basin Municipal Water District	JWPCP	16,600	2020-25
Castaic Lake Water Agency	Valencia & Saugus WRPs	17,400	2030
County Waterworks – Backbone System	Palmdale or Lancaster WRP	4,300	Early 2012
City of Palmdale	Palmdale or Lancaster WRP	2,000	TBD
<b>TOTAL</b>		<b>77,220</b>	
TBD = to be determined			

### **5.1 LONG BEACH WRP**

#### *5.1.1 LONG BEACH WATER DEPARTMENT MASTER PLAN*

In August 2010, the LBWD, with the assistance of Montgomery-Watson-Harza (MWH) and in conjunction with WRD, released a draft update of its recycled water Master Plan. MWH identified an additional 49 irrigation and industrial potable water customers with a demand of approximately 4,510 AFY that could be converted to recycled water, including the Haynes and AES power plants and the Southeast Resource Recovery

Facility (SERRF), a number of residential developments, several industrial users and commercial laundries, and numerous greenbelts (schools, parks, golf courses, commercial nurseries, etc.). The revised Master Plan also took into consideration the expansion of the LVLAWTF for increased seawater intrusion barrier injection and recommended the construction of two, 3.3 MG storage tanks at the Alamitos Reservoir site. Seventeen of these customers with a demand of 2,505 AFY have been identified as the "most probable" for conversion to recycled water in the near term, as they are either located near an existing recycled water line or have expressed interest in conversion.

Eleven alternative construction projects were identified, with six being recommended for implementation:

**Alternative 8** – A 6-inch pipeline west along Anaheim St. and north on Orizaba Ave. at a capital cost of \$240,000 to serve 102 AFY to American Textile Maintenance Company (laundry).

**Alternative 4** – A 4-inch pipeline north on Palo Verde Avenue at a capital cost of \$320,000 to serve 39 AFY to Millikan High School.

**Alternative 7** – A 16-inch pipeline beginning at the intersection of Vuelta Grand Ave. and Atherton St. at a capital cost of \$7 million to serve 1,000 AFY to the Haynes Generating Station.

**Alternative 6** – A 4-inch pipeline west on Spring St. at a capital cost of \$250,000 to serve 20 AFY to Long Beach Airport Marriott Hotel.

**Alternative 1A** – 6- and 12-inch pipelines beginning at the intersection of 46<sup>th</sup> St. and Atlantic Ave. at a capital cost of \$750,000 to serve 52 AFY to Los Angeles County Community Development (residential).

**Alternative 9** – Sub-project 9A will begin at the intersection of 11<sup>th</sup> St. and Obispo Ave. and run to the intersection of Pico Ave. and Ocean Blvd. to serve 93 AFY to the Hyatt Regency Hotel, Rainbow Harbor Esplanade, Long Beach Shoreline Marina and Cesar Chavez Elementary School. Sub-projects 9B, 9C and 9D all require Subproject 9A to be built, although they each can be constructed individually. Sub-project 9B will serve 488 AFY to TOPKO and Montenay Pacific Power Corp. Sub-project 9C will serve 797 AFY to Nation Gypsum and BP West Coast Products. Sub-project 9D will serve 628 AFY for industrial uses at THUMS Long Beach and TOPKO. The four sub-projects will use 6- to 20-inch pipelines and are projected to have a capital cost of \$32.9 million.

Alternative 4 has already been implemented by LBWD, as recycled water deliveries to Millikan High School began in October 2011. There is currently no time schedule for implementation of the other projects.

## **5.2 LOS COYOTES WRP**

### **5.2.1 CITY OF LAKEWOOD MASTER PLAN**

The City of Lakewood commissioned Wildan and Associates to conduct a study to determine the feasibility of expanding its recycled water distribution system westward. This potential expansion could serve an additional 159 AFY to city parks (e.g., Bolivar and Biscailuz Parks), numerous medians and parkways, and a number of public and private schools (e.g., Craig William and Lakewood Elementary Schools, the Intensive Learning Center, St. Pancratius School, and Hoover Junior High School). Such an extension would require about 7.7 miles of pipeline to be built in five phases and could cost as much as \$7.25 million. This study was completed in July 2010; however, there is no implementation schedule as funding is currently unavailable.

## 5.3 POMONA WRP

### 5.3.1 WALNUT VALLEY WATER DISTRICT

WVWD contracts directly with the Sanitation Districts for the purchase of recycled water, instead of receiving recycled water through the City of Pomona. In conjunction with the Sanitation Districts, WVWD has already begun the process of repairing/replacing the gravity line that serves both it and the Sanitation Districts' Spadra Landfill. Approximately half of the gravity line between the Pomona WRP and the Spadra site has already been replaced with 24-inch mortar-lined and coated steel pipe. Also in the future, WVWD and the Sanitation Districts may jointly construct a storage reservoir at or near the Spadra site to serve both agencies and make use of Pomona WRP recycled that is currently lost to the river.

WVWD contracted with Cathcart Garcia von Langen Engineers to develop a master plan for the future orderly expansion of its recycled water distribution system by up to an estimated 4,550 AFY, although the currently proposed additional reuse sites have an expected demand of 1,676 AFY. This master plan detailed the potential for expansion, primarily into the City of Diamond Bar and the Walnut Village annexation into the City of Walnut and determined what new infrastructure and facilities would be required. In addition to pipelines (ranging from 6- to 24-inch), seven pump stations, five new reservoirs, three reservoir conversions, and four back-up wells would need to be added to the recycled water distribution system to accommodate the expansion. Completion of this \$24 million system expansion is contingent upon the construction of a storage reservoir, as there are insufficient flows in the gravity distribution system as currently configured. In addition to its continued use of recycled water from the Pomona WRP, WVWD is expected to connect to the East San Gabriel Regional Recycled Water System detailed in Section 5.4.2.

### 5.3.2 CITY OF POMONA MASTER PLAN

The City's consultant, Carollo Engineers, completed a master plan for expanding their recycled water distribution system in November 2009. The additional demand for their entire potential customer base was estimated at 6,150 AFY. However, the estimated maximum daily demand would be 11.6 MGD, which is not available to the City from the Pomona WRP. Therefore, additional sources of water would be required if all the potential reuse sites were connected. These water sources include potable water, non-potable groundwater from existing or rehabilitated wells, increased sewage flow to the Pomona WRP (i.e., process optimization/flow equalization), and recycled water from the Inland Empire Utilities Agency (although this agency has stated that it will not be delivering recycled water to the City within the Master Plan's time horizon of 2030).

The proposed expansion of the City's recycled water distribution system was divided into 10 segments serving an ultimate demand of 2,981 AFY. Because of the high, anticipated cost of implementing the entire proposed expansion (in addition to new distribution lines, eight new pump stations, five new storage reservoirs, and four additional pumps were needed), the Master Plan recommended that only three segments be built at this time, as they were the most cost effective and could be served by the existing recycled water supply from the Pomona WRP. This recommended project would be built in four phases from 2010 to 2030 and would yield an additional 1,497 AFY at an estimated capital cost of \$20.7 million. The Master Plan also recommended replacing the existing pumps at the Pomona WRP with variable frequency drives prior to construction of the third segment so that more of the WRP's production could be beneficially reused with less discharge to the San Jose Creek channel. The seven remaining segments, if built, would be constructed in two phases after 2030, serving an additional 1,484 AFY of demand at an estimated capital cost of \$52 million.

Independent work has already begun on the delivery of recycled water from Cal Poly to Forest Lawn's Covina Hills cemetery. A potable water standby agreement has negotiated with Golden State Water Company that will allow recycled water irrigation use at this site. As part of an amendment to their recycled water agreement,

Forest Lawn will construct a pump station and piping to lift recycled water from Cal Poly's recycled water reservoir up to Forest Lawn's irrigation water tanks, and the Cal Poly irrigation water lift station will be upgraded to increase maximum flow rate from 3,000 to 4,000 gpm to accommodate the cemetery's demands. Forest Lawn expects to begin using 300 AFY of recycled water in 2013, which will increase gradually until the final build-out of the cemetery occurs in the year 2160, with an ultimate projected irrigation demand of 900 AFY.

## 5.4 SAN JOSE CREEK WRP

### 5.4.1 GROUNDWATER RECHARGE PROGRAM

USGVMWD and its partner, the San Gabriel Valley Municipal Water District (SGVMWD), had been developing a plan to replace imported State Project water (purchased either through MWD or directly) with a like amount of recycled water from the Sanitation Districts' San Jose Creek WRP West to prevent long-term groundwater overdraft of the basin. The initial proposal was for transmission line running north along the San Gabriel River to the Santa Fe Spreading Grounds to deliver a long-term average of 16,000 AFY (maximum of 25,000 AFY) of tertiary treated recycled water.

Because of opposition from a local brewery and a California Environmental Quality Act (CEQA) lawsuit, a compromise "demonstration" recharge project was proposed that would use a maximum of 10,000 AFY of recycled water for recharge downstream of the Santa Fe Dam at five concrete drop structures in the San Gabriel River. The five, new discharge points in the San Gabriel River that would be the recharge locations for this project were identified in the June 2009 NPDES permit for the San Jose Creek WRP. Contracts for the sale of recycled water from the Sanitation Districts to USGVMWD and SGVMWD were executed in August and September 1998, respectively. However, permit action was delayed when LARWQCB staff proposed that this groundwater recharge project immediately comply with surface water human health-based criteria (California Toxics Rule, or CTR) for water bodies (i.e., the unlined San Gabriel River) that are existing or potential drinking water sources. CTR criteria for some constituents are significantly lower than Title 22 drinking water standards and are not attainable with current conventional tertiary treatment. Since that time, the designation as an existing or potential drinking water source has been removed from a number of water bodies in the Los Angeles Basin, including this portion of the San Gabriel River. CTR human health criteria for non-drinking water sources and criteria for aquatic life and all other applicable Basin Plan Objectives would be applied to the recycled water at the point of discharge to the San Gabriel River. Subsequently raised concerns about the disinfection by-product, NDMA, in recycled water had continued to prevent this project from moving forward. As such, the only way to obtain compliance with these requirements would be by the addition of advanced treatment to that portion of the recycled water to be recharged. Because of the substantial additional cost that would be incurred, the project had been indefinitely postponed.

Interest in this project was rekindled following MWD's May 2007 cessation of all deliveries of imported water for spreading. USGVMWD, WRD and the Sanitation Districts entered into a Memorandum of Understanding (MOU) on September 24, 2008 to develop the Groundwater Reliability Improvement Program (GRIP). As envisioned, Phase I of GRIP would consist of an advanced treatment plant (MF/RO/advanced oxidation) located at or adjacent to San Jose Creek WRP West that would produce 18,000 AFY for recharge in both the Main San Gabriel and Central groundwater basins. Phase II would increase production capacity to 46,000 AFY. In November 2010, a Joint Powers Authority was formed by USGVMWD, WRD, and the Sanitation Districts to proceed with the project. However, despite initial progress, the USGVMWD Board of Directors voted in March 2011 to remove their agency from the Joint Powers Authority due to shifting replenishment needs and cost concerns. Instead, USGVMWD has received a \$150,000 grant from USBR to conduct a feasibility study to offset current interruptible imported supplies with 10,000 AFY of locally supplied recycled

water within the next 8 to 13 years. The feasibility study will evaluate multiple sources of recycled water and compare these alternatives against a “no project” alternative in order to determine the best method for replenishment for the study area. WRD and the Sanitation Districts are moving forward with GRIP as a 21,000 AFY project focused on replenishment at the Montebello Forebay. The two agencies have begun working on the preliminary engineering to support the environmental documentation for the project (CEQA/NEPA) and anticipate that CEQA/NEPA work will begin in 2013.

#### *5.4.2 EAST SAN GABRIEL VALLEY REGIONAL RECYCLED WATER SYSTEM*

For a number of years, the City of Industry has been planning to extend its recycled water distribution system, since the demand at its single reuse site (Industry Hills Recreation Area) only uses a small portion of the capacity of the City’s 36-inch distribution line coming from the Sanitation Districts’ San Jose Creek WRP. The proposed expansion involved several alternatives over the years, including the possibility of locating a 10,000 AF open reservoir in the Tres Hermanos area of the City of Diamond Bar for seasonal storage of recycled water. In 2000, an MOU to develop a regional distribution system was signed by the City of Industry, Suburban Water Systems (SWS, which had purchased the City of West Covina’s water system), BKK Landfill, RWD, and WVWD. A revised contract between the Sanitation Districts and City of Industry was negotiated to include the additional quantities of recycled water, and was signed on September 27, 2000. Because of anticipated higher recycled water demands, the City of Industry has requested an adjusted supply contract with the Sanitation Districts to support these needs. This regional system is expected to utilize 1,710 AFY more, and will be developed in two separate portions: one serving the City of Industry and RWD, and the other developed by USGVMWD to serve SWS, BKK Landfill, and WVWD. These are discussed separately below.

**City of Industry/RWD** – The City and its recycled water system operator, RWD, have completed a new pump station and 2.1 MG reservoir at Anaheim-Puente Road. In addition, construction has begun on an expansion of the City’s pump station at San Jose Creek WRP East. This project will include addition of a fourth pump, replacement of the existing three pumps, installation of a larger surge tank, new control panels, and a new, separate power supply from SCE. The contract was awarded to Pacific Hydrotech in December 2010, construction began in August 2011, and completion will be mid-2012. RWD continues to expand its recycled water distribution system, adding new customers on a regular basis (discussed in Section 2.5.3 above). Construction of Mission Energy’s Walnut Creek Energy Park 500 MW plant in the City of Industry has begun and deliveries of an estimated annual average 485 AFY (maximum estimated annual demand of 1,385 AFY) of recycled water for cooling tower use and landscape irrigation of the site are expected to begin in May 2013.

**USGVMWD** – USGVMWD’s portion of the system is called the “Phase II-B Expansion” and will serve 1,315 AFY to 34 customers. This system is being constructed in four packages, consisting of a pump station, storage reservoir and approximately 15.1 miles of 6- to 24-inch pipeline. The first package pipeline was completed in December 2010 and connects to the City’s existing 36-inch pipeline at the intersection of Azusa Avenue and Temple Avenue. The pipeline extends to the Big League Dreams Development/BKK landfill entrance and continues east to Nogales Street. A new reservoir was built as part of this package, with completion occurring in December 2011. The second package pipeline was completed in August 2011 and continues north along Azusa Avenue to the South Hills Country Club, a proposed recycled water customer. Site connections for both sub-phases are anticipated to be completed by June 2012.

The third package consists of approximately 3.8 miles of pipeline ranging in size from 4- to 12-inches in diameter. The pipelines are located in the City of West Covina and branch off of the Package 2 recycled water main installed in Azusa Avenue and Vine Avenue. The fourth package consists of approximately 3.4 miles of pipeline ranging in size from 4- to 12-inches in diameter. The pipelines are located in the cities of West Covina and Walnut along Shadow Oak Drive, Gemini Street, Stephanie Drive, Woodgate Drive and other local side streets. Construction of these packages is expected to be completed in September and October 2012, respectively, with retrofits of the recycled water customers expected in April 2013.



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#### *5.4.3 LA PUENTE VALLEY COUNTY WATER DISTRICT MASTER PLAN*

The La Puente Valley County Water District (LPVCWD) hired MWH to produce a recycled water master plan for that agency, which completed the task in May 2011. LPVCWD's potable water source is groundwater and it currently pumps over its annual allotment by approximately 40%, thereby requiring them to pay replenishment fees to the basin Watermaster. A total of 74 reuse sites with a demand of 375 AFY in and adjacent to its service area within the City of Industry were identified. The most cost effective of the four alternatives evaluated has LPVCWD tapping into the City of Industry's recycled water distribution line along the San Jose Creek Channel at Hacienda Blvd., with a smaller connection to the City of Industry transmission line on Azusa Ave., serving a total of approximately 280 AFY through a new pump station at an estimated cost of \$9.1 million. The LPVCWD Board of Directors has yet to finalize this document. According to the LPVCWD General Manager, the cost of recycled water for this project will be too high to allow for its construction in the foreseeable future without outside funding. However, this project could possibly be included as part of the USGVMWD Phase II-B Expansion detailed in Section 5.4.2, above.

#### *5.4.4 SOUTHEAST WATER RELIABILITY PROJECT*

CBMWD is proceeding with this system expansion that will loop the Rio Hondo (Torres) and Century (Ibbetson) systems for flow reliability and system pressure and to aid in chlorination. The ultimate capacity for the combined, looped systems is projected to be 15,000 AFY. The selected option is now called the Southeast Water Reliability Project. This will consist of approximately 11.4 miles of 30-inch cement mortar lined and coated steel pipeline to be built from the City of Pico Rivera, through the cities of Montebello, Commerce, and East Los Angeles, to the City of Vernon. This extension would serve the Montebello Golf Course and other irrigation sites and a second proposed power plant in the City of Vernon, as well as other industrial users. (However, the City of Vernon has officially cancelled its plans for this facility.) Letters of intent to serve recycled water have been received by the cities of Pico Rivera and Montebello, and the City of Vernon has already adopted a recycled water rate. Construction on the first phase from Pico Rivera to the Montebello Golf Course was completed in the fall of 2011 and several sites have already been connected. Approximately 400-500 AFY of the 1,000 AFY of identified demand will begin using recycled water almost immediately. Construction of the Phase 2 from Montebello to Vernon will depend on funding, securing a customer base and other outstanding institutional issues.

In addition, CBMWD had planned to construct a four million gallon recycled water storage reservoir at its Rio Hondo pump station that would provide daily operational storage. In the meantime, a potable water back-up system was installed at the pump station in 2001. Construction on the tank had been put on hold due to financial considerations, but is expected to be a part of the first phase of the SWRP expansion. The site of the storage tank may be relocated to the Montebello Hills to take advantage of elevation for gravity feed of the system.

In 2008, CBMWD was approached by the LADPW regarding the possibility of constructing a new 8-inch recycled water pipeline on Mines Avenue in the City of Pico Rivera that could deliver recycled water for landscape irrigation to multiple sites on or near Mines Avenue. The "Pico Rivera Recycled Water Project – Phase I" is a sub-project to LADPW's "San Gabriel River Coastal Basin Spreading Grounds Pump Station and Pipeline" project, a 78-inch pipeline that will act as conduit for moving storm water, imported water, or recycled water between the San Gabriel and Rio Hondo spreading grounds. After much discussion with LADPW staff and the City of Pico Rivera, and with the support of Congresswoman Grace Napolitano, the recycled water pipeline was added to LADPW's Request for Proposals (RFP) for the 78-inch conduit. The agreement stipulates who is the lead agency and what percentage of funding each agency responsible for. The agreement divided the Pico Rivera Recycled Water Project into two phases:

**Phase I** – Phase I is a 1-mile long, 8-inch recycled water pipeline placed in the same trench used for the larger 78-inch conduit project. LADPW is the lead agency for the 8-inch recycled water pipeline and will be responsible for all construction and construction management. CBMWD’s role is to provide a pipeline design. Because this project is important to all three agencies, final project costs will be equally split three ways.

**Phase II** – The second phase in the agreement is a project that will connect the Mines Avenue pipeline to CBMWD’s existing recycled water system and the service laterals that will provide recycled water to the individual sites along the Mines Avenue corridor. CBMWD will be the lead agency on this portion of the Pico Rivera Recycled Water Project. Project costs will be split evenly with the City of Pico Rivera. Customer connections began in the summer of 2011.

With the assistance from Congresswoman Napolitano’s office, CBMWD applied for funding through the United States Bureau of Reclamation’s (USBR’s) Title XVI program. The Title XVI program provides for cost recovery on 25% of all construction costs. If CBMWD receives federal funding, the grant will be applied equally to everyone’s share. Since construction costs will be shared with LADPW (Phase I) and the City of Pico Rivera (Phase I and II), the impact to CBMWD will be greatly reduced. Federal funding, if approved, will further reduce impacts to CBMWD. Finally, construction bids are coming in much lower than anticipated in the engineer’s estimates, so this will result in additional savings to CBMWD. All construction costs will be covered through pay-go funds.

As part of its 2008 Recycled Water Master Plan, CBMWD envisioned that additional connections would be made to the SWRP line to supply recycled water into the USGVMWD service area. No further action has been taken by either agency on this potential extension. CBMWD has had a consultant start on an update of their recycled water Master Plan, with a final report expected by the end of July 2012.

#### *5.4.5 CITY OF LA MIRADA EXTENSION*

CBMWD has just begun looking at a new recycled water trunk line from the City of Santa Fe Springs to serve an identified 1,200 AFY of demand in the City of La Mirada. Both the City and the local purveyor, Suburban Water Company, are extremely interested in getting recycled water. CBMWD is currently in the planning process and is looking at potential pipeline routes, customer base, booster pump location, etc. CBMWD expects to begin serious work on this project in the fall of 2012.

### **5.5 WHITTIER NARROWS WRP**

#### *5.5.1 USGVMWD PHASE II-A ROSEMEAD EXTENSION*

USGVMWD will be adding approximately 270 AFY of additional recycled water demand at 17 new sites (schools, parks, commercial and office buildings, and street medians) for landscape irrigation and cooling towers. A mitigated Negative Declaration was adopted in April 2009, with construction beginning in the fall of 2009 on 14,467 linear feet of pipeline from their recycled water system serving the Whittier Narrows Recreation Area. The extension will begin with 3,633 feet of 12-inch line running west along Garvey Ave. between River Ave. and Earle Ave., with two, short 6-inch laterals running north on Willard Ave. and Earle Ave (761 and 822 feet, respectively). A 6,393 foot, 8-inch line will Tee off of the 12-inch line on Garvey and run south on Walnut Grove Ave. to a point just north of Cameta Dr. From this 8-inch line, a 180 foot, 4-inch lateral will branch off to the west at Gravalia Ave., a 1,440 foot, 6-inch lateral will branch off to the east on Klingerman St., and a 1,258 foot, 6-inch line will branch off to the west on Rush St. All of the pipeline had been installed by the end of 2010, with retrofits and connections to be completed by early 2012.

### *5.5.2 CITY OF ARCADIA (USGVMWD PHASE III EXTENSION)*

The City of Arcadia, along with USGVMWD, commissioned Stetson Engineers to examine the feasibility of supplying recycled water to various sites within the city. A draft report was completed in December 2006 identifying an extension of USGVMWD's distribution system from the Whittier Narrows WRP as the most feasible alternative compared with obtaining recycled water from the San Jose Creek WRP or LADWP's LA-Glendale WRP. The proposed project consists of approximately 64,100 feet of 14- and 16-inch distribution lines, a 900 HP booster pump station, an existing 1.5 million gallon storage reservoir for an estimated cost of \$7.6 million. The pipeline route is proposed to run east on Rush Street, north on Santa Anita Avenue, north along the Rio Hondo, west on Live Oak Avenue, then north again on Santa Anita to Foothill Blvd. Within the main part of Arcadia, the pipeline would form a loop going west on Foothill/Colorado Blvd., then south on Michillinda Avenue, then east on Huntington Drive back to Santa Anita. This system would provide recycled water to 23 potential customers with a total annual recycled water demand of approximately 644 AFY and a peak demand of 4.3 MGD. Another 23 sites with a total annual demand of 96 AFY were identified in the vicinity, although not adjacent to the proposed pipeline route, and would require the investment in additional service laterals. The four largest sites, Santa Anita Racetrack, the Los Angeles County Arboretum, Arcadia County Park, and Santa Anita Golf Course, make up 56% of the total identified demand for water. This study did not include any potential reuse sites that might be located along the pipeline route outside of the City of Arcadia. The completion of the project was initially estimated to be approximately 2013, although no specific timetable has been set for implementation. This project has been designated Phase III by USGVMWD.

## **5.6 JOINT WATER POLLUTION CONTROL PLANT**

### *5.6.1 WEST BASIN MUNICIPAL WATER DISTRICT*

The WBMWD's June 2009 Master Plan envisions the expansion of their recycled water system deliveries to 70,000 AFY by 2020 and to 83,000 AFY by 2030, including expansion of their Carson Regional Water Recycling Facility (CRWRF) from 6 to 23 MGD. Their study of the options found that both their pump station at the City of Los Angeles' Hyperion treatment plant that supplies their effluent for recycling and their distribution system would require extensive expansion in order to handle the additional flows from their El Segundo water recycling facility needed to serve reuse sites in the Carson and Palos Verdes areas. A more cost effective option would be to supply 20% of their future needs, or up to approximately 16,600 AFY, from the Sanitation Districts JWPCP. This option would also help WBMWD meet its contractual obligation of using recycled water of Sanitation Districts' origin for future expansions in exchange for capacity in the JWPCP ocean outfall for disposal of brine from the CRWRF. The recommended option was a new \$187.8 million, 26 MGD treatment plant at JWPCP to augment WBMWD's Title 22 distribution system and supply advanced treated recycled water to such large reuse customers at the Dominguez Gap Seawater Intrusion Barrier and the bp Carson refinery expansion, as well as for the Amoco and Watson cogeneration facilities. The option of using JWPCP effluent is expected to save WBMWD approximately \$25 million in capital costs. The location of this new treatment plant could be at JWPCP, the CRWRF, or along the transmission line route between the two facilities. According to the Master Plan's recommended CIP, acquisition of land for the new treatment plant is scheduled to occur in FY11-12; however, construction of the new treatment facilities is not scheduled until FY20-25.

## 5.7 VALENCIA AND SAUGUS WRPs

### 5.7.1 CASTAIC LAKE WATER AGENCY

In 2002, CLWA, the regional importer and wholesaler of State Water Project water in the Santa Clarita Valley, developed the Recycled Water Master Plan for the use of 17,400 AFY of recycled water produced at both the Sanitation District's Valencia and Saugus WRPs by the year 2030. CLWA requires an update of the 2002 Recycled Water Master Plan in order to compile the latest information with regard to potential recycled water users, design of infrastructure and the availability of recycled water to serve them. In March 2012, CLWA submitted an Integrated Regional Water Management planning grant application to the DWR for the development of the Master Plan and subsequent Environmental Impact Report (EIR). CLWA is expected to enter into a new contract with the Sanitation District the purchase and sale of recycled water to support the updated Master Plan, when completed. Implementation of the Master Plan has been delayed since the first phase of the distribution system went on line in 2003 for a number of reasons: lack of funding for infrastructure, concern with potential permitting requirements, uncertainty related to salinity issues in the Santa Clara River, and less than expected growth resulting in slower recycled water flow increases. In 2012, CLWA, along with the local purveyor Valencia Water Company, were awarded grant funding for the next phase of their recycled water system, Phase 2C, which is expected to deliver up to 900 AFY of recycled water.

In June 2009, CLWA began investigating the feasibility of delivering recycled water from the Sanitation Districts' Saugus WRP. This Phase 2A of the Master Plan consists of a 4,500 gpm booster pump station, 12,000 linear feet of transmission pipeline, 17,000 linear feet of lateral lines and a 1.75 MG storage reservoir. This system would deliver an estimated 511 AFY of recycled water from the Saugus WRP to the 80 acre Central Park, the River Village and Bridgeport developments and assorted city landscaping. CLWA released a draft Mitigated Negative Declaration/Environmental Assessment and Finding of No Significant Impact for this project on May 4, 2011. CLWA has indicated the construction of the project is delayed approximately five years.

## 5.8 LANCASTER AND PALMDALE WRPs

### 5.8.1 ANTELOPE VALLEY REGIONAL RECYCLED WATER DISTRIBUTION PROJECT

Sanitation Districts staff continue to work with the cities of Lancaster and Palmdale and Los Angeles County Waterworks District 40, Antelope Valley, (Waterworks) to develop a regional recycled water distribution system ("backbone system") for municipal and industrial users. The proposed North Los Angeles/Kern County Regional Recycled Water Project (AV Backbone) includes facilities for the primary distribution system to provide disinfected tertiary recycled water produced from the Sanitation Districts' Palmdale and Lancaster WRPs and from Rosamond Community Services District's Rosamond WRP to end users in the Antelope Valley Region. The Project is being built in phases and one segment, the Division Street Corridor, is already constructed and implemented in the City of Lancaster using tertiary treated recycled water produced by the Lancaster WRP (detailed in Section 4.1.5).

The City of Palmdale and Waterworks have entered an agreement to design, construct and implement a southern segment of the AV Backbone. The main backbone pipeline will originate at the Palmdale WRP, travel west down Rancho Vista Blvd., then north on 10<sup>th</sup> St. East, west on Avenue O-8 and north along Sierra Highway, terminating at Columbia Way and connecting to an extension of the Division Street Corridor (described below in Section 5.2.15). A lateral would run east along Columbia Way to serve the proposed Palmdale Hybrid Power Plant (PHPP), a 570-megawatt electric generating facility currently in the permitting process. Another portion of the main backbone pipeline will head west from Sierra Highway, along Avenue O,

to the Amargosa Creek, and roughly parallel the creek to reach the Waterworks District's tank site facility next to the Antelope Valley Freeway, at 10<sup>th</sup> St. West and Avenue O-12. Facilities will also include the pump station and forebay tank to be located at the Palmdale WRP. And a storage tank at the Waterworks' tank site next to the Antelope Valley Freeway. This segment of the backbone system is currently in the design phase and approximately 80 percent complete. The plan is for this portion of the AV Backbone to be completed at nearly the same time as the completion of the PHPP, whose funding will also finance the recycled water pipeline. The PHPP was approved by the California Energy Commission in August 2011. The City of Palmdale will need to secure a developer and funding for the PHPP. Construction of the PHPP is estimated to take about 30 months once initiated. The PHPP is projected to use up to 4,300 AFY of recycled water, which will be distributed by Waterworks by means of a new pump station (plans for this pump station are awaiting final approval and funding of the PHPP). A contract for the sale of up to 13,500 AFY of recycled water produced at the Lancaster and Palmdale WRPs to Waterworks was signed in January 2008.

### *5.8.2 CITY OF PALMDALE*

The City of Palmdale signed a contract with the Sanitation Districts in July 2009 for the purchase of up to 2,000 AFY of recycled water from the Palmdale and Lancaster WRPs. The City is initially planning on installing a recycled water distribution line along 30<sup>th</sup> St. East, south to Avenue R-8 then east until 55<sup>th</sup> St. East with laterals to five parks: McAdam, Palmdale Oasis, Yellen, Joshua Hills, and Domenic Massari. These parks are expected to use approximately 1,000 to 1,200 AFY. The City also plans on using recycled water on the numerous (150 to 200) Landscape Maintenance Districts (LMDs) and five elementary schools along the route of the recycled water line. In addition, any schools or businesses that are easily accessible to this water will also be connected. The City and Los Angeles County Waterworks are currently planning for the portion of the Backbone project that will connect the Palmdale WRP to the proposed PHPP (discussed in Section 5.7.1, above). The City is installing a temporary pump station to deliver recycled water to McAdam Park by the fall of 2012.

## **5.9 CONCEPTUAL WATER RECYCLING PROJECTS**

The most recent statewide water crisis that ran from 2006-09 spurred numerous entities into giving more serious consideration to water recycling in their service areas. This sense of urgency was further stimulated by the passage of SB 7 in 2009 that requires urban water agencies to reduce per capita water consumption by 20 percent by the year 2020 (commonly referred to as the "20 x 2020 Plan"). And while the water supply situation in the State has improved considerably of late, several ambitious, large-scale water recycling projects involving groundwater replenishment continue to be investigated. The list of conceptual projects below is not meant to be exhaustive. Rather it is a listing of the most likely or ambitious projects the Sanitation Districts are currently tracking.

### *5.9.1 MWD ADVANCED TREATMENT PLANT AT JWPCP*

In FY 09-10, JWPCP provided primary and secondary treatment to approximately 280.5 MGD (314,284 AFY) of wastewater prior to discharge through outfall tunnels to the Pacific Ocean, with water recycling at the facility being limited to in-plant uses. MWD and the Sanitation Districts have partnered to study the potential for a regional, indirect potable reuse program to advance treat as much as 200 MGD (224,110 AFY) of treated wastewater that is currently discharged to the Pacific Ocean. Implementation of such a large-scale regional reuse program could provide MWD with a significant supply of reliable, drought-resistant water to supplement imported raw water supplies and would be consistent with the enhanced regional approach currently being considered in their Integrated Resources Plan (IRP). Such a project would involve complex interagency agreements, extensive regulatory approvals, public outreach, and considerable capital costs.

From a technical standpoint, this project would require new advanced treatment facilities (e.g., MF/RO/UV), a regional distribution system to groundwater basins (e.g., Montebello Forebay and/or the Main San Gabriel Basin), and injection and extraction wells, modeled somewhat after the Groundwater Replenishment System in Orange County. No estimates of capital costs or timeline for implementation for such a project have been made at this time. Nevertheless, pilot scale testing of treatment systems is currently underway, facilitated by a \$330,000 grant from the USBR.

### *5.9.2 DOWNEY/CERRITOS ADVANCED TREATMENT PLANT FOR RECHARGE*

The cities of Downey and Cerritos are jointly investigating a potential project to take 7.1 MGD (8,000 AFY) of effluent from the Los Coyotes WRP, treat it to an advanced level (MF/RO/UV), and pipe approximately 6,000 AFY (after brine losses) north to the Montebello Forebay where it will be stored underground for the exclusive use by those cities. In addition to technical, financial and permitting obstacles, implementation of this project would require that the existing Basin Adjudication would need to be significantly revised.

### *5.9.3 SCALPING PLANTS*

The siting of various scalping plants throughout Los Angeles County, including the foothill communities and the Palos Verdes Peninsula, has been proposed. The intent of the scalping plants is to provide a localized supply of recycled water, primarily for groundwater replenishment, but also for limited direct use. In general, the siting of such small facilities is contrary to the goals of the Sanitation Districts' recycled water planning efforts. The Sanitation Districts prioritize full utilization of the existing WRPs and regional distribution projects because they are generally much more cost effective. Nevertheless, the Sanitation Districts have supported various agencies evaluations into scalping plants in the event one can be demonstrated to be cost effective.

The Foothill Municipal Water District (FMWD), a member of the Foothill Water Coalition (FWC), is investigating the potential of recharging groundwater with tertiary MBR effluent. The project would consist of several small (0.25-1 MGD) scalping plants that would take raw sewage and treat it using MBR technology. The FMWD is in the process of applying for grants to help fund this project, however, there are other obstacles to overcome, such as permitting and siting. In addition, construction of scalping plants will decrease the amount of water available at the already constructed downstream WRPs. This poses a problem because recycled water has already been contracted for at these downstream WRPs.

The Three Valleys Municipal Water District (TVMWD), also a member of the FWC, is similarly investigating construction of an upstream scalping plant that would take raw sewage and treat it using MBR technology. Many of the same technical, financial, and permitting obstacles that exist for the FMWD also apply to TVMWD.

The Sanitation Districts began investigating the potential for locating a 2 MGD, flow equalized MBR plant in the Rancho Palos Verdes area that would recycle wastewater tributary to the Abalone Cove Pumping Plant. This driving force behind this project is the maintenance cost and potential for sewage spill of the Joint Outfall "J" Unit 1F force main, which is subject to landslides in the Abalone Cove and Portuguese Bend areas. While four alternatives (including a sub-alternative) were identified, all required significant capital and O&M costs, rendering them all less desirable than reconstruction of the existing sewer line.

## *LIST OF ABBREVIATIONS*

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AF	acre-foot
AFY	acre-foot per year
AVTTP	Antelope Valley Tertiary Treatment Plant
AWWARF	American Water Works Association Research Foundation
BOD	biological oxygen demand
CBMWD	Central Basin Municipal Water District
CDM	Camp/Dresser/McKee
CEQA	California Environmental Quality Act
CLWA	Castaic Lake Water Agency
COD	chemical oxygen demand
CTR	California Toxics Rule
DIP	ductile iron pipe
DPH	State Department of Public Health (formerly Health Services)
EIR	Environmental Impact Report
EPA	United States Environmental Protection Agency
FMP	Farm Management Plan
FMWD	Foothill Municipal Water District
FWC	Foothill Water Coalition
FY	fiscal year
GAC	granular activated carbon
gpm	gallons per minute
HP	horsepower
JOS	Joint Outfall System
JWPCP	Joint Water Pollution Control Plant
LACDPR	Los Angeles County Department of Parks and Recreation
LACDPW	Los Angeles County Department of Public Works
LADWP	City of Los Angeles Department of Water and Power
LAWA	Los Angeles World Airports
LBWD	Long Beach Water Department
LPVCWD	La Puente Valley County Water District
LVLAWTF	Leo Vander Lans Advanced Water Treatment Facility
MBR	membrane bioreactor

MF/RO	microfiltration/reverse osmosis
MGD	million gallons per day
MRF	Materials Recovery Facility
MTA	Metropolitan Transportation Authority
MWD	Metropolitan Water District of Southern California
MWH	Montgomery-Watson-Harza
NDMA	N-nitrosodimethylamine
NDN	nitrification-denitrification
O&M	operation and maintenance
OCWD	Orange County Water District
PERG	Puente Hills Energy Recovery from Landfill Gas Facility
PHPP	Palmdale Hybrid Power Plant
PVC	polyvinyl chloride
PWD	Pomona Water Department
RWD	Rowland Water District
RWQCB	Regional Water Quality Control Board
SCE	Southern California Edison
SCVJSS	Santa Clarita Valley Joint Sewerage System
SJCWRP	San Jose Creek Water Reclamation Plant
SGVMWD	San Gabriel Valley Municipal Water District
SGVWC	San Gabriel Valley Water Company
SRF	State Revolving Funds
SWS	Suburban Water Systems
THUMS	Texaco, Humboldt, Union, Mobil, Shell
TOC	total organic carbon
TVMWD	Three Valleys Municipal Water District
USBR	United States Bureau of Reclamation
USGS	United States Geologic Survey
USGVMWD	Upper San Gabriel Valley Municipal Water District
UV	ultraviolet light disinfection
WDR	waste discharge requirements
WRD	Water Replenishment District of Southern California
WRP	water reclamation plant
WVWD	Walnut Valley Water District



**CHRONOLOGY OF SANITATION DISTRICTS' REUSE ACTIVITIES**

- July 1927            The Tri-City Plant serving the cities of Pomona, Claremont, and La Verne is placed into service and the effluent is used for irrigation of crop and pasture land by the Diamond Bar Ranch Company and the Northside Water Company.
- December 1941      The 0.36 MGD Lancaster WRP is placed into operation.
- April 1949           Sanitation Districts' Report upon the Reclamation of Water from Sewage and Industrial Wastes in Los Angeles County, California is published which demonstrated the feasibility of water reclamation and eventual reuse.
- January 1952        The Lancaster WRP is expanded from 0.36 to 1.35 MGD.
- September 1953     The 0.75 MGD Palmdale WRP is placed into operation.
- September 1954     Sanitation Districts assumes operations of Tri-City Plant.
- November 1958      The Palmdale WRP is expanded from 0.75 to 2.5 MGD.
- November 1958      Sanitation Districts' A Report Upon the Potential Reclamation of Sewage Now Wasting to the Ocean in Los Angeles County outlining the financing and construction of the Whittier Narrows WRP is published.
- May 1959            The first direct deliveries of effluent from the Palmdale WRP for alfalfa irrigation begin.
- October 1959        The new 6.5 MGD Lancaster WRP is constructed and placed into operation. The original plant ceased operation two months later.
- 1960                Edwards Air Force Base constructs "C" dike on Rosamond Dry Lake to impound effluent from the Lancaster WRP, forming Piute Pond.
- July 1962            The 15 MGD Whittier Narrows WRP is placed into operation, becoming first of the "upstream" treatment plants in the Sanitation Districts' JOS.
- July 1962            The 0.25 MGD Saugus WRP is placed into operation, with effluent being discharged into the Santa Clarita River.
- August 1962        The first deliveries of recycled water from the Whittier Narrows WRP begin for groundwater replenishment in the Montebello Forebay of the Central Basin.
- November 1962      The Angeles Crest Development Company completes the 0.1 MGD La Cañada WRP on the site of the La Cañada-Flintridge Country Club to treat wastewater produced by the homes surrounding the golf course. Recycled water produced by this facility is still used as a source of supply for the lakes and the irrigation system on the golf course.

July 1963 The Sanitation Districts produce A Plan for Water Re-use that studied the reclamation potential for the entire JOS and proposed the construction of 11 water reclamation facilities. However, this plan was only partially implemented.

August 1964 The Saugus WRP is expanded from 0.25 to 0.75 MGD.

October 1965 The Saugus WRP is expanded from 0.75 to 1.5 MGD.

June 1966 The 4 MGD Pomona WRP is constructed to replace Tri-City Plant.

September 1966 The La Cañada WRP is purchased by the Sanitation Districts.

July 1967 The 1.5 MGD Valencia WRP is placed into operation, with effluent begin discharged into the Santa Clarita River.

February 1968 The Saugus WRP is expanded from 1.5 to 5 MGD.

May 1968 The Central and West Basin Water Replenishment District (now the Water Replenishment District of Southern California, or WRD) contracts for the purchase of recycled water from the proposed San Jose Creek WRP.

June 1969 The County of Los Angeles constructs the 0.6 MGD Antelope Valley Tertiary Treatment Plant (AVTTP) to further treat Lancaster WRP effluent for use at Apollo Lakes Regional County Park, which opened in November 1972.

March 1970 The Pomona WRP is expanded from 4 to 10 MGD.

October 1970 The 12.5 MGD Los Coyotes WRP is placed into operation.

May 1971 The La Cañada WRP is expanded from 0.1 to 0.2 MGD.

June 1971 The 37.5 MGD San Jose Creek WRP is placed into operation.

September 1972 The Palmdale WRP is expanded from 2.5 to 3.1 MGD.

May 1973 The 12.5 MGD Long Beach WRP is placed into operation.

December 1973 The first direct deliveries of recycled water from the Pomona WRP begin through the Pomona Water Department (PWD) to Cal Poly Pomona.

June 1975 The Los Coyotes WRP is expanded from 12.5 to 37.5 MGD.

April 1976 The Valencia WRP is expanded from 1.5 to 4.5 MGD.

February 1977 The Sanitation Districts' Pomona Virus Study final report is published, demonstrating that direct filtration (adding coagulant just prior to inert media filters) was as effective at removing virus from secondary effluent as coagulation followed by a separate flocculation basin and then filtration. This led to the construction of effluent filters at the upstream WRPs in the late 1970's. The WRPs were then classified as tertiary treatment facilities.

- June 1978 The first direct deliveries of recycled water from the San Jose Creek WRP begin with the adjacent California Country Club.
- October 1978 Revised wastewater reclamation regulations are adopted by the California Department of Health Services (now California Department of Public Health, or CDPH) as Title 22 of the California Code of Regulations. The effluent from the Sanitation Districts' tertiary treatment plants can be used for all of the approved applications contained in these regulations.
- November 1978 The first direct deliveries of recycled water from the Los Coyotes WRP begin through the cities of Cerritos and Bellflower with the Ironwood 9 Golf Course and Caruthers Park, respectively.
- October 1979 The first industrial use of recycled water occurs as Garden State Paper (later Blue Heron Paper Company) begins to use more than 3 MGD of Pomona WRP effluent for recycling old newspapers.
- August 1980 The first direct deliveries of recycled water from the Long Beach WRP begin through the City of Long Beach Water Department (LBWD) with El Dorado Park West and El Dorado Golf Course.
- January 1981 Contract signed with City of Los Angeles Department of Airports (now Los Angeles World Airports, or LAWA) for the use of recycled water from the Palmdale WRP for tree irrigation and effluent disposal.
- May 1981 Agreement is signed requiring the maintenance of 200 acres of wetlands at Piute Pond for use by waterfowl migrating along the Pacific Flyway migratory route.
- April 1982 The Orange and Los Angeles Counties (OLAC) Water Reuse Study is published, which detailed numerous potential recycled water distribution system projects, many of which were subsequently constructed in the Sanitation Districts' service area and elsewhere.
- October 1982 The San Jose Creek WRP is expanded from 37.5 to 62.5 MGD.
- August 1983 The City of Industry completes its 7,100 gpm recycled water pump station at the San Jose Creek WRP and begins deliveries of recycled water to the Industry Hills Recreation Area.
- January 1984 LBWD's North Long Beach recycled water distribution system is completed.
- March 1984 The Sanitation Districts publish the Health Effects Study. This study determined that the recharge of recycled water into the groundwater drinking supply of the Central Basin did not adversely affect in a statistically significant way the health of people ingesting up to 15% recycled water in regards to gastrointestinal disease and cancers or birth defects. It also determined that recharge with recycled water was not adversely affecting the groundwater quality of the Central Basin.
- May 1984 Daily average reuse flows in the Sanitation Districts' service area exceed 70 MGD for the first time.
- June 1984 The Long Beach WRP is expanded from 12.5 to 25 MGD.
- March 1986 LBWD's South Long Beach recycled water distribution system is completed.

- May 1986 Deliveries of recycled water from the Pomona WRP begin to Walnut Valley Water District (WVWD) (purchased from PWD).
- January 1987 The Saugus WRP's treatment process is upgraded to tertiary with the addition of dual-media pressure filters.
- March 1987 The Los Angeles RWQCB adopts Board Order No. 87-40, which permits the increase in the use of recycled water for groundwater recharge in the Montebello Forebay from 32,700 to 50,000 acre-feet per year (AFY).
- December 1987 The City of Cerritos completes its 14,800 gpm pump station at the Los Coyotes WRP and expands delivery of recycled water throughout the city.
- May 1988 Daily average reuse flows in the Sanitation Districts' service area exceed 80 MGD for the first time.
- June 1988 Deliveries of recycled water from the Lancaster WRP begin to Nebeker Ranch for alfalfa irrigation.
- September 1988 The Valencia WRP is expanded from 4.5 to 7.5 MGD.
- December 1988 Norman's Nursery moves from the site of the Stage III expansion of the San Jose Creek WRP to a site next to the Whittier Narrows WRP, using recycled water from the latter facility.
- February 1989 The Palmdale WRP is expanded from 3.1 to 6.5 MGD.
- June 1989 Daily average reuse flows in the Sanitation Districts' service area exceed 90 MGD for the first time, and the running 12-month average daily reuse flows exceed 60 MGD.
- August 1989 Deliveries of recycled water from the Los Coyotes WRP begin to the City of Lakewood through the City of Cerritos' recycled water distribution system.
- November 1989 The Lancaster WRP is expanded from 6.5 to 8 MGD.
- June 1991 The Pomona WRP is expanded from 10 to 15 MGD.
- September 1991 The Los Angeles RWQCB adopts Board Order No. 91-100, which increases the amount of recycled water for groundwater recharge in the Montebello Forebay up to 60,000 AFY in any one year (150,000 acre-feet (AF) in any three-year period).
- October 1991 The Saugus WRP is expanded from 5 to 6.5 MGD with the completion of flow equalization facilities.
- February 1992 Central Basin Municipal Water District (CBMWD) constructs its Century (E. Thornton Ibbetson) recycled water distribution system (Century System) and begins delivery of recycled water from the Los Coyotes WRP through the City of Cerritos pump station.
- December 1992 The Lancaster WRP is expanded from 8 to 10 MGD.

- January 1993      The San Jose Creek WRP is expanded from 62.5 to 100 MGD with the completion of the Stage III expansion.
- July 1993        The Palmdale WRP is expanded from 6.5 to 8 MGD.
- August 1993     Daily average reuse flows in the Sanitation Districts' service area exceed 100 MGD for the first time, setting a record at 113 MGD.
- February 1994    The running 12-month daily average reuse flows exceed 70 MGD for the first time.
- April 1994       The running 12-month daily average reuse flows exceed 75 MGD for the first time.
- May 1994        The running 12-month daily average reuse flows exceed 80 MGD for the first time.
- July 1994        CBMWD constructs the Rio Hondo (Esteban Torres) recycled water pump station and distribution system (Rio Hondo System), which was interconnected to the CBMWD Century System. For the first time, two different WRPs (Los Coyotes and San Jose Creek) are used to supply recycled water to the same regional distribution system.
- November 1994   Deliveries of recycled water from the Valencia WRP begin to the City of Santa Clarita via water trucks for irrigation of city-owned trees and parkways. This activity is extended to the Saugus WRP in March 1995; however, this practice ends in September 1995.
- December 1994    The Valencia WRP is expanded from 7.5 to 11 MGD
- June 1995        LBWD restores recycled water service to the THUMS project on Island White for oil field repressurization.
- December 1995    Sanitation Districts complete the Plan for Beneficial Use of Recycled Water, which identifies impediments to expanding water reuse, along with solutions and potential new users.
- December 1995    Deliveries of recycled water from the Pomona WRP begin to the Spadra Landfill and the adjacent Gas-to-Energy Facility (SPERG).
- February 1996    An outfall trunk sewer for waste activated sludge disposal and excess storm flows was completed that connected the La Cañada WRP with the main sewer system in the Los Angeles Basin, officially making this plant a JOS facility.
- June 1996        The Valencia WRP is expanded from 11 to 13.5 MGD
- July 1996        The Palmdale WRP is expanded from 8 to 15 MGD.
- December 1996    RAND Corporation publishes its first epidemiological study, commissioned by WRD, of the health effects associated with the consumption of recycled water that had been used to augment the surface recharge of the Central Basin aquifer. There was no statistical evidence that indicated that recycled water consumed in this manner adversely impacted human health in regards to certain cancers and gastrointestinal diseases.
- May 1997        The Lancaster WRP is expanded from 10 to 16 MGD.

- May 1997 The Los Angeles RWQCB readopts all of the Sanitation Districts' reuse permits that had been previously issued in the 1980's.
- November 1997 Following years of delays, recycled water deliveries finally begin from the San Jose Creek WRP to the Puente Hills Landfill and the adjacent Gas-to-Energy Facility (PERG).
- June 1998 Rose Hills Memorial Park begins receiving recycled water from the San Jose Creek WRP through the Puente Hills distribution system.
- October 1999 RAND Corporation publishes its second epidemiological study, commissioned by the WRD, of the health effects associated with the consumption of Central Basin ground-water that had been augmented by the surface recharge of recycled water. There was no statistical evidence indicating that recycled water consumed in this manner adversely impacted human health in regards to certain birth outcomes.
- December 2000 CDPH adopts revised Title 22 Water Recycling Criteria that contains an expanded list of approved uses of recycled water.
- June 2001 The San Jose Creek WRP produces over 100,000 AF of recycled water during a fiscal year for the first time.
- March 2002 Antelope Valley Farms begins installing center pivot irrigation systems in order to make commercial use of Palmdale WRP effluent on land leased from LAWA by Sanitation Districts.
- January 2003 Rowland Water District (RWD) takes over that portion of WVWD's recycled water distribution system that lies within the RWD service area.
- February 2003 WRD completes construction of the Leo J. Vander Lans Treatment Facility and begins using Long Beach WRP effluent for process testing.
- May 2003 The Valencia WRP is expanded from 13.5 to 17 MGD with the completion of additional aeration tanks.
- June 2003 The Upper San Gabriel Valley Municipal Water District (USGVMWD) begins delivery of recycled water from the San Jose Creek WRP through the CBMWD Rio Hondo System.
- 
- August 2003 The first direct deliveries of recycled water from the Valencia WRP begin through the Castaic Lake Water Agency (CLWA) with the Tournament Players Club golf course. This is the first permanently plumbed reuse site in the Santa Clarita Valley.
- February 2005 Deliveries of recycled water begin from the San Jose Creek WRP to the Puente Hills Materials Recovery Facility (MRF).
- May 2005 The Valencia WRP is expanded from 17 to 21.6 MGD with the completion of the Stage V expansion.
- October 2005 Recycled water deliveries through the CBMWD's Century System are extended to the City of Vernon with the start-up of the Malburg Generation Station power plant.

October 2005 Deliveries of recycled water begin from the Leo J. Vander Lans Treatment Facility to the Alamitos Seawater Intrusion Barrier for injection.

August 2006 After extensive retrofitting, a large section of the lower portion of Rose Hills Memorial Park is connected to the USGVMWD recycled water distribution system, making this site one of the largest direct users of the Sanitation Districts' recycled water.

September 2006 USGVMWD begins deliveries of recycled water from the Whittier Narrows WRP to the Whittier Narrows Recreation Area.

February 2007 A 1 MGD pilot membrane bioreactor (MBR) plant begins operation at the Lancaster WRP, supplying tertiary treated effluent to the Sanitation Districts' Eastern Agricultural Site.

February 2007 The Sanitation Districts adopt the last of its Water Recycling Ordinances for its various service areas that allow it to govern the use of its recycled water supplies.

March 2007 One of the Sanitation Districts' largest non-potable users, Blue Heron Newsprint, ceases operations and stops receiving its usual 3 MGD of recycled water from the Pomona WRP.

May 2007 MWD ceases all deliveries of imported water for groundwater replenishment, increasing the demand for recycled water.

November 2007 The Sanitation Districts and the WVWD sign an agreement for the direct sale of recycled water from the Pomona WRP.

January 2008 The Sanitation Districts and Los Angeles County Waterworks District No. 40 sign an agreement for the sale of 13,500 AFY of recycled water from the Lancaster and Palmdale WRPs.

March 2008 The Sanitation Districts and the City of Lancaster sign an agreement for the sale of 950 AFY of recycled water from the Lancaster WRP.

July 2008 The Sanitation Districts adopt "Rules and Regulations" to regulate the use of its recycled water supplies.

August 2008 The Sanitation Districts initiate the Reuse Site Supervisor Training Program.

September 2008 The Sanitation Districts, USGVMWD, and WRD sign a Memorandum of Understanding to contract with MWH to study the feasibility of advanced treatment at the San Jose Creek WRP for increased groundwater recharge in both the Central and Main San Gabriel basins.

January 2009 Deliveries of tertiary treated recycled water from the Lancaster WRP begin to the City of Lancaster.

April 2009 The Los Angeles RWQCB adopts a general reuse permit allowing for the use of recycled water for non-irrigation purposes.

April 2009 A 24-inch valve was installed between chlorine contact chambers nos. 2 and 3 at the Long Beach WRP to increase recycled water supply to LBWD.

April 2009

LARWQCB revises the 1991 Montebello Forebay recharge permit to eliminate the existing annual and three-year total quantity limits (60,000 and 150,000 AF, respectively), and rely on a running 5-year average recycled water contribution of 35%. This change is expected to allow for approximately 5,000 AFY more of recycled water to be recharged.

July 2009

Deliveries of recycled water from the San Jose Creek WRP begin to RWD through the City of Industry distribution system.

August 2010

The City of Long Beach Department of Public Works began using recycled water this month for street sweeping and sewer flushing under the RWQCB's new, region-wide non-irrigation reuse permit.





*APPENDIX B*

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RECYCLED WATER QUALITY FROM SANITATION DISTRICTS' TERTIARY WRPs

**TABLE B-1**  
**LONG BEACH WATER RECLAMATION PLANT**  
**RECYCLED WATER QUALITY, FY 2010-11**

Constituent	Units	Mean	Maximum	Minimum
pH		7.58	7.6	6.7
Turbidity	NTU	0.7	2.2	0.4
Total Coliform	org./100 ml	<1	2	<1
Fecal Coliform	org./100 ml	<1	1	<1
Temperature	deg. F	76	84	68
Suspended Solids	mg/L	<2.5	7.7	<2.5
Settleable Solids	ml/L	<0.1	<0.1	<0.1
Total Dissolved Solids	mg/L	631	771	534
Total COD	mg/L	<25	40	<25
Total BOD	mg/L	<3	<3	<3
Ammonia Nitrogen	mg/L	1.12	1.96	0.697
Organic Nitrogen	mg/L	2.24	2.99	0.609
Nitrate Nitrogen	mg/L	6.34	7.38	5.14
Nitrite Nitrogen	mg/L	0.163	0.383	0.042
Fluoride	mg/L	0.824	1.04	0.629
Boron	mg/L	0.34	0.37	0.32
Cyanide	µg/L	<4.3	<5.0	2.3
Chloride	mg/L	123	136	114
Sulfate	mg/L	101	154	67.9
Total Hardness	mg/L	185	272	148
Total Alkalinity	mg/L	203	281	170
Antimony	µg/L	0.43	0.47	0.4
Arsenic	µg/L	2.93	3.51	2.51
Barium	µg/L	57.3	86.3	43.8
Beryllium	µg/L	<0.25	<0.25	<0.25
Cadmium	µg/L	<0.11	<0.2	<0.02
Total Chromium	µg/L	0.27	0.35	0.22
Hexavalent Chromium	µg/L	0.9	1.5	0.5
Copper	µg/L	2.17	2.85	1.55
Lead	µg/L	0.11	0.13	0.09
Mercury	µg/L	0.000736	0.0014	0.0000611
Nickel	µg/L	1.22	1.49	1.12
Selenium	µg/L	0.58	0.92	0.30
Silver	µg/L	<0.20	<0.20	<0.20
Thallium	µg/L	<0.25	<0.25	<0.25
Zinc	µg/L	34.6	40.3	30.6
Detergents (MBAS)	mg/L	<0.10	<0.10	<0.10
Oil and Grease	mg/L	<4.6	<5.3	<4.3
Conductivity	µmhos/cm	1093	1390	960

**TABLE B-2**  
**LOS COYOTES WATER RECLAMATION PLANT**  
**RECYCLED WATER QUALITY, FY 2010-11**

Constituent	Units	Mean	Maximum	Minimum
pH		7.18	7.7	6.7
Turbidity	NTU	0.6	3.6	0.3
Total Coliform	org./100 ml	<1	2	<1
Fecal Coliform	org./100 ml	<1	1	<1
Temperature	deg. F	77	85	70
Suspended Solids	mg/L	<2.5	13.1	<2.5
Settleable Solids	ml/L	<0.1	<0.1	<0.1
Total Dissolved Solids	mg/L	735	978	508
Total COD	mg/L	<25	36	<25
Total BOD	mg/L	<3	<3	<3
Ammonia Nitrogen	mg/L	1.151	3.52	0.818
Organic Nitrogen	mg/L	0.837	1.31	0.267
Nitrate Nitrogen	mg/L	7.11	7.95	5.74
Nitrite Nitrogen	mg/L	<0.027	0.073	<0.02
Total Phosphate (PO4)	mg/L	0.421	1.81	0.157
Fluoride	mg/L	0.425	0.497	0.356
Boron	mg/L	0.41	0.49	0.34
Cyanide	mg/L	<2.80	<5.0	1.57
Chloride	mg/L	164	207	105
Sulfate	mg/L	148	196	100
Total Hardness	mg/L	272	315	250
Total Alkalinity	mg/L	197	247	175
Antimony	µg/L	2.02	2.64	1.44
Arsenic	µg/L	1.05	1.25	0.89
Barium	µg/L	51.6	55.7	47.7
Beryllium	µg/L	<0.25	<0.25	<0.25
Cadmium	µg/L	<0.07	<0.20	0.02
Total Chromium	µg/L	0.88	1.81	0.56
Hexavalent Chromium	µg/L	1.1	2.0	0.5
Copper	µg/L	2.45	3.57	1.55
Lead	µg/L	0.26	0.33	0.20
Mercury	µg/L	0.00167	0.00219	0.00147
Nickel	µg/L	4.38	5.30	3.33
Selenium	µg/L	0.63	0.76	0.39
Silver	µg/L	<0.16	<0.2	0.02
Sodium	mg/L	213	223	203
Thallium	µg/L	<0.25	<0.25	<0.25
Zinc	µg/L	46.7	59.7	35.2
Detergents (MBAS)	mg/L	<0.10	<0.10	<0.10
Oil and Grease	mg/L	<4.6	<4.9	<4.3
Conductivity	µmhos/cm	1424	1570	1250

**TABLE B-3**  
**POMONA WATER RECLAMATION PLANT**  
**RECYCLED WATER QUALITY, FY 2010-11**

Constituent	Units	Mean	Maximum	Minimum
pH		7.38	7.8	6.74
Turbidity	NTU	0.7	1.4	0.4
Total Coliform	org./100 ml	<1	68	<1
Fecal Coliform	org./100 ml	<1	<1	<1
Temperature	deg. F	77	86	68
Suspended Solids	mg/L	<2.5	<2.5	<2.5
Settleable Solids	ml/L	<0.1	<0.1	<0.1
Total Dissolved Solids	mg/L	548	618	520
Total COD	mg/L	<26	52	<25
Total BOD	mg/L	<3	11	<3
Total Organic Carbon	mg/L	6.42	7.41	5.92
Ammonia Nitrogen	mg/L	1.46	1.96	0.987
Organic Nitrogen	mg/L	1.21	2.68	0.72
Nitrate Nitrogen	mg/L	6.56	8.85	5.10
Nitrite Nitrogen	mg/L	0.293	0.839	0.053
Fluoride	mg/L	0.343	0.372	0.289
Boron	mg/L	0.26	0.30	0.21
Cyanide	µg/L	1.96	2.70	1.40
Chloride	mg/L	129	144	117
Sulfate	mg/L	59.7	70.1	52.3
Total Alkalinity	mg/L	170	189	152
Total Hardness	mg/L	209	228	190
Calcium	mg/L	63.7	67.3	60.4
Magnesium	mg/L	13.8	14.7	12.8
Antimony	µg/L	0.37	0.42	0.30
Arsenic	µg/L	0.93	1.18	0.77
Barium	µg/L	35.3	39.9	29.1
Beryllium	µg/L	<0.25	<0.25	<0.25
Cadmium	µg/L	0.05	0.08	0.03
Total Chromium	µg/L	0.89	1.12	0.69
Hexavalent Chromium	µg/L	<4.1	<10	0.7
Copper	µg/L	5.47	8.12	4.00
Iron	mg/L	0.030	0.036	0.024
Lead	µg/L	0.40	0.57	0.30
Manganese	µg/L	5.93	8.84	3.25
Mercury	µg/L	0.00152	0.00217	0.000533
Nickel	µg/L	1.82	1.27	3.03
Potassium	mg/L	13.7	14.8	12.6
Selenium	µg/L	0.35	0.45	0.28
Silver	µg/L	<0.12	<0.2	0.04
Sodium	mg/L	103	117	91.6
Thallium	µg/L	<0.25	<0.25	<0.25
Zinc	µg/L	62.7	66.8	59.9
Detergents (MBAS)	mg/L	<0.10	0.10	<0.10
Oil and Grease	mg/L	<4.4	<4.6	<4.3
Conductivity	µmhos/cm	920	982	852

**TABLE B-4**  
**SAN JOSE CREEK WATER RECLAMATION PLANT EAST**  
**RECYCLED WATER QUALITY, FY 2010-11**

Constituent	Units	Mean	Maximum	Minimum
pH		7.04	7.34	6.65
Turbidity	NTU	0.7	1.8	0.4
Total Coliform	org./100 ml	<1	4	<1
Fecal Coliform	org./100 ml	<1	1	<1
Temperature	deg. F	79	86	69
Suspended Solids	mg/L	<2.5	2.7	<2.5
Settleable Solids	ml/L	<0.1	<0.1	<0.1
Total Dissolved Solids	mg/L	611	648	558
Total COD	mg/L	<25	33	<25
Total BOD	mg/L	<3	3	<3
Total Organic Carbon	mg/L	5.73	6.52	5.11
Ammonia Nitrogen	mg/L	0.934	1.09	0.685
Organic Nitrogen	mg/L	1.67	2.65	0.956
Nitrate Nitrogen	mg/L	4.54	6.30	2.80
Nitrite Nitrogen	mg/L	<0.038	0.091	<0.03
Fluoride	mg/L	0.447	0.489	0.374
Boron	mg/L	0.31	0.34	0.27
Cyanide	µg/L	<5	<5	<5
Chloride	mg/L	143	158	128
Sulfate	mg/L	96.6	109	83.0
Total Alkalinity	mg/L	167	192	153
Total Hardness	mg/L	220	282	192
Calcium	mg/L	62.2	64.8	60.1
Magnesium	mg/L	18.6	21.8	16.6
Antimony	µg/L	0.56	0.64	0.46
Arsenic	µg/L	0.92	1.07	0.69
Barium	µg/L	61.3	66.6	50.0
Beryllium	µg/L	<0.25	<0.25	<0.25
Cadmium	µg/L	<0.06	<0.2	0.02
Total Chromium	µg/L	0.74	0.88	0.50
Hexavalent Chromium	µg/L	<4.5	<10	0.3
Copper	µg/L	2.89	3.68	2.00
Iron	mg/L	0.063	0.087	0.043
Lead	µg/L	0.23	0.43	0.13
Manganese	µg/L	22.9	27.4	19.2
Mercury	µg/L	0.0013	0.0015	0.0009
Nickel	µg/L	4.83	6.01	3.17
Potassium	mg/L	16.7	17.4	15.2
Selenium	µg/L	0.41	0.66	0.23
Silver	µg/L	<0.02	<0.02	<0.01
Sodium	mg/L	121	139	104
Thallium	µg/L	<0.25	<0.25	<0.25
Zinc	µg/L	49.2	62.5	39.9
Detergents (MBAS)	mg/L	<0.10	<0.10	<0.10
Oil and Grease	mg/L	<4.3	<4.6	<4.1
Conductivity	µmhos/cm	1016	1170	885

**TABLE B-5**  
**SAN JOSE CREEK WATER RECLAMATION PLANT WEST**  
**RECYCLED WATER QUALITY, FY 2010-11**

Constituent	Units	Mean	Maximum	Minimum
pH		7.05	7.36	6.70
Turbidity	NTU	0.6	2.8	0.4
Total Coliform	org./100 ml	<1	2	<1
Fecal Coliform	org./100 ml	<1	1	<1
Temperature	deg. F	78	86	69
Suspended Solids	mg/L	<2.5	6.0	<2.5
Settleable Solids	ml/L	<0.1	<0.1	<0.1
Total Dissolved Solids	mg/L	546	586	492
Total COD	mg/L	<25	30	<25
Total BOD	mg/L	<3	5	<3
Total Organic Carbon	mg/L	4.85	5.26	4.55
Ammonia Nitrogen	mg/L	0.827	1.46	0.539
Organic Nitrogen	mg/L	<0.631	1.24	<0.20
Nitrate Nitrogen	mg/L	8.95	12.7	5.31
Nitrite Nitrogen	mg/L	<0.031	0.043	<0.03
Fluoride	mg/L	0.695	0.732	0.644
Boron	mg/L	0.34	0.39	0.32
Cyanide	mg/L	<5	<5	<5
Chloride	mg/L	118	135	108
Sulfate	mg/L	77.5	88.4	68.5
Total Alkalinity	mg/L	146	189	113
Total Hardness	mg/L	191	225	169
Calcium	mg/L	55.0	57.9	52.3
Magnesium	mg/L	15.4	16.1	15.1
Antimony	µg/L	0.45	0.49	0.37
Arsenic	µg/L	0.93	1.33	0.50
Barium	µg/L	29.3	33.7	24.4
Beryllium	µg/L	<0.25	<0.25	<0.25
Cadmium	µg/L	0.03	0.05	0.02
Total Chromium	µg/L	0.79	1.10	0.60
Hexavalent Chromium	µg/L	<2.9	<10.0	0.5
Copper	µg/L	5.31	6.36	4.34
Iron	mg/L	0.051	0.068	0.034
Lead	µg/L	0.16	<0.25	0.11
Manganese	µg/L	24.9	46.6	11.9
Mercury	µg/L	0.00111	0.0013	0.00078
Nickel	µg/L	2.75	4.19	1.57
Potassium	mg/L	14.6	15.3	13.9
Selenium	µg/L	<0.36	<1.0	0.22
Silver	µg/L	<0.14	<0.2	0.02
Sodium	mg/L	105	113	94.7
Thallium	µg/L	<0.25	<0.25	<0.25
Zinc	µg/L	44.9	54.0	30.8
Detergents (MBAS)	mg/L	<0.10	<0.10	<0.10
Oil and Grease	mg/L	<4.4	<4.5	<4.1
Conductivity	µmhos/cm	907	1000	819

TABLE B-6  
WHITTIER NARROWS WATER RECLAMATION PLANT  
RECYCLED WATER QUALITY, FY 2010-11

Constituent	Units	Mean	Maximum	Minimum
pH		7.38	8.22	7.00
Turbidity	NTU	0.7	1.9	0.1
Total Coliform	org./100 ml	<1	1	<1
Fecal Coliform	org./100 ml	<1	1	<1
Temperature	deg. F	77	82	70
Suspended Solids	mg/L	<2.5	3.0	<2.5
Settleable Solids	ml/L	<0.1	<0.1	<0.1
Total Dissolved Solids	mg/L	564	612	526
Total COD	mg/L	<25	44	<25
Total BOD	mg/L	<2.5	8.0	<2.5
Total Organic Carbon	mg/L	5.18	5.97	4.49
Ammonia Nitrogen	mg/L	0.450	0.845	0.250
Organic Nitrogen	mg/L	0.769	1.19	<0.200
Nitrate Nitrogen	mg/L	6.24	6.85	3.91
Nitrite Nitrogen	mg/L	<0.129	0.376	<0.022
Fluoride	mg/L	0.689	0.738	0.616
Boron	mg/L	0.26	0.29	0.24
Cyanide	µg/L	<2.55	<5	1.19
Chloride	mg/L	110	116	101
Sulfate	mg/L	97.6	133	80.4
Total Alkalinity	mg/L	161	188	147
Total Hardness	mg/L	194	228	159
Calcium	mg/L	55.0	56.8	52.7
Magnesium	mg/L	16.4	17.9	15.3
Antimony	µg/L	0.59	0.73	0.42
Arsenic	µg/L	1.11	1.18	0.98
Barium	µg/L	43.1	47.6	31.7
Beryllium	µg/L	<0.25	<0.25	<0.25
Cadmium	µg/L	0.04	0.11	0.02
Total Chromium	µg/L	1.05	1.14	0.84
Hexavalent Chromium	µg/L	<8	<10	1
Copper	µg/L	4.45	7.02	3.39
Iron	mg/L	0.023	0.027	0.020
Lead	µg/L	0.31	0.39	0.25
Manganese	µg/L	9.57	18.20	1.84
Mercury	µg/L	0.00246	0.00655	0.00108
Nickel	µg/L	8.90	13.8	3.45
Potassium	mg/L	13.5	14.1	12.9
Selenium	µg/L	0.43	0.49	0.37
Silver	µg/L	<0.14	<0.20	0.02
Sodium	mg/L	115	124	104
Thallium	µg/L	<0.25	<0.25	<0.25
Zinc	µg/L	55.2	63.2	48.3
Detergents (MBAS)	mg/L	<0.10	<0.10	<0.10
Oil and Grease	mg/L	<4.5	<4.7	<4.3
Conductivity	µmhos/cm	929	1010	808



**TABLE B-7**  
**VALENCIA WATER RECLAMATION PLANT**  
**RECYCLED WATER QUALITY, FY 2010-11**

Constituent	Units	Mean	Maximum	Minimum
pH		7.32	7.6	6.7
Turbidity	NTU	0.7	1.5	0.4
Total Coliform	org./100 ml	<1	3	<1
Fecal Coliform	org./100 ml	<1	<1	<1
Temperature	deg. F	78	82	70
Suspended Solids	mg/L	<2.5	3.0	<2.5
Settleable Solids	ml/L	<0.1	<0.1	<0.1
Total Dissolved Solids	mg/L	699	751	655
Total COD	mg/L	<25	<25	<25
Total BOD	mg/L	<2.5	3	<2.5
Ammonia Nitrogen	mg/L	1.010	1.13	0.885
Organic Nitrogen	mg/L	0.88	1.14	0.57
Nitrate Nitrogen	mg/L	2.57	3.50	2.03
Nitrite Nitrogen	mg/L	<0.031	0.039	<0.03
Fluoride	mg/L	0.335	0.345	0.320
Boron	mg/L	0.59	0.66	0.53
Cyanide	µg/L	3.8	4.4	2.9
Chloride	mg/L	126	135	119
Sulfate	mg/L	174	200	159
Total Alkalinity	mg/L	193	220	172
Total Hardness	mg/L	265	306	228
Antimony	µg/L	0.56	0.65	0.47
Arsenic	µg/L	0.89	1.31	0.65
Barium	µg/L	18.4	25.8	13.8
Beryllium	µg/L	<0.25	<0.25	<0.25
Cadmium	µg/L	0.04	0.06	0.03
Total Chromium	µg/L	0.31	0.53	0.22
Hexavalent Chromium	µg/L	5.8	<10	1.5
Copper	µg/L	5.98	8.78	3.01
Iron	µg/L	53.3	67.5	33
Lead	µg/L	0.07	0.12	0.05
Mercury	µg/L	0.000531	0.000973	0.000265
Nickel	µg/L	2.32	2.89	1.67
Selenium	µg/L	0.42	0.52	0.30
Silver	µg/L	<0.16	<0.2	0.02
Thallium	µg/L	<0.25	<0.25	<0.25
Zinc	µg/L	46.6	68.3	34.2
Detergents (MBAS)	mg/L	<0.10	<0.10	<0.10
Oil and Grease	mg/L	<4.7	<4.7	<4.6
Conductivity	µmhos/cm	1157	1200	1080

**TABLE B-8**  
**SAUGUS WATER RECLAMATION PLANT**  
**RECYCLED WATER QUALITY, FY 2010-11**

Constituent	Units	Mean	Maximum	Minimum
pH		7.57	8.0	7.3
Turbidity	NTU	0.7	1.1	0.4
Total Coliform	org./100 ml	<1	157	<1
Fecal Coliform	org./100 ml	<1	<1	<1
Temperature	deg. F	76	83	68
Suspended Solids	mg/L	<2.5	2.5	<2.5
Settleable Solids	ml/L	<0.1	<0.1	<0.1
Total Dissolved Solids	mg/L	638	764	535
Total COD	mg/L	<25	<25	<25
Total BOD	mg/L	<2.5	<2.5	<2.5
Ammonia Nitrogen	mg/L	1.228	1.54	0.974
Organic Nitrogen	mg/L	1.606	3.79	0.542
Nitrate Nitrogen	mg/L	4.20	4.66	3.59
Nitrite Nitrogen	mg/L	<0.033	0.054	<0.03
Fluoride	mg/L	0.288	0.326	0.247
Boron	mg/L	0.67	0.86	0.54
Cyanide	mg/L	<2.1	<5	1
Chloride	mg/L	124	134	114
Sulfate	mg/L	126	163	104
Total Alkalinity	mg/L	207	279	167
Total Hardness	mg/L	242	334	185
Antimony	µg/L	0.43	0.50	0.37
Arsenic	µg/L	1.28	1.43	1.13
Barium	µg/L	43.5	52.6	36.2
Beryllium	µg/L	<0.25	<0.25	<0.25
Cadmium	µg/L	0.05	0.06	0.04
Total Chromium	µg/L	0.33	0.38	0.27
Hexavalent Chromium	µg/L	2.2	5.0	0.7
Copper	µg/L	6.51	7.30	5.79
Iron	µg/L	11	<20	9
Lead	µg/L	0.15	0.20	0.11
Mercury	µg/L	0.001095	0.002860	0.000426
Nickel	µg/L	1.12	1.31	0.93
Selenium	µg/L	0.61	0.76	0.52
Silver	µg/L	<0.2	<0.2	<0.2
Thallium	µg/L	<0.25	<0.25	<0.25
Zinc	µg/L	56.0	66.1	46.5
Detergents (MBAS)	mg/L	<0.10	<0.10	<0.10
Oil and Grease	mg/L	<4.6	<4.9	<4.5
Conductivity	µmhos/cm	1095	1320	982

### LONG BEACH WATER DEPARTMENT

Phase 1 was completed in 1980 at a cost of \$280,000. It consisted of a 200 HP, 2,500 gallon per minute (gpm) pump station, and 1,500 feet of 12-inch line that served El Dorado Park West and Golf Course.

Phase 2 made use of a previously constructed, but never used, 21-inch line between the Long Beach WRP and the Island White oil pumping facility in Long Beach Harbor. Recycled water travels through the 21-inch steel concrete-cylinder transmission line that runs south along Studebaker Road, west on Atherton Street, south on Clark Avenue, west on Anaheim Street, and then south on Park Avenue. At the intersection of Park Avenue and 11th Street, the 21-inch line turns west again, then south on Obispo Lane on its way to Island White. The line was capped at Obispo Lane and 2<sup>nd</sup> Street. This line was built in 1970 by the THUMS group (Texaco, Humboldt, Union, Mobil, and Shell) in the hope of using recycled water from the then under-construction Long Beach WRP to repressurize the oil-bearing zones that were being depleted. This project did not proceed at that time and the THUMS group deeded ownership of the pipeline to the city. In 1982, 520 feet of 12-inch line was installed to deliver recycled water to the Recreation Park and Golf Course, at a cost of \$50,000.

Phase 3 was completed in 1983 at a total cost of \$2,560,000. It consisted of a 750 HP, 8,500 gpm pump station (five variable speed, vertical turbine pumps producing 95 psi, with capacity for a sixth pump) connected to the adjacent Long Beach WRP effluent forebay through a 36-inch line, 25,685 feet of 20-inch pipe, and 4,130 feet of 12-inch pipe. The 20-inch main line runs north along the east bank of the San Gabriel River. Just south of Carson Street, the pipeline turns west and runs through a siphon under the river, then along Parkcrest Street. At Clark Avenue, the pipeline reduces to 12-inches, turns south and terminates at Wardlow Road. In 1983, the 200 HP 2,100 gpm pump located in El Dorado Park West was relocated to a spot next to the lake in El Dorado Park East where it serves to supply lake water to the recycled water system when recycled water may be unavailable.

Phase 4 was completed in 1986 and consisted of 3,760 feet of 8-inch pipe and 2,350 feet of 6-inch pipe at a cost of \$410,000. At Park Avenue and 11<sup>th</sup> Street, an 8-inch steel line was connected to the 21-inch transmission line that had been built to serve the THUMS project. The 8-inch line runs south along Park Avenue, through Woodlands Park, then east along 6<sup>th</sup> Street, reducing to a 6-inches after serving the Recreation 9-Hole Golf Course. The 6-inch line turns south on Monrovia Avenue and terminates at the northern boundary of Marina Vista Park.

Phase 5 was completed in the first half of 1989 at a cost of \$3,980,000. It consisted of 4,820 feet of 20-inch pipe, 5,917 feet of 14-inch pipe, 12,364 feet of 12-inch pipe, and 1,857 feet of 8-inch pipe. Also included in this project was a four pump, 500 HP, 105 psi, 3,000 gpm pump station at the south lake of the Lakewood Golf Course that had supplied recycled water, stored in the lake during the day peak supply period, to the distribution system during the peak nighttime demand period. From the end of the 20-inch Stage 3 line in Long Beach City College, a 20-inch ductile iron pipe (DIP) runs 300 feet north, where it turns west on Carson Street, and continues to the South Lake Pumping Plant. A 16-inch DIP continues westerly from the pumping plant along Carson Street, reducing to 14-inches. At Gardenia Avenue, the pipe turns north and runs to 45<sup>th</sup> Street where it reduces to 12-inches. The 12-inch line continues westerly along 45<sup>th</sup> Street, then north on Falcon Avenue, then southwest on San Antonio Drive, then northwest on East Goldfield Avenue, then southwest on 45<sup>th</sup> Way, then north on California Avenue, then west on 46<sup>th</sup> Street to its terminus at the Virginia Country Club.

The North Long Beach extension of Phase 5 was completed at the beginning of 1992 at a total cost of \$627,000. This project connected to the 14-inch line at the intersection of Carson Street and Gardenia Avenue

with a 14-inch tapping sleeve expanding to a 20-inch DIP. This 20-inch line runs south to Marshall Place where it turns west and runs along Marshall Place to a T-section at Gaviota Avenue. This line turns south again from the T-section and runs along Gaviota Avenue to Wardlow Road. The line turns west again and runs along Wardlow Road to Walnut Avenue where it terminates in a T-section. From this T-section, an 8-inch DIP line runs south along Walnut Avenue to the 405 Freeway where it terminates in a 3-inch service for use by the California Department of Transportation. Approximately midway along this final stretch of pipe, at 33<sup>rd</sup> Street, a 2-inch service runs to the LBWD Service Center. In addition, several smaller lines branch off the main distribution line:

- At the intersection of Marshall Place and Gaviota Avenue, a 6-inch DIP line branches off the T-section and runs west to Walnut Avenue where it terminates in a T-section. From this point, the 6-inch line continues north another where it terminates at a 4-inch service to Somerset Park.
- At the intersection of Gaviota Avenue and Bixby Road there is a T-section, from where an 8-inch DIP runs west to a point just beyond Cerritos Avenue where it supplies a 4-inch service to Hughes Junior High School. The 8-inch line continues west to Myrtle Avenue where it terminates in a 2-inch service to Longfellow Elementary School.
- At the intersection of Gaviota Avenue and Wardlow Road, a 6-inch DIP branches off a T-section and runs east to a point just past Rose Avenue where it terminates in a two more 2-inch services to the LBWD Service Center.
- At the intersection of Walnut Avenue and 33<sup>rd</sup> Street, a 6-inch DIP branches off and runs west into the City of Signal Hill and to a 3-inch service to Burroughs Elementary School, where it terminates. In addition, the 6-inch lateral has a 6-inch T-section at Brayton Avenue that extends north and terminates in a 4-inch service to Reservoir Park.

Recycled water service was extended to the common areas of the El Dorado Lakes Condominiums in August 1998. From the 20-inch main line running north along the San Gabriel River, an 8-inch DIP branches off and runs east along Spring Street. This line reduces to a 4-inch DIP which runs to the condominiums located on the east side of the 605 Freeway.

The recycled water system was extended again as LBWD began implementing its Master Plan with the completion of Phase 1A in June 1999 at a cost of \$1.4 million. LBWD's potable water tanks nos. 21, 22 and 23 on Alamos Hill were converted to recycled water storage. Each tank has its own new 20-inch discharge line connecting to a 36-inch DIP that runs north, then west along 20<sup>th</sup> Street to a T-section at Redondo Avenue. The north side of this T-section on Redondo Avenue serves a 24-inch line which was constructed in 2000 as Phase 1B. A 24-inch DIP continues westerly along 20<sup>th</sup> Street for 939 feet to a T-section at Obispo Lane. The line turns south on Obispo Lane, where it terminates in a new T-section installed in the existing 21-inch recycled water line on 11<sup>th</sup> Street. Along Obispo Lane, a 6-inch DIP branches off and runs east along 14<sup>th</sup> Street, allowing for future expansion and customer connections.

CITY OF CERRITOS

A 14,800 gpm pump station next to the north side of the Los Coyotes WRP effluent forebay delivers recycled water to reuse sites through 142,600 feet of pipe that loops through the city. Provisions were made so that neighboring cities could connect to this distribution system sometime in the future and make use of the ultimate system capacity of 4,000 AFY.

The pump station discharges into a 30-inch cement mortar-lined and coated steel line which branches into two, 24-inch concrete cylinder pipelines. One of these lines runs east through the north part of the city, while the other turns south along the San Gabriel River. The two lines ultimately meet and form a loop in the distribution system. Pipes greater than 12-inches are cement mortar-lined and coated steel, and the 4- to 10-inch pipes are PVC.

The 24-inch main line serving the northern part of the city runs east from the WRP past the Ironwood 9 Golf Course, then continues east under the 605 Freeway and along 166<sup>th</sup> Street. At Studebaker Road, a 6-inch line runs north to Cerritos College, and an 8-inch line runs south to Gahr High School. At the school, the line branches into a 4-inch line running north to the 91 Freeway, and a 6-inch line running to the Artesia Cemetery. The 24-inch northern line reduces to 20-inches at 166<sup>th</sup> Street and Studebaker Road, then continues east along 166<sup>th</sup> Street through the City of Norwalk. This line branches into two 16-inch lines at the intersection of 166<sup>th</sup> Street and Norwalk Boulevard.

- One 16-inch line runs south along Norwalk Boulevard to form the west side of a smaller loop in the distribution system. At Artesia Boulevard, a 6-inch line branches off and runs west to Juarez Elementary School and two sections of the 91 Freeway on Pioneer Boulevard. The 16-inch line turns east on Artesia and runs to Barnhill Avenue where a short 4-inch line branches off and runs south to Kennedy Elementary School and Loma Park. At this point, the 16-inch line reduces to 14-inches and continues east on Artesia Boulevard to Bloomfield Avenue before it continues south. At Bloomfield Avenue and 183<sup>rd</sup> Street, a 6-inch line branches off the 14-inch line and runs west to Cerritos High School. It reduces to a 4-inch line before continuing west to Elliot Elementary School where it terminates. Also at Bloomfield Avenue and 183<sup>rd</sup> Street, an 8-inch line runs east to Dina Place where it connects with a 10-inch line from the east half of the loop (described below). Also at this point, a short 6-inch line branches off and runs south to Heritage Park.
- The second 16-inch line at Norwalk Boulevard and 166<sup>th</sup> Street continues east. At Elm Park Drive, a 4-inch line runs north to Satellite Park, and the 16-inch line reduces to 14-inches before continuing east. At Bloomfield Avenue, a 6-inch line runs south to serve Frontier Park, Wittman Elementary School and a section of the 91 Freeway. The 14-inch line continues east to Carmenita Road, where a 6-inch line continues east along 166<sup>th</sup> Street into Carmenita Junior High School and then to Carmenita Park. A 4-inch line branches off the 6-inch line south on Stowers Avenue to Park Street, then east to Gonsalves Elementary School where it terminates. The 14-inch line on 166<sup>th</sup> reduces to 10-inches and turns south on Carmenita Road, forming the east side of the smaller loop. An 8-inch line branches off at Red Plum Street to City Park East at Ironbark Drive where it terminates. The 10-inch line also reduces to 8-inches at this point and it continues south toward Artesia Boulevard, at which point two 4-inch lines branch to the west and east to Saddleback Park and Friendship Park, respectively. When the 8-inch line on Carmenita Road reaches 183<sup>rd</sup>, a 6-inch line branches off and runs east then south on Stowers Avenue to Cerritos Elementary School, Rainbow Park and Bettencort Park. Also from the 8-inch line at Carmenita and 183<sup>rd</sup>, a 10-inch line runs west on 183<sup>rd</sup> Street, then runs south under the freeway to Brookhaven Street. At this

point, a 4-inch line branches off southeast to serve another section of the 91 Freeway, and a second 4-inch line branches off to Brookhaven Park. At the intersection of Shoemaker Avenue and 183<sup>rd</sup> Street, the southern branch of the main loop (the second 24-inch line leaving the WRP) connects with the northern branch to complete the system.

From the WRP, the second 24-inch transmission line runs south along the San Gabriel River. At 183<sup>rd</sup> Street, a 6-inch line branches east through an Edison easement to the Bellflower Christian School and a section of the 605 Freeway. At South Street, a short 12-inch line branches off west past Westgate Park, providing a connection point for the City of Lakewood.

Approximately 1,000 feet south of 195<sup>th</sup> Street, the 24-inch line branches off into a 10-inch line to the south to provide a connection point for the City of Lakewood, and a 20-inch line to the east that follows a Southern California Edison (SCE) right-of-way. The 20-inch line passes the Orange County nursery and the SCE-operated nursery and at Gridley Road, a 4-inch line branches off north to Bragg Elementary School. At Pioneer Boulevard, a 6-inch line branches off south to Cabrillo Lane Elementary School. At Jacob Street, a 6-inch line branches off north to Pat Nixon Elementary School. At Norwalk Boulevard, a 6-inch line branches off south to provide the third connection point for the City of Lakewood.

At Norwalk Boulevard, the 20-inch line reduces to 16-inches and continues east to Bloomfield Avenue, where it enters Cerritos Regional County Park. The 16-inch line reduces to 8-inches (with a 16-inch stub out for future connections to other municipalities) and curves north onto Shoemaker Avenue. A 4-inch line at Espinheira Drive branches off to Sunshine Park, and a 4-inch line at Droxford Street branches off to Leal Elementary School. The 8-inch line connects with the rest of the transmission system loop at the intersection of Shoemaker Avenue and 183<sup>rd</sup> Street.

### CITY OF LAKEWOOD

The City of Cerritos provided three stub-out locations on one of its 24-inch concrete mortar lined and coated steel distribution lines for connections to the City of Lakewood. Each of these stub-out locations is within the City of Lakewood. A 12-inch stub-out connection is located on South Street, on the west side of the San Gabriel River, and consists of two, 6-inch meters in a manifold structure with isolation valves. A 10-inch stub-out connection is located across Del Amo Boulevard into River Park, approximately 40 feet west of Studebaker Avenue and consists of a single, 6-inch meter. A 6-inch stub-out is located on Norwalk Boulevard, just south of Del Amo Boulevard and approximately 70 feet south of the City of Lakewood boundary. This last stub-out is not in use and currently there are no future plans for it.

From the first stub-out location on South Street, a 12-inch PVC line runs west to a T-section at Woodruff Avenue. From this T-section, a 10-inch PVC line continues west along South Street, ending in a T-section at the Los Cerritos Drainage Channel. There are smaller connections branching off the 10- and 12-inch transmission lines on South Street.

- Approximately 550 feet east of Woodruff Avenue, the 12-inch PVC line along South Street branches at a T-section to a 6-inch PVC line. This line follows Spahn Avenue north, turning west at Edgefield Street and continuing until it reaches Woodruff Avenue. At Woodruff Avenue, the 6-inch line heads north along Woodruff Avenue. There are two, 2-inch connections to parkway irrigation systems along this 6-inch line. A 4-inch connection approximately 600 feet north of Edgefield Street runs approximately 100 feet west to serve St. Joseph's Parish School. Approximately 120 feet north of Arabella Street, the 6-inch line connects to a 4-inch line serving Mayfair High School and Lindstrom Elementary School.
- Along the 12-inch PVC line on South Street there are five, 2-inch connections to parkway irrigation systems east of Woodruff Avenue. Approximately 1,700 feet east of Woodruff, 12-inch PVC line is flanged underground to 12-inch ductile iron pipe on either side of the Palo Verde storm drain. The iron pipe then runs above ground to be suspended over the 14-foot wide channel, with air release valves on either side of the channel.
- A 10-inch PVC line branches off the T-section on South Street at Woodruff Avenue and runs south along Woodruff Avenue, terminating in a T-section at Centralia Street. A 6-inch PVC line branches from the T-section at Centralia Street and runs west along Centralia Street to just past Eastbrook Avenue, where it turns south and feeds a 4-inch connection serving Lakewood High School. There is a 4-inch connection approximately 800 feet south of Arbor Road, to service Jose Del Valle Park. From this 4-inch line there is also a 2-inch connection to service parkway irrigation systems. A 4-inch PVC line branches off a T-section at Arbor Road. The 4-inch line runs west along Arbor Road, ending just before Radnor Avenue with a 4-inch service connection to the City of Lakewood Water Yard. Another 4-inch PVC line branches off a T-section at Dashwood Street. The line runs west along Dashwood, ending in a 4-inch connection on the west side of Ocana Avenue to service Jose San Martin Park. There are six, 2-inch connections to parkway irrigation systems from the 10-inch PVC line along Woodruff Avenue.
- Along the 10-inch PVC line on South Street (west of Woodruff Avenue), there are five 2-inch connections to parkway irrigation systems and one 4-inch PVC line approximately 570 feet east of the Los Cerritos Channel serving Foster Elementary School.

- A 6-inch PVC line branches off the T-section on South Street at Fidler Avenue at a 45-degree angle. The 6-inch line crosses Fidler Avenue at an angle until it reaches the edge of Mayfair Park. From there, the line turns directly south and follows the park's eastern boundary until it reaches Bigelow Street. A 4-inch line branches from a T-section at Bigelow Street and crosses over the Los Cerritos Channel. This 4-inch line serves the west side of Mayfair Park. From the T-section at Bigelow Street, a 6-inch line branches off at a 45-degree angle. The line heads southwest until it reaches the south end of Mayfair Park where it then heads directly south along the east side of the channel. At Candlewood Street, the 6-inch line ends with a T-section. From here, a 2-inch PVC line runs south to the Civic Center and a 6-inch line runs west crossing the channel. The line is flanged underground on either side of the channel to 6-inch ductile iron that runs aboveground to be suspended under a footbridge over the channel. After crossing the channel, the 6-inch line terminates in a T-section, from which a second 2-inch PVC line runs south to serve the Civic Center.

From the second stub-out location on Del Amo Boulevard, a 6-inch PVC line branches from a T-section and runs approximately 640 feet west terminating in a T-section at Mae Boyer Park. Another 10-inch PVC line branches from the T-section at the connection point, running south along the east side of the San Gabriel River channel for approximately 2,000 feet and ending with a 4-inch service connection to the River Park pump station. There are several smaller connections branching off the 6-inch and 10-inch transmission lines from the second connection point to the system.

- Approximately 1,200 feet south of Del Amo Boulevard, a 4-inch PVC line branches from the 10-inch line on the east side of the San Gabriel River. The line runs east, terminating at a T-section with a 2-inch service connection to Rynerson Park.
- A 4-inch PVC line branches from the 6-inch line at a T-section located on the west side of the San Gabriel River. The 4-inch line south, then turns west through the city yard, then south to Monte Verde Park.
- From the T-section at Mae Boyer Park, 4-inch lines run 85 feet under Del Amo Boulevard to either side of the road. These 4-inch lines feed service connections to Mae Boyer Park that is on both the north and south sides of Del Amo Boulevard.



### CENTRAL BASIN MWD - CENTURY SYSTEM

Construction of Phase I of the Century Reclamation Program began in March 1991 and was completed in February 1992. The facilities in this phase consist of the 30-inch concrete mortar-lined and coated steel "backbone" pipeline from the Los Coyotes WRP that crosses over the San Gabriel River and runs 18,900 feet north along the western bank to a point north of Firestone Boulevard, where the outfall from the San Jose Creek WRP discharges into the San Gabriel River. At this point, the line reduces to a 24-inch concrete mortar-lined and coated steel line that continues northerly to Florence Avenue, then easterly to Fairview Avenue, where it runs to Dollison Drive. The line then follows Dollison Drive southeasterly to Buell Street, where it crosses under the Santa Ana (5) Freeway to Orr & Day Road. The line runs north on Orr & Day back to Florence Avenue, then easterly to Jersey Avenue where it terminates. Several 6- and 8-inch PVC lines branch off the large diameter transmission lines at various points.

- At a point just south of Compton Boulevard, an 8-inch PVC line branches off the 30-inch line and runs northwesterly to Compton Boulevard, where it continues westerly to its terminus at Bellflower High School. A 6-inch PVC line branches off this line at McNab Avenue and runs northerly.
- At a point just north of Columbus High School, another 8-inch PVC line branches off the 30-inch line and runs westerly through an easement to Woodruff Avenue, where it turns south and runs to Everest Street. This line runs westerly to Benedict Avenue, then through Gauldin School to its terminus on Dunrobin Avenue at Independence Park.
- At a point north of Firestone Boulevard, a 6-inch PVC line branches off the 30-inch line and runs westerly through the Rio San Gabriel Park parking lot to Newville Avenue, where it turns north and runs northerly to La Villa Street. The line then runs westerly to Pangborn Avenue, where it turns north and runs to Buell Street. The line runs westerly to its terminus at Casanes Avenue.
- From the 24-inch line on Florence Avenue, a 6-inch PVC line branches off at Little Lake Road and runs southerly to its terminus at Little Lake Park and School.
- At the end of the 24-inch line at Florence Avenue and Jersey Avenue, an 8-inch PVC line runs north on along an easement to Jersey Avenue, then to Joslin Avenue. This line then runs westerly along Joslin Avenue and easterly to its terminus at Fallon Avenue.

In 2007, The City of Downey constructed additional pipelines connecting to the existing CBMWD distribution system at two points: on the 8-inch line on Dunrobin Avenue at Independence Park, and on another 8-inch line on Lakewood Boulevard at Donovan Street (see Construction Schedule 2 of Phase II below).

From the connection point on Lakewood Boulevard, a 12-inch line runs northeasterly along Lakewood Boulevard to its termination point at 5<sup>th</sup> Avenue. Three smaller lines branch off of this 12-inch line:

- At Firestone Boulevard, a 4-inch line runs west to its termination at Nash Avenue.
- At Stewart & Gray Road, an 8-inch line runs east to a T-section at Bellflower Boulevard, then easterly to its termination at a point just east of Coldbrook Avenue.
- At Clark Avenue, an 8-inch line runs south along Clark to a newly constructed portion of Congressman

Steve Horn Way, where it turns east and continues to Bellflower Boulevard. There is a T-section at Steve Horn Way and Bellflower Boulevard where two more 8-inch lines branch off. The first line runs north along Bellflower Boulevard to Stewart & Gray Road where it connects to the T-section on the previously described 8-inch line in this street. The second line continues east along Steve Horn Way and through Independence Park where it connects to the existing CBMWD distribution system on Dunrobin Avenue.

Construction of Phase II began in March 1992 and was completed in June 1993. Four construction "schedules" provided for several pipelines to branch off the main 30-inch and 24-inch Phase I line.

**Schedule 1:** From the end of the 24-inch Phase I line in the City of Santa Fe Springs at Florence Avenue and Jersey Avenue, the Phase II 24-inch line continues east to Bloomfield Avenue, where it terminates in a 4-way X-section. From this point, the 24-inch line runs southerly to Lakeland Road, then easterly to Greenstone Avenue, where it terminates in a T-section. At this point, a 16-inch PVC pipe branches off and runs southerly to Sunshine Avenue, then easterly for to Shoemaker Avenue, then southerly to Leffingwell Avenue where the line jogs to the west into an easement parallel to Shoemaker Avenue. The 16-inch line then continues southerly to a point just south of the AT&SF railroad right-of-way where Shoemaker Avenue begins again. The line continues southerly along Shoemaker Avenue until it reaches Firestone Boulevard where the line turns southeasterly and runs to Excelsior Drive. At this point, the line continues east along Excelsior Drive until the dead-end at Marquardt Avenue. The 16-inch line then follows a storm drain easement easterly, where it was jacked under the Coyote Creek channel. On the east side of the channel, the line turns south and runs along the channel levee, then runs easterly to its terminus at Bona Vista Avenue. At this point, an 8-inch PVC line branches off south along Bona Vista Avenue to the end of the cul-de-sac. There are several other lines that branch off the 24- and 16-inch main line in this schedule.

- From the 24-inch line on Florence Avenue, a 6-inch PVC line branches off at Fulton Wells Avenue (between Pioneer and Norwalk) and runs southerly to Lakeland Road, where it turns west and runs to its terminus at Zeus Avenue.
- As the 16-inch line proceeds southwesterly along Firestone Boulevard, a 6-inch PVC line branches off at Dinard Avenue and runs north to Mapledale Street, where it turns easterly and runs to its terminus just east of Cabrillo Avenue.
- At the intersection of Excelsior Drive and Marquardt Avenue, a 6-inch PVC line branches off the 16-inch line and runs south along Marquardt Avenue to its terminus.
- At the four-way cross-section at Florence Avenue and Bloomfield Avenue, an 8-inch PVC line branches off the 24-inch line and runs south along Bloomfield Avenue to its terminus at Lakeland Avenue. This line was constructed by the City of Santa Fe Springs in 2008.

**Schedule 2:** This portion of the recycled water system branches off to the east and west from the 30-inch line at Foster Road. The east section begins as a 12-inch cement mortar-lined and coated steel pipe connected to the 30-inch line on the west side of the San Gabriel River, just north of Foster Road. This line crosses the river along the Foster Road Bikeway, then runs southerly back to Foster Road where it turns east again into the City of Norwalk. At Dalwood Avenue, a 6-inch PVC line branches off and runs south to Leffingwell Road where it terminates. The 12-inch line on Foster Road continues east to a T-section at McRae Avenue. From this point, one branch of the Tee, a 6-inch PVC line, runs northerly along McRae Avenue until it terminates at Ratliffe Street. From the T-section at Foster Road and McRae Avenue, a 12-inch steel line runs southerly to Leffingwell Road, then east to Gard Avenue where a T-section was installed. The 6-inch line on Leffingwell Road continues east until it terminates just east of Maidstone Avenue. From the T-section at Leffingwell Road and Gard Avenue, a 6-inch PVC line runs southerly along Gard Avenue to Taddy Street where it turns west and runs to Harvest Avenue where it turns south. The 6-inch line runs along Harvest Avenue to Mapledale Street where a T-section branches to the east and west. From this point, a 6-inch PVC line runs westerly along

Mapledale Street to Graystone Avenue where it turns south and runs to its terminus at Sibley Street. Also, from the Tee at Harvest Avenue and Mapledale Street, another 6-inch line runs easterly to Jersey Avenue. This line turns south and runs until it ends at Excelsior Drive.

The west section also begins as a 12-inch cement mortar-lined and coated steel pipe connected to the 30-inch line on the west side of the San Gabriel River, just south of Foster Road. This line jogs back onto Foster Road and runs westerly along this road, which forms the boundary between the cities of Downey and Bellflower. This line runs to Lakewood Boulevard where it turns north and reduces to 8 inches. The 8-inch line runs along Lakewood Boulevard until it terminates at Meadow Road, just north of Imperial Highway. Two other lines branch off the 12-inch line along Foster at Bellflower Boulevard.

- ! A 6-inch PVC line comes off a T-section in the middle of the intersection of Foster Road and Bellflower Boulevard and runs southerly until it terminates just south of Arthurdale Street.
- ! A second 6-inch PVC line comes off a T-section just to the west of the first T-section on Bellflower Boulevard and Foster Road and runs northerly until it terminates near Angell Street.

**Schedule 3:** In the City of Bellflower, a 24-inch line connects to the 30-inch main line just after it crosses the San Gabriel River from the Los Coyotes WRP. This line runs westerly along Flora Vista Street to an existing Metropolitan Transportation Authority (MTA) right-of-way. At this point the line runs northwesterly toward the Los Angeles River. At this point, an 8-inch branch runs southerly along an SCE right-of-way (just west of Texaco Avenue) to Alondra Boulevard. The 24-inch line turns north and follows the SCE right-of-way to Cortland Avenue, where it runs west to Orange Avenue. The line then runs north on Orange Avenue to Century Boulevard where a T-section was installed. From this point, the 24-inch line runs westerly along Century Boulevard to the Los Angeles River, where it was jacked under the river and the Long Beach (710) Freeway. This line terminates just to the west of the freeway for connection to Construction Schedule 4 (detailed below) at Martin Luther King Jr. Boulevard. From the T-section on Century Boulevard, the line reduces to a 16-inch pipe that runs northeasterly back to the SCE right-of-way, where the line runs northerly then northeasterly to Rio Hondo Drive. The 16-inch line continues northeast along this street to the end of the cul-de-sac. At this point, the line crosses over to the Rio Hondo channel and continues northeast along the flood channel's east side levee. The line reduces to 8-inches and uses an existing footbridge to cross the Rio Hondo channel where it terminates at John Anson Ford Park in the City of Bell Gardens. There are several other lines that branch off the 24- and 16-inch main line in this schedule.

- A 16-inch cement-coated and lined pipe branches off the 24-inch line running along the MTA right-of-way (located just west of the intersection of Somerset Boulevard and Hayter Avenue) and runs southerly along Los Angeles Department of Water and Power (LADWP) right-of-way to a point just north of Flower Street.
- At the point where the 24-inch line ends within the MTA right-of-way and moves into the SCE right-of-way, the 8-inch line (previously mentioned) runs southerly along the east side of the SCE right-of-way by Texaco Avenue where a T-section was installed at San Luis Street. At this point a 6-inch line continues to Somerset Boulevard where it turns west to the west side of the SCE right-of-way. The 6-inch line continues southerly to the south side of Alondra Boulevard where it terminates in a T-section.
- From the 8-inch line, another 6-inch PVC line branches off just north of Exeter Street and runs westerly to Gundry Avenue, where it turns north and runs to its terminus at San Rafael Street.
- At the T-section at San Luis Street, an 8-inch line crosses the SCE right-of-way westerly, continuing along San Luis Street to San Antonio Avenue where another T-section was installed. The 8-inch line continues southerly along San Antonio Avenue to Somerset Boulevard, where the line turns westerly and runs to its terminus at the Los Angeles River.

- From the T-section at San Luis Street and San Antonio Avenue, a 4-inch PVC line runs westerly along San Luis Street to its terminus at Banana Park. A 6-inch PVC line branches off the 8-inch line on San Luis Street at San Jose Avenue (east of San Antonio Avenue) and runs southerly to Mark Keppel Street where it terminates in a T-section. From this point, a 6-inch line runs the west and to the east.
- Farther north along the 16-inch line in the SCE right-of-way, a 6-inch PVC line branches off at Southern Avenue, which becomes Stewart & Gray Road, and runs easterly to Pernell Avenue. The 6-inch line turns south and runs to Cole Street, where it turns east back to Pernell Avenue. The line turns south and runs to the Los Amigos Country Club, where the line runs easterly to its terminus.
- Also along the 16-inch line in the SCE right-of-way, another 6-inch PVC line branches off at Garfield Avenue and runs southerly to its terminus in a public alley south of Burntwood Street.
- The Bell Gardens Extension was completed in July 1995, and was connected to the 8-inch line that terminated in John Anson Ford Park. A diecentric reducer was installed to allow for a 16-inch line to be connected. The 16-inch line then runs north through the park to Scout Avenue, where it turns east. The line continues along Scout, which changes to Park Lane, to its terminus at Garfield Avenue.

**Schedule 4:** A 24-inch cement-lined and coated steel pipe was connected to the 24-inch Schedule 3 line that terminated just west of the 710 Freeway. This line runs westerly along Martin Luther King Jr. Boulevard to a T-section at Wright Road, where two sections of pipeline run to the north and south. The north section begins with a 12-inch line that runs north along Wright Road to Duncan Avenue, where both Wright Road and the 12-inch line turn north. This line runs to Atlantic Avenue, where the line turns northeast and runs to a T-section at Tweedy Boulevard, then west to its terminus.

The south section begins with an 8-inch line from the T-section at Wright Road and Martin Luther King Jr. Boulevard and runs south along Wright Road to McMillan Street. At this point, the line turns west and runs to Gibson Avenue, where it turns south and runs for 1,039 feet to a T-section a San Rafael Street. From this point, the line reduces to a 6-inch pipe and runs easterly along San Rafael Street to its terminus at the 710 Freeway.

In 2008, The City of Lynwood connected an extension to the 8-inch line along the southerly section of the line on Wright Road. An 8-inch PVC line runs westerly along Josephine Street to its termination point at Virginia Avenue where it will serve the relocated Ham Park.

### WALNUT VALLEY WATER DISTRICT

A 3,500 gpm pump station and an 8,000 gallon wet well was constructed at the intersection of Valley Boulevard and Grand Avenue, at the end of the 21-inch concrete gravity line from the Pomona WRP. At the pump station, a smaller, 500 gpm booster pump and hydropneumatic system supplies a 12-inch PVC pipe which runs north along Grand Avenue to Snow Creek Drive where it reduces to an 8-inch PVC pipe. The 8-inch line continues north from Snow Creek Drive to Amar Road where it turns west and terminates just before Lemon Avenue. An 8-inch AC line branches off the 12-inch PVC line at Snow Creek Drive and Grand Avenue and runs east, reducing to a 6-inch PVC line at La Puente Road and terminating east of Rodeo Way. A 6-inch AC line branches off from the 8-inch AC line at La Puente Road where it runs north before terminating just south of Bridgewater Lane.

From the pump station, a 20-inch cement mortar-lined and coated steel pipe runs west along Valley Boulevard to Fairway Avenue, where it turns south. This line continues to Colima Road, then south again along Brea Canyon Cutoff Road, where it terminates at the storage reservoirs located at Oakleaf Canyon Road. Several smaller transmission lines branch off the 20-inch main transmission line.

- A 6-inch PVC line branches off the main line on Valley Boulevard at Somerset Drive to serve the Walnut Ridge housing tract.
- An 8-inch PVC line branches off the main line on Valley Boulevard and Pierre Avenue. This line runs north on Pierre Avenue to Puente Avenue, where it reduces to a 6-inch PVC line. The 6-inch line continues east on Puente Avenue, then north on Suzanne Road where it terminates just south of Fuerte Drive.
- A 6-inch PVC line branches off the main line at Valley Boulevard and Lemon Avenue, running north to Vejar Road where it splits into 6-inch PVC lines running east and west. The line continues north on Lemon Avenue and terminates north of La Puente Road. The west line turns north through an easement, then continues west on Avenida Deseo, then south on Avenida Alipaz, where it terminates at Calle Baja. The east line continues along Vejar Road to its termination just east of Scherer Avenue.
- At the point where the 20-inch main line turns south off of Valley Boulevard and onto Fairway Drive, a 12-inch PVC line branches off and continues west along Valley Boulevard to Nogales Street, where it reduces to 8-inches. The line terminates at a T-section at Trafalgar Avenue, allowing for future expansion. Several smaller lines branch off this section of the distribution system. A 6-inch PVC line branches off at Valley Boulevard and Sentous Street, where it runs north to Hollingworth Street. From this point, three 6-inch lines branch off for short distances to serve users located to the east, west and north. A 12-inch PVC line branches off at Valley Boulevard and Nogales Street, where it runs north to its terminus just before La Puente Avenue. In addition to serving Nogales High School, this line allows for possible future service into the City of West Covina. A 6-inch PVC line continues north from the T-section at Valley Boulevard and Trafalgar Avenue, then east on Rorimer Street and north on Deepmead Avenue to its terminus at Sunshine Park.
- Another 12-inch PVC line branches off the line on Fairway Drive, running west along Colima Road to Otterbein Avenue, where it reduces to 8-inches that terminates at Shabarum Regional County Park, just before Azusa Avenue. Several smaller lines branch off this section of the distribution system. A 6-inch PVC line branches off the 12-inch line, running north along Bandida Avenue to its terminus at Rowland

Regional County Park. Two 6-inch PVC lines branch off the 12-inch line at the intersection of Colima Road and Otterbein Avenue. The first line runs north to Addis Street, while the second runs south along Otterbein Avenue, then west along Killian Street, then south on Lerona Avenue. An 8-inch PVC line branches off the 12-inch line, running south along Fullerton Road to a T-section at Galatina Street. One end of the T-section is blind-flanged, while a 6-inch PVC line runs east through an easement, then continuing along Galatina Street. This line then runs north on Cantaria Avenue, east on Farjardo Street to its terminus just before Los Padres Drive. Another 6-inch PVC line runs along Batson Avenue from Farjardo Street.

- A second 12-inch PVC line branches off the main transmission line along Fairway Drive, running east along Colima Road to Lemon Avenue, where a 6-inch PVC line branches off and runs north to serve several users. The 12-inch line continues east along Colima Road to Grand Avenue, where it turns north to a meter at the Diamond Bar Golf Course. The 12-inch line continues north along Grand Avenue, where it reconnects to the 20-inch main line on Valley Boulevard. Two 6-inch PVC lines branch off the 12-inch line to supply a looped-system serving Gateway Corporate Center. Another 6-inch PVC line branches off the 12-inch line at Brea Canyon Road, terminating just north of Golden Springs Drive.
- In a 1994-95 extension of the recycled water system, a 12-inch PVC line was connected to the 20-inch main transmission line on Fairway Drive, running east along Business Parkway and Currier Road, and terminating on Currier Road just before Brea Canyon Road. A 6-inch AC line branches off the 12-inch PVC line and runs north through an easement to join an 8-inch PVC line on Spanish Lane. The 8-inch PVC line runs west where it terminates just west of Brea Canyon Road. The 8-inch line also runs east on Spanish Lane, then north on Cheryl Lane and Brea Canyon Road to its terminus at the WVWD office. This section serves the landscaping around a number of commercial and light industrial buildings.
- In a 1998-99 extension of the recycled water system, the 8-inch PVC line terminating at the WVWD office was extended north to Old Ranch Road. From this point, the line turns east and runs to a frontage road along the Union Pacific Railroad, where it turns and runs north to its terminus at Grand Avenue in the City of Industry. Also during this year, a 12-inch PVC was connected to an existing 12-inch PVC line on Golden Springs Drive, with the new line running south along Adel Avenue and Davan Street. Approximately 100 feet of DIP runs east along a right-of-way to Via Sorella, where the line changes back to PVC and continues south to Brea Canyon Road. The line continues southerly to its terminus at Diamond Lane. This line serves the Diamond Crest Homeowners Association.

### CENTRAL BASIN MWD - RIO HONDO SYSTEM

Construction began in April 1993 on a 22,000 gpm pump station, located adjacent to the 66-inch San Jose Creek Outfall on the east side of San Gabriel River Parkway, approximately 900 feet north of Beverly Boulevard. The pump station was completed in March 1994 and went on-line delivering recycled water in July 1994. The first schedule of pipeline construction in the City of Whittier and the City of Santa Fe Springs began in April 1993 and was completed in February 1994, with the Whittier Connector Unit crossing of the 605 Freeway/San Gabriel River being completed in May 1994. Construction on the Vernon Phase 1 and 2A Unit began in June 1993 and was completed in September 1994, while construction on the Pico Rivera, Montebello, Montebello/Vernon, and Vernon 2B units has not yet begun.

**Whittier Connector Unit:** A 48-inch cement mortar-lined and coated steel pipeline carries recycled water from the Rio Hondo Pump Station toward San Gabriel River Parkway. Just outside the pump station, a 36-inch cement mortar-lined and coated steel pipeline tees off and runs back toward the San Gabriel River levee, where it turns and runs north. The line then turns east and invert siphons under the San Gabriel River channel, where it then crosses an SCE and a Yellow Freight Company railroad right-of-way. The line was then jacked under a Union Pacific Railroad line and the 605 Freeway to Pioneer Boulevard, just south of Strong Avenue. Between the railroad and the freeway, the pipeline was reduced to 24-inches. The 30-inch line is contained in a 42-inch steel casing, and the 24-inch line is contained in a 36-inch steel casing. At Pioneer Boulevard, the 24-inch line expands back to 30-inches, then runs southwest to a point where it is jacked under Beverly Boulevard in a 42-inch steel casing. This portion of the pipeline construction connects to the Whittier Unit on the south side of Beverly Boulevard.

**Whittier Unit:** The construction for this schedule began where the Whittier Connector Unit ended on Pioneer Boulevard just south of Beverly Boulevard. From this point, the 30-inch line continues southwest along Pioneer Boulevard to Orange Grove Avenue, where it turns southeast. The line continues along Orange Grove Avenue to Norwalk Boulevard, where it turns southwest and runs to El Rancho Drive. At this point, the line turns southeast and runs along El Rancho Drive to a T-section at Broadway Road. From this T-section, an 18-inch line runs east along Broadway Road to Western Avenue where it terminates in a temporary blow-off valve, plug and blind flange. Any future (although currently unplanned) extensions of the recycled water system into the City of Whittier will continue from the point.

From the T-section at El Rancho Drive and Broadway Road, a 16-inch cement mortar-lined and coated steel pipeline continues southwesterly along Broadway Road to Norwalk Boulevard. Along the way, the line was jacked underneath Washington Boulevard. At Norwalk Boulevard, the 16-inch line turns south and runs to a point just south of Walnut Street, where the line connects to the Santa Fe Springs Unit. Along the way, the line was jacked underneath Slauson Avenue.

A second set of pipelines was constructed from the Rio Hondo Pump Station. From the pump station, a 48-inch cement-lined and coated steel pipeline runs to the property line on San Gabriel River Parkway, where it terminates in a T-section. A 12-inch line runs northeasterly from the T-section along the parkway to the intersection of Fairway Drive, where it terminates in a blind-flanged T-section. Also branching from the 48-inch line T-section is a 36-inch cement-lined and coated steel line that runs southwesterly to Beverly Boulevard. At this point, the line reduces to 30-inches and terminates in a T-section at Tobias Avenue, with the 30-inch branch blind-flanged. A 10-inch line runs along Tobias Avenue from the T-section before it also terminates in a blind-flange. Future construction will continue from the blind-flanged sections.



**Santa Fe Springs Unit:** The main portion of this construction schedule is a 16-inch cement-lined and coated steel that connects to the Whittier Unit on Norwalk Boulevard, between Walnut and Burke Streets. The 16-inch line continues south along Norwalk Boulevard to Florence Avenue, where it connects to a 24-inch line of the Century recycled water distribution system. This is the first of several links between the two distribution systems. Along the 16-inch line on Norwalk Boulevard, two T-sections were installed to allow for construction of other pipelines.

The first T-section on the 16-inch line is located at the intersection of Norwalk Boulevard and Burke Street, with a 12-inch line branching off and running east to its termination at a T-section at Dice Road. From this point, a looped-section of pipelines begins. The northern portion consists of a 12-inch line running north on Dice Road to a T-section, then east through an alley to a T-section on Sorenson Avenue, where the line reduces to 6-inches and continues south to a T-section at Santa Fe Springs Road, then southwest to a T-section at Los Nietos Road. The south portion also begins at the T-section at Burke Street and Dice Road and consists of a 12-inch line running south to Los Nietos Road, then southeast to Santa Fe Springs Road, where it connects to the northern portion at the T-section.

From the T-section at Los Nietos and Santa Fe Springs Roads (the street name changes to Bloomfield Avenue at Telegraph Road), the 12-inch line continues southwest to Florence Avenue, where it connects to a 12-inch line of the Century recycled water distribution system.

The second T-section on the 16-inch Norwalk line is located at Norwalk Boulevard and Los Nietos Road. From this point, an 8-inch line runs west to Pioneer Boulevard, where the line terminates in a temporary blow-off valve and plug.

**Vernon Phase 1 and 2A Unit:** This section of pipeline connects the west side of the Rio Hondo distribution system to Schedule 4 of the Century distribution system, detailed in Appendix F. The 12-inch line of Schedule 4 terminated at a T-section at the intersection of Atlantic Avenue and Tweedy Boulevard in the City of South Gate. From this point, an 18-inch line runs north along Atlantic Avenue to a T-section at Ardine Street, where a 10-inch line runs west to Quartz Avenue, then south to its terminus at Independence Avenue.

From the T-section at Atlantic Avenue and Ardine Street, the 18-inch line continues north to a T-section at Elizabeth Street. At this intersection, the line turns west and runs to Otis Avenue. The 18-inch line turns north again and runs along Otis Avenue to a T-section at Randolph Street.

From the T-section at Otis Avenue and Randolph Street, a short section of 6-inch line runs east where a blind-flange was installed to allow for future construction. The 18-inch line continues west along Randolph Street to its terminus at Boyle Avenue. Along Randolph Street, an 8-inch line branches off at Newell Street and runs south to its terminus at Saturn Avenue.



**PUENTE HILLS/ROSE HILLS**

The distribution system consists of 2,956 feet of 36-inch reinforced concrete gravity line that runs east from the 66-inch San Jose Creek WRP Outfall on Workman Mill Road to the original landfill entrance. The first of three pump stations lifts 12,000 gpm of recycled water 500 feet through 2,200 feet of 36-inch force main to an existing 650,000 gallon reservoir located close to the PERG Facility. The second pump station, located at the 650,000 gallon reservoir, lifts the recycled water another 300 feet through 3,700 feet of 30-inch force main to a 1.2 million gallon reservoir constructed by Rose Hills on the border between the landfill and cemetery. The third pump station, located at the Rose Hills storage tank, lifts 2,200 gpm of recycled water through 4,700 feet of 18-inch buried DIP leading to a new 800,000 gallon reservoir located at the former Nike site, with 2,000 feet of aboveground galvanized steel pipe serving the eastern landfill.

Construction of the gravity line was completed in June 1993, with construction of its connection to the San Jose Creek Outfall completed in March 1996. In 2001, construction of the expansion to serve the eastern portions of the landfill and the upper areas of the ever-expanding cemetery was completed.

### USGVMWD - WHITTIER NARROWS RECREATION AREA EXTENSION

Recycled water is delivered from the USGVMWD pump station located adjacent to the chlorine contact tanks in the northwest section of the WNWRP. This pump station, designed by Tetra Tech, Inc., is capable of providing 10,000 gpm of recycled water to the transmission and distribution system. This pumping plant consists of one 200 HP, 2,000 gpm and three 350 HP, 4,000 gpm vertical turbine pumps provided by Simflo Pumps Inc. The third 4,000 gpm pump serves as a backup.

From the USGVMWD pump station the recycled water is transported through a 24-inch, Class 200 ductile iron pipeline (DIP) that runs northeasterly, suspended along the eastern side of the WRP's chlorine contact tank. All buried portions of the DIP have been double-bagged with 8 ml purple plastic to protect it against corrosion and to identify it as a recycled water pipeline. The 24-inch pipeline exits the pump station near the northeast corner of the WNWRP site and heads north for approximately 165 feet and turns northwest for 115 feet, tentatively following the property line. The pipeline then turns due west for 195 feet.

Approximately 50 feet south of the northwest corner of the WRP's property and a SCE easement, the 24-inch pipeline exits the WRP site and runs northwest to the southern edge of the SCE easement, then north through the easement. On the north side of the easement, the pipeline is jacked under Mission Creek and encased in an 82-foot long, 36-inch welded steel casing. The 24-inch pipeline continues northward through an archery range and a second SCE easement to a point approximately 33 feet north of the easement where it ends in a T-section (hereinafter identified as "Junction 1").

There is a 24-inch butterfly valve on the western branch of the Tee at Junction 1, after which the 24-inch pipeline continues due west, then northwesterly, then due west again, then northwesterly until it reaches the eastern bank of the Rio Hondo. The 24-inch pipeline then follows the bike path northward along the eastern edge of the river until it passes under the Pomona (60) Freeway right-of-way. Under the freeway, the pipeline is encased in a 36-inch welded steel casing. Just north of the freeway, the 24-inch pipeline turns east and runs parallel to the freeway to Loma Avenue.

Along Loma Avenue, the 24-inch pipeline runs north where it reduces to an 18-inch Class 250 DIP. Along this run, three T-sections with gate valves (two 6-inch and one 12-inch) were installed to serve the existing irrigation systems in what is known as Area "A" of the Whittier Narrows Recreation Area. The 18-inch pipeline continues north along Loma Avenue where it terminates with an 18-inch butterfly valve and a blind-flange for future extension. Three more T-sections with 6-inch gate valves for servicing Area "A" have been installed along the 18-inch pipeline.

In order to interconnect the irrigation systems serving Area "A" (located north of the 60 Freeway and bordered by Loma Avenue on the west and Rosemead Boulevard on the east) and Area "B" (located east of Rosemead Boulevard), a 12-inch Class 350 DIP was installed. On the south side of the Rosemead Boulevard entrance to Area "A", north of the 60 Freeway, a 12-inch tapping sleeve and gate valve was installed on an existing 12-inch AC irrigation pipeline. From this point, a 12-inch DIP runs northeast to the north side of the park entrance where it was jacked under Rosemead Boulevard and encased in 18-inch welded steel casing. From the west side of Rosemead Boulevard, the 12-inch pipeline runs due east to Area "B". At the end of this pipeline, an 8-inch reducer and tapping sleeve with a gate valve were installed on an existing 8-inch irrigation pipeline completing the interconnection of the two recreation areas.

Back at the T-section at Junction 1, the east branch reduces to a 16-inch Class 250 DIP through a butterfly valve, running due east to a T-section with a 6-inch stub-out and gate valve for a future extension. From this

Tee, the 16-inch pipeline jogs slightly to the north, then continues due east where a second T-section with a 6-inch stub-out and gate valve for a future extension was installed. From the second Tee, the 16-inch pipeline continues due east where a third T-section with a 6-inch stub-out and gate valve for a future extension was installed. From the third Tee, the 16-inch pipeline continues due east to the west side of Rosemead Boulevard at the southern entrance to the Whittier Narrows Recreation Area, south of the 60 Freeway. At this point, the 16-inch pipeline was jacked under the street and encased in 24-inch welded steel casing.

From the east side of Rosemead Boulevard, the 16-inch pipeline continues due east into Area "D" of the Whittier Narrows Recreation Area where a fourth T-section with a 6-inch stub-out and gate valve for a future extension was installed. From the fourth Tee, the 16-inch pipeline continues due east to the edge of Legg Lake. From this point, the 16-inch pipeline was jacked under the connecting channel between the middle lake and the south lake and encased in 24-inch welded steel casing. From this point, the 16-inch pipeline continues due east where it turns southeast and runs to a T-section at the intersection of Santa Anita Avenue and Lexington Gallatin Road (hereinafter identified as "Junction 2").

There is a 16-inch butterfly valve on the southeastern branch of the Tee at Junction 2, after which the 16-inch pipeline continues southeast, where it terminates in a fifth T-section with a 6-inch stub-out and gate valve for a future extension.

Back at Junction 2 at the Santa Anita Avenue/Lexington Gallatin Road intersection, an 8-inch reducer and gate valve is connected to the T-section, and an 8-inch, Class 350 DIP pipeline runs. This pipeline then turns southeast. The pipeline then runs due east where it terminates at Andrews Street in a T-section with a 6-inch gate valve and an 8-inch lateral that serves a 4-inch stub out to South El Monte High School.

**LANCASTER EASTERN AGRICULTURAL SITE**

To deliver recycled water to this site, approximately 17.2 miles of transmission lines (terminating in a 2 million gallon storage tank) were designed and constructed to supply the proposed agricultural area of approximately 4,650 acres (3,800 acres actually cultivated). A 36-inch steel transmission line runs south from the Lancaster WRP along Sierra Highway, then east along East Avenue E. At 60<sup>th</sup> Street East, the transmission line transitions down to a 28-inch HDPE line and splits, with one line running down Avenue E then south on 90<sup>th</sup> Street East to Avenue G, then east again to its terminus halfway between 90<sup>th</sup> and 100<sup>th</sup> Streets. The second line runs south on 60<sup>th</sup> Street East then east on East Avenue F to 90<sup>th</sup> Street East where it reconnects with the first line.



STATEMENT OF PROCEEDINGS FOR THE  
REGULAR MEETING OF THE BOARD OF SUPERVISORS  
OF THE COUNTY OF LOS ANGELES HELD IN ROOM 381B  
OF THE KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

Tuesday, August 28, 2012

9:30 AM

19. Recommendation: Approve the responses to the 2011-12 findings and recommendations of the Civil Grand Jury that pertain to County government matters under the control of the Board; instruct the Executive Officer of the Board to transmit copies of the report to the Grand Jury; and file a copy of the report with the Superior Court upon approval by the Board. (12-3877)

**Dr. Genevieve Clavreul addressed the Board.**

**On motion of Supervisor Molina, seconded by Supervisor Knabe, this item was approved.**

**Ayes:** 4 - Supervisor Molina, Supervisor Ridley-Thomas, Supervisor Knabe and Supervisor Yaroslavsky

**Absent:** 1 - Supervisor Antonovich

**Attachments:** [Board Letter](#)  
[Video](#)  
[Audio](#)

The foregoing is a fair statement of the proceedings of the meeting held August 28, 2012, by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

Sachi A. Hamai, Executive Officer  
Executive Officer-Clerk  
of the Board of Supervisors

By Sachi A. Hamai

Sachi A. Hamai  
Executive Officer

ATTEST: SACHI A. HAMAI  
EXECUTIVE OFFICER  
CLERK OF THE BOARD OF SUPERVISORS

By *Rachelle Smithem*, Deputy





County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

Board of Supervisors  
GLORIA MOLINA  
First District  
MARK RIDLEY-THOMAS  
Second District  
ZEV YAROSLAVSKY  
Third District  
DON KNABE  
Fourth District  
MICHAEL D. ANTONOVICH  
Fifth District

August 28, 2012

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

19 August 28, 2012

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Dear Supervisors:

**RESPONSE TO THE 2011-12 CIVIL GRAND JURY REPORT  
(ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

This letter recommends that the Board: approve the responses to the findings and recommendations of the 2011-2012 Civil Grand Jury Final Report; instruct the Executive Officer of the Board of Supervisors to transmit copies of this report to the Civil Grand Jury upon approval by the Board; and instruct the Executive Officer of the Board of Supervisors to file a copy of this report with the Superior Court upon approval by the Board.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve the responses to the 2011-2012 findings and recommendations of the Civil Grand Jury that pertain to County government matters under the control of the Board.
2. Instruct the Executive Officer of the Board of Supervisors to transmit copies of this report to the Civil Grand Jury upon approval by the Board.
3. Instruct the Executive Officer of the Board of Supervisors to file a copy of this report with the Superior Court upon approval by the Board.

*"To Enrich Lives Through Effective And Caring Service"*

**Please Conserve Paper – This Document and Copies are Two-Sided  
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### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Section 933 (b) of the California Penal Code establishes that the county boards of supervisors shall comment on grand jury findings and recommendations which pertain to county government matters under control of those boards.

On June 30, 2012, the 2011-2012 County of Los Angeles Civil Grand Jury released its Final Report containing findings and recommendations directed to various County and non-County agencies. County department heads have reported back on the Civil Grand Jury recommendations; these responses are attached as the County's official response to the 2011-2012 Civil Grand Jury Final Report.

The recommendations directed to all future Grand Juries have been forwarded to the 2012-2013 Grand Jury for consideration. Recommendations that make reference to non-County agencies have been referred directly by the Grand Jury to those entities.

### **Implementation of Strategic Plan Goals**

These recommendations impact and are consistent with all three of the County Strategic Plan Goals:

- **Goal No. 1 - Operational Effectiveness:**
  - Maximize the effectiveness of the County's processes, structure, and operations to support timely delivery of customer-oriented and efficient public services.
- **Goal No. 2 -Fiscal Sustainability:**
  - Strengthen and enhance the County's capacity to sustain essential County services through proactive and prudent fiscal policies and stewardship.
- **Goal No. 3 - Integrated Services Delivery:**
  - Maximize opportunities to measurably improve client and community outcomes and leverage resources through the continuous integration of health, community, and public safety services.

### **FISCAL IMPACT/FINANCING**

Certain Civil Grand Jury recommendations require additional financing resources. In some cases, financing has been approved by the Board in the current fiscal year's budget. Departments will assess the need for additional funding during the 2013-14 budget cycle, as appropriate.



**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

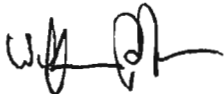
In accordance with California Penal Code Section 933 (b), the following departments have submitted responses to the 2011-2012 County of Los Angeles Civil Grand Jury Final Report:

<b>ATTACHMENT</b>	<b>DEPARTMENT</b>
A	Chief Executive Office
B	Children and Family Services
C	Community and Senior Services
D	Consumer Affairs
E	Coroner
F	Fire
G	Health Services
H	Mental Health
I	Office of Education
J	Probation
K	Public Health
L	Sheriff

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Not applicable.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:EFS:MKZ  
FC:JH:mr

Attachments (12)

The Honorable Board of Supervisors  
August 28, 2012  
Page 4

c: Sheriff  
Auditor-Controller  
Executive Office, Board of Supervisors  
Community and Senior Services  
Children and Family Services  
Consumer Affairs  
Coroner  
County Counsel  
County Office of Education  
Fire  
Health Services  
Mental Health  
Probation  
Public Health

Attachment A

**Chief Executive Office**



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

Board of Supervisors  
GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

August 15, 2012

To: Supervisor Zev Yaroslavsky, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

**2011-2012 CIVIL GRAND JURY - FINAL REPORT**

Attached are this Office's responses to the 2011-2012 Civil Grand Jury Final Report. We are responding to specific recommendations dealing with the following sections:

- Labor Code §4850
- Office of the Coroner
- DCFS and Child Death Mitigation in Los Angeles County
- The Patient Protection and Affordable Care Act – Challenges and Opportunities for Senior Care
- Probation Department

If you have any questions regarding our responses, please contact me, or your staff may contact Martin Zimmerman of this Office at (213) 974-1326, or [mzimmerman@ceo.lacounty.gov](mailto:mzimmerman@ceo.lacounty.gov).

WTF:EFS:MKZ  
FC:JH:ib

Attachment

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RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – Chief Executive Office, Office of Intergovernmental and External Affairs

**SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
LABOR CODE §4850**

**RECOMMENDATION NO. 9**

The Los Angeles County Board of Supervisors should sponsor or support legislation allowing a public jurisdiction to terminate LC 4850 benefits and authorize disability pension benefits when clear and convincing evidence exists that an employee's work-related disability will preclude the worker from ever returning to the performance of his duties.

**RESPONSE:**

The Board of Supervisors is aware of the issues surrounding Labor Code §4850 and will consider the prospect of pursuing legislation as part of the County's 2013 Legislative Agenda.

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – Chief Executive Office, Public Safety Cluster

**SUBJECT: 2011-12 GRAND JURY RECOMMENDATIONS FOR  
OFFICE OF THE CORONER**

**RECOMMENDATION NO. 3**

The Los Angeles County Board of Supervisors should begin an immediate search for a replacement of the Chief Medical Examiner prior to the retirement of the current Chief Medical Examiner in 2012.

**RESPONSE**

The Board agrees with this recommendation and the Department of Human Resources is in the process of securing the services of an outside search firm that specializes in this type of unique recruitment. It is anticipated that this position will be recruited and filled within the next several months.

## RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – Chief Executive Office, Children and Families' Well-Being Cluster

### **SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR DCFS AND CHILD DEATH MITIGATION IN LOS ANGELES COUNTY**

#### **RECOMMENDATION NO. 1.2**

The BOS, CEO, and the Director of DCFS should take steps for Los Angeles County to become a national leader in the promotion and perpetuation of children's rights and adopt and maintain a charter for children's rights.

DCFS currently has a children's rights charter specifically for children in its care in the child welfare system, but the County does not have one for all children.

The United States is one of only three countries, including Somalia and South Sudan, which has not joined the international community in supporting the Convention on the Rights of the Child (CRC), an international human rights treaty setting out the civil, political, economic, social, health, and cultural rights of children.

The County of Los Angeles is often known nationwide as a trend-setter and a leader on social issues. Children's rights should be one of these areas. Although the United States has not adopted the CRC, the County of Los Angeles should reaffirm and promote its own child rights charter as an example for the nation. Children's rights to a safe and nurturing upbringing should be a societal commitment.

#### **RESPONSE**

DCFS will meet with leaders of key County departments to develop a plan for a countywide steering committee based on the Katie A. Executive Steering Committee model. That committee has facilitated alignment of programs between the Departments of Health, Mental Health, the Chief Executive Office, and County Counsel and has received state-wide recognition as a model for large-scale system integration and management. Through this committee, it is DCFS' goal that a community of government agencies can come together to develop a common understanding of the role each plays in protecting children. This committee will serve as a forum to hold agencies accountable for monitoring and improving the quality of the service providers they are ultimately responsible for.

#### **RECOMMENDATION NO. 1.2.1**

The Director of DCFS should ensure the County's child rights' charter for children in its care is updated and operational within DCFS.

The updated charter should also include tighter definitions of what constitutes psychological, emotional, or verbal abuse; neglect; and failure to thrive and are consistent with existing penal code definitions. Once tighter definitions and expectations are developed, the BOS will have the ability to lobby for improved legislation. This updated charter will help clarify DCFS' expectations of staff as they carry out their duties.

### **RESPONSE**

DCFS promotes the Foster Youth Bill of Rights that was developed by the California Youth Connection, as statewide organization of youth in foster care system. In addition, the California Code of Regulations, Title 22 requires that any child placed in a foster home or facility is advised of his or her personal rights, and that these rights are posted and accessible to the public.

The countywide Steering Committee discussed in 1.2 (above) will also serve as a committee in which the County of Los Angeles could reaffirm and promote its own child rights charter. We have obtained a copy of convention on the Rights of the Child (CRC) to analyze how to adopt a charter for Los Angeles County Children. We also will discuss the topics as recommended.

### **RECOMMENDATION NO. 1.2.2**

Although DCFS reports directly to the BOS, the BOS should direct the CEO and involved cluster Deputy CEOs to work with DCFS and the other County departments to develop a children's rights charter for the BOS to review, refine, and adopt.

### **RESPONSE**

See response regarding recommendations 1.2, 1.2.1 and 1.6.

### **RECOMMENDATION NO. 1.3**

The BOS should direct the CEO and Director of DCFS to establish objectives to mitigate child deaths in the County-wide Strategic Plan.

The County has a County-wide Strategic Plan that addresses BOS and CEO high priority initiatives often requiring collaboration across two or more County departments. The CEO should establish mitigating child deaths as one of the County's priorities in the next County-wide Strategic Plan update and establish and adopt objectives that address the recommendations in this CGJ investigation.



## **RESPONSE**

DCFS will act in accordance with Board of Supervisors' instructions. In addition, it should be noted that DCFS is currently establishing objectives in its development of departmental strategic plan that will assist in mitigating child deaths.

The countywide Steering Committee as discussed in 1.2 and 1.2.1 (above) will be the forum to establish objectives to mitigate child deaths and incorporate it into the County's Strategic Plan.

## **RECOMMENDATION NO. 1.6**

Under the direction of the BOS, the Office of the CEO should coordinate and monitor the County-wide effort to implement the CGJ recommendations adopted by the BOS and formalize the Child Death Mitigation Task Force.

As indicated earlier, the solutions for mitigating child deaths do not rest solely with DCFS – it takes a community. It will take the concerted efforts of the County and non-County agencies to implement these recommendations. The County should continue to work with County employees and their various unions (e.g., SEIU) to focus on the best interests of the children, even if it means amendments to Memorandum of Understanding (MOUs). As a starting point, the County family should work together in this joint effort to mitigate needless child deaths.

The BOS should direct the CEO to ensure that the Deputy CEOs convene at least quarterly meetings of the County department heads in charge of programs involving children and families, such as DCFS, DPH, DMH, Probation, Coroner, Sheriff, District Attorney, Department of Public Social Services, Community & Senior Services, and Los Angeles County Office of Education (LACOE).

These agencies should focus on the coordinated efforts needed to implement the recommendations in this investigation and take into consideration the input from the Child Death Mitigation Task Force.

The CEO and Director of DCFS should ask the Child Death Mitigation Task Force members to continue to meet and support DCFS. Besides the generation of good ideas, the Task Force has built stronger relationships and opened new lines of communication among the agencies. The Child Death Mitigation Task Force should meet at least twice a year to:

- Support and monitor progress made in implementing the CGJ recommendations
- Share their perspectives on child death mitigation strategies
- Develop new ideas, policies, and approaches to mitigate child deaths

- Continue the dialogue to keep the communication lines open and increase understanding and empathy for the various stakeholders
- Provide input as new issues arises and on new corrective action needed

**RESPONSE**

DCFS will act in accordance with Board of Supervisors' instructions. Further, DCFS is planning a meeting with the leaders of key County departments as discussed in 1.2 and 1.2.1. Again, it is through this committee that a community of government agencies can come together to develop a Child Molestation Task Force.

## RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – Chief Executive Office, Health and Mental Health Cluster / Children and Families' Well-Being Cluster

**SUBJECT: 2011-12 GRAND JURY RECOMMENDATIONS FOR  
THE PATIENT PROTECTION AND AFFORDABLE CARE ACT -  
CHALLENGES AND OPPORTUNITIES FOR SENIOR CARE**

### **RECOMMENDATION NO. 1**

The Los Angeles County Chief Executive Officer should initiate a meeting with the Department of Health Services (DHS) and the Department of Community and Senior Services (CSS) and other community based services for seniors, to examine services in light of the Patient Protection Affordable Care Act (ACA), and propose an overall strategy to the Board of Supervisors to enhance collaboration and cooperation between the many county entities that serve seniors. While the focus of the ACA is related to health issues, the goal of comprehensive health care for seniors involves the range of services represented in the Seamless Senior Services Initiative (S3). There is an opportunity at this time as the DHS is planning for implementation of the ACA to make LA County a national leader in senior health care.

### **RESPONSE**

While the ACA's expanded health coverage applies to individuals 18 to 64 years of age, the CEO agrees that the three ACA concepts identified by the Civil Grand Jury are critical for health care provided to seniors, and are key elements of the Dual Eligible Demonstration Project. The CEO has already initiated meetings between DHS and CSS, and other affected County departments, in regard to working on the Dual Eligible pilot. Coordinating these services under the Dual Eligible Demonstration Project is the most efficient way to develop an overall strategy of enhancing the collaboration and cooperation between the many entities that serve seniors, as this will ensure that the strategy is in line with the State and Center for Medicare and Medicaid Services directions in regard to how funding will be provided to this population in the future, in concert with the ACA.

### **RECOMMENDATION NO. 2**

The Los Angeles County Board of Supervisors should take advantage of the California Dual Eligible Pilot Project for those dually eligible for Medicare and Medi-Cal. The CEO office, DHS and all other related departments should take necessary steps to support inclusion of Los Angeles County by the State of California in the initial project.

### **RESPONSE**

This has been completed. Both L.A. Care Health Plan and Health Net were selected to participate as an integrated health plan in the Dual Eligible Demonstration Project in Los Angeles County. The CEO, DHS, Department of Mental Health (DMH), CSS, and other County departments are working with L.A. Care Health Plan and Health Net in workgroups that have been set up to implement the Dual Eligible Demonstration Project in Los Angeles County.

**RECOMMENDATION NO. 4**

The Los Angeles County Chief Executive Officer should promote the integration of information technology systems related to senior services, including the Enterprise Health Record (EHR), and the Enterprise Master Person Index (EMPI) in consultation with CSS, DMH, DPH, IHSS services.

**RESPONSE**

The County has a Core Working Group (CWG) whose goal is to work on a shared information technology vision and strategy for our County departments. DHS, DMH, Department of Public Health, and other County departments are participating in this workgroup. The CEO will ensure that CSS and DPSS, for their IHSS role, participate in this workgroup. The County is also participating in the Los Angeles Network for Enhanced Services (LANES) Health Data Highway Project (HDHP) that intends to establish the information technology infrastructure for a health information exchange (HIE) in Los Angeles County to facilitate the sharing of health information among health care providers. In the future, the County's various information systems, such as the County's EMPI, DHS' EHR, and DMH's EHR, will be integrated with the LANES HIE. Further, L.A. Care Health Plan is a participant in the LANES HDHP and is planning to utilize the LANES HIE for the exchange of patient data as part of the Dual Eligible Demonstration Project.

## RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – Chief Executive Office Public Safety Cluster

### **SUBJECT: 2011-12 GRAND JURY RECOMMENDATIONS FOR PROBATION DEPARTMENT**

#### **RECOMMENDATION NO. 1**

The Los Angeles County Board of Supervisors should lift the hiring freeze for the Probation Department and authorize the hiring of additional Deputy Probation Officers (DPO) to work with probationers released to the County in order to limit the caseloads on each DPO.

#### **RECOMMENDATION NO. 2**

The Los Angeles County Probation Department should assign veteran and experienced Deputy Probation Officers at each Probation HUB whose sole responsibility is to monitor and supervise the incoming N3 probationers from the State prisons.

#### **RESPONSE**

Effective October 1, 2011, the Public Safety Realignment Act of 2011 (AB109) transferred responsibility for the custody, parole supervision, treatment/support services, and revocation of individuals (whose last conviction was a non-serious, non-violent, and non-sex offense) from the State to the counties. As of June 30, 2012, the Probation Department is: a) directly supervising 7,719 Post-Release Supervised Persons (PSP) who were released from State prisons and orientated at the Probation HUBs; and b) monitoring the status of 1,386 PSPs who were transferred to the custody of another local or Federal law enforcement agency but remain the responsibility of Los Angeles County. The Probation Department's supervision and custody monitoring of these 9,105 PSPs exceeds the State's estimate of 8,424 PSPs for FY 2011-12.

We concur with the Civil Grand Jury's recommendations that experienced Deputy Probation Officers (DPO) would be ideal for the supervision of this population and caseload size should be limited. However, there are logistical issues that remain to be resolved.

The Probation Department is currently authorized to hire 223 DPOs for pre-release screening, multi-disciplinary assessments and orientations at six local first contact "HUBs," and the subsequent ongoing case management and supervision at their field offices. Probation continues to actively recruit, screen and transfer experienced DPOs from within their bureaus and promote qualified DPOs from their juvenile camp system to fill these critical AB109 positions. However, this process is taking longer than

anticipated, due in part to: 1) the potential risks with transferring veteran DPOs en masse which could create a "brain-drain" cascade that adversely affects the active supervision and programming of the Probation Department's other 18,000 juvenile and 46,700 adult probationers; 2) a bid process mandated by their union MOU; and 3) recruitment difficulties resulting from the temporary classification of AB109 positions (the last issue has subsequently been resolved with the Board of Supervisors' authorization to convert AB109 positions to permanent classifications effective June 27, 2012).

The Probation Department currently has a PSP-to-DPO staffing ratio that ranges from 50:1 (high risk) to 100:1 (low risk) with "risk" based on the PSP's risk to recidivate assessment score. Although this AB109 caseload model is significantly smaller than the average general probationer caseload, the Probation Department is proposing to enhance their staffing ratio to incorporate their first year of experience in which they had a higher than initially anticipated number PSPs who were assessed as high risk (64 percent of the population), had serious/violent/sex offense histories, and/or presented with severe mental health issues.

The Chief Executive Office is currently reviewing their FY 2012-13 budget proposal which will significantly increase the number of field supervision DPOs. The Board of Supervisors continues to be fully engaged with the evolution of public safety realignment as well as fully supportive of the necessary staffing, programming, and coordination between County departments, local law enforcement, and community stakeholders to successfully implement AB109 and safeguard communities.

The Board of Supervisors, however, also recognizes that the County must be fiscally prudent during these difficult economic times, and as a result, has reaffirmed the hard-hiring freeze during each fiscal year. In an effort to relieve the administrative burden of the hiring freeze process on County departments, CEO approval is not needed for positions on the Exempt Position List as well as those that are 100 percent revenue-offset. Public Safety Realignment positions would fall within this category. However, if a department projects a year-end deficit, the CEO's hiring freeze guidelines must be followed.

## Attachment B

# **Children and Family Services**



County of Los Angeles  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES

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PHILIP L. BROWNING  
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Board of Supervisors  
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August 28, 2012

To: Supervisor Zev Yaroslavsky, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: Philip L. Browning, Director 

**RESPONSE TO THE 2011-2012 LOS ANGELES COUNTY CIVIL GRAND JURY  
RECOMMENDATIONS**

Enclosed please find the Department of Children and Family Services (DCFS) responses to each of the Civil Grand Jury's recommendations for year 2011-2012. The responses to the recommendations have been prepared per the following Civil Grand Jury report section topics: (1) Aging-Out Transitional Age Youth (TAY), (2) Identity Theft, (3) Expanding Hub Clinics, (4) Child Death Mitigation, and (5) DCFS Review of prior recommendations for years 2006-2007, 2007-2008, 2008-2009, and 2009-2010.

If you have any questions, please call me or your staff may call Aldo Marin, Manager, DCFS Board Relations Section, at (213) 351-5530.

PB:HB

c: Executive Officer, Board of Supervisors  
Chief Executive Officer  
County Counsel  
Department of Mental Health  
Department of Health Services  
Department of Public Health  
Department of Coroner  
Probation Department

Enclosures

*"To Enrich Lives Through Effective and Caring Service"*



RECOMMENDATIONS TO THE 2011-2012 GRAND JURY REPORT

APPLICABLE SECTION	LEAD(S)	RECOMMENDATION NUMBER(S)	PAGE NUMBER(S)
Aging-Out of the Foster Care System Transitional Age Youth (TAY)	Children and Family Services (DCFS)	5	161-174
Identity Theft for Foster Children	DCFS	1	307-333
Expanding the Role of the Hub Clinics At Risk Children (0-5) and Vulnerable Youth (18+)	DCFS	1.1-1.4, 1.6, 2.1, 3.1-3.6, 4.2, 4.4, 5.1, 5.3-5.6	247-306
DCFS and Child Death Mitigation in Los Angeles County	DCFS	1.1-1.6, 2.1-2.10, 3.1-3.6, 4.1-4.5, 5.1-5.6	175-213
Review of DCFS Responses to Prior CGJ Recommendations	DCFS	<u>2006-07</u> : 1.3, 2.1, 3.1-3.2, 3.7, 4.1, 4.4, 6.1, 6.3-6.4, 9,9.1 <u>2007-08</u> : 1f, 2, 2b, 3, 3d, 4a, 5, 5a-5c, 6, 7 <u>2008-09</u> : 1, 3.1-3.2, 3.3.1, 4.2, 4.3.1-4.3.4, 4.4, 6.1, 7.1.1, 7.2 <u>2009-10</u> : 1,2, 8	351-375

## **Aging-Out Transitional Age Youth (TAY)**

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – DEPARTMENT OF CHILDREN AND FAMILY SERVICES

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR AGING-OUT TAY

RECOMMENDATION NO. 5

The Department of Children and Family Services Youth Development Services Division, Independent Living Program reorganize the Emancipation Resource Directory to a more user-friendly document with the contact information for DCA listed as one of the first contacts in the directory, and that physical copies be bound for easy access and use by TAYs.

RESPONSE

The Department agrees with this recommendation and will complete this recommendation by January 1, 2013.

# **Identity Theft**

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – DEPARTMENT OF CHILDREN AND FAMILY SERVICES

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR IDENTITY THEFT

RECOMMENDATION NO. 1

The Director of DCFS should immediately instruct the managers and personnel to place the foster child's name, date of birth and SSN into all three CRBs and immediately suppress these records as soon as the child becomes a ward of the DCFS. Foster children would be better served and protected from identify theft if their identifying information was immediately entered into CRB files as soon as they become wards of DCFS and these credit records were suppressed at the same time.

RESPONSE

The Department is in agreement that every foster youth should leave the child welfare system with their credit record intact. However, the Department proposes the following method to accomplish this goal. As of May 2012, DCFS entered into a MOU with Department of Consumer Affairs (DCA) to work directly with the three CRBs to run and clear the records of all foster youth who turn 16 years of age and once again before they turn age 17 ½. The records to be cleared for these youth come from the Department's Business Information Systems (BIS) Division where the information from the CWS/CMS system is collected and then sent to a secured website for the CRBs to run the credit reports on each youth. Every foster youth record which shows a "hit" on their credit record is then sent back to the secured website for DCA to provide the remedial services to clear the records.

## **Expanding Hub Clinics**

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – DEPARTMENT OF CHILDREN AND FAMILY SERVICES

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR EXPANDING HUB CLINIC

The Model Medical Hub Clinic

RECOMMENDATION NO. 1.1

The Directors of the Department of Health Services and Children and Family Services should consider amending their Memorandum of Understanding (MOU) to mandate coordination and oversight of the provision of mental health services (onsite or offsite of the Hub Clinics) for foster youth under the jurisdiction of DCFS.

RESPONSE

The recommendation requires further analysis between the Department of Children and Family Services, Department of Health Services, and Department of Mental Health. The target date for completion of analysis is January 2013. Currently there are mental health services provided at some of the Medical Hub Clinics.

RECOMMENDATION NO. 1.2

The Directors of the Department of Health Services and Children and Family Services should also consider amending their MOU to strongly encourage provision of ongoing primary care services at the Hub Clinics for high risk populations such as children between the ages of 0-5, non-detained youth who remain with their families while under DCFS jurisdiction, medically fragile Transition Age Youth 18 or older, or those with multiple placements.

RESPONSE

The recommendation requires further analysis between the Department of Children and Family Services and Department of Health Services. The target date for completion of analysis is January 2013. Currently the Medical Hub Clinics serve children considered to be high risk. As for the non-detained youth who remain with their families while under DCFS jurisdiction, the Medical Hub Clinics provide services as their capacity permits.

### RECOMMENDATION NO. 1.3

The Directors of the Department of Health Services and Children and Family Services should also consider amending their MOU to mandate that the Hub Clinics serve as a “medical home” to youth under the jurisdiction of DCFS for ongoing medical services. If that is not feasible for their caregivers, have their medical care provided by a community provider, overseen by DCFS and the court. CSWs should be responsible for ensuring that each child continually has a medical home while under the jurisdiction of DCFS, whether being seen at a Hub Clinic or by a community provider, and that a medical home is maintained every time the child has a placement change.

### RESPONSE

Partially implemented in regards to children in out-of-home care who have a community provider that provides medical care while under the jurisdiction of DCFS. Further analysis is required to ensure that a medical home is maintained every time the child has a placement change.

Not yet implemented in regards to the Hub Clinics serving as a medical home. A medical home pilot will be implemented at one of the Medical Hub Clinics during calendar year 2013.

### RECOMMENDATION NO. 1.4

The Directors of the Department of Health Services and Children and Family Services should refer non-detained youth to a “medical home” at the Hub Clinics for ongoing medical services, to the extent feasible.

### RESPONSE

Requires further analysis between the Department of Children and Family Services and the Department of Health Services to be completed by January 2013.

### RECOMMENDATION NO. 1.6

The Directors of the Department of Health Services and Children and Family Services should support the expansion of the Children’s Medical Village at LAC+USC to provide comprehensive medical and mental health services to non-detained youth and Transition Age Youth.

### RESPONSE

Requires further analysis between the Department of Children and Family Services and the Department of Health Services to be completed by January 2013.



## Standardizing the Hub Clinics

### RECOMMENDATION NO. 2.1

The Directors of the Department of Health Services and Children and Family Services should collaborate and establish staffing, resource, service level, and cost per patient visit standards for the Hub Clinics to ensure that the same mix and level of services are provided to all youth under the jurisdiction of DCFS.

### RESPONSE

The Department of Health Services has taken the lead on this recommendation. To date, progress is being achieved.

## DCFS Accountability

### RECOMMENDATION NO. 3.1

The Director of the Department of Children and Family Services should enforce the department's mandate for the utilization of Hub Clinics by revising the policies and procedures related to referrals to Hub Clinics and follow up for medical and mental health linkages.

### RESPONSE

Implemented by the Department of Children and Family Services in July 2012.

### RECOMMENDATION NO. 3.2

The Director of the Department of Children and Family Services should require the DCFS managers at the regional offices to 1) use management reports, 2) hold individual supervisors and CSWs accountable for making Hub Clinic referrals, 3) follow up on missed appointments and 4) troubleshoot and problem-solve for youth that consistently miss Hub Clinic and mental health appointments. These duties would include identifying miscommunication or the lack of information transfer among different CSWs assigned to the same case at multiple points in time.

### RESPONSE

Through the interface with the Department of Health Services' E-mHUB web based system that was implemented in April 2011, DCFS subsequently implemented a tracking report to assist with holding individual supervisors and CSWs accountable for making Hub Clinic referrals. In the future management reports may be implemented to further assist in this regard. The recently revised DCFS Procedural Guide on utilization of the Medical Hubs directs CSWs to address missed appointments.

RECOMMENDATION NO. 3.3

The Directors of the Department of Children and Family Services and Mental Health should collaborate on a system that refers non-detained youth remaining in their family homes and their parents to outpatient mental health services for a period of six months after the date they enter into the child welfare system.

RESPONSE

Requires further analysis between the Department of Children and Family Services and Department of Mental Health to be completed by January 2013.

RECOMMENDATION NO. 3.4

The Director of the Department of Children and Family Services should modify the department's current Title IV-E waiver plan, or apply any new waiver funds, to enable expansion of Hub Clinics services for non-detained youth who live in their family homes.

RESPONSE

Requires further analysis to be completed by January 2013.

RECOMMENDATION NO. 3.5

The Directors of the Department of Children and Family Services and Health Services should collaborate on the assignment of co-locate Public Health Nurses (PHNs) or Children's Social Workers (CSWs) at every Hub Clinic to specifically follow up on missed appointments and referrals for specialized services (medical and mental). A strong emphasis and priority should be placed on non-detained youth who miss their Forensic Evaluations. When extended hours are an option at the Hub Clinic, the PHNs or CSWs should work during evening hours to conduct most of the follow-ups to increase the probability of reaching caretakers.

RESPONSE

Implemented for CSWs as of May 2012. This includes two after hour CSWs at LAC+USC Medical Center which is a 24 hour operation.

Partially implemented for PHNs. On December 2011, the Board of Supervisors approved funding through Title IV-E Reinvestment Savings to implement a one year pilot to out-station CSWs and PHNs at each of the Medical Hubs. The Department is in the process of canvassing, interviewing and selecting temporary Public Health Nurses (PHNs) that will be out-stationed at the Hubs as part of the one-year pilot. The Department will continue with the process of interviewing, selecting and hiring PHNs who are willing and available to work temporarily at the Hubs.

#### RECOMMENDATION NO. 3.6

The Directors of the Department of Children and Family Services and Health Services should promote the use of Hub Clinics as medical homes for children under the jurisdiction of DCFS by providing education to CSWs to communicate this information to caregivers.

#### RESPONSE

Requires further analysis between the Department of Children and Family Services and the Department of Health Services to be completed by January 2013. The Department of Health Services is moving forward to implement a medical home pilot at one of the Medical Hubs during calendar year 2013.

#### Mental Health Services Through DMH

#### RECOMMENDATION NO. 4.2

The Directors of the Departments of Health Services, Children and Family Services, and Mental Health, with input from MAT Providers and Hub Clinic staff, should develop a structure that better integrates the MAT Assessment Process and ongoing mental health services conducted by MAT Providers and Initial Medical Examinations conducted at Hub Clinics. Similar to these processes at LAC+USC and Children's Hospital, in-depth mental health screening should be conducted in conjunction with Initial Medical Examinations, and ongoing mental health services should be coordinated with Hub Clinic medical care.

#### RESPONSE

Requires further analysis between the Department of Children and Family Services, Department of Health Services and Department of Mental Health to be completed by January 2013.

#### RECOMMENDATION NO. 4.4

The Director of the Department of Children and Family Services should revise department policies to require PHNs to attend MAT Assessment meetings, particularly those co-located at Hub Clinics that are not already contracted by DMH to be MAT Providers.

#### RESPONSE

Implemented on April 9, 2012. PHNs are invited to attend MAT Assessment meetings involving children with medical problems.

## Transition Age Youth Services

### RECOMMENDATION NO. 5.1

The Director of the Department of Children and Family Services should require that CSWs refer Transition Age Youth to Adult Protective Services, where appropriate, if they are about to be emancipated from the jurisdiction of DCFS.

### RESPONSE

This particular area of concern, as noted in the Civil Grand Jury's Final Report, relates primarily to those youth who are now eligible to remain under DCFS jurisdiction under Assembly Bill 12 as of January 1, 2012, as legal young adults and as Non-Minor Dependents. DCFS is currently developing policies and protocols by which Community Senior Services' Adult Protective Services Division will need to be contacted by CSWs on behalf of those Transition Age Youth 18 years of age or older who are in need of such services (allegations of adult/caregiver abuse). Target date for completion of policies and procedures is January 1, 2013.

### RECOMMENDATION NO. 5.3

The Director of the Department of Children and Family Services should strongly encourage DCFS youth 18 years old and older with complex mental health needs to go the Children's Hospital for mental health services or the other Hub Clinics to the extent they begin to offer age-appropriate services similar to those offered at the Children's Hospital clinic.

### RESPONSE

This recommendation requires further analysis between the Department of Children and Family Services, Department of Health Services, Department of Mental Health, and Children's Hospital Los Angeles to be completed by January 2013.

### RECOMMENDATION NO. 5.4

The Directors of the Departments of Children and Family Services, Health Services, and Mental Health should collaborate to identify funding resources and provide transportation services for DCFS youth 18 years old and older with complex medical and mental health needs to obtain such needed services.

### RESPONSE

Requires further analysis between the Department of Children and Family Services and Department of Mental Health to be completed by January 2013.

#### RECOMMENDATION NO. 5.5

The Directors of the Departments of Children and Family Services and Health Services should identify resources, possibly including reallocating already approved Title IV-E waiver funds, for LAC+USC to expand its Children's Medical Village to include medical services for Transition Age Youth, which would require staffing the Children's Medical Village with providers that have both pediatrics and adult medicine training, as well as access to Adult Protective Services social workers.

#### RESPONSE

This recommendation requires further analysis between the Department of Children and Family Services and Department of Health Services to be completed by January 2013.

#### RECOMMENDATION NO. 5.6

The Directors of the Departments of Children and Family Services and Health Services should provide additional training to current medical providers at the Hub Clinics to better identify medical and mental health needs of Transition Age Youth, and ensure linkages to specialized adolescent medicine and mental health, in order to provide age appropriate services for youth with expanded foster care services under AB 12.

#### RESPONSE

This recommendation requires further analysis between the Department of Children and Family Services, Department of Health Services, and Department of Mental Health to be completed by January 2013.

## **Child Death Mitigation**

## RESPONSE TO THE GRAND JURY FINAL REPORT

### COUNTY OF LOS ANGELES – DEPARTMENT OF CHILDREN AND FAMILY SERVICES

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS RE: CHILD DEATH MITIGATION

#### Strategic Directions

##### RECOMMENDATION NO. 1.1

It takes a community. The Director of DCFS should incorporate in the new departmental strategic plan the philosophy that: “It takes a community to mitigate the number of child deaths.”

DCFS must look both inside and outside of the organization to identify, coordinate, and collaborate with its sister agencies and community partners to build an effective child protection system. The Task Force was particularly supportive of more effective collaboration, building on the DMH model of “It Takes a Community” to mitigate the number of child deaths in the Los Angeles County.

Most child deaths are, directly or indirectly, the result of ignorance or poor parenting that is often rooted in drug addiction, mental instability, and domestic violence. Reducing the numbers of deaths will take a coordinated effort by:

- The Los Angeles County departments and agencies involved with children
- Police departments in other jurisdictions
- Mandated reporters (e.g., physicians, educators, sworn officers)
- State and Federal legislative and oversight agencies
- Community at large

They will need to:

- Collaborate closely to identify high-risk situations
- Implement effective interventions in these high-risk situations
- Follow up to ensure the interventions are working or make appropriate course corrections

These three priorities seem straight-forward, but they are often complicated because of conflicting protocols, limited communication, and poor coordination of efforts. The following recommendations seek to address these areas through a collaborative approach by applying the conceptual model of “It Takes a Community” and represent changes that have the best chance cumulatively to result in a reduction of child deaths.

## RESPONSE

Agree – Not yet implemented. The notion of “It takes a community” is reflected in the DCFS’ newly adopted Vision Statement, “Children Thrive in Safe Families and Supportive Communities.” However, we agree that we need to continue collaborating with the community around children in Los Angeles County.

To begin addressing this issue, we have recently assigned Executive Team managers to serve as liaisons with other partnering agencies such as Department of Mental Health (DMH), Department of Health Services (DHS), Probation, County Counsel, Department of Public Health (DPH), Law Enforcement, Court system and Education. We have also enhanced relationships with the Kinship Providers such as “Grandparents as Parents” by entering into Memorandum of Understandings (MOUs) that identify expectations.

In the DCFS’ developing strategic plan, DCFS leadership has identified a “Partnerships and Collaborations” strategy, which will focus on efforts to foster community service programs on behalf of children and families. While, as currently titled, the Strategic Plan’s strategy specifically addresses community service programs, and proposed objectives will include efforts to work with additional public and private partners and stakeholders.

The DCFS’ will also continue seeking opportunities to increase its presence in the community via the provision of education, information and the provision of resources for families in high- risk areas. An example of such includes a pilot that was initiated via the coordination of an Assistant Regional Administrator (ARA) in the Vermont Corridor Office, whereby Children Social Workers (CSWs) volunteered to conduct presentations in four to five housing projects in South Los Angeles to provide information on Infant Safe Sleeping. The staff also raffled off infant care packages and a bassinet to parents who attend the presentation that were donated by area retailers. The staff’s ability to gain access to the families and utilize the facilities to conduct the events was supported by Los Angeles Police Department (LAPD) and the Housing Authority via collaboration. Such efforts help mitigate risk in high-risk communities.

## RECOMMENDATION NO. 1.2

Child rights. The BOS, CEO, and the Director of DCFS should take steps for Los Angeles County to become a national leader in the promotion and perpetuation of children’s rights and adopt and maintain a charter for children’s rights.

DCFS currently has a children’s rights charter specifically for children in its care in the child welfare system, but the County does not have one for all children.

The United States is one of only three countries, including Somalia and South Sudan, which has not joined the international community in supporting the Convention on the Rights of the Child (CRC), an international human rights treaty setting out the civil, political, economic, social, health, and cultural rights of children.



The County of Los Angeles is often known nationwide as a trend-setter and a leader on social issues. Children's rights should be one of these areas. Although the United States has not adopted the CRC, the County of Los Angeles should reaffirm and promote its own child rights charter as an example for the nation. Children's rights to a safe and nurturing upbringing should be a societal commitment.

#### RESPONSE

Agree – Not yet implemented. We will meet with leaders of key county departments to develop a plan for a countywide steering committee based on the Katie A. Executive Steering Committee model. That committee has facilitated alignment of programs between the Departments of Health, Mental Health, the Chief Executive Office, and County Counsel and has received state-wide recognition as a model for large-scale system integration and management. Through this committee it is DCFS' goal that a community of government agencies can come together to develop a common understanding of the role each plays in protecting children. This committee will serve as a forum to hold agencies accountable for monitoring and improving the quality of the service providers they are ultimately responsible for.

#### RECOMMENDATION NO. 1.2.1

The Director of DCFS should ensure the County's child rights' charter for children in its care is updated and operational within DCFS.

The updated charter should also include tighter definitions of what constitutes psychological, emotional, or verbal abuse; neglect; and failure to thrive and are consistent with existing penal code definitions. Once tighter definitions and expectations are developed, the BOS will have the ability to lobby for improved legislation. This updated charter will help clarify DCFS' expectations of staff as they carry out their duties.

#### RESPONSE

Agree – Not yet implemented. DCFS promotes the Foster Youth Bill of Rights that was developed by the California Youth Connection, as statewide organization of youth in foster care system. In addition, the California Code of Regulations, Title 22 requires that any child placed in a foster home or facility is advised of his or her personal rights, and that these rights are posted and accessible to the public.

The County-wide Steering Committee discussed in 1.2 (above) will also serve as a committee in which the County of Los Angeles could reaffirm and promote its own child rights charter. We have obtained a copy of convention on the Rights of the Child (CRC) to analyze how to adopt a charter for Los Angeles County Children. We also will discuss the topics as recommended.

#### RECOMMENDATION NO. 1.2.2

Although DCFS reports directly to the BOS, the BOS should direct the CEO and involved cluster Deputy CEOs to work with DCFS and the other County departments to develop a children's rights charter for the BOS to review, refine, and adopt.

#### RESPONSE

Agree – Not yet Implemented. See response regarding recommendations 1.2, 1.2.1 and 1.6.

#### RECOMMENDATION NO. 1.3

A County priority. The BOS should direct the CEO and Director of DCFS to establish objectives to mitigate child deaths in the County-wide Strategic Plan.

The County has a County-wide Strategic Plan that addresses BOS and CEO high priority initiatives often requiring collaboration across two or more County departments. The CEO should establish mitigating child deaths as one of the County's priorities in the next County-wide Strategic Plan update and establish and adopt objectives that address the recommendations in this CGJ investigation.

#### RESPONSE

Agree – Not yet implemented. DCFS will act in accordance with Board of Supervisors instruction. In addition, it should be noted that DCFS is currently establishing objectives in its developing departmental strategic plan that will assist in mitigating child deaths.

The County-wide Steering Committee as discussed in 1.2 and 1.2.1 (above) will be the forum to establish objectives to mitigate child deaths and incorporate it into the County-wide Strategic Plan.

#### RECOMMENDATION NO. 1.4

Mandated reporting. The Director of DCFS, working with law enforcement, should provide the BOS with a comprehensive strategy to improve mandated reporting in Los Angeles County.

Rates of mandated reporting by reporting class vary throughout Los Angeles County, suggesting a widespread lack of compliance. There have been few prosecutions for non-reporting. Although the County has no direct control or means to enforce compliance, the County can work with the licensing agencies and certification boards to heighten their awareness and encourage them to:

- Provide more training with remedial training programs on mandated reporting requirements, indicators, and process
- Issue regular updates on issues and communication with mandated reporters

- Share the results of the cases, within the confidentiality requirements, with the mandated reporters to reinforce their involvement and commitment to the protection of children

The County can also approach the State legislature to add new categories of mandated reporters to ensure more high-risk situations are identified.

#### RESPONSE

Agree – Not yet implemented. Each DCFS Regional Office will be responsible for coordinating and hosting three (3) open houses on a semi-annual basis (at least). The event planning will include invitations to local law enforcement (LE), hospitals, school districts and community agencies that are common sources of referrals to the Department. The event will be a collaborative between the regional operation, Emergency Response Command Post (ERCP) and Hotline staff. Efforts will also be made to coordinate the event as a collaborative effort between DCFS, the District Attorney, Coroner, Health Services, local hospitals and schools. The event will serve as a collaborative opportunity to reinforce the mandated reporting laws and critical nature of being in compliance with the law.

Child Protection Hotline staff will continue to provide training on Mandated Reporting to large groups in the community on a flow basis.

The DCFS' training section will continue to provide training on Mandated Reporting, as requested by the community.

County Counsel and the DCFS LE Liaison will continue to provide mandated reporting training to the LAPD Juvenile Procedures School. The DCFS/LE MOU contemplates that co-located CSWs would train LE officers/deputies at local offices and stations. The Department will implement a countywide effort to improve training on mandated reporting for law enforcement.

#### RECOMMENDATION NO. 1.5

Inadequate family support services in some County regions. The Director of DCFS should evaluate the variations in resources available to families by region and propose a strategy, for BOS approval, that would ensure underserved areas are brought up to minimum acceptable levels.

The current system requires effective family support if family maintenance and reunification is to be successful. Some local variation is probably a good thing to deal with the unique conditions of the region, but it is inappropriate for service levels and quality to vary dramatically from one part of the County to another.

#### RESPONSE

Agree – Not yet implemented. DCFS has worked with the CEO and the Casey Foundation to develop the Promoting Safe Child and Strong Family (PSSF) with the

goal of moving to performance based contract. The PSSF Redesign includes a provision to expand prevention services using Family Support funding and ensuring that funds are more available across the County through the use of community resource centers that can serve as a referral source for schools, LE, hospitals, the community at large as walk-ins, as well as other County departments such as Probation and Mental Health.

The Community Family Resource Centers will address the issue of resources in underserved communities in a number of ways. First, the allocations for funding will be based on the number of referrals and caseload sizes of each DCFS region. Underserved offices will justify larger percentages of the dollars. Further, in the new Promoting Safe and Stable Families redesign, a continuum of services has been developed to address the needs of children and families all throughout the service delivery continuum. The continuum suggests, "There is no wrong door for families." Whether a family is at the front-end of the DCFS system or in Continuous Services, resources will be available. The redesign consists of prevention services for families whether they are known to DCFS or whether they have never had contact with DCFS but may be in need of services. The components of the redesign are: prevention, assessment and intervention, adoptions services, and After Care services for families exiting the DCFS system. Whether referrals are evaluated out, deemed unfounded or inconclusive, or even substantiated and a case is opened, this continuum will provide resources and services to children and families.

#### RECOMMENDATION NO. 1.6

Implementation of the recommendation of this CGJ investigation. Under the direction of the BOS, the Office of the CEO should coordinate and monitor the County-wide effort to implement the CGJ recommendations adopted by the BOS and formalize the Child Death Mitigation Task Force.

As indicated earlier, the solutions for mitigating child deaths do not rest solely with DCFS – it takes a community. It will take the concerted efforts of the County and non-County agencies to implement these recommendations. The County should continue to work with County employees and their various unions (e.g., SEIU) to focus on the best interests of the children, even if it means amendments to Memorandum of Understanding (MOUs). As a starting point, the County family should work together in this joint effort to mitigate needless child deaths.

The BOS should direct the CEO to ensure that the Deputy CEOs convene at least quarterly meetings of the County department heads in charge of programs involving children and families, such as DCFS, DPH, DMH, Probation, Coroner, Sheriff, District Attorney, Department of Public Social Services, Community & Senior Services, and Los Angeles County Office of Education (LACOE).

These agencies should focus on the coordinated efforts needed to implement the recommendations in this investigation and take into consideration the input from the Child Death Mitigation Task Force.

The CEO and Director of DCFS should ask the Child Death Mitigation Task Force members to continue to meet and support DCFS. Besides the generation of good ideas, the Task Force has built stronger relationships and opened new lines of communication among the agencies. The Child Death Mitigation Task Force should meet at least twice a year to:

- Support and monitor progress made in implementing the CGJ recommendations
- Share their perspectives on child death mitigation strategies
- Develop new ideas, policies, and approaches to mitigate child deaths
- Continue the dialogue to keep the communication lines open and increase understanding and empathy for the various stakeholders
- Provide input as new issues arise and on new corrective action needed

#### RESPONSE

Agree – Not yet implemented. DCFS will act in accordance with Board of Supervisor's instruction. Further DCFS is planning a meeting with the leaders of key county departments as discussed in 1.2 and 1.2.1. Again, it is through this committee that a community of government agencies can come together to develop a Child Molestation Task Force.

#### Policies and Procedures

#### RECOMMENDATION NO. 2.1

Refined decision-making tools. The Director of DCFS should work with the SDM® assessment tools. The CGJ was advised by staff that there are a number of areas that need to be updated and improved to provide more accurate assessments.

#### RESPONSE

Agree – Not yet implemented. In February 2012, the Director surveyed all CSWs asking for recommendations to improve the SDM tools. The recommendations were forwarded to the SDM vendor for inclusion into the annual SDM meeting in Sacramento. Each year, at the annual SDM meeting all recommendations from the SDM counties are reviewed by county representatives and those that are approved are incorporated into the tools. In April 2012, 15 changes were discussed and subsequently approved at the SDM state-wide SDM counties meeting. This meeting included representatives from SDM counties and the California Department of Social Services (CDSS). There were several changes to the SDM online policy and procedures manual to address the enhancement of child safety. The Hotline tool received five changes to definitions and language to clarify dealing with non-minor dependent youth. The Risk Assessment had three enhancements to improve a definition, update to the wording of one of the items and add a new item to assess. The Family Strengths and Needs Assessment tool was enhanced to better assess youth in out-of-home care and in life skills development. There were additional changes to the SDM application to make it more user-friendly and intuitive.

Nevertheless, we are also considering working with various vendors to explore the use of Predictive Analytics and data mining techniques to enhance the risk assessment of new referrals. More analysis is needed to verify the reliability and consistency of these new research tools. DCFS is hopeful that progress can be made to utilize new data mining software to enhance referral assessments.

## RECOMMENDATION NO. 2.2

Policy simplification. The Director of DCFS should implement a comprehensive review of departmental policies with goals of strengthening, clarifying, simplifying, organizing, and reducing the number of policies. DCFS should provide the following types of information as part of the updated policies:

- User-friendly reference manuals with check lists and indexes to find policy information quickly
- “Roadmaps” that provide a clear way to navigate available resources and how to access those resources
- Contact information for internal and external support for front line staff

Simplification and clear communication of the policies and their relative priority will help produce more consistent performance across the organization. Removing the uncertainty and confusion will also improve both morale and performance.

## RESPONSE

Agree – Not yet implemented. DCFS’ Policy Section in collaboration with the Business Information Systems (BIS) Division has developed a new user-friendly Policy Web Page. Some of the new features of the web page include an enhanced search function to retrieve policies and forms. Procedural Guides will now have hyperlinks to relevant forms and related Procedural Guides. Phase one of this project is the Child Welfare Services (CWS) Handbook. The Clerical, Eligibility Handbooks, Management Directives and FYIs will also be converted to the new web page. Another feature of the new Policy Web Page will allow staff to select the entire Procedural Guide or only portions of the Procedural Guide. It is anticipated that the new Policy Web Page will be released by October 2012.

Additionally, the Director has been in discussions with Casey Family Programs, SEIU 721, and other groups to fund and identify resources capable of a complete re-write to DCFS’ policy manual. This initiative will result in an entirely new body of policy, more clearly highlighting child safety and practice over administrative procedure, and it will also provide an important window of opportunity to move staff away from compliance driven-work and towards work based on sound judgment, critical thinking, and reasoned discretion.

Although it will ultimately have a major impact on department operations, policy redesign is a large-scale undertaking which will not provide immediate relief. Therefore, to assist staff in the interim, we will implement the enhanced policy search engine with “key word” search capabilities.

### RECOMMENDATION NO. 2.3

Child safety before reunification. The Director of DCFS should clarify for all staff members that the overall goal of the department is the permanent placement of a child in nurturing, loving home, preferably with the child's natural family. Child safety is paramount.

Many DCFS staff members, Task Force members, and other stakeholders are concerned that the trend in favor of family maintenance and family reunification may have taken precedence over child safety. Some staff members seem to believe that taking a child into care is seen as contrary to DCFS' goals. Moreover, the death statistics indicate that children with a DCFS history are at risk when they remain at home, particularly in terms of accidental, homicide, and suicide-related deaths.

The Director of DCFS will need to evaluate, for the BOS, the Department's ability to provide effective care for the likely additional number of children taken into care as a result of this shift to child safety first and foremost. This likely need for greater placement capacity may require a coordinated campaign to recruit foster care families and families interested in adoption or expediting acceptable adoption, reunification, or guardianship options.

### RESPONSE

Agree – Implemented. DCFS recently established the following Vision and Mission in its developing strategic plan:

Vision: Children thrive in safe families and supportive communities.

Mission: By 2015, DCFS will practice a uniform service delivery model that measurably improves:

- Child safety
- Permanency
- Access to effective and caring services

The Director distributed the Department's Vision and Mission with a release to all staff on June 7, 2012. The release included a statement that the Vision and Mission, with emphasis on child safety and permanency, will guide DCFS' work over the next several years, and expressed an expectation that every employee become familiar with and share the Vision and Mission with partners and stakeholders. In addition, at a strategic planning event held on July 18, 2012, the Director reminded the 170 mid and senior level staff in attendance that child safety DCFS' number one priority.

Under the guidance of the Vision and Mission, the evolving strategic plan includes three overarching goals. One of these three goals, "Emphasize Child Centered Practices," will include numerous strategies and objectives that focus on child safety and permanence.

The importance of child safety must be recognized in every area of the community and efforts will be made to correct past impressions that caseload reduction or other initiatives were of equal importance to safety. In both ad-hoc and formal meetings with department managers and external partners, the Director has strived to make this message clear. To further reinforce this, the Director has issued a memorandum to managers at the Regional Administrator level and above instructing that internal and external communication stress the importance of child safety as a primary goal of the Department, that reduced reliance on out-of-home care is secondary to this concern, and that they are to meet with their staff to reinforce this at the line level.

We are also working on clarifying the responsibility for assessing and addressing child safety issues in team meetings and make recommendations regarding consolidating a variety of similar decision-making groups.

#### RECOMMENDATION NO. 2.4

Child death scene protocol. The Coroner, working with law enforcement agencies, should develop a death scene management protocol to be followed by all personnel who are called to child death scenes involving a DCFS child or suspicion of criminality, abuse, etc.

These protocols will need to be compatible with law enforcement's protocol to preserve evidence. To develop the protocol will require the Coroner to work with the Director of DCFS, the Sheriff's Department, police departments, emergency response services, and other appropriate officials.

Scene preservation is a difficult call for paramedics or others if there is a chance to resuscitate the child. Nonetheless, death scene preservation and avoidance of contamination is often critical to effective law enforcement and forensic medicine. Evidence can be compromised and can lead to an Undetermined cause of death or the inability of law enforcement to pursue a successful prosecution. Following a standardized protocol when the child is obviously dead will increase the odds of holding responsible parties accountable. More successful prosecutions should provide an enhanced deterrence.

#### RESPONSE

Agree – Not yet implemented. The Coroner is currently working with the Department of Justice Scientific Working Group on Medicolegal Death Investigation to develop a protocol for child death investigation. (1) The Coroner will work in collaboration with Law Enforcement and DCFS to implement the protocol. (2) Law Enforcement and DCFS workers will be asked to be trained in doll reenactment, which is a tool used to visually reenact the child death scene. This process can also be used for critical incidents, and ultimately helps the Coroner determine, more precisely the cause of death. (3) The Coroner will also prepare a PowerPoint presentation for Law Enforcement and DCFS once the protocol is completed.



DCFS is looking at different methods for Child death scene protocol such as, the use of non-social work staff to conduct front-end investigations which would represent a fundamental shift in practice. We have been reviewing other jurisdictions that have adopted such an approach and believe further consideration is warranted. Accordingly, we are examining the potential value of hiring “non-traditional” staff; such as former law enforcement officers and military OSI personnel and identifying any legal, regulatory, or other impediments which might prevent their use.

DCFS is also exploring the development of a unit of specially trained CSWs who will coordinate efforts with the Coroner, law enforcement and medical personnel to investigate to child deaths, particularly where the deceased child has received services from the Department. Such investigations often require special care in gathering and preserving evidence, and may present exceptional concerns for the safety and protection of surviving siblings. Assigning properly trained CSWs to such investigations would improve DCFS’ response, as well as minimize the risk of DCFS personnel’s compromising the investigatory work of other agencies.

DCFS will also implement an alert system whereby referrals are flagged at the Hotline similar to the process used to identify expedited response referrals.

#### RECOMMENDATION NO. 2.5

Reduction of the number of Undetermined child deaths. The Director of DCFS, working in conjunction with the Coroner and law enforcement officers, should undertake a comprehensive review of any child death the Coroner classifies as Undetermined.

Senior officials in the Coroner’s office advised that many child deaths are difficult to classify based on post-mortem examinations. In some cases, the Coroner can update the classification if new and relevant information is provided regarding the child, the family, activities leading up to the death, and the death scene. A review of these cases could:

- Provide a learning opportunity resulting in the avoidance of similar outcomes in the future
- Increase accountability in cases where the death is reclassified as a homicide

#### RESPONSE

Agree – Implemented. We agree that looking into these cases is important as many cases are assigned mode of death as Undetermined by the Coroner because there are suspicious circumstances. The Coroner has stated that a mode of death as Undetermined can signal law enforcement (and any other investigatory agencies) to see if they can do further investigation and gain more information so as to take the case out of the Undetermined category. Many of these cases are suspicious of being related to inflicted abuse but simply do not have enough information for the Coroner to mode them as a Homicide.

ICAN established an Undetermined Death Subgroup of the Child Death Review Team, made up of representatives from County Counsel, the District Attorney’s Office,

Emergency Medical Services (EMS), the City Attorney's office, Health Services and DCFS. The primary function is to screen cases to see which ones might warrant a full ICAN Team review and determine what can be learned through this process. This subgroup is currently reviewing information on Undetermined child fatalities from the first three months of 2011 to learn more about the types of Undetermined child fatalities, determine if these cases can be categorized and develop criteria as to which of these cases should receive a full Team review. According to the Coroner's Office, there were 93 Undetermined child deaths, ages 0-17 in 2011 and, as such, full Team reviews on all Undetermined cases is not possible at this time. The subgroup is also determining if there are any patterns or trends to these cases (i.e., many of them are related to co-sleeping or unsafe sleep surfaces) and is engaging in an initial review process for these cases by examining records and information from the Coroner, DCFS, law enforcement and criminal justice, EMS and Dependency Court. Findings from the work of this subgroup will be shared with the Team, Office of Coroner and DCFS.

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#### RECOMMENDATION NO. 2.6

A check list of child death investigations. The Coroner, working with law enforcement officials and the Director of DCFS, should develop a check list for law enforcement and DCFS staff of unique factors to look for in child death cases.

To address reports that law enforcement officers and DCFS staff members have varying levels of experience and skill in investigating child deaths, a new comprehensive check list could be a first step toward standardization of this important procedure and would provide a valuable training tool that could be improved over time.

#### RESPONSE

Agree – Not yet implemented. The protocol discussed in 2.4 (above) will include a checklist to be used when conducting child death investigations.

#### RECOMMENDATION NO. 2.7

Guidelines for open DCFS cases. The Director of DCFS should evaluate current investigative standards and processes to determine improved methods to eliminate current and future backlogs and speed up the process.

The investigation process adds a level of turmoil and uncertainty to families already under stress. There appears to be multiple factors contributing to the delays and backlogs that need to be addressed, such as:

- Stricter requirements and thresholds self-imposed by DCFS
- Demanding and uneven caseloads
- Varying skill-levels of staff to handle the cases assigned
- Substantial and perhaps excessive administrative requirements
- Slow sign-offs by supervisors and management

## RESPONSE

Agree – Not yet implemented. Most California counties are experiencing backlog problems. As of July 21, 2012 the State's ER Over 60 was at 20% and ER Over 30 days at 18%. This issue is extremely important to the DCFS and is being closely monitored. DCFS is reviewing all barriers to timely referral closure and making changes as needed. Weekly reports are provided to managers. A workgroup has been formed to review the entire referral process and recommendations to improve performance are reviewed on a regular basis. Many offices have reassigned non-ER social workers to provide more support as needed.

We agree with five bullets mentioned above however, yes, DCFS has some self-imposed requirements, but many are legal requirements. For example, certain allegations (physical abuse, sexual abuse, severe neglect) require concurrent investigations with law enforcement and depending on the finding may also require HUB/forensic assessments/evaluation, which can be time consuming. Furthermore, State Regulations may require additional mandates such as collateral contacts, a prescribed amount of face-to-face contact and additional documentation. The self-imposed requirements include up-front assessments, joint response protocols with PHNs and reviews the regional staff receive on critical incidents, child fatality reports and referrals leading to very conservative decision-making and contributing to additional (but often necessary) delays in timely disposition.

We have developed, vetted, and implemented various strategies in support of sound emergency response service delivery and case/referral equity including:

Policy, Workload and Administrative Changes: While working to enhance child safety DCFS implemented specific actions to re-tool ER Referral flow and workload including policy clarifications/changes as well as revised and streamlined tools to assist SCSWs and CSWs in tracking key ER tasks and consolidating information for the purposes of critical thinking and referral disposition. These include but are not limited to: clarification and changes regarding collateral contacts, review of prior history, re-mapping of CPHL referrals, protocols for incidents on open DCFS cases, as well as design/implementation of a Revised Investigation Narrative that assisted consolidating information gathered during the investigation/assessment process to assist in review and decision making.

Staffing Approaches: Multiple strategies to manage ER referrals were implemented including the hiring of temporary staff trained and equipped to handle ER referrals, the temporary re-assignment and/or re-deployment of non-line and administrative staff to assist in ER and an in office strategy that utilized qualified volunteers equipped to investigate ER referrals during peak periods.

Review of CPHL and ERCP Intake: Supported the development and enhancement of recommendations for safe management and potential incremental reduction of intake based on screening/acceptance criteria and development of supports to assist ERCP after-hours to support completing referral investigations.

Tracking and Monitoring: Enhanced current (automated) systems for tracking the flow of ER referrals through ER in order to better manage the process and address workload and workforce issues. Additional tracking was institutionalized at the local office and program level. Key reports modified to assist in managing ER Referral flow included but are not limited to, the DCFS STAT Report and revisions of the Cognos ER referral tracking system.

ER Policy Review: Additional analysis of ER policy and workflow (including administrative sign off and referral requirements) is currently underway and additional recommendations are pending review and approval.

Caseload Equity: Initiated review and analysis of "caseload equity" by reviewing other jurisdiction's methods for determining and weighting higher risk/need cases. We are also conducting an analysis of impacted communities to determine how caseload counts/yardsticks might be thoughtfully and equitably adjusted. To assist in the training, equipping and continuity of new staff in high need offices/communities, DCFS re-instituted Training Units (inclusive of ER) for new staff and is currently reviewing options for stabilizing staffing resources in these higher need offices.

Also please see response to recommendation number 4.2. These efforts will also help current investigative processes and improve methods to eliminate current and future backlogs and speed up the process.

#### RECOMMENDATION NO. 2.8

Cross-reporting standards. The Director of DCFS should develop clear working protocols that include standards for cross-reporting and information sharing among DCFS, DMH, and law enforcement. These protocols will need balance.

- Law enforcement's requirement for evidence, intent, motive and measures needed to avoid prejudicing the case.
- DCFS' approach to risk assessment and family maintenance

A clearer understanding and respect for all parties' goals should lead to more effective actions and results for all involved.

#### RESPONSE

Agree – Implemented. DCFS and DMH have worked extensively over the past several years to strengthen and expand opportunities to share information to better respond to alleged child abuse and neglect and coordinate care for those children and youth who have been the subject of abuse and neglect. There are currently a variety of information-sharing protocols in place that provide for requirements for information sharing and opportunities to share information through such mechanisms as multidisciplinary teams (MDTs). Several examples of these mechanisms include:

- The Family and Child Index (FCI)
- Automated DMH Alerts to DCFS

- A DCFS and DMH workgroup related to sharing information.
- A DMH Policy regarding Mandatory Reporting of Child Abuse and Neglect
- A DCFS policy and form to expedite sharing of mental health information
- Training of Child Welfare and Mental Health Staff in a Shared Core Practice Model
- The Co-location of DMH staff in each of the eighteen DCFS Regional Offices
- The Coordinated Services Action Team (CSAT) and Training
- E-SCAR
- E-HUB

A DMH Policy Regarding Mandatory Reporting of Child Abuse and Neglect: In March of 2012, DMH issued an updated policy (DMH Policy 202.08) regarding the requirement for mandated reporters to report suspected child abuse and neglect. The policy requires all mandated reporters to fully comply with legal requirements and ethical codes in reporting suspected child abuse and/or neglect. The policy also specifies that, prior to commencing employment with DMH, all new staff shall be required to sign a DMH Child Abuse and Neglect Reporting Act Acknowledgement Form stating they have knowledge of the California Child Abuse and Neglect Reporting Act and have received a copy of the DMH policy on this subject.

A DCFS Policy and Form Outline Procedures for Children's Mental Health Information to be Shared with DCFS: In June of 2012, DCFS issued an updated Procedural Guide, 0600-500.20, Protected Health and Medical Information: Access and Sharing, and associated DCFS form, DCFS 179-PHI, providing the policy and procedures for release of mental health information from DMH to DCFS. Essentially, mental health providers are permitted to share mental health information deemed necessary to coordinate care and treatment of the child or youth without signed authorization from the parent or Court. However, the DCFS 179-PHI was developed for the CSWs to document authorization by the parent for mental health providers to share information. Although the law does not require the parent's authorization, the form was developed to assure providers who may otherwise have concerns to release or share information necessary for DCFS to coordinate the care and treatment of children in an open DCFS case.

Training of Child Welfare and Mental Health Staff in a Shared Core Practice Model: DMH, DCFS, and Probation have adopted a shared Core Practice Model which provides a set of values, principles, and practices to be adhered to when providing services to children, youth, and their families. The Core Practice Model emphasizes a set of practice standards that includes teaming with other service providers. In particular, for clients served concomitantly by DMH and DCFS, there is an expectation that each child will be served with a Child and Family Team (CFT). These CFTs are made up of the various formal and informal supports that are necessary to meet the needs of the child and family, including child welfare, mental health, and probation staff.

The County has devoted significant resources to training and implementing the Core Practice Model and the Child and Family Team process and has seen a significant increase in collaboration between the participating members.

The Concurrent Investigations: The Department has an existing Concurrent Investigations protocol, as there are staffing issues and logistical issues that impact the

ability to ensure that “joint” investigations are conducted on all cases when both DCFS and LE are responding to the same referral allegations. LE often arrives at the scene prior to the investigating social worker initiation of their investigation.

However, the Concurrent Investigation protocol directs that the investigating social worker and LE must have contact before an investigative conclusion is determined and a referral disposition is made. Compliance with the policy is monitored via the Supervising Social Worker’s review/approval of the investigative social worker’s referrals.

LAPD, LASD, and our independent police agency partners are committed to working with DCFS to revise and update policies and protocols on cross-reporting. They strongly support cross-reporting as vital to child safety and protection, as well as an aid to bringing child abusers to justice. We will also work with ICAN as one of ICAN’s roles is to integrate inter-agency systems around the issues of child abuse and neglect.

#### RECOMMENDATION NO. 2.9

Follow-up review when DCFS jurisdiction is terminated. The Director of DCFS should develop and implement a follow-up review after jurisdiction is terminated on a case, building on its efforts to date.

A follow-up study would be a valuable learning opportunity analogous to an exit interview used by many organizations when an employee leaves the organization. Once jurisdiction is terminated, DCFS families are likely less reticent about telling DCFS what worked and what did not work for them. This type of research is a best practice employed by many public and private sector organizations that can lead to more efficient and effective practices.

Family participation would be voluntary and follow-up reviews might occur at pre-designated intervals – 6 months, 1 year, and 2 years – to be most effective.

#### RESPONSE

Agree – further analysis is required. We agree that conducting a follow-up study may be beneficial. We will explore the recommendation further to determine the resources necessary to implement as well as development of a study design, whether to include a random sampling, interview target families, and develop survey tools.

#### RECOMMENDATION NO. 2.10

Monitoring of court rulings and placement decisions contrary to DCFS recommendation. The Director of DCFS should analyze the adverse decision statistics it maintains in the courts.

It is beyond the scope of this investigation to review the details of these occurrences but, based on the Director's findings, the Director may need to work with County Counsel to address any concerns.

DCFS staff members raised concerns about courts over-ruling their recommendations. Therefore, DCFS case workers should continue to work closely with County Counsel to provide the necessary facts and evidence so a sound legal case can be made in support of DCFS' assessment of the best interests of the child.

#### RESPONSE

Agree – Not yet implemented. A process is in place to file an appeal or Writ as needed. DCFS court staff work closely with County Counsel and regional staff reviewing any decision that is contrary to a CSW recommendation and may place a child at risk of harm. Our current process allows for the escalation of an adverse decision to include the Assistant Regional Administrator or Regional Administrator level. With the use of Title IV-E funds, we have recently expanded the presence of County Counsel staff in regional offices to promote regular case consultation.

We also have a computer application that tracks Adverse Decisions, however it needs to be enhanced to provide a report that better analyzes the data available. This enhancement is expected to be completed in 2013. Once the existing application is modified, a report to the Director will be generated on a regular basis.

#### Programs and Services

##### RECOMMENDATION NO. 3.1

A 23-hour assessment center. The Director of DCFS should evaluate the potential for implementing a 23-hour assessment center for children who are at risk, and seek BOS approval based on the results of that evaluation.

Such assessment centers, similar to Orangewood in Orange County, California, are staffed with skilled professionals, similar to DCFS CSWs, DMH psychiatric social workers, and DPH public health nurses. They can build trust and assess the child in a safe environment, and are more likely to make accurate assessments and appropriate placements if deemed necessary.

This recommendation is similar to tone made by the CGJ in 1999-2000. (Note: The intent of this recommendation is not to replicate the McLaren model of the past.) Given the size of the County, DCFS should pilot one 23-hour assessment center and, once fully operational, evaluate its effectiveness and determine if additional centers are warranted.

#### RESPONSE

Agree – Implemented. On July 16, 2012, the Child Awaiting Placement (CAP) Center was opened. It is a 23-hour screening and assessment center where children up to 10

years old can comfortably wait in a hospitable and restful environment as the Department conducts an after-hours and/or weekend placement search.

### RECOMMENDATION NO. 3.2

Build on DMH's community-based models and successes. The Director of DCFS should incorporate the following DMH programs and strategies into child death mitigation efforts:

- “Strengthening Families” framework
- The use of “protection factors” as part of the promotion and prevention efforts, combined with the “core practice” model
- “Parents in Partnership” program as a resource for families
- The piloted, community-based program, “It Takes a Community” (ITC), with the Magnolia Place Community Initiative

ITC provides a model for DCFS to adapt and apply as a community-based approach to child death mitigation. ITC requires a number of shifts in perception:

- DCFS must move from being a reactive “service-provider” to a proactive “capacity-builder.”
- A common-held belief, “the way caregivers choose to raise their children is of no concern to anyone beyond the walls of the home,” is challenged with greater community vigilance, involvement, and education.
- The focus shifts from a reactive approach of fighting child abuse, neglect, and bad parenting to a proactive focus on supporting families and communities to develop relevant skills, knowledge, and support to ensure that every child is raised in a safe and nurturing environment.
- This shift is coupled with the need to acknowledge and become comfortable with the role that law enforcement must play in child protection.

### RESPONSE

Agree – Not yet implemented. The first three models or programs, the Strengthening Families Framework, the use of protective capacities, and the Parents in Partnership (PIP) program have been implemented, while the ITC program requires further analysis.

DCFS has taken positive steps towards including community partners in its decision-making, as demonstrated by the extensive use of TDMs, RMPs and requirements for collateral contacts during investigations and assessments, while having co-located County Counsel, DMH/DPSS, educational and immediate E-SCARS notification of law enforcement all contribute critical input. We acknowledge that work is still needed in engaging with our educational providers (schools) who are responsible for a very large number of the calls to the Hotline.

The Strengthening Families Framework and protective capacities have been incorporated into the DCFS and DMH shared Core Practice Model and in-depth



coaching model currently rolling out. Additionally, the PIP program is currently operational and currently employs 37 PIPs.

The ITC offers much promise as a model of collaboration and proactive approach to addressing the conventional "silos" that dampen communications and focus on problems rather than solutions and on prevention rather than just intervention.

Managers from the DMH Children's System of Care who have been involved in these efforts, along with community partners, will work with DCFS to incorporate the values, principles, and strategies associated with these initiatives into the DCFS death mitigation efforts. A determination about the feasibility of expanding the ITC will be completed by January 2013.

Also some of the strategies have been incorporated in the PSSF Redesign and community agencies have been asked to always consider protective factors when assessing families. DCFS' Community Based Service Division (CBSD) will be providing training to staff and community providers on the Strengthening Families framework and protective factors, combined with our Core Practice Model. Through the PSSF Redesign, DCFS will fund 14 resource centers across the County to provide community based services.

### RECOMMENDATION NO. 3.3

Potential adaptation of the UCLA Focus program. The Director of Mental Health and the Director of DCFS should approach officials of the Focus program at UCLA to determine if it can be adapted to help reunified families.

The Focus program has been successful in helping soldiers return home after service in a war zone. According to DCFS, children who are taken into the system remain in out-of-home placements for an average of 8.5 months. These situations are often gut wrenching experiences that are exacerbated by the amount of time the children are away from their families during critical development stages of their lives.

While there is a world of difference between soldiers and children, the impact of the trauma they experience and their difficulty in reentering the now changed family situation can be a difficult ordeal. If successfully adapted to children, this programmatic approach could ease the transition and increase the probability of successful reunification.

### RESPONSE

Agree – further analysis is required. The UCLA Focus (Families Overcoming Under Stress) program provides resiliency training for military children and families, teaching practical skills to meet the challenges of deployment and re-integration. While this program has not been used to assist families who are re-unifying following a separation related to child abuse or neglect, DMH and DCFS are interested in examining whether this model could be adapted to help reunified families.

DMH and DCFS managers will meet with the developers of the FOCUS program to determine their interest and ability to extend their work to this population. A determination about the feasibility of such an effort will be completed by October 2012.

#### RECOMMENDATION NO. 3.4

Neo-natal risk assessment and parental training for high risk families. The Director of Public Health and the Director of DCFS should develop an in-depth neo-natal risk assessment and parental training program for high-risk families.

Neo-natal home nursing visits used to be standard in many North American jurisdictions, but have mostly been dropped, primarily because of the high costs associated with a universal program.

This recommendation refers to a more intensive program focused on high-risk families. It would be tailored to assess and address the needs of high-risk families, such as mothers who are teens, drug addicts, or in relationships with histories of domestic violence. The program should involve both training and follow-up support. First 5 LA is currently addressing this issue and is a potential source of funding through its recently approved \$74 million allocation for a new Universal Assessment of Newborns in all hospitals in Los Angeles County.

#### RESPONSE

Agree – Implemented. The Department of Public Health (DPH), Maternal, Child and Adolescent Health Programs has implemented several programs and initiatives that help to prevent child deaths. It has operated the Nurse-Family Partnership (NFP) Program that supports newly pregnant youth/women in learning how to parent and safely raise children since 1996, and has recently expanded by over 29 nurses using funding from both the Mental Health Services Act (24 nurses) and the Federal Home Visitation funds (4 nurses) who together will be able to serve an additional 725 clients countywide. NFP is an evidence-based program that has been scientifically proven to prevent child abuse and other risk factors that lead to infant/child deaths. It's expansion within the County, and recent development of a Memorandum of Understanding between DPH and DCFS will help to improve the referral of qualified pregnant youth who are served within protective services.

In addition, MCAH is working to develop a county-wide referral network for in-home support services for prenatal and early childhood families who are at risk. This work will be accomplished collaboratively through the recently convened "Home Visitation Guiding Coalition." The Home Visitation Guiding Coalition will pull together a larger group of home visiting agencies, experts in home visitation, funders and others interested in supporting home services to build a system of home visitation care that will match services to families so they can receive the best possible home visitation program for their own particular situation. In May 2012, MCAH convened the first meeting of the Home Visitation Guiding Coalition and is forming subcommittees to work on policy, operations and satisfy the need to have community advisory boards for the federally funded home visitation programs. It will also address the development of an

effective referral system and establish better monitoring and reporting standards for all County in-home services. MCAH is working closely with the First-5 Los Angeles to better coordinate services and program development as part of the Home Visitation Consortium.

### RECOMMENDATION NO. 3.5

Improved mental health services to families. The Director of Mental Health and the Director of DCFS should develop a more effective plan with needed funding to provide appropriate mental health services for high-risk children and their families.

### RESPONSE

Agree – further analysis is required. We are evaluating the impact of a recent data exchange program with DMH which sends CSWs specific information about the mental health services their client's children are receiving. This information includes contact names and phone numbers and it is expected that direct communication between CSWs and the mental health service provider will follow. We also hope to begin a pilot program with the Los Angeles Unified School District that allows CSWs direct access to school records; such as attendance, class schedules, and grades allowing them to more closely monitor their client's school performance.

DMH and DCFS share an interest in improving services to better meet the mental health needs of adults in high-risk families, such as those served by DCFS. The Mental Health Services Act (MHSA) has already provided support for the development of Full Service Partnership (FSP) services to address the mental health needs of those adults needing the most intensive levels of outpatient care, while Prevention and Early Intervention (PEI) funds have been used to implement a broad range of evidence-based practices related to trauma, anxiety, and depression.

### RECOMMENDATION NO. 3.5.1

The Director of Mental Health and the Director of DCFS should better address the mental health needs of adults in high-risk families.

The issue of providing mental health services to adults is complicated by the requirement that they willingly accept the service. DCFS front-line staff members need support in determining if an adult has a behavioral problem or a significant mental illness. Once the determination is made, an effective strategy needs to be developed to address any non-compliance by the adult.

### RESPONSE

Agree – further analysis is required. To date, the focus of mental health services for DCFS involved families has largely been on the children and youth who have been the subject of abuse and neglect and the development of programs and processes to ensure access to high quality mental health services for these individuals. Much of this

work has been driven by the County's obligations associated with the Katie A. class action settlement agreement. DMH and DCFS agree to form a workgroup that will include department managers and adult mental health providers to examine ways in which adult mental health services can be better targeted to meet the needs of adults involved in the child welfare system.

This group will issue a report of findings and recommendations by January, 2013.

#### RECOMMENDATION NO. 3.5.2

The Director of Mental Health and the Director of DCFS should consider creating a multidisciplinary group to:

- Identify best clinical practices to aid at-risk children and adolescents as they transition from mental health and substance abuse treatment to school, family and community support.
- Promote a more supportive transitional period through information exchange between in-patient providers and professionals and agencies in the community.

Participants should include:

- County departments – DMH, DCFS, DHS, Probation, and Los Angeles County Office of Education (LACOE)
- Los Angeles Unified School District (LAUSD)
- Acute in-patient treatment providers
- Out-patient mental health and substance abuse treatment providers
- Members of the Child Death Review Team

#### RESPONSE

Agree – Implemented. DMH established the Los Angeles County Suicide Prevention Network in September 2010. It consists of approximately 40 members that include mental health experts, providers, advocates, survivors, and researchers (including representatives from DMH, DCFS, Public Health, LACOE, LAUSD, mental health programs (inpatient & outpatient), and members of the Child Death Review Team). Among the Network's goals are: to identify best practices for suicide prevention, including clinical practices that address the needs of high risk populations (e.g., children and youth transitioning from mental health and substance abuse treatment to school, family and community support); and to promote information exchange between inpatient providers and community-based mental health and other agencies relative to discharge planning, case coordination, suicide risk assessment, etc.

#### RECOMMENDATION NO. 3.5.3

The Director of DCFS should ensure that all DCFS employees during their first year of employment and contract providers serving DCFS clients and families have skills training in suicide risk identification and management.

Proof can be some form of certification or evidence of completion of the skills training. A good source of such training is the 17 competencies of suicide risk identification and management, developed by the American Association of Suicidology and the Suicide Prevention Resource Center.

This certification of completion will ensure that all mental health clinicians providing service to DCFS clients are proficient in skills for assessing and managing suicide risk.

## RESPONSE

Agree – Not yet implemented. The DCFS Director has been meeting with leaders of the local schools of social work (the Inter-University Consortium or “IUC”) to redesign basic classes, Academy training and other related skill-development and evaluation programs. Through this initiative, we intend to provide staff with critical thinking and problem solving skills that will allow them to function in stressful situations without over-reliance on policies and tools. We will ensure that skills training in suicide risk identification and management are included.

DCFS will also move away from traditional classroom-based training towards field-based education, which will include the use of one-on-one coaching and the modeling and evaluation of skills in simulations and in in-home encounters with actual families and children served by DCFS.

In cooperation with the IUC, DCFS is also specifically addressing the quality of front-end staff with targeted training and closer evaluation of staff for their suitability to perform front-end work. Specifically, we have begun developing specialized front-end training that would include particular focus on investigation skills and interview techniques. DCFS is gathering information from jurisdictions such as New York City, Indiana, and Texas regarding their use of former law enforcement detectives in their front-end investigation process in order to base our Department’s formal plan to incorporate such skills on the experiences of like jurisdictions. Last, to address the need to hire staff suited to front-end assignments, or to require minimum experience levels for front-end service, we are speaking to the IUC about the development of a “certification program” for front-end investigators.

During the past three (3) years, DMH’s Partners in Suicide Prevention (PSP) Team has sponsored as well as conducted ongoing trainings for clinicians (including contract providers serving DCFS clients and families) in best practice suicide prevention models such as ASIST and AMSR (Assessing and Managing Suicide Risk) that address the competencies of suicide risk identification and management developed by the American Association of Suicidology and the Suicide Prevention Resource Center. PSP Team members have further initiated 3-hour training sessions to provide suicide awareness, prevention, and intervention for DCFS staff and DMH staff co-located in DCFS regional offices. It is anticipated that nearly all frontline DCFS staff (e.g., CSWs), program representatives, supervisors, etc. will receive this training over the next two years.

### RECOMMENDATION NO. 3.6

Public education and media campaigns and strategy. The Director of DCFS should develop a more sophisticated approach to the media: a) for educating the public about behaviors or situations that can endanger children and b) to convey a more positive message to the public about what DCFS is achieving.

### RESPONSE

Agree – Implemented. DCFS' Director, through the Office of Public Affairs has made himself available to the media (electronic and print) taking every opportunity to educate the public on how the DCFS protects children and provides for their safety and well-being. We have made every effort to be responsive to the media to explain procedures and the nature of the issues involved. The Director has taped two video segments for the LA County Channel where the public can get a broad overview of DCFS and its operations. The DCFS News is now posted on our external website for public viewing and is mailed to many of our community partners. DCFS routinely promotes many of our special events providing the public with a more positive image of our successes. We've received positive media coverage on many DCFS programs and events including the "Heart Gallery," "Celebration," "Family Reunification Week," and "Spark of Love" holiday events to name a few.

### RECOMMENDATION NO. 3.6.1

The Director of DCFS, working with other agencies such as ICAN, Public Health, DMH, and LA First 5, should develop more sophisticated, comprehensive and regular public education programs on co-sleeping, water safety, baby safe surrender, care safety, pedestrian safety, suicide prevention, and gang violence. First 5 LA's new Universal Assessment of Newborns program can help to educate new parents regarding the risk associated with co-sleeping, in particular, as well baby safe surrender.

### RESPONSE

Agree – Implemented. The DCFS Office of Public Affairs, representing the Director, has been an active participant on ICAN's Safe Sleep Task Force which includes First5 LA, Public Health, DMH, the Coroner's Office, and many other County Departments. Public Affairs has posted Safe Sleep information on our internal and external websites. Additionally, Public Affairs, working with Harbor UCLA and the Coroner's Office, has produced a training video for nurses, social workers, and other health care professionals on Safe Sleep practices. Plans are underway for a second video to be used at community meetings that will provide pertinent information in a more user-friendly format. Public Affairs will promote a media campaign on Safe Sleep issues once the Task Force and the public relations firm contracted through First5 LA have concluded research from focus groups currently being conducted. DCFS is actively involved in educating social workers and community partners on issues relating to gang violence. The DCFS Multi-Agency Response Team, which accompanies law enforcement when children are at risk due to gang and drug violence, was recently featured on the LA County Channel's news magazine LA NOW, which is seen on 62

cable channels throughout the County. DCFS continues to partner with Supervisor Knabe's office in promoting Safe Surrender. Recently, DCFS participated in a press conference warning the public about the life-threatening danger of leaving children locked up in cars in hot weather.

Our Adoption and Permanency Resources Division recruits, investigates, prepares and supports families to provide healthy, stable, loving and permanent homes to children who can not safely live with their birth parents. Every Wednesday and Sunday night on the Fox 11 10 o'clock News, children looking for loving families to call their own are profiled on a weekly news segment called "Wednesday's Child." Since 1994, this program has been successfully finding homes for hundreds of Los Angeles County children waiting for adoption. Wednesday's Child" is a partnership between DCFS, Fox 11 and the Freddie Mac Foundation, and boasts a high success rate with many harder-to-place older youth and sibling sets finding new homes. Fox 11 reporter and anchor Christine Devine produces "Wednesday's Child" with the help of DCFS staff member William Wong, creating positive outcomes for foster children. Christine Devine has been honored numerous times by the community for her immense contribution to changing the lives of so many children. DCFS CSW William Wong was recently honored by the Congressional Coalition on Adoption Institute for his outstanding advocacy on adoption and foster care issues.

#### RECOMMENDATION NO. 3.6.2

The Director of DCFS should ensure the Department partners with the media to develop and broadcast Public Service Announcements to support child death mitigation efforts.

#### RESPONSE

Agree – Not yet Implemented. DCFS is an integral member of the ICAN Safe Sleeping Task Force which is formulating a comprehensive public campaign to educate the public on safe sleep practices that will prevent infant deaths. DCFS, along with representatives from other County Departments, and community partners, are strategizing on how to disseminate safe sleep messages. A public relations firm has been hired and is currently conducting focus groups, after which, a PSA(s) will be produced with a "media blitz" to follow to get the message out. A one-hour training video has already been filmed and is being distributed to nurses, social workers, and other health professionals throughout the country. Additionally, DCFS is working on a new PSA utilizing filmmaker and best-selling author Antwone Fisher which will touch on related issues.

#### RECOMMENDATION NO. 3.6.3

The Director of DCFS should develop a media and image strategy to improve DCFS' public image and acceptance.

#### RESPONSE

Agree – Implemented. As stated in response to 3.6, our Director has initiated a “culture shift” in how DCFS responds to media inquiries. Whenever possible, the Director will directly respond to media and has done so on numerous occasions since his appointment. This is a marked change from our previous practices, and hopefully is communicating to the public that DCFS welcomes scrutiny and has nothing to hide. While limited in what we can disclose regarding case specifics, DCFS will explain what steps DCFS typically takes in issues involving child abuse and safety. Staff has been instructed to cordially respond to media inquiries, directing them to the DCFS Office of Public Affairs. The Office of Public Affairs has worked to develop closer relationships with local media and has distributed copies of the DCFS News to media outlets so they may have a better understanding of our agency and how we operate. This newsletter is also posted on our public internet site as well. DCFS is already utilizing social media in promoting adoption and foster care recruitment, assisting and locating runaway youth, and finding family connections for our youth. Other ways that social media may be employed are under review.

### Information, Technology, and Processes

#### RECOMMENDATION NO. 4.1

DCFS technology and information improvements. The Director of DCFS should work with the State of California to close the gap in the Department’s information needs and propose operational improvements to the systems, particularly interfaces with the State and County systems.

This information should then be integrated into DCFS’ own Information Technology (IT) Plan with quick milestones – six months or less – for enhancing access to information critical to effective DCFS operations. A DCFS IT Plan should also outline needed:

- Report writing tools
- Key performance indicators, metrics, and dashboards for monitoring performance and outcomes
- Standard management reports for analyzing data, identifying trends, and making empirically based decisions
- Priorities for approaching the State for system upgrades and refinements, making access to needed data and information easier

#### RESPONSE

Agree – Implemented. BIS designed, developed and in October 2011 implemented the DCFS Data Dashboard using COGNOS. COGNOS is the county standard Business Intelligence tool. The DCFS Data Dashboard contains the measures on Safety, Permanency and Well-Being identified by the DCFS Executive Team. The Data Dashboard is used for the Monthly DCFS STATS Meeting which began in November 2011.

BIS has also submitted the IBM request to establish an interface file from the LA County Juvenile Justice System database to the State’s CWS/CMS database. We have also



collaborated with the State and all the other counties in the requirements definition for the CWS/CMS replacement system. The State is currently waiting for Federal approval.

#### RECOMMENDATION NO. 4.2

Tools for staff to perform their duties. The Director of DCFS should ensure that all front-line staff members have up-to-date technology tools to perform their duties effectively and efficiently, including improved connectivity and access to information.

Staff members indicated that they would be able to perform their job duties more effectively with such tools as:

- Reliable office equipment (i.e., computers, printers, and faxes)
- Field equipment (i.e., tablets and smart phones, cameras, voice recognition software, family assessment and child placement software, GPS, etc.)

#### RESPONSE

Agree – Not yet implemented. We have taken several steps toward improving our technology tools to assist CSWs to perform their duties effectively and efficiently, including improved connectivity and access to information. In 2011 DCFS migrated to the ISD Centralized Services that includes:

- Centralized Messaging and File/Print Services
- Centralized Desktop Services
- Account Management Support
- DCFS Application First level support
- LAN Management and Network Support
- Windows Server Hosting and Support
- Database Hosting Management and Support
- Data Recovery/Restoration and Disaster Recovery

In May 2011, the iPhone 4 was piloted for ER CSWs and we have since purchased 250 iPhone 4s to be distributed to all ERCP and MART ER workers and selected number of ER workers from the 19 regional offices.

In January 2012, DCFS received Advanced Planning Document (APD) approval for Tablet Replacement. The Tablet replacement workgroup was created and tasked to identify CSW's current needs and has submitted the final recommendations in July 2012 for management review and approval.

In April 2012, DCFS received Advanced Planning Document (APD) approval for 1009 Printer Replacement. BIS collaborated with ISD and the CIO to complete the Printer Statement of Work (SOW). ISD has posted the Request for Quotes (RFQ) on July 12, 2012. Lastly, DCFS is developing a Statement of Work (SOW) for the Foster Care Search Engine redesign to upgrade and increase functionality.

#### RECOMMENDATION NO. 4.3

Departmental administrative processes. The Director of DCFS should review the Departmental administrative and management processes to eliminate redundancy and streamline the processes and amount of documentation.

#### RESPONSE

Agree – not yet implemented. DCFS utilized its university based training resources (Inter University Consortium) to acquire specific training in Business Process Re-engineering and has developed and maintained internal capacity equipped to perform this review, analysis and planning ongoing. Specific application of Business Process Re-engineering techniques and subsequent action and re-structure has been applied to Emergency Response Services (and the associated workload), Adoptions, the ASFA Approval Process, General Relief (Revenue Enhancement), and the functions/roles the Resource Management and Mental Health Services Divisions. Additional projects and areas of focus are pending Executive Team direction and decision informed significantly by DCFS' (developing) Strategic Plan.

We will work with the Internal Services Department and Chief Information Office to undertake a review of DCFS' data systems (mySCSW, Data Dashboard, her, etc.) to determine whether opportunities exist to combine and streamline performance reports and automated management tools; which will further reduce the non-essential workload of supervising social work staff. We are also planning on providing report writing training to social work staff to improve their communication accuracy.

We intend to implement manager-level training, similar to that used in the Department of Public Social Services. That training addresses essential managerial functions, includes targeted human resource and discipline features, and has served as a model for similar training in other county departments.

We also intend to develop a proposal for human resource "Red Teams" composed of human resources, legal, and management experts that will be on-call and available to assist supervisors and regional managers in addressing problematic staff. This should have the dual benefit of better addressing the performance issues and reducing the burden and distraction in dealing with performance issues posed to supervisors and managers.

#### RECOMMENDATION NO. 4.3.1

The Director of DCFS should also review and standardized the management and systems processes across all regions. Some local variation is probably a good thing to deal with the unique conditions of the region, but it is inappropriate for processes' productivity and quality to vary dramatically from one part of the County to another. This is an opportunity to build on the practices of the most successful regions and ensure the highest quality of service is available to all children and families in all regions of the County.

#### RESPONSE

Agree – Not yet implemented. We agree, practice throughout DCFS offices should be consistent. Unfortunately, families vary in their experience with our Department based on the office that is serving the family. The number of policies and procedures may play a part in this as policies and procedures are in constant change and the understanding of the policies and procedures are different.

We will explore enlisting MSW Intern staff to complete a research study or thesis on the communities where offices are having the most challenges in this area so that specific community needs and strengths are identified. With this information, the Director can make better decisions on what's needed to ensure each regional office has the capability (access to resources) to meet Department goals.

As previously stated, DCFS is engaged in the development of a new Strategic Plan and has developed a Core Practice Model that all 19 offices must follow to ensure standardized best practice principles across the County. We will develop a uniform service delivery model in all offices to support the delivery of the Core Practice principles. The service delivery model tells us where the case goes once we have engaged, assessed and teamed. Is the decision to close the referral, open a case, and if the case is to be opened, do we detain or provide voluntary services? This will include seamless backend services to ensure no gap in services to the child and family. We believe that uniformity in how the services are delivered enhances the Core Practice.

We are also re-visiting all DCFS outcome measures to align our focus on the most important goals. For example, Katie A. goals, Federal Standards, Systems Improvement and goals related to Disproportionality, will be aligned with the performance ratings of managers.

In November 2011, DCFS began using the "DCFS Stats" process. The process involves the use of standardized reports and a formal monthly review process of individual and department-wide performance. The DCFS STATS process has already identified several areas of office performance variations. During the monthly review meetings managers share various practices and performance concerns and successes to help standardize practice department-wide.

#### RECOMMENDATION NO. 4.4

Placement facility vacancies and placements. The Director of DCFS should develop a system that requires Foster Family Agencies (FFAs) and other placement providers to provide up-to-the-minute capacity for placement of children in need of care.

DCFS is beginning to track vacancies now but the tracking is reliant on SCSWs and CSWs to call in and furnish this information daily. By placing the onus on the placement facilities to indicate their capacity and vacancies, by type of child (e.g., age, gender, or special needs), time-consuming steps can be eliminated from the placement process for DCFS staff. DCFS can make such capacity and vacancy reporting a requirement in new contracts negotiated with FFAs and other placement entities. If facilities do not

maintain this system, they should probably be removed from the list of acceptable facilities for placement.

#### RESPONSE

Agree – Not yet implemented. DCFS has developed and implemented the Foster Care Search Engine (FCSE) which reports on all vacancy types within our system of placement resources. Information regarding vacancies for all placement types are automatically updated through CWS/CMS when a placement episode begins or terminates. These updates are done real time once a CSW moves a child, child is on AWOL and/or closes the case. We are developing a Statement of Work (SOW) for the Foster Care Search Engine redesign to upgrade and increase functionality. With regard to Foster Family Agencies (FFAs), our Bureau of Information Services has created the Foster Family Vacancy Website to which FFAs directly enters their vacancies. This information then uploads to the FCSE and allows agencies to self report and control the timeliness of their vacancy entries.

DCFS will continue to enhance its ability to capture real-time data with regard to placement resources by adding language to the contracts for our new solicitation requiring providers to update and enter data accurately and timely.

#### RECOMMENDATION NO. 4.5

County contract monitoring of licensed care providers. The Director of DCFS should enhance oversight and improve the quality of the periodic review of care providers by the Foster Home Reevaluation Unit.

While the licensing of care facilities is a State responsibility, DCFS needs to ensure that there is sufficient capacity and skills in the care facilities they use to provide all potential placements with the care they require.

There were reports of some facilities refusing to accept babies and children with special needs, despite indicating they had capacity for these placements. It would be unusual if a child taken from a family did not have adjustment problems so any 'cherry picking' by care facilities to accept only easy placements is unacceptable. DCFS should establish some thresholds, such as three rejections may result in termination of contracts.

The Foster Home Reevaluation Unit should encourage these facilities to improve or weed them out if they do not improve. DCFS has this capability by not renewing or using existing contracts with providers.

#### RESPONSE

Agree – Not yet implemented. There are three different units within DCFS Out-of-Home Care Management Division (OHCMD) which are responsible for oversight of licensed care providers as follows:

### **Foster Home Re-Evaluation Unit (FHRU)**

This unit of four Children's Services Workers (CSWs) and one Supervising Children's Social Worker (SCSW) are responsible for annually evaluating whether over 500 State licensed foster parents are providing a safe and healthy environment for children placed in out-of-home care. Re-evaluations of state licensed foster homes occur to determine that all standards and services are being maintained as detailed in Community Care Licensing (CCL) regulations and California Code provisions.

The FHRU is also responsible for placing Investigative Holds on licensed foster homes when requested by Assistant Regional Administrators (ARAs) and/or SCSWs as a result of substantiated and/or inconclusive allegations of abuse/neglect investigated by the regional offices. The FHRU assessment tool was recently updated to include self sufficiency and permanency elements.

### **Foster Family Agency (FFA) and Group Home (GH) Monitoring Units**

The FFA Monitoring Unit consists of one Children's Services Administrator II (CSA II) and seven CSA Is who conduct annual reviews of approximately 50 contracted FFAs. The GH Monitoring Unit consists of one CSA II and six CSA Is who conduct annual reviews of approximately 65 GHs and two Community Treatment Facilities (CTFs)

The primary focus of the Monitoring Section is to conduct annual monitoring reviews of contracted FFA and GH which serves Los Angeles County DCFS placed children. These reviews include outcome-based performance reviews and program contract compliance reviews. The purpose of conducting these reviews is to determine if Contractors meet the requirements set forth in the Foster Care Agreements, the Contractor's program statement(s) and DCFS policies by assessing the Contractor's service delivery and to ensure that Contractors are providing children with quality care and services in a safe environment, which includes physical care, emotional support, and other services to protect and enhance their growth and development. The agencies are held accountable for adherence to California Department of Social Services CCL Division regulations and DCFS policies for quantity and quality of service delivery. There may be additional reviews if there is a need for a focused review as a result of an assignment or Board inquiry, or a significant pervasive child safety issue. In accordance with Contract specifications, the Monitoring Units request corrective action when warranted and for more egregious concerns, impose Hold, Do Not Refer, or Do Not Use action.

In an effort to enhance the standard of the contracted agencies and facilities where our foster youth are placed, the Monitoring Unit has made some proposed contract language changes as it relates to certifying safer homes and hiring more experienced staff. These proposed changes to the contract should be effective November 1, 2012.

The Monitoring Units are also currently enhancing the monitoring process overall, by revising protocols, instruments, Needs and Services Plans, and Special Incident Report Guidelines, all of which speak to holding agencies more accountable for safety and service delivery to our placed children. The anticipated date of completion is August 31, 2012.

With regard to cherry-picking and the statement that there is a lack of capacity or willingness to take babies and or children with special needs, we looked into this and found that there are legitimate concerns. In meetings with the FFA providers, they have shared that one issue with placing younger children is the high level of visitation required. They are required to monitor and be involved with all of the visitations and lack of DCFS resources to support visitations makes it difficult to find placements. Another issue is that many of the foster parents are working and the high cost of child care makes it difficult to find families for this population. They have shared that most families who want younger children are interested in adoption. Overall, they have reported challenges in recruiting families due to issues such as the economy. To address these concerns, DCFS will look into raising the rates or providing an incentive payment for providers to accept babies and children with special needs.

In the interim, the OHCMD is collaborating with regional staff, including the Emergency Response Command Post (ERCP) regarding "cherry picking" and providers' refusal to accept placed children when vacancies may appear in their facilities. To that end, contracted FFA and GH providers have been reminded of these concerns as the contract specifically states agencies are to accept children who meet their program statement criteria. The contract does however also state that agencies do have the right to deny placements of children within the limitation of information provided to them at the time of placement who may not meet their program statement criteria. An explanation of these denials of placements is to be provided to the placement worker (for GHs) and the Division Chief (for FFAs). In these situations, OHCMD has communicated and will continue to communicate with the regional offices and ERCP regarding the importance of placement matching and disclosing all available information to agencies when placing children. Additionally, in an effort to assure compliance for notifying the County of various contractual requirements, OHCMD has taken a proactive approach by sending a reminder to all contracted FFAs and GH that they are to comply with acceptance and denial of placements.

As a final note, for those FFAs, GHs, (corrective action, Holds, Do Not Refer, Do Not Use) and licensed foster homes (Holds only) who do not meet agency standards, OHCMD takes appropriate action in accordance with established protocols, contractual and State regulatory standards.

### Organizational Changes

#### RECOMMENDATION NO. 5.1

Organizational structure. The Director of DCFS should undertake a top-to-bottom organizational review of the structure and job design in DCFS.

The BOS should give the new Director of DCFS sufficient time to build a better organization. DCFS greatly needs continuity in leadership, particularly to tackle the problems of an organization that many staff members believe is top heavy and overly bureaucratic. In addition to streamlining processes, flattening the organization will improve lines of communication.

It will also provide resources to apply to critical areas of front-line services, including hard-to-serve areas. Possible strategies might be:

- Increased promotional opportunities for SCSWs and CSWs who have worked a certain number of years in two or more regions, including regions identified with higher concentrations of children and families at risk
- Additional pay – similar to “combat pay” – for SCSWs and CSWs working in regions with more at-risk clients
- Requirement that all SCSWs and CSWs work in at least one region with concentrations of at-risk clients for a minimum number of years

## RESPONSE

Agree – Not yet implemented. DCFS has retained the services of an expert in organizational change and development, Dr. Alan Glassman. Dr. Glassman is currently engaged in an extensive process to review the Department's existing organization structure and will provide a recommended departmental structure to the Director within the next few months. Dr. Glassman's proposed organizational structure will follow and build upon DCFS' new strategic plan, address job design, and include ways to streamline the organization and increase organizational effectiveness. Upon approval by the Director, the proposed organizational structure will be presented to the Board of Supervisors for review.

In addition, it should be noted that the DCFS' developing strategic plan includes Goal #2, “Pursue Workforce Excellence,” which will specifically address job/role expectations.

Please see response to recommendation 4.3 as these efforts will also address DCFS' organizational structure.

## RECOMMENDATION NO. 5.2

Improved work culture. The Director of DCFS should include improving the culture at DCFS as a priority in the implementation of the new strategic plan. Staff members should exercise “common sense” and critical thinking when making calculated, professional decisions based on risk-factors. Although staff members should be held accountable for their decisions and actions, their ability to respond rationally is adversely affected if they fear they will be second-guessed and punished for what can only be defined as errors in hindsight.

A more positive culture that stresses learning and does not punish for errors when reasonable risk-taking goes bad will likely have a good impact on the quality, appropriateness, and efficiency of the work accomplished by all and to the benefit of families and children.

## RESPONSE

Agree – not yet implemented. Included in DCFS' developing strategic plan is Goal #3 to "Pursue Workforce Excellence," and under this goal we will include strategies and objectives designed to positively impact DCFS culture, including caseload/workload management, job/role expectations and human resources management.

The Director has been meeting with leaders of the local schools of social work (the Inter-University Consortium or "IUC") to redesign basic classes, Academy training and other related skill-development and evaluation programs. Through this initiative, we intend to provide staff with critical thinking and problem solving skills that will allow them to function in stressful situations without over-reliance on policies and tools.

We are also in the process of developing an education-based discipline proposal. We are looking into the Sheriff's Department's Education Based Discipline program, which provides an option of targeted training for staff as an alternative to traditional discipline. Through such a program, we can use incidents or poor performance as an opportunity to actually strengthen staff skills and practice in the specific areas where they were demonstrated to be deficient; instead of merely punishing staff with a suspension or other less-constructive remedies as we currently do.

We will also make changes to our Internal Affairs investigations to speed the discipline process and improve the chances of success of disciplinary action. We will identify law enforcement, legal, or other external resources to train DCFS Internal Affairs Investigations in investigation, report writing, and Civil Service processes.

To further shorten timelines for discipline, we will develop recommendations to more closely align the Human Resources and Internal Affairs/Investigation processes.

## RECOMMENDATION NO. 5.3

Multidisciplinary teams. The Director of DCFS should evaluate the relative cost and efficacy of multidisciplinary teams to undertake the initial entry, safety, and risk evaluations required of CPHL referrals. This approach should build on the lessons learned at DCFS with its multi-disciplinary Team Decision-Making (TDM) approach and co-location of DMH, DPH, and DCFS professionals stationed in the field at night.

Concerns were raised by front-line staff about their relative experience and ability to gain entry and undertake the complex assessments required by many referrals. They cited many challenges (e.g., contention at the time of entry, contentious assessments involving drugs or violence and abuse, or mental instability or behavioral problems).



The assessments can be done more quickly, efficiently, and accurately by having the specialized skills of a senior DCFS social worker, a public health nurse, and a mental health professional during contentious entries. DCFS also indicated that the skill set of an Emergency Room nurse, familiar with traumatic situations and distraught patients and families might be an added benefit. Each team member can assess the case from different perspectives (e.g., public health nurses' assessment of neglect vis-à-vis law enforcement's assessment of physical or sexual abuse).

Moreover, the multidisciplinary teams can make the best assessment of the optimal placement for a child, based on the continuum of need model used in the County. The cases with the greatest needs are candidates for FFA placements, the more costly placement option.

The creation of these specialized multi-disciplinary teams in each region to support the case workers who eventually take over the case would undoubtedly speed up the process and perhaps allow DCFS to meet the State's requirement to complete the assessment in 30 days and hopefully less.

Specialized units with additional skills and experience to deal with high-priority cases should be considered, as well as skills (as opposed to seniority) classification levels for social workers. This option of using different social workers for investigations versus support services and placement also addresses the inherent differences in the CSWs' relationship with the families.

## RESPONSE

The recommendation requires further assessment but it does not appear to be financially feasible.

DCFS is unable to hire the staff necessary to carryout this recommendation. That said, DMH, DCFS, and Probation have adopted a shared Core Practice Model, which provides a set of values, principles, and practices to be adhered to when providing services to children, youth, and their families. The Core Practice Model emphasizes a set of practice standards that includes teaming with other service providers. In particular, for clients served concomitantly by DMH and DCFS, there is an expectation that each child will be served with a Child and Family Team (CFT). These CFTs are made up of the various formal and informal supports that are necessary to meet the needs of the child and family, including child welfare, mental health, health, and probation staff.

DCFS has had good experiences with multidisciplinary team conferencing and specialized programs. The efficient and sound decisions that result from joint planning with co-located specialized staff and community partners who represent various specialized services are key to successful case planning. Also, one example of a specialized unit that has had great success for regional youth is the Youth Permanency Unit which works intensively with the needs of older more challenging youth who lack strong family or community ties and require very special assistance in becoming self reliant.

We are however exploring the use of specialized forensic training for first responders to include forensic interviewing (including physical/sexual abuse identification/assessment), drug identification and that of domestic violence, along with available resources and training from community partners who deal with each subject. We will also explore creating Multidisciplinary teams for every region (1 per region) to include DCFS, DPH, DMH and LE to conduct the investigations on more high risk cases. The Multidisciplinary Teams would include an experienced CSW, either a PHN or, preferably a Pediatric Nurse trained in evaluating forensic evidence, a DMH staff and a Detective. Ideally there would be one team in each region or SPA committed to working high risk cases including, child fatalities, sexual abuse, serious injuries and high profile media cases.

Also, in terms of Team Decision Making Meetings (TDMs), ER/Front-end TDMs account for more than half of TDMs. They remain an integral and highly influential strategy in addressing the efficient closure of ER referrals that originate from the CPHL.

Lastly, on July 16, 2012, the Child Awaiting Placement (CAP) Center was opened. It is a central location for children, ages 0 to ten to receive pertinent mental health and/or medical treatment while awaiting placement up to 23 hours. We will explore if this may be a suitable setting for TDMs as relevant staff (medical, mental health, and child welfare) is centrally located.

#### RECOMMENDATION NO. 5.4

Grief counseling for DCFS staff and families involved with child fatality cases. The Director of DCFS and the Director of DMH should develop a debriefing and support process for DCFS staff when a child or family member in one of their cases dies.

Strong bonds are developed between social workers and their families they work with. Grieving is a natural human reaction to a death of someone close. The healing process cannot normally be rushed but can be accomplished more effectively with professional support. DCFS should: a) work with the County's Employee Assistance Program (EAP) to design a program that is focused on these types of crises and b) encourage its employees, who have had to deal with a child fatality case, to take advantage of the EAP. ICAN's Peer Support Team Program (PST) might also provide a foundation to build on. The provision of these types of support will have a positive spillover and will strengthen staff members' ability to work through these situations with their clients.

Similar programs should be developed and offered to DCFS families who have lost children under such difficult circumstances. For example, DCFS can develop a network of resources through community-based organizations to work with such families.

#### RESPONSE

Agree – further analysis is required. Currently, DCFS staff and families involved with child fatality cases are referred for mental health services, however a consistent and routine process for all staff and families in such situations is not in place. By January of 2013, the DCFS Child Welfare Mental Health Services Division and the DMH Child

Welfare Division will work with DCFS Risk Management and DMH Emergency Outreach Bureau to develop and implement such a process.

#### RECOMMENDATION NO. 5.5

Coordination with university programs. The Director of DCFS should collaborate with the Inter-University Consortium and with faculty at local university and college programs that prepare the next generation of social workers to help students:

- Identify where children may be at risk for their safety and well-being
- Gain the more advanced skills and knowledge needed by social workers in Los Angeles County

#### RESPONSE

Agree – Not yet implemented. DCFS is directly engaging and partnering with local accredited Schools of Social Work (Inter-University Consortium) in the context of re-contracting which has focused on equipping social workers via classroom and field internship experiences with knowledge and skill to engage and assist families with multiple, complex and enduring need. While both DCFS and the CalSWEC sponsored internships provide 500-600 hours of supervised practice experience; further enhancements to the Intern program are under review/consideration in order to establish increased opportunities for application to more complex case situations. Current discussions focus on increased integration of assessment skills, critical thinking and decision making, safety planning and management throughout the life of a case, improved documentation and teaming with families. The Directors of DCFS and DMH respectively have met with the Deans of local Schools of Work to explore and implement these changes.

#### RECOMMENDATION NO. 5.6

Coordination with university programs. The Director of DCFS should ensure improved and increased training and tools, such as:

- Mandated reporting and cross-reporting within the County system
- Safe-sleeping and outreach tools and techniques
- Methods for investigating allegations
- Intervention strategies
- How to identify suicidal tendencies
- How to identify possible high-risk families or situations of child abuse or neglect
- Technology to support training (i.e., child abuse prevention applications)
- Support for the Practice Models' coaching and the mentoring practice as a means to provide training and development

Training modules should be made available to a variety of stakeholders, such as:

- All relevant agencies (line staff and relevant management)
- Service Planning Area (SPA) Public Health Centers
- Health-based organizations (i.e., WIC, physicians, hospitals, clinics, etc.)
- Formal and informal community-based organizations, (Neighborhood Councils, Child Abuse Councils, Neighborhood Watch, etc.)
- Faith-based organizations

## RESPONSE

Agree – Not yet implemented. The DCFS and the Inter-University Consortium (IUC) partners have incorporated practice skills into the DCFS Core Practice Model (CPM) documents which serve as the framework and foundation for both formal and on-the-job training for all professional staff. It provides a platform of child welfare and mental health practice focused on child needs and child and family outcomes. Priority focus is on improving practice through skill based training, supported by actual field based coaching and case conferencing with supervisors to support application. Information gathering, investigation, assessment, teaming, developing tailored plans that are behaviorally based and meet underlying needs of children and families are fundamental to the DCFS Practice Model.

Additionally, DCFS and its IUC partners have an established and on-going interface between the DCFS Quality Improvement Section, Risk Management Division, Training Section, and Executive Office. This interface helps ensure key practice and policy issues that surface in case reviews, child fatalities and special incident reports are incorporated, and additional training (including but not limited to those topics/areas listed in the report) can be developed by universities on an as needed basis to target and address the identified issues.

Regarding providing training modules to stakeholders and providers, DCFS has done this with select modules that update key providers and partners on key initiatives, programs and practices. These primarily have focused on core DCFS services. DCFS can make select modules suitable for broader audiences available on a case by case basis. More prominently, as DCFS works to implement practice improvements based on the DCFS practice model; joint and cross system training and coaching with providers and stakeholders in areas of shared/complementary practice is essential. As an example, teaming strategies that provide increased support to DCFS children and families and that involve community partners and providers, informal supports and advocates are a prominent component of the DCFS Practice Model and strategic direction. As implementation of this practice (teaming) is implemented in select DCFS offices, joint/cross training with stakeholders and team members (including but not limited to those listed) has been and will continue to be essential.

## RECOMMENDATION NO. 5.6.1

The Director of DCFS should ensure that the Department works with licensing organizations and certifying boards to encourage them to strengthen their mandated reporting training and closely monitor compliance.

## RESPONSE

Agree – Not yet implemented. DCFS currently offers training on mandated reporting to community partners, providers and other public agencies if and as requested. Many agencies with mandatory reporting responsibilities also have and provide this training internally to their respective staff. For contracted providers, DCFS has both the leverage and ability to monitor and insure compliance with mandatory training requirements. While DCFS support and encourage non-contracted licensing and certifying agencies to insure all staff required to report receive required training; the DCFS does not currently have a mechanism to monitor compliance of these agencies. If so approved through the Chief Executive Office and County Department of Human Resources, mechanisms to ensure other County Agencies with reporting responsibilities comply with ongoing training requirements could be organized and administered through the County's Learning Management System, which tracks and reports training for County employees.

## RECOMMENDATION NO. 5.6.2

The Director of DCFS should consider implementing the following training changes advanced by DCFS staff:

- Have the Academy training done in the regions versus at a central location to save travel time and costs
- Consider having additional Academies located in the regions with the more complex cases (e.g., South Central Los Angeles)
- Have supervisors and ARAs carry caseloads so they stay in touch with the new issues front-line staff members face
- Improve team process skills at all levels of the organization
- Offer specific training on how to present cases and recommended placements in court hearings
- Encourage a job rotation program so that case workers work in a variety of settings, particularly during the first 10 years of their careers, especially if they have career aspirations to move into supervisory or management ranks

## RESPONSE

Agree – Implemented. Consistent with this recommendation and following a pilot phase, DCFS re-designed the "Core Academy" to incorporate increased numbers of structured field days that link classroom training with increased opportunities for direct practice under the coordinated guidance of Training Unit SCSWs and Field Based Trainers in offices where newly hired staff are assigned. This re-balanced approach/schedule was designed to better ensure transfer and application of learning to practice as well as facilitate earlier and more rigorous assessment, feedback, coaching and evaluation for new hires.

Across the nine month probationary/academy period, the focus shifts from classroom and structured field experience to actual case-carrying duties under the supervision of

the assigned SCSW. Across time and based on acquired skill and demonstrated competence this also allows assignment of tasks and activities with more complex cases. This helps ensure assessment of the new hire's capacity to carry out actual casework judged against the probationary standards of the CSW classification. As such, passing DCFS probation and the Academy means interns have successfully engaged in classroom and field day experiences as well as the actual direct/primary work, improved if/as needed and demonstrated competence and capacity to carry out casework activities consistent with the probationary standards of the CSW classification based on their program/unit assignment.

In partnership with the IUC, line operations managers and DCFS Personnel, DCFS continues to focus on improving and strengthening this re-designed academy approach to ensure no one is advanced to do this important work without demonstrated ability to do so.

DCFS concurs that ensuring SCSWS and ARAs maintain keen awareness regarding the challenges line staff face and the complexity of case work is critically important. While it is not practical or advisable for ARAs and SCSWs to have primary case assignment; direct involvement in case review and consultation especially in high risk complex cases is essential. ARAs have specific case review and sign off requirements in select higher risk situations allowing them to not only stay connected with the work but also to provide support and accountability in decision making. Further, working with ARAs and SCSWs DCFS is institutionalizing ongoing coaching support groups in all offices allowing discussions to focus on key practices (and challenges in implementing them) to be ongoing points of development and learning. Though not universally applied due to time, workload and caseload constraints, many SCSWs do make field visits. Middle and senior managers are also conducting "ride alongs" with ERCP.

**Civil Grand Jury Report – Child Death Mitigation Response Log 2012**

Reco	Agree	Disagree	Status			
			Implement	Not yet Implemented	Future Analysis	Will Not Implement
1.1	X			X		
1.2	X			X		
1.2.1	X			X		
1.2.2	X			X		
1.3	X			X		
1.4	X			X		
1.5	X			X		
1.6	X			X		
2.1	X			X		
2.2	X			X		
2.3	X		X			
2.4	X			X		
2.5	X		X			
2.6	X			X		
2.7	X			X		
2.8	X		X			
2.9	X				X	
2.10	X			X		
3.1	X		X			
3.2	X			X		
3.3	X				X	
3.4	X		X			
3.5	X				X	
3.5.1	X				X	
3.5.2	X		X			
3.5.3	X			X		
3.6	X		X			
3.6.1	X		X			
3.6.2	X			X		
3.6.3	X		X			
4.1	X		X			
4.2	X			X		
4.3	X			X		
4.3.1	X			X		
4.4	X			X		
4.5	X			X		
5.1	X			X		
5.2	X			X		
5.3		X				X
5.4	X				X	
5.5	X			X		
5.6	X			X		
5.6.1	X			X		
5.6.2	X		X			

**DCFS Review**  
**Recommendations for years 2006-2007, 2007-**  
**2008, 2008-2009, 2009-2010**



RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES - DEPARTMENT OF CHILDREN AND FAMILY SERVICES

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR DCFS REVIEW: STATUS OF 2006-2007 RECOMMENDATIONS

Crisis in Communication – Preventing Child Fatality and Maltreatment

RECOMMENDATION NO. 1.3

Provide reports on a regular basis such as monthly to DHS hospitals on the outcome of all child maltreatment reports file for each hospital and other reporting facilities.

RESPONSE

The Department continues to disagree with the recommendation as such reports would violate confidentiality provisions contained in current mandated reporting law, which dictates that outcome information is to be provided to the mandated reporter who filed the report, not to the agency employing the mandated reporter. This provision of the law protects a mandated reporter from possible reprisals by the agency of employment in situations where the employer might disagree with the mandated reporter's decision to file a child abuse report.

RECOMMENDATION NO. 2.1

Implement mHub and myCSW links between 1) all medical Hubs 2) medical Hubs and DCFS. Further assessment of CHEERS may be useful for inclusion of education emancipation information in the countywide database.

RESPONSE

Completed. This recommendation was met by the implementation of the E-mHub data system at all 6 DHS Medical Hub Clinics, which was completed on February 28, 2011. The system links the clinics together, receives electronic referrals from DCFS, and electronically transmits appointment status alerts and links completed examination forms to DCFS.

RECOMMENDATION NO. 3.2

Assign Public Health Nurses to staff Hub clinics in addition to Children's Social Workers since all children in the DCFS system are already assigned a social worker who could serve on the multidisciplinary teams for the children on their caseload.

## RESPONSE

Implemented for CSWs. Partially implemented for PHNs. On December 2011, the Board of Supervisors approved funding through Title IV-E Reinvestment Savings to implement a one year pilot to out-station CSWs and PHNs at each of the Medical Hubs. CSWs have been out-stationed at the Hubs since May 2012.

The Department is in the process of canvassing, interviewing and selecting temporary Public Health Nurses (PHNs) that will be out-stationed at the Hubs as part of the one-year pilot. The Department will continue with the process of interviewing, selecting and hiring PHNs who are willing and available to work temporarily at the Hubs.

## RECOMMENDATION NO. 3.7

Assist ICAN in its integration efforts by incorporating it into DCFS so that it can continue to maintain its ongoing review of child deaths.

## RESPONSE

The department originally disagreed with the recommendation, however, in compliance with a Board Motion pertaining to a Single Entity, DCFS meets and confers with ICAN on child death data and participates in the various ICAN child death review meetings.

## RECOMMENDATION NO. 4.4

Consider an alternative system of medical record data entry, such as using Intermediate Typist Clerks or a similar County classification for the majority of routine cases so that Public Health Nurses are utilized in a more efficient and effective manner but would still be available for assisting with interpretations of the more complex medical information and records obtained by DCFS for entry into CWS/CMS.

## RESPONSE

Not implemented; Starting July 2013, and once budget constraints are alleviated, DCFS will work with the CEO to identify possible funding for this purpose.

## Triple Jeopardy – Abandoned, Neglected, and Abused Children of Los Angeles County

### RECOMMENDATION NO. 3.1

DCFS should develop new categories of Foster Family Care that will have the skills and ability to parent the more challenging dependents currently placed in home facilities.

## RESPONSE

Partially implemented; targeted for December, 2012. In partnership with the Department of Mental Health (DMH), DCFS has executed contracts with 12 eligible Foster Family Agencies (FFA) for Intensive Treatment Foster Care (ITFC) and four FFAs for Multidimensional Treatment Foster Care (MTFC). The goal is to have 220 ITFC slots and 80 MTFC slots by the end of 2012. As of June 30, 2012, there were 106 slots. Since its inception 200 youths have received ITFC or MTFC Services. In December 2011, a new Targeted Recruitment initiative was initiated and has generated an increased response from potential ITFC or MTFC certified foster homes.

MTFC is an evidence-based model of therapeutic foster care that has been rigorously evaluated in multiple studies with demonstrated success in providing positive outcomes for youth in out-of-home care. MTFC limits the number of children placed in a foster home to one, and provides extensive training for foster parents; therapeutic interventions for the child, their family, and foster parents; along with round the clock crisis stabilization. ITFC is a more flexible framework outlined in the Welfare and Institutions Code 18358 and allows up to two children (e.g. siblings) to be placed in an extensively trained foster home and receive in-home mental health services that include Trauma-Focused Cognitive Behavioral Therapy. ITFC is not based on a family's availability as a permanency resource. Therefore, youth with histories of placement instability and unmet mental health needs that interfere with permanency benefit from a home-based setting designed to meet these needs, as well as, enhancing the potential for finding a permanent caregiver. ITFC programs exist in several other counties in California and are considered a valuable and effective alternative to group home placements. In response to a proposal that came out of the joint efforts of the Katie A. State Implementation Work Group and the CDSS ITFC Model Re-evaluation Work Group, the new State budget increased the rates for ITFC programs, including a \$300 per month raise for all ITFC foster parents as of July 1, 2012. The increase will assist in recruitment efforts.

Currently, DCFS is undergoing a re-design of the D-Rate program that will build-in more support and guidance for the D-Rate foster parent. One of several actions stemming from this re-design is a DCFS and DMH work group that has begun exploring ways to extend a blend of the best practices found in treatment foster care and Wraparound to the D-Rate children and foster parents. The goal is to enhance the support and training of the D-Rate foster parents, as well as, the behavioral and mental health interventions for the D-Rate youth. In February 2012, a D-Rate Redesign subgroup was formed consisting of staff from DCFS, DMH, Public Counsel, and the Children's Law Center. An additional subgroup currently underway will focus on revising the training curriculum offered by the Community Colleges for D-Rate caregivers.

#### RECOMMENDATION NO. 4.1

DCFS and Probation should develop a comprehensive and integrated, automated information system containing all record and, reports that have been compiled on every child by all caregivers.

## RESPONSE

Implemented as of October 2010, the Probation Department has had access to CWS/CMS, the same automated data management system used by DCFS. CWS/CMS contains all the records on children and caregivers supervised by DCFS and the Probation Department.

## RECOMMENDATION NO. 6.1:

DCFS should implement assessment centers in existing residential-based facilities that have the qualifications, capabilities, and capacity to provide such services.

## RESPONSE

The Department continues to discuss the possibility of developing assessment centers with contracted residential-based facilities. A review of the Probation Assessment Centers (PACs) will be completed to determine if they may be replicated with DCFS contracted providers. This review will be completed by August 2012.

## RECOMMENDATION NO. 6.3

As part of the assessment process, DCFS and Probation should set goals, measure the effectiveness of their placements, and identify causes for ineffective placements or outcomes.

## RESPONSE

The evaluation of RBS is ongoing. Although Probation does not have any youth enrolled in RBS, they participate in the RBS Advisory Board to keep aware of the efforts to achieve better outcomes for residential care, system and practice issues and funding limitations. The RBS pilot will conclude in 2012 and the State sponsored evaluation will report out in 2013 on all four RBS sites in California. Los Angeles County is conducting its own internal evaluation and preliminary results have shown promise. For example, there are shorter lengths of stay, and reduced Serious Incident Reports (SIR) for those youth in RBS.

## RECOMMENDATION NO: 6.4

DCFS and Probation should assess and develop new strategies for their respective AWOL dependents and wards.

## RESPONSE

The Department of Children and Family Services agrees with the Civil Grand Jury findings and has assessed and developed a strategy for its AWOL population. The recommendation has been implemented, with ongoing efforts to continually improve the program and its strategies.

In 2007 the DCFS Runaway Outreach Unit (ROU) was implemented as the Department's primary resource for locating, placing and stabilizing youth who run away from care. Previously, the program began as a primary case carrying unit called the Runaway Adolescent Project; however, it soon evolved into a secondary case carrying strength based practice model that focused more on developing rapport with dependents and fostering trusting relationships between Children's Social Workers and youths. This type of care provision proved more effective and beneficial, such that each youth in the program received a more focused service plan and more individualized attention in their case planning process.

The program provides services to both first time runners, as well as, the more hardened youth population that lives outside the scope of established policies and procedures. Over the past 5 years the program has successfully returned over 1,500 youth to care and reduced the Departments runaway recidivism rate in each year of service.

Since 2007 the DCFS Runaway Outreach Unit Manager has actively participated in a variety of community based partnerships that focus on strengthening the services provided to this transient population. The program manager represents the ROU in the Interagency Counsel on Child Abuse and Neglect (ICAN), facilitates the DCFS Runaway Task Force and sits at the table as an active member of the Juvenile Court's Crossover Youth Task Force which works directly towards collaborating and coordinating on-going services between the Department of Children and Family Services, Los Angeles County Probation and the Department of Mental Health to assure there are proper services in place for this at risk population. The primary systems involved in this strength based model are Juvenile Justice (Probation) and Child Welfare (DCFS). While each serves a different function, they both aim to improve the lives of their clients by creating greater efficiencies in their respective systems.

The DCFS ROU manager will continue to evolve the services of the program to meet the needs of the at risk youth population. The ROU will actively collaborate with its community based partners and continue its facilitation with existing committees, allowing the program to continue to be successful and effective.

#### RECOMMENDATION NO. 9

DCFS and Probation should strategically use congregate care facilities that meet quality assurance standards and provide awards for achieving meaningful outcomes.

#### RESPONSE

The collaboration between DCFS and Probation is proactive and productive. The departments have continued to discuss respective departmental processes for monitoring congregate care facilities, which now include a rating/weight scale in the

revised program contract monitoring tools. The revised tools are in the process of being tested by DCFS monitoring staff and it is anticipated that this scale will help determine which agencies are the higher/lower performing agencies. The results of the agencies' compliance based on the rating and based on an analysis of a three-year period of aggregate performance data will be at least two variables used as established criteria to determine how best to recognize agencies for achieving meaningful outcomes or whether to continue to contract with agencies if significantly substandard care, supervision and service delivery are evident. It is anticipated that final implementation will be completed by June 30, 2013.

#### RECOMMENDATION NO. 9.1

DCFS and Probation should study how best to improve group home facilities' programs, staffing skills and staffing levels

#### RESPONSE

As mentioned above, Probation and DCFS are working together to learn from the RBS demonstration project and explore ways to improve outcomes for youth in residential care. In fiscal year 2015-2016, DCFS and Probation plan to release a solicitation for residential care that is based on the lessons learned from the RBS demonstration pilot.

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES - DEPARTMENT OF CHILDREN AND FAMILY SERVICES

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR DCFS REVIEW: STATUS OF 2007-2008 RECOMMENDATIONS

Helping Probation and Foster Youth Prepare for Adulthood and Independence

RECOMMENDATION NO. 1f

Identify potential TAY younger than 14 to intensify efforts earlier to improve their chances of success.

RESPONSE

Implemented – January 2012. A CEO lead Self-Sufficiency Committee developed and implemented self-sufficiency goals across all human services departments, including DCFS, to improve services and outcomes for child/youth between the ages of birth to 25 years of age.

RECOMMENDATION NO. 2

The Deputy CEO should develop and implement a regular and systematic process of program review and evaluation for TAY programs which includes a goal of periodic, streamlining of operations in DCFS, Probation and DMH.

RESPONSE

Not applicable – awaiting direction from the DCEO.

RECOMMENDATION NO. 2b

Agencies should cultivate community resources and partnerships to seek new revenue sources, including grants from private and governmental agencies, to fund the new program.

RESPONSE

Implemented – Ongoing. YDS has fostered discussions in meetings with its contracted providers and through other stakeholder forums to achieve the recommendation.

Thus far, these efforts have met with success; for example, a faith entity in the Service Planning Area (SPA 6) sponsored in May 2012 a TAY youth drop-in center day, leveraging funding through various resources.

### RECOMMENDATION NO. 3

DCFS, Probation, DMH, and DPSS should develop and implement innovative programs to target high-risk families and high-risk children for proactive early intervention.

### RESPONSE

The recommendation has been implemented as of July 2012. The Community-Based Support Division has implemented innovative programs to target high-risk families and children for proactive early intervention. The Prevention Initiative Demonstration Project (PIDP) is in its final year of Title IV-E Waiver funding with a budget of \$2.5 million for fiscal year 2012-2013.

The following programs have been implemented by our PIDP providers:

Decrease in Social Isolation, Increase in Relationship Building, as well as, Leadership and Skills Development through models such as the Relationship Based Organizing Model; for example, the Neighborhood Action Councils (NACs) were implemented in high risk areas identified by DCFS.

Other strategies also implemented include Adult and Youth Leadership Groups, Community Action Groups (CAGs), and Neighborhood Ambassadors Groups which build relationships and organize communities. Participants engage in networking, groups, meetings, and community projects focusing on strengthening bonds between families, neighbors, local government, school systems, and other community stakeholders.

Provide leadership for network development: Building Community Partners to plan joint events (Resource Fair, etc.), share organization activities, and discuss methods to improve program functionality and service provision. Strategies include (1) Increase access and utilization of beneficial services, activities, resources, and supports and building social networks and (2) relationship, empowerment, and community.

Develop Economic Opportunities: Volunteer Income Tax Assistance Programs (VITA) support families by helping families apply for the Earned Income Tax Credit. Other strategies to develop economic opportunities include disseminating information about checking and savings accounts, small business loans, financial asset building, financial coaching, financial literacy workshops, access to time sharing (non-cash economy), bulk buying, and community gardens. Other strategies to promote economic opportunities include connecting PIDP families to job training programs and resources, as well as, adult education and community college programs.

Direct access to counseling and mental health services; for example, comprehensive weekly counseling services to PIDP referred families.



Visitation Centers offer a place for foster children and their biological parent(s) to visit and strengthen relationships, and encourage family cohesiveness in a safe and comfortable setting. Centers are strategically placed at Faith Based facilities or community agencies throughout the County and are equipped with toys and educational materials for parents to utilize while engaging with children.

Provision of linkage services to community members through the utilization of Resource Navigators throughout SPA 6 to connect clients to a host of resources that include but are not limited to counseling, basic needs, employment, housing, and health. Family Resource Centers assist clients on a walk-in basis in addition to DCFS-referred families. Continuous outreach is performed to encourage community participation and network building.

High school equivalency courses are available to assist students work towards a high school diploma. In a classroom setting, participants are given personal and group instruction to achieve a common learning objective. In collaboration with Time Warner Cable and Vocational Services, fiber optics courses are offered to community members. Students are given the opportunity to learn from a hands-on experience. Participants are intimately involved with providing the wiring/networking at various Shields for Families sites under the expertise of professionals. Additional vocational services include, but are not limited to resume building, interview preparation, computer skills classes, and job development courses.

Weekly skills classes such as parenting and anger management are offered to DCFS referred and non-DCFS referred clients to provide families with tools that foster effective communication, personal improvement, and community building. Classes are facilitated in English and Spanish. Community-based parent meetings and activities focus on strengthening social connections, knowledge of parenting skills, child development, and community-resources/services (i.e. Project Fatherhood support groups, non-violent parenting classes, self defense classes, literacy programs, teen empowerment groups, parent and child art classes, and ESL classes.

Emergency Shelters offered to families for short term emergencies. Efforts to assist in linkage to organizations and services to re-establish stability of the family are further implemented.

Provision of comprehensive case management services to PIDP referred families including participation in Team Decision Making (TDM) meetings with parents, family members, DCFS staff and other community service providers.

Intensive Case Management/Cultural Broker Liaison services between DCFS and PIDP referred families. Families are encouraged to attend Team Decision Making meetings to advocate for family maintenance and reunification services, family support, and connection to resources. Parent advocates provide peer mentoring through home visits and provide parent instructions in improving life skills, youth development strategies, and emotional well-being while promoting a decrease in substance abuse.

Provision of auxiliary services and funds to assist clients with basic needs such as eviction prevention, utilities, clothing, food, vehicle repairs, rental assistance, etc. These auxiliary services are stop-gap and short-term measures used to assist families stabilize.

#### RECOMMENDATION NO. 3d

More Intensive programs on drugs and access to drug rehabilitation programs should be provided to parents for themselves and their children.

#### RESPONSE

Partially implemented with a target date of January 2013. The Department of Children and Family Services and the Department of Public Health (DPH) Substance Abuse Prevention and Control (SAPC) are working to strengthen collaborative efforts through Project SAFE (Screening an Assessment for Family Engagement). Specifically, the Project SAFE collaboration seeks to strengthen the screening and assessment process for better identification of the needs of clients with substance use disorders and provide timely access to treatment. The intent of this initiative is to develop a comprehensive screening and assessment protocol emphasizing clinical assessments and therapeutic interventions by substance abuse experts.

A formal evaluation of the pilot project, which ended on June 30, 2012, is currently underway.

#### RECOMMENDATION NO. 4a

A suitable overlap of mentors should be built into the program to ease a child's transition to the new mentor.

#### RESPONSE

This recommendation has not been implemented. There is currently no designated funding to contract for mentoring services for foster youth that would allow for a sufficient number of mentors to be matched with each youth. The Department continues to work with other County and community agencies to explore ways to promote mentoring and increase the number of agencies willing to implement a quality mentoring program. There are currently, relatively few mentoring agencies that have community based mentoring programs. However, DCFS works with community agencies that provide school based academic mentoring to several foster youth.

#### RECOMMENDATION NO. 5

The directors of DCFS, Probation, DMH and LACOE should design and implement jointly a curriculum that addresses practical educational skills for all children to better prepare them for independence.

## RESPONSE

Partially implemented. Over the past two years, DCFS has partnered with the Los Angeles County Office of Education (LACOE) Foster Youth Services (FYS) through eight (8) LACOE Education Counselors being out-stationed in DCFS regional offices to assist Children's Social Workers and DCFS families better address youth educational needs. Additionally, LACOE continues to allocate approximately \$600,000 each year, to provide one-on-one home based tutoring services for DCFS foster youth. Since 2008, DCFS has worked closely with specific school districts in implementing the Foster Youth Education Program, (formally known as the Gloria Molina Foster Youth Education Program). Beginning in August 2012, DCFS and Probation will expand this program to 15 additional schools and three (3) school districts countywide. This program will include out-stationing Children's Social Workers and Probation Officers at the school sites to work closely with school personnel in addressing and monitoring the academic needs and progress of DCFS and Probation youth.

## RECOMMENDATION NO. 5a

All programs should contain an identified minimum level of understanding on the part of the recipients before the program is considered delivered.

## RESPONSE

Implemented. DCFS Education Consultants and LACOE Foster Youth Services Education Counselors work closely with the school districts to support the educational needs of the many children served by DCFS. With the Title IV-E Waiver re-investment funds, the Foster Youth Education Program will be expanded to additional schools and school districts countywide to better support improving the academic outcomes for youth served by DCFS and Probation.

## RECOMMENDATION NO. 5b

Enhanced study skills and courses on practical living skills should be part of the curriculum of juvenile halls and camps. DCFS should include such courses in the schedules of students attending public schools, whenever possible.

## RESPONSE

Partially implemented. DCFS works with community based agencies who have school based tutoring and after school programs that serve DCFS youth. For the past 2 years, DCFS has worked closely with First Star and UCLA, who have hosted the First Star UCLA Bruin Scholars Summer Academy. This is a five (5) week residential camp and year round mentoring program that provides youth with education skills and guidance about college requirements.

#### RECOMMENDATION NO. 5c

Foster Youth should be encouraged to participate in music, art and other non academic programs. Probation should seek volunteers to provide these services in juvenile halls and camps.

#### RESPONSE

Partially implemented. DCFS continues to support non-academic enrichment programs. DCFS works with the Youth Opportunities United Board in hosting an annual Art Camp for DCFS foster youth. This is a weekend camp that allows youth who are interested in art, to better refine their skills and form friendships with other foster youth who have the same interests. DCFS continues to work with Children Uniting Nations in referring over 700 foster youth each year to participate in the Day of the Child event that matches youth with an "adult friend" for a day of fun and activities in a carnival atmosphere.

#### RECOMMENDATION NO. 6.

Under the leadership of the Deputy CEO, DCFS, Probation, DPSS and DMH, improve programs should be provided to youth 18 to 25 who have left the system.

#### RESPONSE

Implemented – December 2011. A CEO lead Self-Sufficiency Committee developed and implemented self-sufficiency goals across all human services departments, including DCFS, to improve services and outcomes for child/youth between the ages of birth to 25 years of age.

#### RECOMMENDATION NO. 7

Under the leadership of the Deputy CEO, DCFS, Probation, and DMH, in consultation with LACOE and other school districts, should develop a plan and a timetable for a comprehensive information system to capture all records on all children in the system. The plan should include: cost estimates to develop and operate the system, a proposal for funding, and a timetable for implementation should be reported every four months to the Board of Supervisors.

#### RESPONSE

Partially implemented. In October of 2011, DCFS began working with the Los Angeles Unified School District to develop an automated system to share information about youth under the supervision of DCFS. In March 2012, all school districts in Los Angeles County were notified by DCFS and advised of a password protected web based server that allows school districts to access the DCFS database of children to determine those youth enrolled in their respective schools. Existing legislation intended to preserve confidentiality provides a fairly substantial barrier with respect to school districts sharing information with DCFS absent of parental consent or individual hard copy minute orders. DCFS is currently exploring automated methods to verify specific minute order

language as needed to obtain approval from the school districts to exchange information via a protected web site. Additionally, the department is currently looking at design options for the system to determine whether it would be more advantageous to develop a system in house, or to use software that may be available "off the shelf". An option has been presented by San Diego to use a program that they have developed, and they have offered it at a reduced price. However, there have not been any detailed investigations as to the feasibility at this point. In the coming weeks the department along with representatives from Probation, school districts, CEO and the Court will be evaluating the system and will render a decision at that point. The intent is to have a preliminary version of the system available for use by social workers this fall. Following the construction and rollout of the system with LAUSD, the department will need to continue to develop data sharing plans and protocols with the other 80 school districts in Los Angeles County. The goal is to have a fully operational system by the start of the fall 2013 school year.

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES - DEPARTMENT OF CHILDREN AND FAMILY SERVICES

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR: DCFS REVIEW:  
STATUS OF 2008-2009 RECOMMENDATIONS

Be Prepared. Keeping Kids Safe- Disaster Preparedness for Youth in County Custody

RECOMMENDATION NO. 1

The Director of DCFS should incorporate relevant sections of their plan into all new standard contracts with group homes, foster care families and foster family agencies, where appropriate. At a minimum, the contracts should add a section reinforcing caregiver responsibilities for preserving records and maintaining possession of the records at all times during a disaster.

RESPONSE

DCFS agrees with the finding. The recommendation has not yet been implemented; DCFS anticipates the recommendation will be implemented by December 2012.

Hub Clinics – An Underutilized Resource

RECOMMENDATION NO. 3.1

The Director of DCFS should direct the CSWs and PHNs to create age specific information sheets to be given to foster parents or caregivers at the time the detained child is placed in their care. These sheets should be sized for easy access, such as for posting on a refrigerator or note-board, and give information listing normal behavior and expectations and also what steps should be taken in emergencies.

RESPONSE

Not applicable. Detained children continue to receive initial exams at the Hubs that include caregiver education on developmental issues at the time of the exam. For subsequent well child exams, CHDP providers provide developmental, age-specific anticipatory guidance by the CHDP provider on a regular basis and as such, this recommendation is no longer applicable.

RECOMMENDATION NO. 3.2

The Directors of DCFS and DHS should, by the end of 2009, develop criteria for identifying children in the child welfare system for whom the Hub Clinics should serve as medical

home, with responsibility for their overall medical care coordination, focusing in those with special health care needs and sexual abuse victims.

RESPONSE:

Not yet implemented. The Department of Health Services is moving forward to implement a medical home pilot at one of the Medical Hub Clinics targeted for calendar year 2013.

RECOMMENDATION NO. 3.3.1

The Directors of DCFS and DHS should, by the end of 2009, develop criteria for children in the child welfare system for whom the Hub Clinics would not serve as a medical home, but should provide continuity of care by: periodic reassessments every six months; Case reviews of children with special health care needs who are being seen by private community providers; Those at risk of being victims of abuse again, such as when changes in placement occur; Those under the Family Maintenance program, still living in homes where they were abused.

RESPONSE

Not yet implemented. As we pursue creation of foster care medical homes, the Department of Health Services will work collaboratively with the Department of Children and Family Services to ensure that children requiring follow up for medical issues, and any other children DCFS feels would benefit from follow up at the Hub will be included on the medical home system. Otherwise, DCFS will work collaboratively with physicians in the community to ensure that medical follow ups are met. Target date of implementation is calendar year 2013.

RECOMMENDATION NO. 4.2

The Directors of DCFS and DHS should work in collaboration with the county CEO and CIO to develop a long term data and information sharing system by June 2011 that enables these departments and others involved with serving foster children and youth to access key information about children's health and mental health needs and case histories.

RESPONSE

Partially implemented – 1<sup>st</sup> phase Winter 2013. The Department of Children and Family Services is working with the Department of Health Services, the Department of Mental Health, and Chief Executive Office for the implementation of the Enterprise Master Person Index (EMPI). The EMPI will identify common clients of County services to facilitate the secured sharing of information for improving services and coordinating service delivery. The EMPI will facilitate identification of common clients, and when it is legally permissible to do so, will facilitate appropriate, accurate, and reliable sharing of client data.

RECOMMENDATION NO. 4.3.1

The Directors of DCFS and the DPH should proceed with implementing the Lakewood project model system wide, enabling PHNs to work on any of the cases that come into the office to which they are assigned, regardless of department affiliation.

RESPONSE

Unable to implement. The CEO researched finding sources for the Project, but any additional funding would require the Board's approval.

Mr. Wesley Ford, DPH Director for Children's Medical Services, has agreed to implement the Lakewood Project countywide if DCFS provided the lost revenue that would occur under the existing HCPCFC funding structure at the Federal and State level. Due to DCFS budgetary constraints, DCFS will not be able to provide DPH with the lost revenue and, as such we are unable implement this recommendation.

RECOMMENDATION NO. 4.3.2

The Directors of DCFS and the DPH should collaborate to implement department-wide the DCFS Lakewood Project pilot integrating the two departments' PHNs by the end of 2009. This will require DCFS to utilize Katie A. funding in the short run for the estimated 15% of PHN time that would not be covered by the State CHDP funding, and identifying funding for long-term implementation.

RESPONSE

Unable to implement. Please refer to 4.3.1 above

RECOMMENDATION NO. 4.3.3

The Directors of DCFS and the DPH should research and work to resolve the funding issues introduced by the Lakewood project and the recommended organizational structure change by the end of 2009. This may be done by applying for additional funding and/or a waiver through the CHDP program. It also may involve identifying other DCFS funds to cover any balance not covered by CHDP

RESPONSE

Unable to implement at this time.

DCFS has explored funding with DPH, CHDP and Title IV-E dollars. However, due to DPH's Health Care Program for Children in Foster Care (HCPCFC) strict funding restrictions, this recommendation is not feasible. Please refer to 4.3.1 above.



#### RECOMMENDATION NO. 4.3.4

The Director of DCFS and the DPH should revise the MOU between DCFS and DPH by the end of 2009 to provide for input by DCFS Regional Managers into the evaluation process for DPH PHNs.

#### RESPONSE

Partially implemented. DCFS will continue to pursue this request. In the interim, Nurse Managers of both PHN programs actively attend the monthly Regional Administrators meetings and monthly All Managers meetings. In addition, both Nurse Managers have been attending monthly Regional Manager's meeting at the different Regional offices to present information on the roles and responsibilities of the PHNs in the different programs. These opportunities present the different Regional Administrators with opportunities to address issues and provide input about performance of PHNs.

#### RECOMMENDATION NO. 4.4

The Directors of DCFS and the DPH should finalize and proceed with tracking caseload and outcomes to evaluate individual PHNs and overall effectiveness of their services

#### RESPONSE

Partially implemented. The Department has developed a method to electronically track PHN caseloads. PHNs assign themselves as a "secondary" on cases that they are assigned to and/or on those cases that they are collaborating with a CSW. A caseload report has been generated which the Department is reviewing and analyzing in order to determine that the appropriate information is being captured and to assess for necessary modifications. The PHN Program managers are collaborating with BIS in developing outcomes to evaluate effectiveness of PHN services.

#### Health Information-sharing for At-risk Youth – Overcoming Obstacles

#### RECOMMENDATION NO. 6.1

To the extent permitted by law, DCFS, DHS, and DPH should provide skilled healthcare professionals access to youths healthcare information regardless of the department in which the information was originally obtained.

#### RESPONSE

Completed. DHS already provides the recommended access and shares information to the fullest extent that current laws and regulations permit. An MOU between DCFS, DMH, DHS and the Probation Department in July 2007 further clarified and documented the information sharing between these departments. Confidential user names and passwords

for authorized users are required for all current electronic systems containing patient/client information and will continue to be required for new systems.

RECOMMENDATION NO. 7.1.1

The CEO should caucus with DCFS and DMH, as well as with the DCEO of the CFWBC and County Counsel, to develop strategies for implementation of standards, remedies, and legislative changes at both County, State and Federal levels that will enable continuing improvements of healthcare delivery to County residents, consistent with the improvements which have been achieved as a result of Katie A. Court and Advisory Panel supervision.

RESPONSE

In Progress. This recommendation has been forwarded to the CEO as the lead. This level of strategic development and implementation of standards, remedies and legislative changes at County, State and Federal levels that will enable continuing improvements of healthcare delivery to County residents, consistent with the improvements achieved as a result of the Katie A. Court and Advisory Panel supervision has not been considered.

RECOMMENDATION NO. 7.2

The CEO should work with DCFS and DHS to develop written assurances from the State that County actions taken in response to Katie A. rulings are continued beyond the expiration of the Federal court order(s).

RESPONSE

Disagree. The State reached a Settlement Agreement on the Katie A. state case and is currently developing a statewide implementation plan consistent with the terms and objectives of the Los Angeles County Katie A. Settlement Agreement.

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – DEPARTMENT OF CHILDREN AND FAMILY SERVICES

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR STATUS OF 2009-2010 RECOMMENDATIONS

Child Abuse Reporting and Response

RECOMMENDATION NO. 1

The Office of the District Attorney, Department of Child and Family Services and LASD should lead an effort to develop a Memorandum of Understanding or Operational Agreement, as appropriate, among all of the parties within Los Angeles County involved in the E-SCAR for communicating cases of suspected child abuse.

RESPONSE

Partially Implemented; target date of August, 2012. The MOU/MOA has been completed and reviewed by the E-SCARS Steering Committee and upon final review and approval by County Counsel and DCFS management the MOU between DCFS, DA, and LASD will be ready for department head signatures.

RECOMMENDATION NO. 2

The E-SCAR Memorandum of Understanding or Operational Agreement should define the roles of the participants as to the communication and transmission of data and information among themselves and their coordination of responses. Time-to-respond and best practices standards should be established by DA, DCFS, LASD and the other parties to the Memorandum of Understanding or Operational Agreement for use as benchmarks by the participants. The Memorandum or Agreement should not, however, attempt to define or dictate the operations of the various groups as to their internal processes and protocols used in investigating, prosecuting or resolving reported child abuse allegations.

RESPONSE

Partially Implemented; target date of August, 2012. The MOU/MOA has been completed and reviewed by the E-SCARS Steering Committee and upon final review and approval by County Counsel and DCFS management the MOU between DCFS, DA, and LASD will be ready for department head signatures.

#### RECOMMENDATION NO. 8

DCFS should consider the employment of additional Human Services Aides to alleviate some of the less critical work performed by the social workers.

#### RESPONSE

Partially Implemented; target date of July, 2012. It is the Department's objective to assign one HSA to each CSW unit. This objective is still in the discussion stage as Human Resources and Budget personnel are discussing the topic. However, formal discussions with CEO staff must occur to identify funding prior to formulating an implementation plan.

## Attachment C

# **Community and Senior Services**



County of Los Angeles  
**COMMUNITY AND SENIOR SERVICES**

3175 West Sixth Street, Los Angeles, CA 90020  
Tel: 213-738-2600 • Fax: 213-487-0379



lacounty.gov

css.lacounty.gov

Gloria Molina  
Mark Ridley-Thomas  
Zev Yaroslavsky  
Don Knabe  
Michael D. Antonovich

*Enriching Lives Through Effective and Caring Service*

Cynthia D. Banks  
Director

Otto Solorzano  
Chief Deputy

July 31, 2012

To: William T Fujioka  
Chief Executive Officer

From: Cynthia D. Banks  
Director

Subject: **RESPONSES TO THE 2011-2012 LOS ANGELES COUNTY CIVIL GRAND JURY  
FINAL REPORT**

Thank you for the opportunity to reply to the recommendations in the 2011-2012 Civil Grand Jury Final Report affecting Community and Senior Services (CSS). The response is formatted in the template provided in your correspondence/memorandum dated July 3, 2012 (attached). We look forward to the opportunity to implement the recommendations and partner with the identified County agencies in the process. In addition, I would like to take this opportunity to address other items in the report that are of concern to CSS.

The section on Senior Care entitled "*The Patient Protection and Affordable Care Act, Challenges and Opportunities for Senior Care*" offers insight into senior services provided by LA County in light of the federal Patient Protection and Affordable Care Act (ACA) and makes recommendations as to how Los Angeles County, Department of Community Senior Services (CSS) can play a role in and take advantage of the changes enacted by ACA to improve cost containment and the delivery of senior services.

In particular the Los Angeles Civil Grand Jury (CGJ) investigation notes and promotes the concept of "aging in place" that assumes that seniors can receive a variety of services in their own environment. Additionally, the CGJ investigation found that CSS has already taken steps that pave the way for implementation of the federally mandated ACA. The Seamless Senior Services (S3) initiative was launched in April 2008 with a charge to be proactive and better prepared to address the future needs of Los Angeles County's seniors and identified some 100 programs across 24 departments and named seven critical programs, three of which are administered by CSS. While the recommendations have yet to be fully implemented, they provide a strong basis for implementing ACA in the County, an opportunity to create a centralized "hub" for senior services and streamline access to services to seniors.

The CGJ made the following findings and recommendations, which are followed with our responses:

#### RECOMMENDATION

##### **Patient Protection and Affordable Care Act - Challenges and Opportunities for Senior Care: Recommendation Number 1:**

*“The Los Angeles County Chief Executive Officer should initiate a meeting with the Department of Health Services (DHS) and the Department of Community and Senior Services (CSS) and other community based services for seniors, to examine services in light of the Patient Protection Affordable Care Act (ACA), and propose an overall strategy to the Board of Supervisors to enhance collaboration and cooperation between the many county entities that serve seniors. While the focus of the ACA is related to health issues, the goal of comprehensive health care for seniors involves the range of services represented in the Seamless Senior Services Initiative (S3). There is an opportunity at this time as the DHS is planning for implementation of the ACA to make LA County a national leader in senior health care.”*

#### RESPONSE

As a support department to the CEO in this recommendation, CSS agrees with and supports the recommendations identified in the findings. CSS is committed to the goal of a comprehensive health care model for seniors that involve a range of services represented in the Seamless Senior Services (S3) Initiative. Additionally, CSS is committed to becoming a hub for senior services to streamline and facilitate the access to services by the County’s senior and disabled population. CSS will support and collaborate with the CEO and DHS in achieving this goal.

#### RECOMMENDATION

##### **Patient Protection and Affordable Care Act - Challenges and Opportunities for Senior Care: Recommendation Number 5:**

*“The Los Angeles County Director of Community and Senior Services should create and distribute written and web-based materials that provide a comprehensive list of resources available for older adults and their families as well as a compendium of who provides the services and how to access them.”*

#### RESPONSE

CSS agrees and supports the recommendations identified in the findings. CSS agrees that we should create and distribute written and web-based materials that provide a comprehensive list of resources available for older adults and their families. CSS is committed to becoming a centralized hub for senior services and the recommendation has been partially implemented through the creation of the Los Angeles City and County Network of Care Website. The site provides a comprehensive searchable list of resources and access information available to older and disabled adults, their families, caregivers and service providers. CSS agrees that a written resource that accomplishes this goal must be developed and distributed to the target population, as well as an effort to increase the visibility and use of available web-based materials. Given fiscal challenges

and the language capacity for our diverse population, CSS will implement the recommendations within 12 months contingent on available resources.

In reviewing the Civil Grand Jury's Final Report, we noted a statement pertaining to the Los Angeles County, Commission for Older Adults, which may be misleading to other stakeholders and would like to take this opportunity to clarify. Specifically, page 338 of *"The Patient Protection and Affordable Care Act, Challenges and Opportunities for Senior Care,"* states:

*"The goal of wellness has already been adopted by the Los Angeles County Commission for Older Adults (LACCOA; <http://css.lacounty.gov/laccoa.aspx>): "It is our mission to deliver quality services that promote independence, dignity, prosperity, choice, and social well-being to seniors, adults, youth, and the business community." LACCOA has a goal to integrate care management "to promote and maintain independent living for frail elderly and adults. Care managers link clients with a full range of appropriate services and available funding sources." The budget for 2010-2011 was \$138 million."*

As an advisory board to CSS, LACCOA shares and is committed to these goals but does not provide direct services, as the paragraph implies. Rather, LACCOA serves as an advisory capacity to CSS' Area Agency on Aging (AAA), committed to making Los Angeles County one of the best communities for older adults in the nation. CSS' AAA is responsible for ensuring clients are provided with appropriate services, which are funded through federal, State, and County sources.

Thank you for the opportunity to respond and voice our commitment to address the needs and recommendations identified through the CGJ report. Should you or your staff have questions or need additional information, please contact me at (213) 637-0798 or [cbanks@css.lacounty.gov](mailto:cbanks@css.lacounty.gov) or my Special Assistant, Rafael Carbajal, at (213) 738-2065 or [rcarbajal@css.lacounty.gov](mailto:rcarbajal@css.lacounty.gov).

c:     Antonia Jiménez  
       Otto Solórzano  
       Lorenza Sanchez  
       Joyce Washington



Attachment D

**Consumer Affairs**



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**COUNTY OF LOS ANGELES  
DEPARTMENT OF CONSUMER AFFAIRS**

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Members of the Board

Gloria Molina  
Mark Ridley-Thomas  
Zev Yaroslavsky  
Don Knabe  
Michael D. Antonovich

Brian J. Stiger  
Director

*"To Enrich Lives Through Effective and Caring Service"*

July 27, 2012

To: William T Fujioka  
Chief Executive Officer

From: Brian J. Stiger  
Director

SUBJECT: **RESPONSE TO THE 2011-12 LOS ANGELES COUNTY CIVIL GRAND  
JURY FINAL REPORT**

I. **2011-2012 GRAND JURY RECOMMENDATIONS FOR "AGING OUT OF THE  
FOSTER CARE SYSTEM – TRANSITIONAL AGE YOUTH (TAYs)"**

**RECOMMENDATION NO. 1:** The Department of Consumer Affairs establish a dedicated hotline and webpage for TAYs.

**RESPONSE:** DCA has a dedicated phone number for TAYs and DCFS and Probation staff to call DCA for consumer counseling and assistance. Additionally, DCA and DCFS will provide information on their websites for TAYs, including how to protect themselves against consumer fraud and how to get assistance in resolving complaints.

**RECOMMENDATION NO. 2:** The Department of Consumer Affairs continue and expand their consumer education workshops for youth preparing to exit the foster care system (ages 16-18), at group homes, probation facilities, and designated locations per DCFS requirements for TAYs prior to their leaving foster care and probation. These consumer education workshops should address specific consumer issues facing TAYs as they prepare for adulthood to help them identify, prevent and resolve consumer issues, such as landlord/tenant disputes, car purchasing difficulties, education scams, credit/finance problems, and identity theft.

**RESPONSE:** DCA has an MOU with DCFS and Probation to work together in providing consumer protection services to foster youth, including educational workshops at group homes, probation facilities, and other designated locations.

**RECOMMENDATION NO. 3:** The Department of Consumer Affairs actively solicit volunteers, including those from the senior citizen population, to assist TAYs with consumer issues during their transition to adulthood, and also have volunteers accompany TAYs when they are seeking things such as transportation needs, renting of housing, banking, and applying for a job.

**RESPONSE:** DCA and DCFS both have strong volunteer and internship programs. The program coordinators from both departments will work together in recruiting volunteers to enhance consumer protection services for TAYs.

**RECOMMENDATION NO. 4:** The Department of Consumer Affairs provide unpaid internships for TAYs so they could gain first-hand experience in helping consumers resolve financial scams, and learn about how to protect themselves and their friends from consumer fraud. DCA consider establishing paid internships with a stipend.

**RESPONSE:** DCA and DCFS will work together to recruit TAYs to intern at DCA. TAY interns at DCA would learn how to be smart consumers and assist DCA in enhancing its consumer protection services.

## **II. 2011-2012 GRAND JURY RECOMMENDATIONS FOR “IDENTITY THEFT FOR FOSTER CHILDREN”**

**RECOMMENDATION NO. 2:** The Director of DCA, for all children that already exist in the foster care system, should clear and suppress the corrupted credit records of DCFS wards on a monthly basis as they turn 16. Assuming that birthdays are distributed evenly during any year, approximately 176 records would have to be checked by DCA each month or about nine records per day. When fraudulent credit records are deleted, they should be immediately suppressed to prevent further corruption.

**RESPONSE:** DCA, DCFS and Probation have an MOU that designates DCA as the agency to work with the major credit reporting agencies to run the credit reports of foster youth who turn 16 years old, remove corrupted records from compromised credit reports, and ensure that foster youths have a clear credit report at the time they age out of foster care.

**RECOMMENDATION NO. 4:** The Director of DCA should assume the lead role in correcting the corrupted CRB records of foster children. Corrupted CRB records of foster children should be corrected by a governmental agency such as DCA to prevent the foster child from being exposed to the expense and complexity of dealing with the various commercial agencies that deal with identity theft (see Exhibit 1).

**RESPONSE:** DCA, DCFS and Probation have an MOU that designates DCA as the lead agency to clear any corrupted records from the credit reports of foster youth. Through its outreach and education workshops to foster youth, DCFS social workers, and other stakeholders, DCA recommends against paying commercial businesses for identity theft assistance services. Instead, DCA recommends that foster youth and their caretakers contact DCA for this type of assistance, which is free of cost.

**RECOMMENDATION NO. 5:** The Director of DCA should expand its existing telephone voicemail system to add a menu number for the aged out foster children who

are encountering identity theft problems, and other problems unique to aging out of the foster care system.

**RESPONSE:** DCA has a dedicated phone line for foster youth to receive prompt and effective one-on-one assistance from an expert in identity theft crimes against foster youth. DCA believes that this level of personalized assistance is the best way to assist foster youth with identity theft crimes and other consumer issues.

**RECOMMENDATION NO. 6:** **The Director of DCA** should solicit, train, and encourage the use of senior citizen volunteers to aid the aging out foster youths in dealing with preventing future identity theft and fraud. Senior citizen DCA volunteers could be used to assist the foster youths by educating and acquainting them with resources such as the proper use of credit and debit cards.

**RESPONSE:** DCA and DCFS both have strong volunteer and internship programs. The program coordinators from both departments will work together in recruiting volunteers to enhance consumer protection services for TAYs.

Attachment E

**Coroner**



# COUNTY OF LOS ANGELES

DEPARTMENT OF CORONER  
1104 N. MISSION RD, LOS ANGELES, CALIFORNIA 90033



*Lakshmanan Sathyavagiswaran, MD*  
Chief Medical Examiner-Coroner/Interim  
Director

July 27, 2012

William T Fujioka, Chief Executive Officer  
Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713  
Los Angeles, CA 90012

Dear Mr. Fujioka,

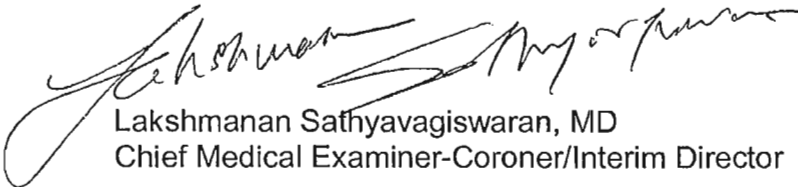
## LOS ANGELES COUNTY CIVIL GRAND JURY REPORT 2011-2012 CORONER RESPONSE

In regards to your memorandum dated July 3, 2012, attached is the Department of Coroner's response to the 2011-2012 Los Angeles County Civil Grand Jury Recommendations.

The Department agrees with all recommendations of the Civil Grand Jury which includes adoption of a new Electronic Case File System, enhanced training and response in emergencies and the replacement of the Chief Medical Examiner-Coroner upon his retirement.

If you have any questions please contact Sarah Ahonima at (323) 343-0784.

Sincerely,



Lakshmanan Sathyavagiswaran, MD  
Chief Medical Examiner-Coroner/Interim Director

### Accreditations:

*National Association of Medical Examiners  
California Medical Association-Continuing Medical Education  
Accreditation Council for Graduate Medical Education*

*American Society of Crime Laboratory Directors-LAB  
Peace Officer Standards and Training Certified*

*Law and Science Serving the Community*

**RESPONSE TO THE GRAND JURY FINAL REPORT**

**COUNTY OF LOS ANGELES-CORONER**

**SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR CORONER**

**RECOMMENDATION NO.: 1**

The Los Angeles County Office of the Coroner should assign specific employees to act as the Department Emergency Coordinator, Public Information Officer, Operations Section Chief, Logistics Section Chief, Finance/Administration Section Chief, and Coroner Representative to the County Emergency Operations Center. These positions should be filled by other specific, capable, and qualified employees in the event that those assigned employees are no longer employed by the Coroner or unable to perform the assigned duties.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

This recommendation is **completed**. Effective 7/1/2012.

**RECOMMENDATION NO.: 2**

The Los Angeles County Office of the Coroner should provide ongoing training for all employees on a regular basis.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

The Department implemented ongoing training in responding to emergencies. Training has been identified for Floor Wardens and Disaster Response Staff. A comprehensive training program will be implemented 7/2013.

**RECOMMENDATION NO.:** 3

The Los Angeles County Board of Supervisors should begin an immediate search for a replacement of the Chief Medical Examiner prior to the retirement of the current Chief Medical Examiner in 2012.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

The CEO/Board of Supervisors is responsible for the implementation of this recommendation. The position of Chief Medical Examiner-Coroner will become vacant upon retirement in 2013.

**RECOMMENDATION NO.:** 4

The Los Angeles County Office of the Coroner should seek the necessary funding for the adoption of the Electronic Case File System (ECFS) necessary for the Coroner to track and manage coroner case documents, including evidence, photographs, and other related objects or materials.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

Prior to this recommendation the Department has submitted requests for funding for FY 10/11, 11/12 without success. The Department intends through the supplemental budget process to request the necessary funding for FY 12/13.



**RECOMMENDATION NO.:** 5

The Los Angeles County Office of the Coroner should create a Senior Criminalist position dedicated to quality assurance to ensure a successful ISO Laboratory Accreditation.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

This recommendation is **completed**. The position has been created and is budgeted. The Department is in the process of recruiting applicants.

**RECOMMENDATION NO.:** 6

The Los Angeles County Office of the Coroner should purchase four additional vehicles necessary for the Coroner to provide the services necessary for the County.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

The Department is currently working with CEO to establish a budget for the vehicle replacement program.

**RECOMMENDATION NO.:** 7

The Los Angeles County Office of the Coroner should seek and purchase/pursue three generators for the Coroner for use in case of power outages during emergency situations.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

The Department is currently researching the viability of rental versus purchase. Completion of this recommendation will be based on available funding.

**RECOMMENDATION NO.:** 8

The Los Angeles County Office of the Coroner should upgrade or replace the Antelope Valley Regional Office.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

The Department has communicated with the Capital Projects Team to consider moving the Antelope Valley Regional Office into the vacated High Desert Hospital which is located adjacent to the existing Regional Office.

**RECOMMENDATION NO.:** 9

The Los Angeles County Office of the Coroner should establish a keyless card entry system for security of the building used by the Coroner.

**RESPONSE:** The Department of Coroner agrees with this recommendation.

The Department is submitting a request for funding to CEO through supplemental budget 12/13.

# Attachment F

## **Fire**



# COUNTY OF LOS ANGELES

## FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE  
LOS ANGELES, CALIFORNIA 90063-3294  
(323) 881-2401

DARYL L. OSBY  
FIRE CHIEF  
FORESTER & FIRE WARDEN

July 27, 2012

TO: EACH SUPERVISOR

FROM: DARYL L. OSBY, FIRE CHIEF

### **RESPONSES TO THE 2011-2012 LOS ANGELES COUNTY CIVIL GRAND JURY FINAL REPORT ON CALIFORNIA LABOR CODE 4850**

Below is the Los Angeles County Fire Department's response to the 2011-2012 Los Angeles County Civil Grand Jury Final Report on the California Labor Code (LC) 4850. As required by the Chief Executive Office via memo dated July 3, 2012, Fire was designated as the lead department in addressing Recommendations 2, 4, 5 and 8. The responses are provided below:

#### **RECOMMENDATION NO. 2**

*The Los Angeles County Fire Department should continue to review all cases involving presumptive injuries to assure that each injury in question is job-related.*

**RESPONSE:** The Los Angeles County Fire Department agrees with the finding.

The presumptions of industrial causation found in LC 3212 requires that the protected employee need only prove: 1) that the certain kind of medical condition designated by the statute developed or manifested during service, and 2) that he or she had the occupation designated by the statute.

Currently, the Department's Return-to-Work (RTW) Section provides the third party administrator (TPA) with the facts surrounding the alleged injury, employee's occupation, employee's length of service, and other pertinent information.

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AZUSA	CERRITOS	EL MONTE	INDUSTRY	LAKEWOOD	NORWALK	ROLLING HILLS	SOUTH GATE
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BELL GARDENS	COVINA	HAWAIIAN GARDENS	LA CANADA FLINTRIDGE	LOMITA	PARAMOUNT	SAN DIMAS	WEST HOLLYWOOD
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BRADBURY							WHITTIER

Generally, the TPA delays all non-acute workers' compensation claims (including presumptions) to obtain a medical determination on job-relatedness. Workers' compensation job-related medical determinations are usually made by a panel of qualified medical examiners (QME) or agreed medical examiners (AME). Additionally, the TPA may request an employer-level investigation to verify exposure allegations.

The RTW Section verifies that the TPA delays all non-acute workers' compensation claims, including presumptions, and facilitates employer-level investigations initiated to verify exposure allegations.

The Department has and will continue to review all presumptive injury claims. Moreover, the Department will conduct these reviews in an expeditious manner as the Department and Labor recently executed a Workers' Compensation Carve-Out Agreement, which will:

1. Provide retirees claiming a presumptive injury, as defined by LC 3212, an expedited procedure to resolve medical disputes.
2. Reduce the number and severity of disputes between the County and covered employees, when those disputes relate to workers' compensation.
3. Provide workers' compensation coverage in a way that, including but not limited to, improves labor management relations and organizational effectiveness, expedites and enhances medical treatment to employees, expedites benefit delivery, and reduces costs to the County.

These resolutions will be achieved by utilizing an exclusive list of medical providers to be the sole and exclusive source of medical evaluations for disputed issues surrounding covered employees, in accordance with LC Section 3201.7(c).

#### **RECOMMENDATION NO. 4**

*The Los Angeles County Fire Department should scrutinize requests from injured workers seeking to renew additional years of LC 4850 by considering whether changes of medical tests, exams and treatment plans have occurred.*

**RESPONSE:** The Los Angeles County Fire Department agrees with the finding.

The TPA, as well as the RTW Section, closely evaluates multiple claims to ensure that excessive LC 4850 benefits are not paid. The County Workers' Compensation Program has taken the position that LC 4850 runs concurrently on multiple claims. It is essential that all medical records are scrutinized by the TPA to ensure that medical documentation substantiates an employee's entitlement to additional LC 4850 benefits. If medical documentation does not substantiate an employee's treatment plan or

Each Supervisor  
July 27, 2012  
Page 3

entitlement to additional LC 4850 benefits, the TPA can initiate a dispute and request a medical determination or clarification from a QME.

In an attempt to improve this process, the Carve-Out Program will reduce the number and severity of disputes between the Department and covered employees by utilizing an exclusive list of medical providers to be the sole and exclusive source of medical evaluations for disputed issues surrounding covered employees in accordance with LC 3201.7(c).

#### **RECOMMENDATION NO. 5**

*The Los Angeles County Fire Department should ensure that guidelines and standards established by the Medical Treatment Utilization Schedule (MTUS), which includes American College of Occupational and Environmental Medicine (ACOEM) recommendations, are used when setting treatment plans and time off from work in order to reduce excessive absences.*

**RESPONSE:** The Los Angeles County Fire Department agrees with the finding.

The County of Los Angeles Workers' Compensation Program uses the MTUS, which incorporates ACEOM, in the administration of all workers' compensation claims. These services are performed by medical management and cost-containment vendors and applied as allowed under the workers' compensation laws.

It is important to point out that the MTUS, which includes ACOEM recommendations, are used when establishing treatment plans and does not provide evidence regarding time off from work in order to reduce excessive absences. However, it can be argued that evidence-based medicine will assist in determining an employee's ability to recover and the likelihood of returning to work.

The Department is compliant with the Grand Jury recommendations. However, as previously stated, MTUS does not specifically render or project an employee's absence from work for an illness or injury. In turn, the Carve-Out Program can be used to address the aforementioned. It is essential to understand that the Carve-Out Program does not replace the Utilization Review (UR) provisions of California law and the existing process in the County of Los Angeles but an Independent Medical Examiner (IME) shall be used for all medical disputes that arise in connection with a workers' compensation claim, including causation, nature and extent of permanent disability, ability to work, utilization review decisions and any other medical determination currently resolved by a QME or AME.

Each Supervisor  
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Page 4

**RECOMMENDATION NO. 8:**

*The Los Angeles County Fire Department should review and compare the frequency of employees' LC 4850 initial claims dates that immediately precede their retirement dates, to determine if the LC 4850 program is being used in accordance with its intent.*

**RESPONSE:** The Los Angeles County Fire Department agrees with the finding.

Currently, there is no tracking mechanism in place. However, after a joint evaluation conducted by the Department, in conjunction with the CEO's Risk Management Branch and the Los Angeles County Employee Retirement Association (LACERA), data will be evaluated to determine if there is a need to monitor the frequency of an employee's initial LC 4850 claim and its timing to the employee's retirement date. Furthermore, the Department, in collaboration with CEO's Risk Management Branch, will consult with LACERA and evaluate the utilization of LC 4850 benefits for the period immediately preceding an employee's service-connected disability retirement.

Additionally, the Department is in the process of establishing a detailed Early Return-to-Work Program for employees that are temporarily disabled due to an industrial injury or illness. The program was developed to utilize our injured workers in a temporary meaningful position other than their usual and customary job while recovering from a job-related injury.

The aforementioned program, in conjunction with the Carve-Out Program agreement, will allow efforts to be made whereby the TPA may request an Independent Medical Examiner (IME) to decide on an employee's ability to work that has already been determined by a primary treating physician, QME or AME. Hence, a potential decision on an employee's work status will allow the Department to try and reasonably accommodate an injured worker other than that of their usual and customary position until they have fully recovered. It is anticipated that LC 4850 time will be reduced by bringing injured workers back to work sooner.

If you have any questions or require further information, please contact me at (323) 881-2401.

DLO:at

c: James Hazlett- CEO



Attachment G

**Health Services**



**Health Services**  
LOS ANGELES COUNTY

Los Angeles County  
Board of Supervisors

Gloria Molina  
First District

Mark Ridley-Thomas  
Second District

Zev Yaroslavsky  
Third District

Don Knabe  
Fourth District

Michael D. Antonovich  
Fifth District

July 31, 2012

TO: William T. Fujioka  
Chief Executive Officer

FROM: Mitchell H. Katz, M.D.  
Director

SUBJECT: **RESPONSE TO THE 2011-2012 LOS ANGELES  
COUNTY CIVIL GRAND JURY REPORT**

Mitchell H. Katz, M.D.  
Director

Hal F. Yee, Jr., M.D., Ph.D.  
Chief Medical Officer

Christina R. Ghaly, M.D.  
Deputy Director, Strategic Planning

Attached is the Department of Health Services' response to the recommendations made in the 2011-2012 Los Angeles Civil Grand Jury Report. We generally concur with and have taken or initiated corrective actions to address the recommendations contained in the report.

If you have any questions or require additional information, please let me know or you may contact Tobi L. Moree at (213) 240-7901.

MHK:GCP:  
TLM:LLM

Attachment

c: Christine F. Ghaly  
Gregory C. Polk

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

Tel: (213) 240-8101  
Fax: (213) 481-0503

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RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
EXPANDING THE ROLE OF THE HUB CLINICS: AT RISK CHILDREN  
(0-5) AND VULNERABLE YOUTH (18+)

RECOMMENDATION NO. 1.1

The Directors of the Departments of Health Services (DHS) and Children and Family Services (DCFS) should consider amending their Memorandum of Understanding (MOU) to mandate coordination and oversight of the provision of mental health services (onsite or offsite of the Hub Clinics) for youth under the jurisdiction of DCFS.

RESPONSE

DHS agrees with this recommendation. DHS and DCFS will consider amending our MOU to ensure coordination of health and mental health services for children who are either: a) medical home patients of the Hub clinics or b) seen during forensic and/or initial exams where DHS documents a behavioral or mental health issue as a prominent concern. DHS will also work with DCFS and Department of Mental Health (DMH) to establish mechanisms for information sharing across DHS, DMH and DCFS so that mental health screening and treatment information is known to both treating entities.

RECOMMENDATION NO. 1.2

The Directors of DHS and DCFS should also consider amending their MOU to strongly encourage provision of ongoing primary care services at the Hub Clinics for high risk populations such as children between the ages of 0-5, non-detained youth who remain with their families while under DCFS jurisdiction, medically fragile Transition Age Youth (TAY) aged 18 or older, or those with multiple placements.

RESPONSE

DHS agrees with this recommendation. DHS is working toward implementing expanded primary care services as part of a medical home model for children in foster care, with a pilot site at one Medical Hub clinic anticipated to be operational by March 2013. DHS and DCFS will consider amending our MOU to encompass these expanded services. High risk populations including children ages 0-5 and medically fragile youth will be among those targeted for empanelment. We agree that non-detained youth who remain with their families while under DCFS jurisdiction need close monitoring and could benefit from these services; however because they remain covered by their parents' health plans, it is often difficult for DHS to receive payment for serving this population

and additional sources of funding would be required.

### RECOMMENDATION NO. 1.3

The Directors of DHS and DCFS should also consider amending their MOU to mandate that the Hub Clinics serve as a "medical home" to youth under the jurisdiction of DCFS for ongoing medical services. If that is not feasible for their caregivers, have their medical care provided by a community provider, overseen by DCFS and the court. Children's Social Workers (CSWs) should be responsible for ensuring that each child continually has a medical home while under the jurisdiction of DCFS, whether being seen at a Hub Clinic or by a community provider, and that a medical home is maintained every time the child has a placement change.

### RESPONSE

DHS partially disagrees with this recommendation. DHS is working toward implementation of a medical home model for children in foster care, with a pilot site at one Medical Hub clinic anticipated to be operational by March 2013. This will create an environment where children can have a continuity care relationship with a medical provider over time, improving coordination of care. DHS and DCFS will consider amending our MOU to encompass these expanded services; however Medi-Cal regulations do not allow DCFS to mandate that children receive ongoing care from a specific provider, so these services cannot be mandated and will be provided on a voluntary basis. DHS agrees that ensuring that each child has a medical home at either a community provider or a Medical Hub is an appropriate responsibility for CSWs to continue to perform, and we are available to assist DCFS in any work in strengthening this role as needed.

### RECOMMENDATION NO. 1.5

The Director of the Department of Health Services should track primary medical care visits at the Hub Clinics, in order to accurately quantify follow-up care for youth under the jurisdiction of DCFS, and to measure any given Hub Clinic's progress toward implementing the medical home model.

### RESPONSE

DHS agrees with this recommendation. DHS will work with the vendor for the E-mHub system to develop a new standardized system report that separates "well child" and "sick visit" appointment classifications from "follow up" and "other" appointment classifications, so that primary care visits can be separately tracked. This will quantify

follow-up care for youth under the jurisdiction of DCFS and measure a Hub Clinic's progress toward implementing the medical home model. This is targeted for completion by December 2012.

RECOMMENDATION NO. 1.6

The Directors of the Departments of Health Services and Children and Family Services should support the expansion of the Children's Medical Village at LAC+USC to provide comprehensive medical and mental health services to non-detained youth and Transition Age Youth (TAYs).

RESPONSE

DHS agrees with this recommendation. DHS is working to implement the Children's Village model at LAC+USC Medical Center, and this model is designed to serve children and adolescents of all ages, including non-detained youth and TAY, and to provide both medical and mental health services when indicated. Initial implementation has begun in July 2012, with full implementation targeted for Fall 2012.

RECOMMENDATION NO. 2.1

The Directors of DHS and DCFS should collaborate and establish staffing, resource, service level, and cost per patient visit standards for the Hub Clinics to ensure that the same mix and level of services are provided to all youth under the jurisdiction of DCFS.

RESPONSE

DHS partially disagrees with this recommendation. DHS and DCFS will collaborate to conduct an analysis of staffing, resource and service levels to determine appropriate standards. It will not be feasible at this time to establish cost per visit standards across Medical Hubs, since each is embedded in a larger facility (hospital or ambulatory care center) with different cost structures.

RECOMMENDATION NO. 2.2

The Director of DHS should redefine Hub Clinic patient visits for the clinics' statistical reports so that the classification "Follow-Up Care" is refined to distinguish ongoing medical care from Initial Medical Examination and Forensic Evaluation follow-up services.

## RESPONSE

DHS agrees with this recommendation. DHS will work with the vendor for the E-mHub system to develop a new standardized system report that separates “well child” and “sick visit” appointment classifications from “follow up” and “other” appointment classifications, so that primary care visits can be separately tracked. This will allow data reports to distinguish between ongoing medical care, initial medical examinations and forensic evaluations. This is targeted for completion by December 2012.

## RECOMMENDATION NO. 2.3

The Director of DHS should produce monthly management reports for use by the countywide director of the Hub. These reports should include at a minimum:

- patient visits by type
- patient visits per medical provider
- cost per visit
- health outcomes
- suspected cases of abuse and neglect
- other measures of productivity and outcomes

## RESPONSE

DHS partially disagrees with this recommendation. DHS will work with the vendor for the E-mHub system to create new system reports with patient visits by type, patient visits per medical provider and other measures of productivity. It will not be possible to calculate cost per visit on a monthly basis, as facility cost reports are not available until after the end of the fiscal year. Health outcomes are also not feasible for a monthly management report, since these involve tracking longer term changes over time. Suspected cases of abuse and neglect are already captured as referrals for forensic evaluations.

## RECOMMENDATION NO. 3.5

The Directors of DCFS and DHS should collaborate on the assignment of co-located Public Health Nurses (PHNs) or CSWs at every Hub Clinic to specifically follow up on missed appointments and referrals for specialized services (medical and mental). A strong emphasis and priority should be placed on non-detained youth who miss their Forensic Evaluations. When extended hours are an option at the Hub Clinic, the PHNs or CSWs should work during evening hours to conduct most of the follow ups to

increase the probability of reaching caretakers.

#### RESPONSE

DHS agrees with this recommendation, which has been partially completed. A CSW was assigned by DCFS to each of the Medical Hubs in May 2012, including two after-hours CSWs at the LAC+USC Medical Center, the only 24/7 Medical Hub. Their duties include following up on non-detained youth who miss their forensic evaluation appointments. DCFS is also currently recruiting PHNs to outstation at the Medical Hubs to help with care coordination and other activities that support children in need of follow-up care. Their duties will include following up on missed appointments and referrals for medical and mental health services, including specialty and ancillary services.

#### RECOMMENDATION NO. 3.6

The Directors of DCFS and DHS should promote the use of the Hub Clinics as medical homes for children under the jurisdiction of DCFS by providing education to CSWs about the services and benefits of the Clinics and requiring the CSWs to communicate this information to caregivers.

#### RESPONSE

DHS agrees with this recommendation. DHS will collaborate with DCFS to educate CSWs about the availability and benefits of the Hub Clinic as a medical home for children under DCFS jurisdiction as part of the communication and outreach plan for the pilot site targeted for implementation in March 2013, and for any subsequent medical homes established at additional Medical Hubs. This will assist CSWs in communicating this information to caregivers.

#### RECOMMENDATION NO. 4.2

The Directors of DHS, DCFS, and the Department of Mental Health (DMH), with input from Multi-disciplinary Assessment Team (MAT) Providers and Hub Clinic staff, should develop a structure that better integrates the MAT Assessment Process and ongoing mental health services conducted by MAT Providers and Initial Medical Examinations conducted at Hub Clinics. Similar to the processes at LAC+USC and Children's Hospital, in-depth mental health screenings should be conducted in conjunction with Initial Medical Examinations, and ongoing mental health services should be coordinated with Hub Clinic medical care.

#### RESPONSE

DHS agrees with this recommendation. DHS supports the goal of more seamless

integration of the MAT and Medical Hub assessment processes, and will collaborate with DCFS and DMH on an analysis of the processes and development of a plan for any improvements, including input from the MAT providers and Hub clinic staff. A structure has already been developed by which the MAT assessment process incorporates findings from initial medical examinations conducted at the Hub Clinics. DHS will work with DCFS and DHS to ensure that ongoing mental health services are coordinated with Hub clinic medical care for children for whom the Hub clinics serve as a medical home.

#### RECOMMENDATION NO. 5.2

The Director of DHS should require that the Hub Clinics also serve as medical homes for the medically fragile/vulnerable TAY under the jurisdiction of DCFS who are receiving services from the hospital system affiliated with each Hub Clinic.

#### RESPONSE

DHS agrees with this recommendation. DHS is working to develop a medical home model for the Medical Hub clinics, with implementation of a pilot site anticipated in March 2013. Medically fragile/vulnerable TAY under DCFS jurisdiction are ideal candidates to receive continuity care in these medical homes, and to the medical homes will serve this population.

#### RECOMMENDATION NO. 5.3

The Director of DCFS should strongly encourage DCFS youth 18 years old and older with complex mental health needs to go the Children's Hospital for mental health services or the other Hub Clinics to the extent they begin to offer age-appropriate services similar to those offered at the Children's Hospital clinic.

#### RESPONSE

DCFS is the responding department for this recommendation.

#### RECOMMENDATION NO. 5.4

The Directors of DCFS, DHS, and DMH should collaborate to identify funding resources and provide transportation services for DCFS youth 18 years old and older with complex medical and mental health needs to obtain such needed services.

#### RESPONSE



DHS agrees with this recommendation. DCFS, DHS and DMH will collaborate toward the goal of assisting this population with transportation needs, and will work together to identify potential resources.

RECOMMENDATION NO. 5.5

The Directors of DCFS and DHS should identify resources, possibly including reallocating already approved Title IV-E waiver funds, for LAC+USC to expand its Children's Medical Village to include medical services for TAY, which would require staffing the Children's Medical Village with providers that have both pediatrics and adult medicine training, as well as access to Adult Protective Services social workers.

RESPONSE

DHS agrees with this recommendation. DHS has allocated resources for the Children's Village to include providers trained in both Internal Medicine and Pediatrics (Med-Peds), and who are well-equipped to provide medical services for adolescent and TAYs into adulthood. In addition, there are Adult Protective Services social workers already working in the Children's Village area. The Children's Village has begun initial implementation in July 2012 and will be fully operational in Fall 2012.

RECOMMENDATION NO. 5.6

The Directors of the DCFS and DHS should provide additional training to current medical providers at the Hub Clinics to better identify medical and mental health needs of TAY, and ensure linkages to specialized adolescent medicine and mental health, in order to provide age appropriate services for youth with expanded foster care services under AB 12.

RESPONSE

DHS agrees with this recommendation. DHS Medical Hubs currently serve the TAY population. As Recommendation 1.1 is implemented, linkages and coordination with mental health services for the TAY population are expected to be improved. DHS will collaborate with DCFS and DMH to identify training opportunities for Medical Hub providers in identifying medical and mental health needs of TAY and ensuring linkages to specialized adolescent medicine and mental health. In addition, DHS will coordinate with DCFS TAY services to ensure case management is provided to ensure a successful transition from Hub services to adult medical services as needed.

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
THE PATIENT PROTECTION AND AFFORDABLE CARE ACT –  
CHALLENGES AND OPPORTUNITIES FOR SENIOR CARE

RECOMMENDATION NO. 3

The Director of the Los Angeles County Department of Health Services (DHS) should:

- Take advantage of the opportunity to initiate change in delivery of care, and the integration of the "medical home" concept across department programs and services for seniors.

RESPONSE

DHS agrees with the recommendation to continue reform in the outpatient model of health care delivery. DHS is in the process of rolling out the Patient-Centered Medical Home (PCMH) model of care system-wide and anticipates that the majority of DHS primary care providers will practice according to a PCMH model of care by the end of 2012. The PCMH model is designed to integrate and coordinate care for empaneled patients, including seniors who have been assigned to and empaneled within DHS medical homes. Care managers serving patients within the PCMH will serve as a point person for optimizing and integrating services available within DHS for their empaneled patients.

- Seek opportunities for team building to address implementation of the Affordable Care Act (ACA) initiatives in an "aging in place" modality

RESPONSE

DHS agrees with the recommendation to build the awareness and capabilities of its medical home teams to work in partnership with other County Departments, health plans, and external agencies/stakeholders in order to encourage and support "aging in place." DHS is in the process of implementing this recommendation over time; by the end of 2012, Managed Care Services will aim for education of all DHS PCMHs regarding available service linkages for empaneled patients. Additional information will be continually communicated to PCMHs over time as needed or as new information is available.

- Develop a strategy for the Board of Supervisors that extends the "aging in place" model for seniors in LA County

RESPONSE

DHS agrees with this recommendation of developing, in partnership with the CEO and Community and Senior Services, a strategy to present to the Board of Supervisors on extending the "aging in place" model for seniors in LA County. DHS and other County departments expect to gain substantial experience in the upcoming dual-eligible demonstration program on ways to extend the aging in place model to seniors broadly. CMS and DHCS project it will take approximately 3 years for the demonstration to lead to real improvements in the ability of dual-eligible individuals to age in place. As such, DHS will begin developing this strategy after the completion of the third year of the Dual-Eligible pilot in June 2016, with plans to present the strategy to the Board by the end of 2016.

- Participate in a Dual Eligible Pilot to the fullest extent possible.

RESPONSE

DHS agrees with this recommendation. DHS, as well as other County departments including DPSS, CSS, DPH, and DMH, plans to maximize participation in the Dual Eligible Pilot where feasible. The pilot is currently scheduled to begin enrolling dual-eligible beneficiaries in June 2013. In the intervening 12 months, DHS will continue preparations that will help to maximize participation. DHS will be at a point to initially evaluate the impact of its participation one year after the pilot starts (i.e., June 2014).

- Develop a comprehensive evaluation of the challenges and cost/benefits of the pilot at one and three years into implementation for the purposes of examining the merits and ways to expand the program to the general population.

RESPONSE

DHS agrees with this recommendation. DHS eagerly anticipates the launch of the dual-eligible pilot in June 2013 and agrees with evaluating the challenges and cost/benefits of the pilot beginning at Year 1 of implementation (i.e., June 2014) and Year 3 of implementation (i.e., June 2016) in order to examine the merits of the pilot and ways to expand relevant programs/services to DHS' general population, where applicable and feasible.

Attachment H

**Mental Health**

**COUNTY OF LOS ANGELES**

MARVIN J. SOUTHARD, D.S.W.  
*Director*

ROBIN KAY, Ph.D.  
*Chief Deputy Director*

RODERICK SHANER, M.D.  
*Medical Director*



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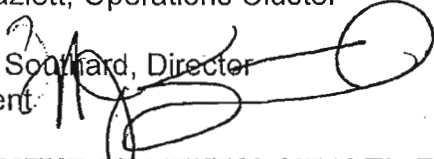
550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601  
Fax: (213) 386-1297

July 30, 2012

TO: William T Fujioka, Chief Executive Officer  
Chief Executive Office

ATTENTION: James Hazlett, Operations Cluster

FROM: Marvin J. Southard, Director  
Department: 

SUBJECT: **DEPARTMENT OF MENTAL HEALTH RESPONSES TO THE  
2011-2012 GRAND JURY REPORT**

Attached are the Department of Mental Health's responses to the 2011-2012 Grand Jury Report. The sections pertaining to are Child Death Mitigation Sections 2.8, 3.3, 3.5, and 5.4, and Expanding the Role of the Hub Clinics At-Risk Children (0-5) and Vulnerable Youth (18+) Sections 3.3, 4.1-4.3, and 5.4.

Please feel free to contact me at (213) 738-4601, or your staff may contact Dr. Gregory Lecklitner at (213) 739-5466.

MJS:RK:MM:cm

Attachments

c: Dr. Robin Kay, Chief Deputy  
Bryan Mershon, Acting Deputy Director  
Dr. Gregory Lecklitner, District Chief

*"To Enrich Lives Through Effective And Caring Service"*

## RESPONSE TO THE GRAND JURY FINAL REPORT

### COUNTY OF LOS ANGELES – DEPARTMENT OF CHILDREN AND FAMILY SERVICES

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
CHILD DEATH MITIGATION

#### RECOMMENDATION

##### **Recommendation 2.8 – The Director of the Department of Children and Family Services (DCFS)**

Cross reporting standards. The Director of DCFS should develop clear working protocols that include standards for cross-reporting and information-sharing among DCFS, DMH, and Law Enforcement. These protocols will need to balance:

- Law enforcement's requirements for evidence, intent, motive and measures needed to avoid prejudicing the case.
- DCFS's approach to risk assessment and family maintenance.

A clearer understanding and respect for all parties' goals should lead to more effective actions and results for all involved.

#### RESPONSE

Agree. This recommendation has been implemented.

DCFS and DMH have worked extensively over the past several years to strengthen and expand opportunities to share information to better respond to alleged child abuse and neglect and coordinate care for those children and youth who have been the subject of abuse and neglect. There are currently a variety of information-sharing protocols in place that provide for requirements for information sharing and opportunities to share information through such mechanisms as multidisciplinary teams (MDTs). Several examples of these mechanisms include:

- The Family and Child Index (FCI)
- Automated DMH Alerts to DCFS
- A DCFS and DMH workgroup related to sharing information.
- A DMH Policy regarding Mandatory Reporting of Child Abuse and Neglect
- A DCFS policy and form to expedite sharing of mental health information
- Training of Child Welfare and Mental Health Staff in a Shared Core Practice Model
- The Co-location of DMH staff in each of the eighteen DCFS Regional Offices
- The Coordinated Services Action Team (CSAT) and Training

##### **The Family and Child Index**

The County's FCI is an existing interagency system whose creation was authorized by Welfare and Institutions Code (WIC) section 18961.5 which was written by ICAN and enacted in 1992. Essentially, the statute allows children services, health services, law

enforcement, mental health services, probation, schools, coroner, and social services agencies within counties to have the ability to share specific identifying information of families at-risk for child abuse or neglect for the purposes of forming a multi-disciplinary team (MDT). Specifically, the designated provider agencies can share: the name; address, telephone number, and date/place of birth of family members; the number assigned to the case by each agency; name and telephone number of each employee assigned to the case from each agency; and, date(s) of contact between each agency and family member(s). Family and Children's Index accumulates this basic family and case-level information by downloading, from participating agency databases, records that match certain "at-risk" thresholds. Participating provider agencies have entered into a Memorandum of Understanding (MOU) which sets forth the County's "at-risk" standards. Pursuant to the MOU, information contained in FCI can only be accessed by department heads, their designated representatives, and members of MDTs. Serving as a "pointer" system authorized end-users can use FCI to identify participating agencies. Once participants are pointed to the correct agency(ies) the statute mandates the convening of MDTs where confidential, substantive information about the family can be shared.

#### **Automated DMH Alerts to DCFS**

Beginning in April of this year, DMH initiated an automated process by which certain children's mental health information would be provided to case carrying Children's Social Workers for the purpose of coordinating care. Each week DCFS and DMH conduct a match of their client databases and determine which clients are being mutually served by the two departments. For those clients with open cases in both systems, DMH selects a limited but critical set of mental health service information from the department's Integrated System (IS) and shares this information with DCFS which, in turn, routes the information to the child's case carrying Children's Social Worker and their assigned Supervising Children's Services Worker. This information allows the Children's Social Worker to know the name of the agency which is providing services to the child, the name and phone number of the contact person within the agency, and the date and type of service being provided. The Children's Social Worker is also provided with a hyperlink which allows them access to several years of mental health service history for each of their clients. These alerts are provided on a weekly basis and are updated whenever there are significant changes in the mental health services history.

#### **A DCFS and DMH workgroup established to support information sharing**

In 2008, the DCFS Child Welfare Mental Health Services Division established an on-going workgroup, inclusive of staff from DCFS, DMH, Regional Center, County Counsel, and Children's Law Center to identify and resolve barriers related to the authorization of consent for mental health services and release of information for children involved with DCFS. The group continues to meet on a monthly basis to develop policy, procedures, and training for staff and partners of DCFS and DMH.

#### **A DMH Policy Regarding Mandatory Reporting of Child Abuse and Neglect**

In March of 2012, DMH issued an updated policy (DMH Policy 202.08) regarding the requirement for mandated reporters to report suspected child abuse and neglect. The

policy requires all mandated reporters to fully comply with legal requirements and ethical codes in reporting suspected child abuse and/or neglect. The policy also specifies that, prior to commencing employment with DMH, all new staff shall be required to sign a DMH Child Abuse and Neglect Reporting Act Acknowledgement Form stating they have knowledge of the California Child Abuse and Neglect Reporting Act and have received a copy of the DMH policy on this subject.

#### **A DCFS Policy and Form Outline Procedures for Children's Mental Health Information to be Shared with DCFS**

In June of 2012, DCFS issued an updated Procedural Guide, 0600-500.20, Protected Health and Medical Information: Access and Sharing, and associated DCFS form, DCFS 179-PHI, providing the policy and procedures for release of mental health information from DMH to DCFS. Essentially, mental health providers are permitted to share mental health information deemed necessary to coordinate care and treatment of the child or youth without signed authorization from the parent or Court. However, the DCFS 179-PHI was developed for the Children's Social Worker to document authorization by the parent for mental health providers to share information. Although the law does not require the parent's authorization, the form was developed to assure providers who may otherwise have concerns to release or share information necessary for DCFS to coordinate the care and treatment of children in an open DCFS case.

#### **Training of Child Welfare and Mental Health Staff in a Shared Core Practice Model**

DMH, DCFS, and Probation have adopted a shared Core Practice Model which provides a set of values, principles, and practices to be adhered to when providing services to children, youth, and their families. The Core Practice Model emphasizes a set of practice standards that includes teaming with other service providers. In particular, for clients served concomitantly by DMH and DCFS, there is an expectation that each child will be served with a Child and Family Team (CFT). These CFTs are made up of the various formal and informal supports that are necessary to meet the needs of the child and family, including child welfare, mental health, and probation staff.

The County has devoted significant resources to training and implementing the Core Practice Model and the Child and Family Team process and has seen a significant increase in collaboration between the participating members.

#### **The Co-location of DMH Staff in Each of the Eighteen DCFS Regional Offices**

DMH currently has over 170 staff members co-located within each of DCFS Regional Offices. These co-located staff provide an essential mechanism by which Children's Social Workers and DMH Clinical Staff can exchange information and work together to promote the objectives of their respective departments, including safety, permanency, stability, and well-being. DCFS Children's Social Workers conduct mental health screens of their clients and pass these screens along to their DMH counterparts who are able to provide consultation, intervention, and service linkage. To date, over 23,000 DCFS children have benefitted from this collaborative effort.



### **The Coordinated Services Action Team (CSAT) and Training**

Coordinated Services Action Teams (CSAT) are regionally based clinical management teams established in 2009 to help Children's Social Workers (CSWs) identify families' strengths and needs and match those needs with available community based services. The CSAT work with CSWs to help them identify and coordinate different types of assistance that would be of benefit to families and also reduce service duplication. CSWs receive support from clinical management teams to navigate the complexities of child welfare, health, mental health, education, the regional center and social services agencies, including when and how to access needed mental health information. CSAT training was provided to all DCFS staff from April 2009 – August 2011, which included training on the procedures for release and sharing of information.

### RECOMMENDATION

#### **Recommendation 3.2 – The Director of Department of Children and Family Services (DCFS)**

Build on DMH's Community-based models and success. The Director of DCFS should incorporate the following DMH programs and strategies into child death mitigation efforts:

- "Strengthening Families" framework
- The use of "protection factors" as part of the promotion and prevention efforts, combined with the "core practice" model.
- "Parents in Partnership" program as a resource for families.
- The piloted, community-based program, "It Takes a Community" (ITC), with the Magnolia Place Community Initiative.

### RESPONSE

Agree. The first three models or programs, the Strengthening Families Framework, the use of protective capacities, and the Parents in Partnership (PIP) program have been implemented, while the ITC program requires further analysis.

The Strengthening Families Framework and protective capacities have been incorporated into the DCFS and DMH shared Core Practice Model and in-depth coaching model currently rolling out. Additionally, the Parents in Partnership program is currently operational at DCFS with 37 PIPs currently employed.

The ITC offers much promise as a model of collaboration and proactive approach to addressing the conventional "silos" that dampen communications and focus on problems rather than solutions and on prevention rather than just intervention.

Managers from the DMH Children's System of Care who have been involved in these efforts, along with community partners, will work with DCFS to incorporate the values, principles, and strategies associated with these initiatives into the DCFS death mitigation efforts.

A determination about the feasibility of expanding the ITC will be completed by January 2013.

## RECOMMENDATION

### **Recommendation 3.3 – The Director of the Department of Mental Health (DMH)**

Potential adaptation of the UCLA Focus program. The Director of Mental Health and the Director of DCFS should approach officials of the Focus program at UCLA to determine if it can be adapted to help reunified families.

## RESPONSE

Agree. This recommendation requires further analysis.

The UCLA Focus (Families Overcoming Under Stress) program provides resiliency training for military children and families, teaching practical skills to meet the challenges of deployment and re-integration. While this program has not been used to assist families who are re-unifying following a separation related to child abuse or neglect, DMH and DCFS are interested in examining whether this model could be adapted to help reunified families.

DMH and DCFS managers will meet with the developers of the FOCUS program to determine their interest and ability to extend their work to this population.

A determination about the feasibility of such an effort will be completed by October 2012.

## RECOMMENDATION

### **Recommendation 3.5.1 – The Directors of the Department of Mental Health (DMH) and Department of Children and Family Services (DCFS)**

The Director of Mental Health and the Director of DCFS should better address the mental health needs of adults in high-risk families.

## RESPONSE

Agree. This recommendation requires further analysis.

DMH and DCFS share an interest in improving services to better meet the mental health needs of adults in high-risk families, such as those served by DCFS. The Mental Health Services Act (MHSA) has already provided support for the development of Full Service Partnership (FSP) services to address the mental health needs of those adults needing the most intensive levels of outpatient care, while Prevention and Early Intervention (PEI) funds have been used to implement a broad range of evidence-based practices related to trauma, anxiety, and depression.

To date, the focus of mental health services for DCFS involved families has largely been on the children and youth who have been the subject of abuse and neglect and the development of programs and processes to ensure access to high quality mental health services for these individuals. Much of this work has been driven by the County's obligations associated with the Katie A. class action settlement agreement. DMH and DCFS agree to form a workgroup that will include department managers and adult

mental health providers to examine ways in which adult mental health services can be better targeted to meet the needs of adults involved in the child welfare system.

This group will issue a report of findings and recommendations by January, 2013.

#### RECOMMENDATION

##### **Recommendation 3.5.2 - The Directors of the Department of Mental Health (DMH) and Department of Children and Family Services (DCFS)**

The Director of Mental Health and the Director of DCFS should consider creating a multidisciplinary group to:

- Identify best clinical practices to aid at-risk children and adolescents as they transition from mental health and substance abuse treatment to school, family and community support.
- Promote a more supportive transitional period through information exchange between in-patient providers and professionals and agencies in the community.
  - Participants should include: County Departments-DMH, DCFS, DHS, Probation and LACOE, LAUSD, Acute in-patient treatment providers, Out-patient mental health and substance abuse treatment providers, members of the child death review team. [Dr. Greg Lecklitner and Dr. Brian Mershon]

#### RESPONSE

Agree. The recommendation has been implemented.

The Dept. of Mental Health established the Los Angeles County Suicide Prevention Network in September 2010. It consists of approximately forty members that include mental health experts, providers, advocates, survivors, and researchers (including representatives from DMH, DCFS, Public Health, LACOE, LAUSD, mental health programs (inpatient & outpatient), and members of the Child Death Review Team). Among the Network's goals are: to identify best practices for suicide prevention, including clinical practices that address the needs of high risk populations (e.g., children and youth transitioning from mental health and substance abuse treatment to school, family and community support); and to promote information exchange between inpatient providers and community-based mental health and other agencies relative to discharge planning, case coordination, suicide risk assessment, etc.

#### RECOMMENDATION

##### **Recommendation 3.5.3 – The Director of the Department of Children and Family Services (DCFS)**

The Director of DCFS should ensure that all DCFS employees during their first year of employment and contract providers serving DCFS clients and families have skills training in suicide risk identification and management.

Proof can be some form of certification or evidence of completion of the skills training. A good source for such training is the 17 competencies of suicide risk identification and

management, developed by the American Association of Suicidology and the Suicide Prevention Resource Center.

This certification of completion will ensure that all mental health clinicians providing services to DCFS clients are proficient in skills for assessing and managing suicide risk.

RESPONSE

Agree. This recommendation is being implemented.

During the past 3 years, the Department of Mental Health's Partners in Suicide Prevention (PSP) Team has sponsored as well as conducted ongoing trainings for clinicians (including contract providers serving DCFS clients and families) in best practice suicide prevention models such as ASIST and AMSR (Assessing and Managing Suicide Risk) that address the competencies of suicide risk identification and management developed by the American Association of Suicidology and the Suicide Prevention Resource Center. PSP Team members have further initiated 3-hour training sessions to provide suicide awareness, prevention, and intervention for DCFS staff and DMH staff co-located in DCFS regional offices. It is anticipated that nearly all frontline DCFS staff (e.g., CSWs), program representatives, supervisors, etc. will receive this training over the next 2 years.

RECOMMENDATION

**Recommendation 5.2 - The Director of the Department of Children and Family Services (DCFS)**

Multidisciplinary teams. The Director of DCFS should evaluate the relative cost and efficacy of multidisciplinary teams to undertake the initial entry, safety, and risk evaluations required of CPHL referrals. This approach should build on the lessons learned at DCFS with its multi-disciplinary Team Decision-Making (TDM) approach and co-location of DMH, DPH and DCFS professionals stationed in the field at night.

RESPONSE

Disagree. The recommendation will not be implemented because it is not financially reasonable.

The Departments are unable to hire the staff necessary to carryout this recommendation. That said, DMH, DCFS, and Probation have adopted a shared Core Practice Model which provides a set of values, principles, and practices to be adhered to when providing services to children, youth, and their families. The Core Practice Model emphasizes a set of practice standards that includes teaming with other service providers. In particular, for clients served concomitantly by DMH and DCFS, there is an expectation that each child will be served with a Child and Family Team (CFT). These CFTs are made up of the various formal and informal supports that are necessary to meet the needs of the child and family, including child welfare, mental health, health, and probation staff.

RECOMMENDATION

**Recommendation 5.4 – The Directors of the Department of Children and Family Services (DCFS) and the Department of Mental Health (DMH)**

Grief counseling for DCFS staff and families involved with child fatality cases. The Director of DCFS and the Director of DMH should develop a debriefing and support process for DCFS staff when a child or family member in one of their cases dies.

RESPONSE

Agree. This recommendation requires further analysis.

Currently, DCFS staff and families involved with child fatality cases are referred for mental health services, however a consistent and routine process for all staff and families in such situations is not in place. By January of 2013, the DCFS Child Welfare Mental Health Services Division and the DMH Child Welfare Division will work with DCFS Internal Affairs and the DMH Emergency Outreach Bureau to develop and implement such a process.

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
EXPANDING THE ROLE OF THE HUB CLINICS:  
SECTION 4. MENTAL HEALTH SERVICES THROUGH DMH

RECOMMENDATION

**Recommendation 3.3 – The Directors of the Department of Children and Family Services (DCFS) and the Department of Mental Health (DMH)**

The Directors of the Departments of Children and Family Services and Mental Health should collaborate on a system that refers non-detained youth remaining in their family homes and their parents to outpatient mental health services for a period of six months after the date they enter into the child welfare system.

RESPONSE

Agree. This recommendation has already been implemented.

The Department of Mental Health and the Department of Children and Family Services have established a system by which all children who are the subject of an open case within the County's child welfare system are screened for mental health issues, including those children and youth who are not detained. All children who screen positive are referred to DMH staff co-located in each of the DCFS regional offices who triage these referrals to community providers based upon the acuity and type of service needed. The services provided include a broad range of mental health care, including crisis stabilization, assessment, individual, family and group therapy, case management, medication support as well as intensive outpatient services such as Wraparound, Full Service Partnerships, Treatment Foster Care, and Therapeutic Behavioral Services.

RECOMMENDATION

**Recommendation 4.1 – The Director of the Department of Mental Health (DMH)**

The Director of the Department of Mental Health should make the more in-depth screening tool available to all Hub Clinics and train staff on how to use the more in-depth screening tool to standardize mental health screens.

RESPONSE

Agree. This recommendation has not yet been implemented, but will be addressed by December, 2012.

The Department of Mental Health will work with the Department of Children and Family Services and the Department of Health Services to encourage the Hub Clinics to use the Child Welfare Mental Health Screening Tool that is currently being used by the Department of Children and Family Services and the Department of Mental Health as a screening tool. This more comprehensive screening tool is available in alternative versions, one for children birth to five, and one for children and youth five and older.

This tool also provides information that is used to assist in determining the acuity of the presenting problems.

These screening tools are used in all 18 Department of Children and Family Services regional offices and are the basis of mental health referrals to the co-located Department of Mental Health staff.

#### RECOMMENDATION

##### **Recommendation 4.2 – The Directors of the Department of Mental Health (DMH) and Department of Children and Family Services (DCFS)**

The Directors of the Departments of Health Services, Children and Family Services, and Mental Health, with input from MAT Providers and Hub Clinic staff, should develop a structure that better integrates the MAT Assessment Process and ongoing mental health services conducted by MAT Providers and Initial Medical Examinations conducted at Hub Clinics. Similar to the processes at LAC+USC and Children's Hospital, in-depth mental health screenings should be conducted in conjunction with Initial Medical Examinations, and ongoing mental health services should be coordinated with Hub Clinic medical care.

#### RESPONSE

Agree. This recommendation has already been implemented.

Every newly detained child and youth receives an in-depth mental health assessment through the MAT program. The MAT assessor gathers information related to the child or the youth's functioning, strengths, needs, emotional, developmental, and educational and trauma history. As part of the MAT assessment process the MAT provider collaborates with the Hub clinics to obtain the initial medical exam and mental health screening tool to integrate into the MAT Summary of Finding report.

In addition to the MAT assessments, the MAT assessor participates in the MAT Summary of Finding Meeting for the purpose creating the Child and Family Team, collaborating on case plans and providing appropriate linkage for ongoing mental health services.

The Department of Mental Health will continue to collaborate with the Department of Health Services, the Department of Children and Family Services, the MAT providers, and the Hub Clinics to improving the coordination of MAT and Hub Clinic activities through the ongoing meeting structures established to coordinate these services.

#### RECOMMENDATION

##### **Recommendation 4.3 – The Director of the Department of Mental Health (DMH)**

The Director of the Department of Mental Health should address the following issues in amending agreements between DMH and MAT Providers in the same service area:

- Providing office hours for mental health screenings and/or ongoing services at all Hub Clinics.
- Considering alternative contracting options to better align services needed by youth with those actually provided by MAT Providers.

- Better oversight of the distribution of referrals and provision of ongoing mental health services among MAT Providers.

#### RESPONSE

Disagree. The recommendation will not be implemented because it is not warranted or is not reasonable.

The recommendations provided on this subject would appear to be contra-indicated and detrimental to the system that is currently in place. Mental health screening, assessment and treatment are largely driven through the Coordinated Services Action Teams (CSAT) process that was put into place pursuant to the Katie A. Strategic Plan (2008). This process ensures that all children who are entering the child welfare system, both newly detained and new cases that are not detained, as well as all existing cases are provided with a mental health screening. Those screening positive are either referred to a MAT provider (in the case of newly detained children) or to the DMH co-located staff in the DCFS regional offices. The MAT and CSAT operations are critical elements of the system that has been put into place to efficiently identify children in need of mental health services and to provide them access to needed services as quickly as possible. Since September of 2011 these systems have effectively triaged over 23,000 children into the children's mental health system.

DMH currently has a system in place by which MAT providers meet at the service area level to coordinate and improve services and there is also a MAT Best Practice Workgroup that meets on a regular basis to improve the quality of the MAT service and process.

DMH and DCFS also work closely with the MAT and Hub Clinic operations to coordinate service delivery and these efforts are ongoing.

There is also a strong relationship between the DCFS and DMH MAT operations and issues of service coordination and oversight of referrals is managed effectively through ongoing communications between the two departments.

#### RECOMMENDATION

##### **Recommendation 5.4 - The Director of the Department of Mental Health**

The Directors of the Departments of Children and Family Services, Health Services, and Mental Health should collaborate to identify funding resources and provide transportation services for DCFS youth 18 years old and older with complex medical and mental health needs to obtain such needed services.

#### RESPONSE

Agree. DMH will work in collaboration with DCFS and Health Services to identify funding resources and provide transportation services for DCFS youth 18 years old and older with complex medical and mental health needs to obtain such needed services.



Attachment I

**Office of Education**



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# Los Angeles County Office of Education

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Leading Educators ▪ Supporting Students ▪ Serving Communities

Arturo Delgado, Ed.D.  
Superintendent

July 27, 2012

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Board of Education

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## 2011-2012 Grand Jury Recommendations for Education of Incarcerated Juveniles

### RECOMMENDATION NO. 1

Address the situation of the frequent use of substitute teachers. Long-term substitutes must be trained with the regular teachers for continuity of the education program. Change to a traditional, September-June calendar, to parallel other districts in Los Angeles, with staff development occurring primarily during the summer. Summer school could be provided for remedial and elective courses. This would give teachers, who prefer working year-round, an opportunity to do so.

### RESPONSE

LACOE agrees with this recommendation.

LACOE shares the concerns regarding the use of substitutes and has undertaken several efforts to manage their use. For example, LACOE now offers an attendance incentive program to reward those teachers with perfect attendance, with the intent of decreasing the number of substitutes requested in a given school year. Secondly, to maintain the integrity of instruction in a classroom taught by a substitute teacher, long-term substitutes, particularly at McAuliffe (Camp Jarvis, Camp McNair, Camp Onizuka), receive extensive training alongside the faculty. Training focuses on a variety of topics, including the use of instructional technology, student performance data (e.g., Datawise), use and implementation of the Northwest Evaluation Association (NWEA) assessment program, Professional Learning Community, English Language Arts, Literacy, and Positive Behavior Intervention System (PBIS). Day-to-day substitutes who are present during a day of training also participate in the training.

Thirdly, McAuliffe has taken the lead in grouping vacation days and eliminating most full-day trainings, opting instead to offer trainings after school or on weekends at McAuliffe and not at the LACOE administrative center in Downey. It is believed that these efforts significantly contributed to a decrease in the rate of absenteeism from 60 to 20 percent. LACOE appreciates that some staff orientation and training will be offered during summer to further minimize the need for substitutes, but recognizes that some ongoing staff development must be offered throughout the year to be most effective.

Finally, and perhaps more important, LACOE has successfully negotiated a change in the school year through the teacher collective bargaining agreement with LACEA, the teachers' union. Under the agreement, LACOE court schools will run a ten-month program (similar to a traditional calendar), with two five-week summer school intersessions. Teachers are required to work the ten-month calendar and one intersession. Earned vacation has been eliminated. This effort will allow teachers to take time off during their month off and not take vacation during the school year, thus minimizing the total number of substitutes used during the school year.

#### RECOMMENDATION NO. 2

Expand the use of computers and technology for students' education, and provide technical support for teachers.

#### RESPONSE

LACOE recognizes the need for integrating technology and instruction and has invested a significant amount of money and resources to implement a series of programs designed to bridge the technology gap among staff and students. For example, each school site is equipped with iPads, LCD projectors, and Smart Boards to make teaching and learning more engaging and interactive. Additionally, each school site now has mobile labs (laptop carts) and/or desktops to access Achieve 3000, a computer-based intervention program that focuses on vocabulary development, reading comprehension, critical thinking, and writing skills at each student's performance level; Read 180, a reading intervention program that targets students who read at or below the fifth-grade level; and NWEA, a computer-based comprehensive assessment program with the capacity to measure a student's immediate academic needs and long-term academic growth. Staff members are currently on a training schedule to effectively use the NWEA technology associated with their particular work assignment. School site data teams, counselors, and administrators were trained in early July, 2012; all teachers who are currently on track (working during first five-week intersession of the new summer work schedule) will complete their training by August 3, 2012; and all teachers who are currently off track (scheduled to work the second five-week intersession of new summer work schedule) are set to be trained October 2-4, 2012. Moreover, data coaches are assigned to each

school site and meet weekly with staff and then provide one-on-one instruction with individual teachers.

In addition to the technology-related programs and resources mentioned above, students in the math class at McAuliffe have access to five desktop computers specifically for Apangea Math, a math skills development intervention program that targets students who are performing well below grade level. Also, many students at McAuliffe are now enrolled in the recently established AdvancePath Academy, an online credit recovery program designed to help students make up credits at an accelerated, but self-paced, rate. LACOE plans to invest in additional technology as it seeks to launch its own computer-based credit recovery program at additional sites during the second half of the current school year.

#### RECOMMENDATION NO. 3

Have teachers observe classes at the Road to Success Academy to better implement the reforms detailed in the CERC report to the Board of Supervisors.

#### RESPONSE

Some LACOE teachers have observed classes at the Road to Success Academy, particularly at the end of the unit exhibitions where students have the opportunity to showcase their thematic projects through presentations to students, staff members, and guests. LACOE is in the process of exploring and assessing several project-based instructional models for incarcerated youth, including the Missouri Model and the Maya Angelou Academy. The goal is to take the most salient features of each model, including Road to Success Academy, and synthesize them into a viable model that complements existing reform projects such as Achieve 3000, Read 180, Paxton Patterson, online credit recovery, etc., to meet the needs of students at particular school sites. Such instructional models are currently being considered for Camp Kilpatrick, Camp Munz, and Camp Mendenhall. LACOE agrees that observation of successful programs can be enlightening for staff and instrumental to the process of making such programs available to more students served by its system of schools.

#### RECOMMENDATION NO. 4

Strengthen the teacher evaluation process by frequent well-documented observations and counseling for improvement. With these provisions, teachers who do not meet expectations could choose to leave for a more suitable position, or they could be removed from their teaching positions at the camps and halls.

#### RESPONSE

LACOE agrees.

All LACOE teachers assigned to a camp or hall who were due for an evaluation received an evaluation from their assigned supervisor this past school year. Site administrators were tasked with the responsibility of evaluating all staff and received adequate training and support on the teacher evaluation process. Site administrators discussed goals and expectations with their staffs to ensure a common understanding of teacher evaluation protocol and performance expectations. In addition to the scheduled formal evaluation instructional observations, all school administrators were instructed to conduct regular classroom visits to observe teaching and learning and provide constructive feedback to teachers. School administrators at McAuliffe completed informal (unscheduled) visits at least five times a week and offered informal feedback in writing each time. As part of the accountability process, LACOE chose to non-reelect eight first-year LACOE teachers and placed an additional nine teachers on performance improvement plans this past school year.

To further strengthen the evaluation process and, therefore, teaching and learning, LACOE has contracted with Cross and Joftus to train all school administrators on Focused Classroom Walkthroughs. Half of all administrators received the initial training in early July of 2012; the other half is scheduled to receive the training in mid August of 2012, with additional training, coaching, and structured classroom visits for all administrators scheduled to take place during the school year. Additionally, LACOE is in the process of establishing a professional development plan for all school administrators to enhance their capacity as instructional leaders.

#### RECOMMENDATION NO. 6

Address scheduling challenges of vocational education. Vocational education should be an integral part of the program at the camps.

#### RESPONSE

LACOE agrees that vocational education at times presents scheduling challenges. One of LACOE's goals is to include vocational education courses in the master schedule or traditional instruction day. Each of the camps and halls has initiated the implementation of vocational education courses as part of their instructional program. For instance, the Building Trades vocational program through Paxton Patterson has been fully implemented at McAuliffe and is currently in the process of initial implementation at Nidorf Juvenile Hall, Camp Munz, Camp Miller, Camp Scott, and partially at Camp Scudder. Also, the Life Skills module of the Paxton Patterson program is being implemented at each of the halls. Furthermore, courses in health care, culinary arts, and fashion design are offered at Road to Success Academy; automotive and culinary arts at Camp Gonzales; forestry services at Camp Paige; culinary arts at Camp Rockey; and culinary arts, veterinary services, and landscaping at McAuliffe.

Noticeable progress has been made in including vocational courses in the traditional master schedule. McAuliffe has led this change effort, although like other school sites, it too has experienced challenges given the relatively small size of its master schedule combined with the diversity of course offerings and the multiple academic needs of students. It is LACOE's expectation that all challenges to fully include vocational courses in the master schedules at all camps and halls will continue to be addressed to give all students access to a comprehensive and diverse curricular program.

RECOMMENDATION NO. 7

Implement a program for volunteers at the camps. A dedicated coordinator position in LACOE, or at various juvenile detention sites, would expand the involvement of the community.

RESPONSE

LACOE agrees that volunteers can be an important component of a successful program. Accordingly, great strides have been made to ensure that students have the opportunity to benefit from the knowledge and services of volunteers representing a variety of fields and areas of expertise. For example, several schools receive volunteers from local colleges (e.g., Pitzer) and universities (e.g., Pepperdine and Northridge) who assist students with academic support in various subject areas, particularly in English and math. Also, some schools have established relationships with volunteers (e.g., Talking In Class) who visit classrooms as guest speakers to discuss issues such as sexism, racism, and bullying. Road to Success Academy has, by far, the most volunteers of all schools, including designers, poets, film makers, film directors, managers, make-up artists, and historians. Volunteers have represented Homeboy Industries, Disney, Nestle, and other professions and agencies. In light of the fiscal hardships that currently limit LACOE's ability to staff full-time positions to coordinate a structured volunteer program at each school site, the schools, overall, have been relatively successful in establishing productive partnerships with local volunteers. LACOE will continue to support schools in improving their volunteer programs.

RECOMMENDATION NO. 8

Provide soft-back leisure reading books to promote book clubs at the camps and to give to the students as they leave.

RESPONSE

LACOE agrees with the recommendation.

LACOE's literacy program has been one strong component of its reform efforts, led by the dedicated literacy specialists at the camps and halls. Libraries come in various forms, including main school libraries, mini-libraries in the dorms, classroom libraries, one mobile library, and two Los Angeles County public libraries. Libraries are used to reinforce instruction, enhance reading skills, and offer students the opportunity to engage in recreational reading in topics of self-interest. Also, there are book clubs at several school sites, including McAuliffe, Camp Rockey, Pacific Lodge, and Central Juvenile Hall. True to the emerging emphasis on technology, the McAuliffe book club utilizes Kindles.

LACOE's goal is to provide free books to students once they leave the facility. Unfortunately, legal statutes prohibit the gift of public funds and thus limit LACOE's ability to give students books purchased through Title I and other public funds. However, LACOE and its schools will continue to seek donations from community partners to provide books as parting gifts to students upon their transition to the community.

#### RECOMMENDATION NO. 9

Form a task force to develop a process so that Probation staff and teachers can communicate and work together in a more meaningful way.

#### RESPONSE

LACOE and Probation continue to collaborate through a number of committees, commissions, and structured meetings inside and outside the camps and halls to foster communication and improve the quality of interaction between LACOE and Probation, especially between Probation personnel and teachers. For instance, the Comprehensive Educational Reform Implementation Committee meets twice monthly to address issues that affect the school sites (camps and halls), including student supervision and discipline, behavioral and academic interventions, and program development and improvement; the Los Angeles County Re-entry Operations Group, chaired by Superior Court Judge Donna Groman, meets monthly to address issues related to student transition to the community; and select personnel from LACOE and Probation meet monthly to address all facility-related matters at the camps and halls. Additionally, LACOE shares its office space at its Downey complex with Probation liaison staff who are tasked with resolving matters at the camps and halls. The results of the above meetings have strengthened the dialogue and interaction between Probation staff and school site personnel, particularly teachers.

At the camp or school site level, there are numerous regular meetings involving the line staff. As a general matter, LACOE staff and Probation work positively together. There are weekly meetings with camp directors, hall superintendents, and school principals and administrators. In addition, there are frequent or weekly meetings between Probation personnel/liasons and school staff. At some camps, Probation

personnel participate in school activities (e.g., Open House and exhibitions). Furthermore, Los Padrinos Juvenile Hall is currently working with Probation to implement a project to improve student behavior. Moreover, the PBIS Team at McAuliffe, which includes line probation officers, meets regularly to discuss students and specific issues and is intended to improve interactions between teachers and Probation personnel. The most recent report of the monitoring experts in *Casey A* has credited this behavior system with creating a "general positive school climate" at McAuliffe. Probation staff members are in class every day at McAuliffe and are in direct contact with teachers in all camps and halls. Finally, reclassification and Multi-disciplinary Team (MDT) meetings bring LACOE, Probation, and other agencies together for the welfare of each student being discussed.

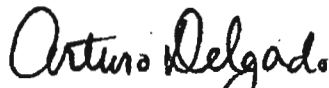
RECOMMENDATION NO. 10

Invite members of the juvenile court system to visit and observe the improved educational programs at the juvenile camps.

RESPONSE

LACOE concurs that the members of the juvenile court system should be invited to observe the improved educational programs at the camps and halls. The camps and halls welcome visitors from various agencies, including the juvenile court system, the Board of Supervisors, and other dignitaries. Staff from the juvenile court visited Camp Scudder in July of 2012. Previously, juvenile court staff members were invited to the opening of the state-of-the-art Construction Career Tech classroom and the unveiling of the AdvancePath credit recovery program at McAuliffe. LACOE will proceed with having scheduled visits by representatives from the juvenile court system throughout the upcoming school year.

Respectfully submitted,



Arturo Delgado, Ed.D.  
Superintendent

AD/CA:sb



Attachment J

**Probation**



# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242

(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 26, 2012

TO: Supervisor Zev Yaroslavsky, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

FROM: Jerry E. Powers   
Chief Probation Officer

**SUBJECT: RESPONSE TO THE 2011-2012 GRAND JURY'S FINAL REPORT**

Enclosed is the Probation Department's response to the Civil Grand Jury's recommendations contained in their 2011-2012 Final Report.

If you have any questions or need additional information, please contact DeWitt Roberts, Acting Administrative Deputy, Administrative Services Division at (562) 940-2516.

JEP:jmc

Enclosures (5)

c: William T. Fujioka, Chief Executive Officer  
James Hazlet, Chief Executive Office



# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 26, 2012

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – LOS ANGELES COUNTY PROBATION  
DEPARTMENT

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
LABOR CODE 4850

**LABOR CODE 4850**

## RECOMMENDATION NO. 1

The Los Angeles County Probation Department should adopt the "carve-out" program, as used by the Fire Department, to expedite the process of referring injured workers to approved physicians and to reduce the frequency of LC 4850 eligibility disputes.

## RESPONSE

The Probation Department partially agrees with this recommendation. The Probation Department is committed to researching and subsequently implementing programs aimed at expediting the procedures for injured employees to obtain medical treatment and reducing the number of medical disputes between management and workers. The Probation Department is in communication with representatives of the Los Angeles County Fire Department tasked with developing and implementing the "carve-out" program. We recognize the possibilities that the "carve-out" program offers. However, the Fire Department is not scheduled to implement their "carve-out" program until early 2013. After its implementation, the Probation Department will defer to the Los Angeles County Chief Executive Office-Risk Management unit to determine the program's effectiveness. If deemed effective and upon being provided authorization to adopt the "carve-out" program within the Probation Department, the program will be implemented.

## RECOMMENDATION NO. 2

The Los Angeles County Probation Department should continue to review all cases involving presumptive injuries to assure that each injury in question is job-related.

## RESPONSE

The Probation Department agrees with this recommendation. The Probation Department continues to be committed to ensuring that department employees receive all benefits rightfully afforded them through California Labor Code 4850 and Labor Code 3212 while also protecting the County of Los Angeles from unwarranted costs through benefit abuses. The Probation Department's Return to Work Unit reviews all claims and works closely with our Third Party Administrator, Acclamation Insurance Management Services (AIMS); especially when claims are deemed questionable or evidence exists to controvert the injury (Labor Code 3212). Beginning January 2012, the Probation Department's Return to Work unit began meeting with our Third Party Administrator (AIMS) on a monthly basis to review, discuss and explore methodologies to expedite resolution to existing injury/illness claims to include presumptive injuries.

## RECOMMENDATION NO. 3

The Los Angeles County Probation Department should adopt the practice of the Fire Department by gathering statistics to determine the most common and prevalent on-the-job injuries, and use these statistics to develop specific injury prevention and mitigation programs and training.

## RESPONSE

The Probation Department agrees with this recommendation. Since July 2011, the Probation has partnered with the Los Angeles County Chief Executive Office (CEO) Risk Management unit in the review of each industrial accident filing and on-the-job accident. Statistics have been compiled that capture the frequency of specific types of claims such as probationer restraints, trips, slips and falls. Based on a review of the industrial accident claim, investigative findings and compiled statistics, Los Angeles County Probation Risk Management Division may be called upon to offer further investigation of the reported injury and to offer insight to corrective action to eliminate or reduce the likelihood of future injuries. In 2011-2012, Los Angeles Probation Department Risk Management Division began conducting Health and Safety training sessions within the department in an effort to reduce the occurrence of accidents and injuries in the workplace.

## RECOMMENDATION NO. 4

The Los Angeles County Probation Department should scrutinize requests from injured workers seeking to renew additional years of 4850 status by considering whether changes of medical tests, exams and treatment plans have occurred.

## RESPONSE

The Probation Department agrees with this recommendation. The Probation Department in partnership with the Los Angeles County Chief Executive Office reviews



# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 26, 2012

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – LOS ANGELES COUNTY PROBATION  
DEPARTMENT

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
EDUCATION OF INCARCERATED JUVENILES

## **EDUCATION OF INCARCERATED JUVENILES**

### RECOMMENDATION NO. 5

Negotiate and provide a contract with local hospitals for inoculations and medical services so that juveniles are not absent from classes, and staff is not away from camp for extended periods of time.

### RESPONSE

The Probation Department agrees with this recommendation. The Los Angeles County Juvenile Court Health Services (JCHS) has oversight responsibility over medical services rendered to minors within the Probation Department's juvenile camps and halls. Although certain services are rendered at juvenile facilities, in an effort to render the most comprehensive and quality medical care available, there are times when transporting minors to outside medical treatment facilities becomes imperative. It is the priority of the Probation Department to provide ready access for minors requiring medical treatment while not interrupting educational, vocational or other programmatic commitments. It is for this reason that Probation Department management participated in a meeting with JCHS representatives on July 13, 2012 to address the impact that transporting minors for medical services away from camp and hall facilities was having on educational programming. JCHS is currently engaged in efforts to identify local medical treatment options in the northern portion of Los Angeles County that would be able to provide medical services to juvenile camps and halls in that geographical region. When such services are identified, it is incumbent upon JCHS to negotiate a contract with said facilities. When such contracts are negotiated and approved, the Probation Department will unreservedly support the conditions of the contract.

all industrial accident claims filed within the department. During this review, careful scrutiny is made of injury cases of employees receiving Labor Code 4850 benefits and who are seeking an extension of LC 4850 benefits or who recently returned to work after the exhaustion of such benefits. In November of 2011, the Probation Department began reviewing all injury claims more strictly and claims for employees with consecutive years of Labor Code 4850 benefits are referred to the department's Third Party Administrator for investigation.

#### RECOMMENDATION NO. 5

The Los Angeles County Probation Department should ensure that the guidelines and standards established by the Medical Treatment Utilization Schedule (MTUS), which includes American College of Occupational and Environmental Medicine (ACOEM) recommendations, are used when setting treatment plans and time off from work in order to reduce excessive absences.

#### RESPONSE

The Probation Department agrees with this recommendation. Since November 2011, the Probation Department has made a concerted effort to scrutinize the processing and handling of work-related injury claims. The department has strengthened its existing partnerships with the Los Angeles County Chief Executive Office and Third Party Administrator, AIMS, in an effort to more effectively process and handle work-related injury claims. Critical to our handling of injury claims is our reliance on the Medical Treatment Utilization Schedule (MTUS) which incorporates American College of Occupational and Environmental Medicine (ACOEM) guidelines.

#### RECOMMENDATION NO. 8

The Los Angeles County Probation Department should review and compare the frequency of the employees' LC 4850 initial claim dates that immediately precede their retirement dates, to determine if the LC 4850 program is being used in accordance with its intent.

#### RESPONSE

The Probation Department agrees with this recommendation. The Probation Department remains committed to overseeing the appropriate utilization of Labor Code 4850 benefits for its qualifying public safety employees. A review of departmental Labor Code 4850 records and statistics do not support that Probation Department employees utilize Labor Code 4850 benefits with any more frequency in their final year preceding retirement in more frequency than such benefits are utilized at any other time during qualifying employees' careers. The Probation Department will continue to maintain statistics to monitor trends in Labor Code 4850 benefit utilization to, among other things, detect misuse and to ensure that benefits are only being utilized in accordance with the spirit in which the law was enacted.

RECOMMENDATION NO. 6 (The Chief of the Los Angeles County Probation Department and the Superintendent of the Los Angeles County Office of Education)

Address scheduling challenges of Vocational education. Vocational education should be an integral part of the program at the camps.

RESPONSE

The Probation Department agrees with this recommendation. The Probation Department understands the importance of introducing vocational programming opportunities to minors within the department's care that will equip minors with marketable skills that will better prepare them for employment opportunities upon their release from the juvenile camp environment. Due to the success of the department's pilot culinary program at Camp Gonzalez, the Los Angeles County Probation Department in conjunction with the Los Angeles County Office of Education; expanded the culinary arts program to three additional juvenile camps (Rockey, Scott and Challenger). All four programs continue to thrive and minors have shown a significant interest in participating in the Culinary Arts programs. Also in conjunction with LACOE, the Probation Department has recently implemented a Career Technical Education (CTE) program at Challenger Memorial Youth Center in the area of crafts associated with Building Trades. The curriculum consists of 20 construction trade areas (blueprint reading, cabinet making, communications, concrete, drywall, electrical, estimation, finish carpentry, green construction, hand tools, HVAC, masonry, painting, plumbing, power tools, roof framing, surveying and site planning, tile setting, wall framing and weatherization).

Due to the overwhelming interest in the program as well as its success, there is a joint effort between the Probation Department and LACOE to implement the Building Trades vocational programs at camps, Munz, Mendenhall, Miller, Scott and Scudder. Planning is underway to begin these programs in 2013. Minors at camp Paige can take advantage of our Camp 17 Forestry Vocational Program, facilitated by the Los Angeles County Fire Department that trains participants to complete routine brush clearing and plantation maintenance. Recently, as a result of familiarity with the Marshall Canyon area, near camp Paige, some of the program's participants assisted in the rescue of an elderly woman who while hiking, became overcome with heat exhaustion and dehydration and was unable to complete her group's hike.

The Los Angeles County Probation Department in partnership with the Los Angeles County Office of Education is extremely committed to incorporating additional vocational programs into the camp environment that better prepare our minors for success.

Recently, the Probation Department hired a Director of Schools that began on July 25, 2012. The expectation is that the Director of Schools will be a liaison between the Los Angeles County Probation Department and LACOE that will ensure smooth and effective collaboration, effectiveness and expansion of educational programming within the juvenile camp and hall environments. The Director of Schools will also be a key

participant in the Probation Department and LACOE's Comprehensive Educational Reform Committee formed to ensure success in implementing the provisions of the Comprehensive Educational Reform MOU entered into by the Probation Department and LACOE executed on July 14, 2008.

RECOMMENDATION NO. 7 (The Chief of the Los Angeles Probation Department and The Superintendent of the Los Angeles County Office of Education)

Implement a program for volunteers at the camps. A dedicated coordinator position in LACOE, or at various juvenile detention sites, would expand the involvement of the community.

RESPONSE

The Probation Department partially agrees with this recommendation. Although the Probation Department would welcome additional resources by way of a dedicated LACOE Volunteer Coordinator, we believe that our current system allows for adequate community and volunteer participation within the department's camps and halls.

The Probation Department's Behavior Management Program is a collaborative effort between the Los Angeles County Probation Department, the Los Angeles County office of Education, the Department of Mental Health and the Department of Health Services. It is designed to provide minors with information and services to meet their physical, emotional, social and educational needs and assist them in making appropriate decisions to avoid re-offending. The program identifies rules/expectations and reinforces positive behaviors through a mechanism that links rewards, incentives, and consequences to the minor's behavior, and encourages progress toward positive behavior change. The program also utilizes a skills training curriculum of interactive exercises that train minors in the essential coping, adapting and functioning skills they need to experience success in life. Through skills training minors are provided with information on how to replace ineffective and maladaptive emotional and behavioral responses with more effective and skillful responses.

Programs are designed to address the needs of the minors and to decrease their ability and desire to commit criminal acts by involving them in activities that increase self-efficacy and social responsibility. These objectives are achieved by engaging minors in pro-social activities and community engagement. All volunteers are processed through the Volunteers In Service To Others (VISTO) office. Volunteers provide many services to minors including talking with individual minors, conducting group discussions on topics of interest to minors, tutoring and assisting minors in letter writing, organizing and officiating at games and recreational activities and conducting groups in dance and yoga.

RECOMMENDATION NO. 8 (The Chief of the Los Angeles Probation Department and The Superintendent of the Los Angeles County Office of Education)



Provide soft-back leisure reading books to promote book clubs at the camps and to give to the students as they leave.

#### RESPONSE

The Probation Department agrees with this recommendation. In 2011, the Probation Department implemented a plan to expand libraries at each juvenile camp and hall facility. The department consistently seeks and receives donated reading materials from community partners to expose minors to increased opportunities for learning. Currently, the Probation Department in collaboration with LACOE, is planning a book drive for November 2012 and plans have been made to sponsor a volunteer book drive twice a year to ensure that age specific and topic appropriate books are readily available in libraries, schools and housing units throughout the juvenile and camp environments. In planning future book drives, a concerted effort will be made to obtain multiple copies of the same publication of books to encourage minors to form self-lead book clubs. Currently, if a minor has not completed reading a book upon discharge and the minor expresses an interest in completing the book, the minor is allowed and encouraged to take the book home upon release. The Probation Department and LACOE will continue to encourage this practice.

#### RECOMMENDATION NO. 9 (The Chief of the Los Angeles Probation Department and The Superintendent of the Los Angeles County Office of Education)

Form a task force to develop a process so that probation staff and teachers can communicate and work together in a more meaningful way.

#### RESPONSE

The Probation Department agrees with this recommendation. Currently, Multi-Disciplinary Teams (MDT) provide comprehensive assessments of youth with the participation of the juvenile court, parents, other caregivers or surrogates, mental health, educational service providers and probation. The format of the MDT meetings encourages collaborative partners to engage in open dialog about specific minors for the purpose of developing a comprehensive and effective treatment and service plan for the minors. Each collaborating partner is thus provided an opportunity to affect the overall treatment or service delivery in a significant way.

Within the juvenile camp environment, weekly meetings are facilitated by the camp director and attended by LACOE personnel, health services, mental health and religious service leaders. These meetings provide collaborative partners an opportunity to engage in meaningful dialog aimed at sharing pertinent programmatic information, conflict resolution and ways to promote enhanced collaboration among partners.

Probation officers are an integral part of school activities, often being assigned to several classrooms during instruction as well as afternoon programming. The officer's presence signifies the partnership between custody and education and allows for the

sharing of information to enhance a more meaningful collaborative relationship between the Probation Department and its LACOE partners; both of which are committed to creating more opportunities to enhance the existing partnership and improve the quality of service delivery to minors, their families and the community.

RECOMMENDATION NO. 10 (The Chief of the Los Angeles Probation Department and The Superintendent of the Los Angeles County Office of Education)

Invite members of the juvenile court system to visit and observe the improved educational programs at juvenile camps.

RESPONSE

The Probation Department agrees with this recommendation. The Probation Department and its LACOE partners accepts that a more deliberate effort to invite juvenile court system partners into probation facilities to allow them to observe improvements in educational programming occurring within the juvenile camp and juvenile hall environments must take place. Plans are currently underway to increase the number of open houses and other outreach activities that will allow juvenile court system personnel more opportunities to visit the Probation Department in an effort to showcase educational and vocational improvements. Probation and LACOE staff currently attend regular meetings at the courts to offer information on program content and changes. The Chief Probation Officer meets with the Presiding Judge once a month which also allows for information on educational program enhancements to be shared.



# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 26, 2012

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – LOS ANGELES COUNTY PROBATION  
DEPARTMENT

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
IDENTITY THEFT FOR FOSTER CHILDREN

**IDENTITY THEFT FOR FOSTER CHILDREN**

RECOMMENDATION NO. 3

The Chief of the Probation Department should work with DCFS and take the necessary steps to include Probation Department wards' information into the CRBs in the same manner as DCFS wards.

RESPONSE

The Probation Department agrees with and has implemented this recommendation. This recommendation has been implemented. The County of Los Angeles Departments of Children and Family Services (DCFS), Probation, and Consumer Affairs (DCA) have entered into an Agreement to provide identity theft protection services to foster youth who are under the care of DCFS and Probation.

Based on the successful completion of pilot project initiated by 5th District Board Supervisor Michael Antonovich in 2009, all three Departments recognize the importance of transition age foster youth leaving the jurisdiction of either child welfare or juvenile delinquency with the greatest opportunity to become successful and self-sufficient young adults. To this end, the purpose of this Agreement for every foster youth between the ages of 16 and 17.5 to have their credit records reviewed and through remedial services, leave with a accurate credit record as young adults. We have a current MOU with DCFS and DCA until April 2015.



**COUNTY OF LOS ANGELES  
PROBATION DEPARTMENT**  
9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 26, 2012

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – LOS ANGELES COUNTY PROBATION  
DEPARTMENT

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
PROBATION DEPARTMENT

**PROBATION DEPARTMENT**

RECOMMENDATION NO. 2

The Los Angeles County Probation Department should assign veteran and experienced Deputy Probation Officers (DPOs) at each Probation HUB, whose sole responsibility is to monitor and supervise the incoming N3 probationers from the State prisons.

RESPONSE

The Probation Department partially agrees with this recommendation in that we assign experienced Deputy Probation Officers (DPOs) to work at Probation HUBs and Supervision to the degree possible. Implementation is ongoing.

The Probation Department has existing Memorandum of Agreements (MOAs) with impacted bargaining units which do not necessarily allow the unilateral movement of staff. These agreements require our adherence to a bid process which allows interested staff to apply for positions followed by the Department's obligation to select staff on the basis of seniority. Once the bid process is exhausted we must move forward with the promotional process which may not net experienced or veteran staff. We therefore seek experienced staff to the degree possible and then seek to thoroughly and adequately train the less experienced staff hired through the promotional process. Apart from these options, the Department can utilize the Special Recruitment process for new and/or pilot programs. This option does allow selections based on special skills and the needs of the program, however this process is limited based on the number of items to be filled.

We must also be clear in distinguishing the role and purpose of the DPOs at Probation HUBs versus DPOs in Supervision. Probation HUBs are designed as multi-disciplinary assessment and orientation centers for Post-release Supervised Persons (PSPs) returning to county jurisdiction from State prison for supervision. As such, the primary goal of the HUB is to conduct initial orientations, initiate case plan development, and make referrals as indicated by assessment results. Thereafter, cases are transferred to Supervision field office DPOs responsible for tracking PSPs to ensure that connection is made to referral agencies.



# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



**JERRY E. POWERS**  
Chief Probation Officer

July 26, 2012

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – LOS ANGELES COUNTY PROBATION  
DEPARTMENT

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
DETENTION COMMITTEE

**DETENTION COMMITTEE**

RECOMMENDATION NO. 21

Juvenile Detention Facilities: Challenger (Y12-14), Mendenhall (Y21), Munz (Y23),  
Scott (Y27) and Scudder (Y28)

- Negotiate and provide contracts with a local medical hospital or an appropriate facility for medical services.

RESPONSE

The Probation Department agrees with this recommendation. Please see Section "Education of Incarcerated Juveniles" recommendation number 5 for an explanation on the Probation Department's initiatives to ensure compliance with this recommendation.

Attachment K

**Public Health**



JONATHAN E. FIELDING, M.D., M.P.H.  
Director and Health Officer

JONATHAN E. FREEDMAN  
Chief Deputy Director

313 North Figueroa Street, Room 806  
Los Angeles, California 90012  
TEL (213) 240-8117 • FAX (213) 975-1273

www.publichealth.lacounty.gov


BOARD OF SUPERVISORS

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Fifth District

July 27, 2012

TO: William T Fujioka  
Chief Executive Officer

ATTENTION: James Hazlett

FROM:  Jonathan E. Fielding, M.D., M.P.H.  
Director and Health Officer

SUBJECT: **DEPARTMENT OF PUBLIC HEALTH'S RESPONSE TO THE 2011-2012  
LOS ANGELES COUNTY CIVIL GRAND JURY FINAL REPORT**

As requested, attached is our response to the 2011-2012 Civil Grand Jury Final Report. The Department of Public Health (DPH) was named as a supporting department to address Recommendation 3.4, which focuses on neo-natal risk assessment and parental training for high-risk families.

DPH's Maternal, Child and Adolescent Health (MCAH) Programs has implemented several programs that help prevent child deaths. It has operated the Nurse-Family Partnership (NFP) Program that supports first time pregnant youth and women living in poverty. In addition, MCAH is working with First 5 LA to develop a county-wide referral network for in-home support services for prenatal and early childhood families who are at risk. Details of these programs are included in our response.

Please contact me if you have any questions or comments.

JEF:cb

c: Sheila Shima  
Richard Mason



COUNTY OF LOS ANGELES – DEPARTMENT OF PUBLIC HEALTH

**RESPONSE TO THE GRAND JURY FINAL REPORT**  
**2011-2012 GRAND JURY RECOMMENDATIONS FOR DCFS AND CHILD DEATH**  
**MITIGATION IN LOS ANGELES COUNTY**

**RECOMMENDATION # 3.4:**

Neo-natal risk assessment and parental training for high-risk families. The Director of Public Health and the Director of DCFS should develop an in-depth neo-natal risk assessment and parental training program for high-risk families.

**DPH RESPONSE:**

Agree - The recommendation is being implemented. The Department of Public Health, Maternal, Child and Adolescent Health (MCAH) Programs has implemented several programs and initiatives that help to prevent child deaths. It has operated the Nurse-Family Partnership (NFP) Program that supports newly pregnant youth/women in learning how to parent and safely raise children since 1996, and has recently expanded by over 29 nurses using funding from both the Mental Health Services Act (24 nurses) and the Federal Home Visitation funds (4 nurses) who together will be able to serve an additional 725 clients countywide. NFP is an evidence-based program that has been scientifically proven to prevent child abuse and other risk factors that lead to infant/child deaths. It's expansion within the County, and recent development of a Memorandum of Understanding between the Department of Public Health and Children and Family Services will help to improve the referral of qualified pregnant youth who are served within protective services.

In addition, MCAH is working to develop a county-wide referral network for in-home support services for prenatal and early childhood families who are at risk. This work will be accomplished collaboratively through the recently convened "Home Visitation Guiding Coalition." The Home Visitation Guiding Coalition will pull together a larger group of home visiting agencies, experts in home visitation, funders and others interested in supporting home services to build a system of home visitation care that will match services to families so they can receive the best possible home visitation program for their own particular situation. In May 2012, MCAH convened the first meeting of the Home Visitation Guiding Coalition and is forming subcommittees to work on policy, operations and satisfy the need to have community advisory boards for the federally funded home visitation programs. It will also address the development of an effective referral system and establish better monitoring and reporting standards for all County in-home services. MCAH is working closely with the First-5 Los Angeles to better coordinate services and program development as part of the Home Visitation Consortium.

Attachment L

**Sheriff**



LEROY D. BACA, SHERIFF

County of Los Angeles  
Sheriff's Department Headquarters  
4700 Ramona Boulevard  
Monterey Park, California 91754-2169



July 27, 2012

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
Los Angeles, California 90012

Dear Members of the Civil Grand Jury:

**RESPONSE TO THE FINAL REPORT OF THE 2011-12  
LOS ANGELES COUNTY CIVIL GRAND JURY**

Attached is the Los Angeles County Sheriff's Department's (Department) response to the 2011-12 Civil Grand Jury Report recommendations (Attachment A). The Civil Grand Jury's areas of interest specific to the Department included: the procurement and dispensing of medications for inmates, our processes related to the State of California Labor Code §4850 (on duty injuries), and a wide range of recommendations regarding staffing and facility improvements at Department patrol stations, jails, and several Los Angeles County Courthouses.

Should you have questions regarding our response, please contact Division Director Victor Rampulla at (323) 526-5357.

Sincerely,

LEROY D. BACA  
SHERIFF

*A Tradition of Service*

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – SHERIFF

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
LABOR CODE §4850

RECOMMENDATION NO. 1

The Los Angeles County Sheriff (LASD) and Probation Departments should adopt the “carve-out” program, as used by the Fire Department, to expedite the process of referring injured workers to approved physicians and to reduce the frequency of LC 4850 eligibility disputes.

RESPONSE

LASD agrees with this recommendation. At this time, the Fire Department’s “carve-out” program has not been fully implemented. Once the program has been implemented, the Sheriff’s Department will evaluate it, and if appropriate, develop a process modeled after the Fire Department’s program.

RECOMMENDATION NO. 2

The Los Angeles County Sheriff, Fire and Probation Departments should continue to review all cases involving presumptive injuries to assure that each in question is job related.

RESPONSE

LASD agrees with this recommendation, and will continue this practice through our third party administrator, Tristar Risk Management.

RECOMMENDATION NO. 3

The Los Angeles County Sheriff and Probation Departments should adopt the practice of the Fire Department by gathering statistics to determine the most common and job prevalent on-the-job injuries, and use these statistics to develop specific injury prevention and mitigation programs and training.

RESPONSE

LASD agrees with this recommendation. The Department's Risk Management Bureau is responsible for compiling the statistics associated with on-the-job injuries. This information is then compiled in the Injury, Illness and Prevention Program (IIPP) report and is used to develop training sessions and informational bulletins educating employees on how to best avoid or prevent injuries related to specific activities.

RECOMMENDATION NO. 4

The Los Angeles County Sheriff, Fire, and Probation Departments should scrutinize requests from injured workers seeking to renew additional years of 4850 status by considering whether changes of medical tests, exams, and treatment plans have occurred.

RESPONSE

LASD agrees with this recommendation. The Department and Tristar Risk Management will continue to review all worker's compensation claims to ensure employees do not manipulate the system to extend their LC 4850 benefits. Some employees submit claims for separate injuries, which allows for a year of LC 4850 benefits for each admitted injury. However, if appropriate, Tristar and the Department will ensure the claims are evaluated and run concurrently, rather than consecutively, thus eliminating potential abuse.

RECOMMENDATION NO. 5

The Los Angeles County Sheriff, Fire, and Probation Departments should ensure that the guidelines and standards established by the Medical Treatment Utilization Schedule (MTUS), which includes American College of Occupational and Environmental Medicine (ACOEM) recommendations, are used when setting treatment plans and time off from work in order to reduce excessive absences.

RESPONSE

LASD agrees with this recommendation. The Department, through Tristar Risk Management and Corvel Corporation, our medical management company, will continue to use the ACOEM guidelines to establish appropriate treatment plans. In addition, this effort is overseen and monitored by the Chief Executive Office of Los Angeles County.

RECOMMENDATION NO. 6

The Los Angeles County Sheriff's Department should consider using non-sworn personnel to transport and accompany injured workers to the primary treating physicians, allowing sworn officers to continue mission-specific duties.

RESPONSE

LASD agrees with this recommendation, where appropriate. The Sheriff's Department's policy is for a supervisor to take the injured employee to be treated. In many cases, the supervisor may be non-sworn. There are cases where the supervisor is a sworn employee and public safety, as well as the overall mission of the Department are not negatively impacted. In many instances, more than one supervisor is on duty, allowing one to accompany the employee. Additionally, the role of the supervisor, whether sworn or non-sworn, is to provide the treating physician with information related to the availability of limited duty positions and the specific duties to be performed by the employee. This effort has proven effective in reducing or eliminating time off as the physician can make an educated determination if the employee's condition qualifies them to be returned to work in a limited duty capacity.

RECOMMENDATION NO. 7

The Los Angeles County Sheriff's Department should consider the use of non-sworn personnel or sworn personnel on modified duty to monitor the activities of workers on LC 4850 leave to ensure full compliance with medical plans, allowing sworn officers to continue with mission-specific duties.

RESPONSE

LASD does not agree with this recommendation. It is the practice of the Sheriff's Department to utilize a supervisor, typically in the unit's operations staff, to manage injured employees. Sworn, non-supervisory, employees are not used to monitor and/or manage employees. It would not be appropriate to have non-supervisory personnel privy to information about other employee's medical condition and personal information. By utilizing the operation's staff, public safety and the overall mission of the Department are not compromised.

RECOMMENDATION NO. 8

The Los Angeles County Sheriff, Fire, and Probation Departments should review and compare the frequency of employees' LC 4850 initial claim dates that immediately precede their retirement dates, to determine if the LC 4850 program is being used in accordance with its intent.

RESPONSE

LASD agrees with this recommendation. The Sheriff's Department will conduct a review of 2011 LC 4850 expenditures compared to 2011 retirements in an effort to reduce or eliminate possible abuse. However, it should be noted, many sworn employees postpone the treatment of injuries to the latter part of their careers in order to minimize the negative impact on the overall mission of the Department.

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – SHERIFF

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
MEDICATIONS FOR INMATES

RECOMMENDATION NO. 1

The Los Angeles County Sheriff's Department should provide a system similar the C-2 PYXIS system for maintaining a perpetual inventory system for all medications supplied to the Los Angeles County Sheriff's Department pharmacies.

RESPONSE

LASD agrees with this recommendation. The Department is actively working on identification and selection of a perpetual drug inventory system that integrates with Jail Health Information System (JHIS), the LASD Medical Services Bureau electronic health record, the Cardinal drug wholesaler's technologies, and eCAPS, a countywide purchasing and accounting system.

RECOMMENDATION NO. 2

The Los Angeles County Sheriff's Department pharmacy personnel should reduce the daily costs of medications prescribed by doctors for inmate needs through the increased use of generic drugs as they become available.

RESPONSE

LASD agrees with this recommendation and is already in compliance. As generic forms of medications become available, AutoMed machine cassettes are recalibrated to accept the generic form of the medication.

RECOMMENDATION NO. 3

The Los Angeles County Sheriff's Department pharmacy personnel should increase the use of automated dispensing of medications via the AutoMed System to a staff-recommended level of 75% of all medications to provide better control and accuracy of dispensed medications.



RESPONSE

LASD agrees with this recommendation, and has purchased two (2) additional AutoMed machines to expand automated medication dispensing at Men's Central Jail and the Pitchess Detention Center, North County Correctional Facility.

RECOMMENDATION NO. 4

The Los Angeles County Sheriff's Department pharmacy should use an automated system for monitoring and recording all medications dispensed via the AutoMed System.

RESPONSE

LASD agrees with this recommendation. The Department's Medical Services Bureau Jail Health Information System (JHIS) already records patient specific drugs dispensed via the AutoMed system. The JHIS system records all medication administration records as medication is administered to patients by nursing personnel.

RECOMMENDATION NO. 5

LASD should provide additional space to maintain adequate working areas for pharmacy personnel and storage of all medications at Men's Central Jail and Century Regional Detention Facility.

RESPONSE

LASD agrees with this recommendation. The Department's Medical Services Bureau plans to re-evaluate the operational needs of both the MCJ and CRDF pharmacies and seek additional space to maintain adequate working and storage areas as recommended.

RECOMMENDATION NO. 6

LASD should continue its plans to open a State-licensed pharmacy at Pitchess Detention Center within the next fiscal year.

RESPONSE

LASD agrees with this recommendation. Medical Services Bureau has already obtained the pharmacy license for the North County Correctional Facility. Facilities Planning Bureau has completed the cost estimate to renovate the location, and funds have been identified for the project. Equipment and supplies for the new pharmacy have been ordered.

RESPONSE TO THE GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES – SHERIFF

SUBJECT: 2011-2012 GRAND JURY RECOMMENDATIONS FOR  
DETENTION COMMITTEE

RECOMMENDATION NO. 1

Alhambra Courthouse

- Provide secure holding cell for detainees awaiting court procedures on the 2<sup>nd</sup> floor.

RESPONSE

LASD agrees with this recommendation. The State of California has jurisdiction regarding any physical changes, upgrades or repairs to courthouses within Los Angeles County. This recommendation should be forwarded to Acting Director Henry Hernandez, Superior Court Facilities and Capital Projects. He can be contacted at (213) 974-5305.

RECOMMENDATION NO. 2

Avalon Station

- Repair electrical wiring in the station.
- Improve ergonomics in the workstations.
- Provide video surveillance in the station.
- Provide soft floor in the sobering cell.

RESPONSE

LASD agrees with these recommendations. The Department's Facilities Planning Bureau will conduct an assessment of the station's electrical system, sobering cell and employee work stations as well as the potential effectiveness of a video surveillance system.

RECOMMENDATION NO. 3

Century Regional Detention Facility

- Increase staffing ratios to allow for overtime if necessary.

RESPONSE

LASD agrees with this recommendation. Current budget restraints preclude any significant increases in permanent staffing or the use of overtime.

RECOMMENDATION NO. 4

East Los Angeles Station

- Provide standard soft flooring in sobering cell.
- Provide jail with a dedicated telephone line.

RESPONSE

LASD agrees with these recommendations. The Department's Facilities Planning Bureau will conduct an assessment of the station's sobering cell and the effectiveness of installing a dedicated telephone line into the jail.

RECOMMENDATION NO. 5

Glendale Courthouse

- Arrange transportation so public does not share open area with inmates waiting for transportation.
- Address sally port for public and personnel safety.

RESPONSE

LASD agrees with these recommendations. The State of California has jurisdiction regarding any physical changes, upgrades or repairs to courthouses within Los Angeles County. This recommendation should be forwarded to Acting Director Henry Hernandez, Superior Court Facilities and Capital Projects. He can be contacted at (213) 974-5305.

RECOMMENDATION NO. 6

Industry Station

- Repair visitation booth.

RESPONSE

LASD agrees with this recommendation, the Department's Facility Services Bureau will make the necessary repairs.

RECOMMENDATION NO. 7

Men's Central Jail

- Improve and increase number of grab bars in shower area.
- Increase staffing ratios to allow for overtime if necessary.

RESPONSE

LASD agrees with these recommendations, and in the last several years has made significant physical improvements at Men's Central Jail to inmate housing, recreation, and educational areas. Budget restraints preclude any significant increases in permanent staffing or the use of overtime.

RECOMMENDATION NO. 8

Mental Health Courthouse

- Remodel the facility as possible.

RESPONSE

LASD agrees with this recommendation. The State of California has jurisdiction regarding any physical changes, upgrades or repairs to courthouses within Los Angeles County. This recommendation should be forwarded to Acting Director Henry Hernandez, Superior Court Facilities and Capital Projects. He can be contacted at (213) 974-5305.

RECOMMENDATION NO. 9

Metropolitan Traffic Courthouse

- Provide video equipment for security.
- Update toilets.

RESPONSE

LASD agrees with this recommendation, the Department's Facility Planning Bureau will assess the potential effectiveness of a video surveillance system, Facilities Services Bureau will assess the toilets.

RECOMMENDATION NO. 10

Pitchess Detention Center -- East Facility

- Increase staffing for security.

RESPONSE

LASD agrees with this recommendation. Current budget restraints preclude any significant increases in permanent staffing or the use of overtime.

RECOMMENDATION NO. 11

Pitchess Detention Center – South Facility

- Increase staffing for security.
- Provide video surveillance in the barracks and dining rooms in the South facility.

RESPONSE

LASD agrees with these recommendations. Current budget restraints preclude any significant increases in permanent staffing or the use of overtime. The Department's Facilities Planning Bureau will conduct an assessment of the facility to determine the effectiveness of installing a video surveillance system.

RECOMMENDATION NO. 12

Pitchess Detention Center – North County Correctional Facility

- Increase staffing for security.

RESPONSE

LASD agrees with this recommendation. Current budget restraints preclude any significant increases in permanent staffing or the use of overtime.

RECOMMENDATION NO. 13

Santa Clarity Valley Station

- Provide soft flooring for sobering cells.
- Provide video equipment to monitor cells.
- Construct a sally port.
- Address staffing issues.

RESPONSE

LASD agrees with these recommendations. The Department's Facilities Planning Bureau will conduct an assessment of the station's jail area as well as the effectiveness of installing a video surveillance system. Regarding staffing, the Department ensures on a regular basis that vacancies are evenly distributed throughout the Department, as to not place an unfair burden on the personnel of any individual station.

RECOMMENDATION NO. 14

Van Nuys (West) Court

- Provide a printed copy of Policies and Procedures for staff use.

RESPONSE

LASD agrees with this recommendation in principle, however all Department and unit policies and procedures are available online, saving the County printing and administrative costs. Court Services Bureau personnel will ensure that all units possess up-to-date policies and procedures.