

City Council Regular Meeting

Regular Meeting

Tuesday, September 1, 2020

6:00 PM

City Council Chambers



ELECTED OFFICIALS

Mayor Richard Montgomery

Mayor Pro Tem Suzanne Hadley

Councilmember Hildy Stern

Councilmember Steve Napolitano

Councilmember Nancy Hersman

City Treasurer Tim Lilligren

EXECUTIVE TEAM

City Manager Bruce Moe

City Attorney Quinn Barrow

City Clerk Liza Tamura

Community Development Director Carrie Tai

Finance Director Steve Charelian

Interim Fire Chief Wolfgang Knabe

Human Resources Director Lisa Jenkins

Information Technology Director Terry Hackelman

Parks and Recreation Director Mark Leyman

Police Chief Derrick Abell

Public Works Director Stephanie Katsouleas

MISSION STATEMENT:

Our mission is to provide excellent municipal services, preserve our small beach town character, and enhance the quality of life for our residents, businesses and visitors.

September 1, 2020

City Council Meeting Agenda Packet:

Agenda Item No.	Starting Page	Ending Page
AGENDA	1	10
1	11	12
2	13	14
3	15	16
4	17	18
5	19	38
6	39	74
7	75	96
8	97	102
9	103	140
10	141	160
11	161	162
12	163	174
13	175	192

MANHATTAN BEACH'S CITY COUNCIL WELCOMES YOU!

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are available for review on the City's website at www.citymb.info, the Police Department located at 420 15th Street, and are also on file in the Office of the City Clerk for public inspection. Any person who has any question concerning any agenda item may call the City Clerk's office at (310) 802-5056.

Meetings are broadcast live through Manhattan Beach Local Community Cable, Channel 8 (Spectrum), Channel 35 (Frontier), and live streaming via the City's website.

In compliance with the Americans With Disabilities Act, if you need special assistance to participate in this meeting, you should contact the Office of the City Clerk at (310) 802-5056 (voice) or (310) 546-3501 (TDD). Notification 36 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting. The City also provides closed captioning of all its Regular City Council Meetings for the hearing impaired.

CERTIFICATION OF MEETING NOTICE AND AGENDA POSTING

I, Liza Tamura, City Clerk of the City of Manhattan Beach, California, state under penalty of perjury that this notice/agenda was posted on Wednesday, August 26, 2020, on the City's Website and on the bulletin boards of City Hall, Joslyn Community Center and Manhattan Heights.

BELOW ARE THE AGENDA ITEMS TO BE CONSIDERED. THE RECOMMENDED COUNCIL ACTION IS LISTED IMMEDIATELY AFTER THE TITLE OF EACH ITEM IN BOLD CAPITAL LETTERS.**A. CALL MEETING TO ORDER****B. ROLL CALL****C. CEREMONIAL CALENDAR**

1. Presentation of a Baby Passport, to Arcie and Steve Charelian, Welcoming Manhattan Beach's Newest Resident, Knox Stone Charelian. [20-0168](#)
PRESENT
2. Presentation of a Commendation Recognizing Chevron's Policy, Government and Public Affairs Manager, Rod Spackman for his 30 Plus Years of Dedicated Service. [20-0276](#)
PRESENT

D. APPROVAL OF AGENDA AND WAIVER OF FULL READING OF ORDINANCES

This is the time for the City Council to: (a) notify the public of any changes to the agenda; (b) remove items from the consent calendar for individual consideration; or (c) rearrange the order of the agenda.

MOTION TO APPROVE AGENDA AND WAIVE FULL READING

E. PUBLIC COMMENTS (3 MINUTES PER PERSON)

Speakers may provide public comments on any matter that is within the subject matter jurisdiction of the City Council, including items on the agenda. The Mayor may determine whether an item is within the subject matter jurisdiction of the City Council. While all comments are welcome, the Brown Act does not allow City Council to take action on any item not on the agenda.

Pursuant to Governor Newsom's Executive Orders No. N-25-20 and No. N-29-20, City Council Chambers is not open to the public. In the interest of maintaining appropriate social distancing, the City Council encourages the public to participate by submitting comments in advance of the meeting, no later than 5:30 PM, September 1, 2020 (the day of the meeting), via:

- 1) eComment at <http://www.citymb.info/ecomment>;
- 2) email to cityclerk@citymb.info; or
- 3) telephone message recorded at (310) 802-5030.

All of your comments provided by the deadlines above will be available to the City Council and the public prior to the meeting.

In addition, you may participate by joining Zoom during the meeting:

If you wish to speak on any item on the agenda, please register in advance by clicking the following link: <https://citymb.seamlessdocs.com/f/publiccomment>.

- 1) Join Zoom Meeting via the internet:
Direct URL: <https://comb.zoom.us/j/98365682559>, Meeting ID: 983-6568-2559

During the meeting you will need to use the "raise hand" button through Zoom at the time the Mayor invites the public to provide comments.

- 2) Join Zoom Meeting via Phone Conference (Voice Only):
Phone Number: (669) 900-6833, Meeting ID: 983-6568-2559

During the meeting you will need to enter *9 on the phone's dial pad at the time the Mayor invites the public to provide comments.

F. COVID-19

3. City Manager Report on EOC (Emergency Operations Center) and Update on COVID-19 Response.
4. City Council to Consider Additional Measures to Address COVID-19.

G. CONSENT CALENDAR (APPROVE)

Items on the Consent Calendar are routine and customary items and are enacted by a single motion with the exception of items previously removed by a member of the City Council during "Approval of the Agenda" for individual consideration. Any items removed shall be individually considered immediately after taking action on the Consent Calendar.

5. City Council Minutes: [20-0146](#)

This Item Contains Minutes of the Following City Council Meeting(s):

a) City Council Adjourned Regular Meeting Minutes of August 18, 2020

b) City Council Regular Meeting Minutes of August 18, 2020

(City Clerk Tamura).

APPROVE

Attachments: [City Council Adjourned Regular Meeting Minutes of August 18, 2020](#)

[City Council Regular Meeting Minutes of August 18, 2020](#)

6. Financial Reports: [20-0252](#)

a) Schedule of Demands August 6, 2020

b) Investment Portfolio for the Month Ending July 31, 2020

c) Month End Report for July 31, 2020

(Finance Director Charelian).

ACCEPT REPORTS AND DEMANDS

Attachments: [Schedule of Demands for August 6, 2020](#)

[Investment Portfolio for the Month Ending July 31, 2020](#)

[Month End Report for July 31, 2020](#)

7. Adoption of Annual Investment Policy for Fiscal Year 2020-2021 and [20-0183](#)

Delegation of Responsibility for Investing Funds to the City Treasurer

(Finance Director Charelian).

ADOPT

Attachments: [Investment Policy for Fiscal Year 2020-2021](#)

8. Second Reading and Adoption of an Ordinance Amending Chapters 2.36 [20-0227](#)

(Purchasing) and 2.37 (Public Projects) of the Manhattan Beach Municipal

Code to Allow Electronic Filing of Bids and Modifying the Authority to

Approve Change Orders and Procure Professional Services (Finance

Director Charelian).

ADOPT ORDINANCE NO. 20-0019

Attachments: [Ordinance No. 20-0019](#)

9. Consideration of a Three-Year Unarmed Security Services Contract to Contemporary Services Corporation with an Estimated Annual Value of \$250,000 and Approve Ratification of a Contract Extension Amendment (Police Chief Abell). [20-0212](#)

a) **ADOPT RESOLUTION NO. 20-0091**

b) **RATIFY AMENDMENT NO. 1 FOR ENFORCEMENT SERVICES REQUIRED FOR THE COVID-19 PANDEMIC**

Attachments: [Resolution No. 20-0091](#)
[Contract Extension Amendment - Contemporary Services Corporation Amendment No. 1 - Contemporary Services Corporation](#)
[RFP # 1240-20 Unarmed Security Services Comparison](#)

10. Consideration of Accepting the State of California Office of Traffic Safety Selective Traffic Enforcement Program (STEP) Grant in the Amount of \$80,000 (Police Chief Abell). [20-0264](#)

a) **ADOPT RESOLUTION NO. 20-0104**

b) **APPROPRIATE FUNDS**

Attachments: [Resolution No. 20-0104](#)
[Agreement - California Office of Traffic Safety](#)

H. ITEMS REMOVED FROM THE CONSENT CALENDAR

Each speaker may speak for up to 2 minutes on each item pulled from the agenda.

I. PUBLIC HEARINGS

At the discretion of the Mayor, each speaker may speak for up to 3 minutes on each public hearing item.

J. GENERAL BUSINESS

Each speaker may speak for up to 2 minutes on each general business item.

11. Update on Formation of a Bruce's Beach Task Force (Verbal Report) (City Manager Moe).

12. Receive Update on Gas-Powered Landscape Equipment and Recommendations from the Sustainability Task Force (Continued from the August 18, 2020, City Council Meeting) (Community Development Director Tai). [20-0236](#)

DISCUSS AND PROVIDE DIRECTION

Attachments: [PowerPoint Presentation](#)

K. CITY COUNCIL REQUESTS AND REPORTS INCLUDING AB 1234 REPORTS

In addition to providing reports of meetings and conferences attended by Councilmembers in connection with their official duties at City expense as required by AB 1234, Councilmembers requested at a previous City Council meeting that the following item(s) be placed on the agenda for discussion.

L. FUTURE AGENDA ITEMS

Councilmembers may request that items be placed on a future agenda with the concurrence of one other Councilmember.

M. CITY MANAGER REPORT

N. CITY ATTORNEY REPORT

O. INFORMATIONAL ITEMS

This section is for items that do not require City Council action.

13. Commission Minutes:[20-0153](#)

This Item Contains Minutes of the following City Commission Meetings:

- a) Cultural Arts Commission Meeting Minutes (Cancelled Due to COVID-19) of March 16, 2020; April 20, 2020; May 18, 2020 and June 15, 2020 (Parks and Recreation Director Leyman)
- b) Parks and Recreation Commission Meeting Minutes (Cancelled Due to COVID-19) of March 23, 2020; April 27, 2020; May 25, 2020 and June 22, 2020 (Parks and Recreation Director Leyman)
- c) Library Commission Meeting Minutes (Cancelled Due to COVID-19) of April 13, 2020; May 11, 2020 and June 8, 2020 (Parks and Recreation Director Leyman)
- d) Finance Subcommittee Action Meeting Minutes of July 22, 2020 (Finance Director Charelian)
- e) Parks and Recreation Commission Special Meeting Minutes of July 22, 2020 (Parks and Recreation Director Leyman)
- f) Parks and Recreation Commission Meeting Minutes of July 27, 2020 (Parks and Recreation Director Leyman).

INFORMATION ITEM ONLY

Attachments: [Cultural Arts Commission Meeting Minutes \(Cancelled Due to COVID-19\)](#)
[Parks and Recreation Commission Meeting Minutes \(Cancelled Due to COVID-19\)](#)
[Library Commission Meeting Minutes \(Cancelled Due to COVID-19\)](#)
[Finance Subcommittee Action Minutes of July 22, 2020](#)
[Parks and Recreation Commission Special Meeting Minutes of July 22, 2020](#)
[Parks and Recreation Commission Meeting Minutes of July 27, 2020](#)

P. CLOSED SESSION**Q. ADJOURNMENT****R. FUTURE MEETINGS****CITY COUNCIL MEETINGS**

September 15, 2020 - Tuesday -- 6:00 PM - City Council Meeting
October 6, 2020 - Tuesday -- 6:00 PM - City Council Meeting
October 20, 2020 - Tuesday -- 6:00 PM - City Council Meeting
November 5, 2020 - Wednesday -- 6:00 PM - City Council Meeting
November 17, 2020 - Tuesday -- 6:00 PM - City Council Meeting
December 1, 2020 - Tuesday -- 6:00 PM - City Council Meeting (Reorganization)
December 15, 2020 - Tuesday -- 6:00 PM - City Council Meeting

BOARDS, COMMISSIONS AND COMMITTEE MEETINGS

September 9, 2020 - Wednesday - 6:00 PM - Planning Commission Meeting
September 14, 2020 - Monday - 6:00 PM - Library Commission Meeting
September 21, 2020 - Monday - 6:00 PM - Cultural Arts Commission Meeting
September 23, 2020 - Wednesday - 6:00 PM - Planning Commission Meeting
September 24, 2020 - Thursday - 6:00 PM - Parking and Public Improvements Commission
September 28, 2020 - Monday - 6:00 PM - Parks and Recreation Commission Meeting

S. CITY OFFICES CLOSED**CITY HOLIDAYS:**

July 4, 2020 - Friday - Independence Day
September 7, 2020 - Monday - Labor Day
October 12, 2020 – Monday – Columbus Day
November 11, 2020 – Wednesday – Veterans Day
November 26-27, 2020 - Thursday & Friday - Thanksgiving Holiday
December 25, 2020 - Friday - Christmas Day Observed
January 1, 2021 – Friday – New Years Day Observed
January 18, 2021 – Monday – Martin Luther King Day
February 15, 2021 - Monday - Presidents Day
May 31, 2021 – Monday – Memorial Day



CITY OF MANHATTAN BEACH
1400 Highland Avenue Manhattan Beach, CA 90266
www.citymb.info • (310) 802-5000

STAFF REPORT

Agenda Date: 9/1/2020

TO:

Members of the City Council

FROM:

Mayor Montgomery

SUBJECT:

Presentation of a Baby Passport, to Arcie and Steve Charelian, Welcoming Manhattan Beach's Newest Resident, Knox Stone Charelian.

PRESENT

**Presentation of a Baby Passport to Arcie and Steve Charelian,
Welcoming Manhattan Beach's Newest Resident, Knox Stone Charelian**



CITY OF MANHATTAN BEACH
1400 Highland Avenue Manhattan Beach, CA 90266
www.citymb.info • (310) 802-5000

STAFF REPORT

Agenda Date: 9/1/2020

TO:

Members of the City Council

FROM:

Mayor Montgomery

SUBJECT:

Presentation of a Commendation Recognizing Chevron's Policy, Government and Public Affairs Manager, Rod Spackman for his 30 Plus Years of Dedicated Service.

PRESENT

**The City Council of the City of Manhattan Beach
Does Hereby Proudly Recognize
Chevron's Policy, Government and Public Affairs Manager,
Rod Spackman
For His 30 Plus Years of Dedicated Service.**



CITY OF MANHATTAN BEACH CITY HALL

1400 Highland Avenue, Manhattan Beach, CA 90266

WEBSITE: www.citymb.info • **PHONE:** (310) 802-5000

AGENDA ITEM NO. 3

City Manager Report on EOC (Emergency Operations Center) and Update on COVID-19 Response.



CITY OF MANHATTAN BEACH CITY HALL

1400 Highland Avenue, Manhattan Beach, CA 90266

WEBSITE: www.citymb.info • **PHONE:** (310) 802-5000

AGENDA ITEM NO. 4

City Council to Consider Additional Measures to Address COVID-19.



Agenda Date: 9/1/2020

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Liza Tamura, City Clerk

Martha Alvarez, Senior Deputy City Clerk

SUBJECT:

City Council Minutes:

This Item Contains Minutes of the Following City Council Meeting(s):

- a) City Council Adjourned Regular Meeting Minutes of August 18, 2020
- b) City Council Regular Meeting Minutes of August 18, 2020
(City Clerk Tamura).

APPROVE

RECOMMENDATION:

The attached minutes are for City Council approval:

Attachment(s):

- 1. City Council Adjourned Regular Meeting Minutes of August 18, 2020
- 2. City Council Regular Meeting Minutes of August 18, 2020

City of Manhattan Beach

1400 Highland Avenue
Manhattan Beach, CA 90266



Meeting Minutes - Draft

Tuesday, August 18, 2020

4:30 PM

City Council Chambers

City Council Adjourned Regular Meeting

ELECTED OFFICIALS

Mayor Richard Montgomery
Mayor Pro Tem Suzanne Hadley
Councilmember Hildy Stern
Councilmember Steve Napolitano
Councilmember Nancy Hersman

PLEASE NOTE THAT THE CITY ARCHIVES THE VIDEO RECORDINGS OF ALL REGULAR CITY COUNCIL MEETINGS AND THE VIDEO FOR THIS MEETING IS HEREBY INCORPORATED BY THIS REFERENCE. ALSO IN SUPPORT OF MORE TRANSPARENCY AND THE AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE, THE CITY OFFERS CLOSED CAPTIONING FOR REGULAR CITY COUNCIL MEETINGS. FOR A COMPLETE RECORD OF THIS CITY COUNCIL MEETING, GO TO:

www.citymb.info/departments/city-clerk/city-council-meetings-agendas-and-minutes

A. CALL MEETING TO ORDER

At 4:32 PM, Mayor Montgomery called the meeting to order.

B. ROLL CALL

Present 5 - Mayor Montgomery, Mayor Pro Tem Hadley, Councilmember Stern, Councilmember Napolitano and Councilmember Hersman

C. PUBLIC COMMENTS (3 MINUTES PER PERSON)

Mayor Montgomery opened the floor to public comment.

Seeing no requests to speak, Mayor Montgomery closed the floor to public comments.

D. CLOSED SESSION

I. ANNOUNCEMENT IN OPEN SESSION OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

City Manager Bruce Moe announced the following Closed Session.

**a) CONFERENCE WITH LEGAL COUNSEL (EXISTING LITIGATION)
(Government Code Section 54956.9(d)(1))**

**Name of Case: Darby T. Keen (Trustee) v City of Manhattan Beach
Los Angeles County Superior Court**

Case No: 19STCP02984

**b) CONFERENCE WITH LABOR NEGOTIATORS
(Government Code Section 54957.6)**

Agency Negotiators:

**Bruce Moe, City Manager
Lisa Jenkins, Human Resources Director**

Employee Groups:

**Manhattan Beach Firefighters' Association
Manhattan Beach Fire Management Association
Manhattan Beach Police Officers Association
Manhattan Beach Police Management Association
Manhattan Beach Mid-Management Employee Association
Manhattan Beach Part-Time Employees' Association
Unrepresented (Executive, Management and Confidential)
Teamsters Local 911**

**c) CONFERENCE WITH LEGAL COUNSEL (ANTICIPATED LITIGATION)
(Government Code Section 54956.9(d)(4))**

Based on existing facts and circumstances, the Manhattan Beach City Council is considering whether to initiate litigation.

Number of Cases: 1

II. RECESS INTO CLOSED SESSION

At 4:35 PM, Mayor Montgomery announced that City Council would recess into Closed Session.

III. RECONVENE INTO OPEN SESSION

At 5:55 PM, the City Council reconvened into Open Session with all Councilmembers present.

IV. CLOSED SESSION ANNOUNCEMENT IN OPEN SESSION

City Attorney Quinn Barrow announced the following regarding the Closed Session

Agenda Items:

Agenda Item No. a: This is the case where a property owner sued the City to be allowed to rent his residentially zoned property in the Coastal Zone on a short-term basis. City Council deferred taking any action until the Judge signs the judgment.

Agenda Item No. b: City Council gave direction.

Agenda Item No. c: City Council gave direction.

No other reportable action was taken.

E. ADJOURNMENT

At 5:56 PM Mayor Montgomery adjourned the meeting.

Martha Alvarez
Recording Secretary

Richard Montgomery
Mayor

ATTEST:

Liza Tamura
City Clerk

City of Manhattan Beach

1400 Highland Avenue
Manhattan Beach, CA 90266



Meeting Minutes - Draft

Tuesday, August 18, 2020

6:00 PM

Regular Meeting

City Council Chambers

City Council Regular Meeting

ELECTED OFFICIALS

Mayor Richard Montgomery

Mayor Pro Tem Suzanne Hadley

Councilmember Hildy Stern

Councilmember Steve Napolitano

Councilmember Nancy Hersman

PLEASE NOTE THAT THE CITY ARCHIVES THE VIDEO RECORDINGS OF ALL REGULAR CITY COUNCIL MEETINGS AND THE VIDEO FOR THIS MEETING IS HEREBY INCORPORATED BY THIS REFERENCE. ALSO IN SUPPORT OF MORE TRANSPARENCY AND THE AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE, THE CITY OFFERS CLOSED CAPTIONING FOR REGULAR CITY COUNCIL MEETINGS. FOR A COMPLETE RECORD OF THIS CITY COUNCIL MEETING, GO TO:
www.citymb.info/departments/city-clerk/city-council-meetings-agendas-and-minutes

A. CALL MEETING TO ORDER

At 6:01 PM, Mayor Montgomery called the meeting to order.

B. ROLL CALL

Present: 5 - Mayor Montgomery, Mayor Pro Tem Hadley, Councilmember Stern, Councilmember Napolitano and Councilmember Hersman

C. CEREMONIAL CALENDAR

1. Presentation of a Baby Passport, to Charlene and Todd Dipaola, [20-0142](#)
Welcoming Manhattan Beach's Newest Resident, Theodore "Teddy" Dipaola.
PRESENT

Mayor Montgomery, on behalf of the City Council presented Charlene and Todd Dipaola, with a Baby Passport for Manhattan Beach's newest resident, Theodore "Teddy" Dipaola.

2. Presentation of Certificates of Commendation Recognizing Police Officer Dave Caveney as Police Officer of the Year and Fire Captain Tyler Wade as Firefighter of the Year. [20-0141](#)
PRESENT

Mayor Montgomery and Police Chief Derrick Abell, on behalf of the City Council, presented Police Officer of the Year, Dave Caveney and Firefighter of the Year, Tyler Wade with a certificate of commendation.

D. APPROVAL OF AGENDA AND WAIVER OF FULL READING OF ORDINANCES

Mayor Montgomery requested to move out of order Agenda Item No. 16 - Bruce's Beach to be discussed as first Agenda Item under General Business.

A motion was made by Mayor Pro Tem Hadley, seconded by Councilmember Stern, to approve the agenda, waive full reading of ordinances and move Agenda Item No. 16 as first item under General Business. The motion carried by the following vote:

Aye: 5 - Montgomery, Hadley, Stern, Napolitano and Hersman

E. PUBLIC COMMENTS (3 MINUTES PER PERSON)

Senior Deputy City Clerk Martha Alvarez confirmed the following public comments were received by the City for the August 18, 2020, City Council Regular Meeting.

Bruce's Beach Agenda Item

16 emails

32 eComments

Art at City Hall Agenda Item

1 email

1 eComment

Facial Coverings

5 emails

Extension of Parking Meters

3 emails

Increase of Police Foot Patrol

3 emails

Covid-19 Topics

3 emails

Gas Powered Agenda Item

1 eComment

Annual Collection Assessments Agenda Item

1 eComment

100th Anniversary of Women's Suffrage Agenda Item

3 eComments

Agreement for Manhattan Beach Blvd and Sepulveda Blvd. Agenda Item

1 eComment

Other Miscellaneous Topics

14 emails

Mayor Montgomery opened the floor to public comment. The following individual(s) spoke:

Erin Al-Awar

Christopher O'Brien

Lorcan Kilmartin

Patricia Lundy

Lenora Marouani

Alison Chavez

Kat Galich

Luc Kleiner

Blanca Zepeda

Nicholas Arquette

*Kelly Stroman
Kelsey Maloney*

Seeing no further requests to speak, Mayor Montgomery closed the floor to public comments.

F. COVID-19

3. City Manager Report on EOC (Emergency Operations Center) and Update on COVID-19 Response.

City Manager Bruce Moe reported on the EOC (Emergency Operations Center) and responded to City Council questions.

4. City Council to Consider Additional Measures to Address COVID-19.

Mayor Pro Tem Hadley requested for consideration to waive the \$13.00 fee for outdoor classes for the three existing businesses, including any other applicants and anyone who applies during the current State of Emergency. Councilmember Napolitano and Councilmember Hersman concurred.

City Attorney Quinn Barrow provided clarification.

City Manager Bruce Moe and Parks and Recreation Director Mark Leyman responded to City Council questions.

Mayor Montgomery requested for consideration to add a Police Officer or two to do foot patrol. Mayor Pro Tem Hadley concurred.

Police Chief Derrick Abell and City Manager Bruce Moe responded to City Council questions.

G. CONSENT CALENDAR (APPROVE)

Mayor Montgomery requested a brief update from Public Works Director Stephanie Katsouleas regarding Agenda Item Nos. 9 and 10.

A motion was made by Councilmember Hersman, seconded by Mayor Montgomery, to approve the Consent Calendar, including Agenda Item Nos. 9 and 10.

City Attorney Quinn Barrow read the title of Ordinance No. 20-0019:

AN ORDINANCE OF THE CITY OF MANHATTAN BEACH AMENDING MUNICIPAL CODE CHAPTERS 2.36 AND 2.37 OF TITLE 2 TO AUTHORIZE ELECTRONIC FILING OF BIDS, AND MODIFYING THE AUTHORITY TO APPROVE CHANGES ORDERS AND PROCURE PROFESSIONAL SERVICES IN CHAPTER 2.36

The motion carried by the following vote:

Aye: 5 - Montgomery, Hadley, Stern, Napolitano and Hersman

5. City Council Minutes: [20-0144](#)
This Item Contains Minutes of the Following City Council Meeting(s):
a) City Council Adjourned Regular Meeting Minutes of May 26, 2020
b) City Council Adjourned Regular Meeting Minutes of May 28, 2020
c) City Council Adjourned Regular Meeting Minutes (Boards and Commissions Interviews) of May 28, 2020
d) City Council Regular Meeting Minutes of August 4, 2020 (City Clerk Tamura).

APPROVE

The recommendation for this item was approved on the Consent Calendar.

6. Financial Report: [20-0256](#)
Schedule of Demands: July 23, 2020 (Finance Director Charelian).

ACCEPT REPORT AND DEMANDS

The recommendation for this item was approved on the Consent Calendar.

7. Consider Introducing an Ordinance Amending Chapters 2.36 (Purchasing) and 2.37 (Public Projects) of the Manhattan Beach Municipal Code to Allow Electronic Filing of Bids and Modifying the Authority to Approve Changes Orders and Procure Professional Services (Finance Director Charelian). [20-0197](#)

INTRODUCE ORDINANCE NO. 20-0019

The recommendation for this item was approved on the Consent Calendar.

8. Consideration of City Council's Intention to Provide for Annual Levy and Collection of Assessments for the Downtown Business Improvement District and Setting September 15, 2020, for a Public Hearing (Finance Director Charelian). [20-0218](#)

a) ADOPT RESOLUTION NO. 20-0095

b) SET PUBLIC HEARING DATE TO SEPTEMBER 15, 2020

The recommendation for this item was approved on the Consent Calendar.

9. Approve a Transfer Agreement Between the City of Manhattan Beach and the Los Angeles County Flood Control District for the Disbursement of Local Return Funds from the County's Safe, Clean Water Program, Also Known as Measure W (Public Works Director Katsouleas) [20-0263](#)
ADOPT RESOLUTION NO. 20-0097

Public Works Director Stephanie Katsouleas provided an update on this Agenda Item.

Mayor Montgomery opened the floor to public comments. The following individual(s) spoke:

David Slay

Seeing no further requests to speak, Mayor Montgomery closed the floor to public comments.

The recommendation for this item was approved on the Consent Calendar.

10. Consideration of Amendment No. 1 to the Professional Services Agreement with Onward Engineering for Additional Design Services for the Manhattan Beach Boulevard and Sepulveda Boulevard Intersection Improvement Project at a Cost Not-to-Exceed \$77,035 (Public Works Director Katsouleas) [20-0266](#)
ADOPT RESOLUTION NO. 20-0098

Public Works Director Stephanie Katsouleas provided an update on this Agenda Item.

The recommendation for this item was approved on the Consent Calendar.

H. ITEMS REMOVED FROM THE CONSENT CALENDAR

None.

I. PUBLIC HEARINGS

None.

J. GENERAL BUSINESS

16. Consider Request by Councilmember Hersman and Councilmember Stern to Discuss the History of Bruce’s Beach (City Manager Moe).

[20-0254](#)

RECEIVE REPORT

Councilmember Hersman provided a statement regarding the Agenda Item.

Management Services, Management Analyst Alexandria Latragna provided the PowerPoint presentation.

Mayor Montgomery opened the floor to public comment. The following individual(s) spoke:

- Kim Isaacs*
- Kathleen Galich*
- Jennifer Marer*
- Monique Bolsajian*
- Allison Hales*
- Kaitlyn McQuown*
- Shelbi Thompson*
- Mich Lean Levy*
- Kavon Ward*
- Anthony Lee*

Seeing no further requests to speak, Mayor Montgomery closed the floor to public comments.

City Council directed staff to return at a future City Council Meeting with updates from the Bruce's Beach Task Force.

City Manager Bruce Moe provided clarification.

Councilmember Napolitano and Councilmember Stern will be assisting staff with the options brought back to City Council.

At 9:21 PM City Council recessed and reconvened at 9:31 PM with all Councilmembers present.

11. Selection and Approval of Artist for the City Hall Lobby Public Art Project and Disbursement of Funds from the Public Art Trust Fund (Parks and Recreation Director Mark Leyman). [20-0064](#)
- a) **APPROVE**
- b) **AUTHORIZE CITY MANAGER TO EXECUTE CONTRACT**
- c) **DISBURSE FUNDS**

Parks and Recreation Director Mark Leyman provided a brief introduction.

Parks and Recreation Department, Cultural Arts Acting Manager Eilen Stewart provided the PowerPoint presentation and responded to City Council questions.

Mayor Montgomery opened the floor to public comment.

Seeing no requests to speak, Mayor Montgomery closed the floor to public comments.

Cultural Arts Acting Manager Stewart and City Attorney Quinn Barrow responded to City Council questions.

A motion was made by Councilmember Stern, seconded by Councilmember Hersman, to approve the proposal from Nancy Hou and Josh de Sousa, authorize the City Manager to execute the contract and disburse funds. Motion carried by the following vote:

Aye: 4 - Montgomery, Hadley, Stern and Hersman

Nay: 1 - Napolitano

12. Receive Update on Gas-Powered Landscape Equipment and Recommendations from the Sustainability Task Force (Community Development Director Tai). [20-0236](#)
- DISCUSS AND PROVIDE DIRECTION**

City Council requested to move this Agenda Item to September 1, 2020.

13. Receive Update on Clean Power Alliance 100% Green Power Renewable Energy Rates for Municipal Facilities (Community Development Director Tai).

[20-0235](#)

RECEIVE REPORT

Community Development Director Carrie Tai introduced the Agenda Item.

Environmental Sustainability Manager Dana Murray provided the PowerPoint presentation and responded to City Council questions.

Mayor Montgomery opened the floor to public comment. The following individual(s) spoke:

Craig Cadwallader

Seeing no further requests to speak, Mayor Montgomery closed the floor to public comments.

Environmental Sustainability Manager Murray, Clean Power Alliance Chief of Operations Matthew Langer and City Attorney Quinn Barrow responded to City Council questions.

This item was received and filed by order of the Chair.

14. Consideration of the Following Actions for the \$39 Million Peck Reservoir Replacement Project: [20-0258](#)
- A. Awarding a Construction Agreement to Pacific Hydrotech Corporation, Inc. for the 8 Million Gallon (MG) Peck Reservoir Replacement Project for \$31,104,400; Authorizing the City Manager to Approve Additional Work if Necessary, for up to \$3,106,480; and Approving the Plans and Specifications for the Project;
 - B. Awarding a Construction Management Services Agreement with Butier Engineering, Inc. for the Project for \$2,555,229;
 - C. Approving Amendment No. 6 to the Professional Design Services Agreement with Stantec Consulting, Inc. for the Project for \$994,988;
 - D. Waiver of formal bidding per Manhattan Beach Municipal Code Section 2.36.140 and Adopting a Resolution Approving an Agreement with Control Automation Design, Inc. for the Purchase an Installation of the Peck Reservoir Control Integration System for \$438,903;
 - E. Payment of up to \$400,000 to Los Angeles County Sanitation District for a new discharge connection to the County's sanitary sewer system;
 - F. Payment of up to \$300,000 to Southern California Edison for the installation of a new ground level transformer, and;
 - G. Appropriation of \$2,500,000 from the Water Fund Balance to the project.

(Public Works Director Katsouleas)

a) ADOPT RESOLUTION NOS. 20-0100, 20-0101, 20-0102 AND 20-0103

b) APPROPRIATE FUNDS

At 10:46 PM, Mayor Montgomery requested a motion to extend the meeting.

City Attorney Quinn Barrow provided clarification

A motion was made by Councilmember Hersman, seconded by Mayor Montgomery, to extend the meeting past 11:00 PM. The motion carried by the following vote:

Aye: 5 - Montgomery, Hadley, Stern, Napolitano and Hersman

Public Works Director Stephanie Katsouleas provided the PowerPoint presentation.

Mayor Montgomery opened the floor to public comment. The following individual(s) spoke:

*Chaz Flemmings
Craig Cadwallader*

Seeing no further requests to speak, Mayor Montgomery closed the floor to public comments.

City Attorney Quinn Barrow provided clarification.

A motion was made by Councilmember Hersman, seconded by Mayor Pro Tem Hadley, to a) adopt Resolution No. 20-0100, awarding a construction agreement to Pacific Hydrotech Corporation for the 8 million gallon (MG) Peck Reservoir replacement project; authorizing the City Manager to approve additional work, if necessary; and approving the plans and specifications for 8 MG Peck Reservoir replacement project; b) adopt Resolution No. 20-0101, approving an agreement with Butier Engineering, Inc. for construction management and inspection services for the 8 MG Peck Reservoir replacement project; c) adopt Resolution No. 20-0102, approving amendment no. 6 to the design services agreement with Stantec Consulting, Inc. for the 8 MG Peck Reservoir replacement project; d) adopt Resolution No. 20-0103, approving an agreement with Control Automation Design, Inc. for control system integration services for the 8 MG Peck Reservoir replacement project; and e) appropriate funds. The motion carried by the following vote:

Aye: 5 - Montgomery, Hadley, Stern, Napolitano and Hersman

K. CITY COUNCIL REQUESTS AND REPORTS INCLUDING AB 1234 REPORTS

- 15. Consider Request by Councilmember Hersman and Councilmember Napolitano to Discuss the History and 100th Anniversary of the 19th Amendment and Women’s Constitutional Right to Vote (City Clerk Tamura). [20-0143](#)

DISCUSS AND PROVIDE DIRECTION

Councilmember Hersman announced the following in Celebration of the 100th Anniversary of the 19th Amendment and Women's Constitutional Right to Vote:

From August 26, 2020 - November 3, 2020, City Hall will be lit up in purple and gold lights in the colors of the women's suffragettes'.

There will be a banner in the Downtown area on Manhattan Avenue celebrating, "Women's Equality Day and the 100th Anniversary of the Women's Amendment."

Restaurants and shops will be lit up in purple and gold lights.

Pages store will be handing out "Constitution Books" that were going to be previously provided at the Hometown Fair.

City Council approved a proclamation recognizing Women's Equality Day.

- 16. Consider Request by Councilmember Hersman and Councilmember Stern to Discuss the History of Bruce’s Beach (City Manager Moe). [20-0254](#)

RECEIVE REPORT

This agenda item was presented out of order.

L. FUTURE AGENDA ITEMS

None.

M. CITY MANAGER REPORT

None.

N. CITY ATTORNEY REPORT

City Attorney Quinn Barrow inquired about City Council's availability on September 1, 2020, at 4:30 PM, for a Public Hearing appeal and Closed Session.

O. INFORMATIONAL ITEMS

None.

P. CLOSED SESSION

None.

Q. ADJOURNMENT

At 11:15 PM, Mayor Montgomery adjourned the meeting in memory of Long Beach Mayor Robert Garcia's stepfather, Greg O'Donnell.

Meeting was adjourned to 4:30 PM, on Tuesday, September 1, 2020, in City Council Chambers.

Martha Alvarez
Recording Secretary

Richard Montgomery
Mayor

ATTEST:

Liza Tamura
City Clerk



Agenda Date: 9/1/2020

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Steve S. Charelian, Finance Director
Henry Mitzner, Controller
Julie Bondarchuk, Senior Accountant

SUBJECT:

Financial Reports:

- a) Schedule of Demands August 6, 2020
- b) Investment Portfolio for the Month Ending July 31, 2020
- c) Month End Report for July 31, 2020
(Finance Director Charelian).

ACCEPT REPORTS AND DEMANDS

RECOMMENDATION:

Staff recommends that the City Council accept the attached reports and demands.

FISCAL IMPLICATIONS:

The financial reports included herein are designed to communicate fiscal activity based upon adopted and approved budget appropriations. No further action of a fiscal nature is requested as part of this report.

The total value of the warrant register for August 6, 2020, is \$3,731,657.16.

BACKGROUND:

Finance staff prepares a variety of financial reports for City Council and the Finance Subcommittee. A brief discussion of the attached report follows.

DISCUSSION:

Schedule of Demands:

Every two weeks, staff prepares a comprehensive listing of all disbursements with staff

certification that the expenditure transactions listed have been reviewed and are within budgeted appropriations.

Investment Portfolio:

Detailed Investment reports are provided to the Finance Subcommittee with summary reporting to City Council. The month end portfolio includes a certification by the Finance Director that all investments comply with established Investment Policies (or with Finance Subcommittee approved exceptions), and there is sufficient liquidity to support projected expenditures.

Month End Report:

This package includes summary level financial information for the month ending July 31, 2020. This report marks the first month of Fiscal Year 2020-2021 and reflects the annual budget adopted by City Council.

The report provides monthly and year-to-date activity for all funds and departments presenting a snapshot of budget performance. A report highlighting the performance of key revenue sources is also included.

PUBLIC OUTREACH:

After analysis, staff determined that public outreach was not required for this issue.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENTS:

1. Schedule of Demands for August 6, 2020
2. Investment Portfolio for the Month Ending July 31, 2020
3. Month End Report for July 31, 2020

City of Manhattan Beach



Schedule of Demands August 6, 2020

CITY OF MANHATTAN BEACH
WARRANT REGISTER

WARRANT(S) WR 31A, WR 4A
DATED: 08/06/2020

I HEREBY CERTIFY THAT THE CLAIMS OR DEMANDS COVERED BY THE ABOVE WARRANT(S) IN THE AMOUNT OF \$3,731,657.16 HAVE BEEN REVIEWED AND THAT SAID CLAIMS OR DEMANDS ARE ACCURATE, ARE IN CONFORMANCE WITH THE ADOPTED BUDGET, AND THAT THE FUNDS ARE AVAILABLE THEREOF.



FINANCE DIRECTOR

THIS 1ST DAY OF SEPTEMBER

REVIEWED, CERTIFIED AND APPROVED
BY CITY MANAGER BRUCE MOE

WARRANT REGISTER (S)	WARRANT(S)	31A	629,941.76
WR 31A, WR 4A		4A	1,256,840.14
	PREPAID WIRES / MANUAL CKS	31A	
		4A	894,548.11
	SUBTOTAL WARRANTS		2,781,330.01
	VOIDS		
	PAYROLL	PE 7/31/2020	
		PY	950,327.15
	TOTAL WARRANTS		3,731,657.16

**CITY OF MANHATTAN BEACH
WARRANT REGISTER**

WARRANT BATCH NUMBER:

CHECK NO.	DATE	TYPE	PAYEE NAME	PAYMENT DESCRIPTION	CHECK AMOUNT
543026	8/6/2020	N	ABBA TERMITE & PEST CONTROL	THREE-YEAR BEE REMOVAL & RELOCATION S	195.00
543027	8/6/2020	N	AC MARTIN PARTNERS INC	CITY HALL RECEPTION RESTROOMS UPGRADE	2,586.35
543028	8/6/2020	N	ADMINISTRATIVE SERVICES COOP	SUPPLEMENTAL CAB SERVICE-JUN 2020	851.25
543029	8/6/2020	N	ADMINSURE INC	GENERAL & AUTO LIABILITY CLAIMS	4,221.08
543030	8/6/2020	N	ARAKELIAN ENTERPRISES INC	STREET SWEEPING AND PRESSURE WASHING S	37,029.74
543031	8/6/2020	N	ARDURRA GROUP INC	ROOF REPLACEMENTS AT LIVE OAK PARK & M	3,807.50
543032	8/6/2020	N	ASPEN ENVIRONMENTAL GROUP	CONSTRUCTION MANAGEMENT FOR SKECHER	3,391.48
543033	8/6/2020	N	AT&T MOBILITY	CELLULAR CHARGES	1,352.93
543034	8/6/2020	N	BEACH CITIES HEALTH DISTRICT	QUARTERLY CARE MANAGEMENT	9,328.75
543035	8/6/2020	N	BEACH CITIES HEALTH DISTRICT	FEES-JUNE 2020	2,002.00
543036	8/6/2020	N	CA NEWSPAPER PARTNERSHIP	ADVERTISING	16,074.40
543037	8/6/2020	N	CA NEWSPAPER PARTNERSHIP	ADVERTISING	1,686.00
543038	8/6/2020	N	CCS LOS ANGELES JANITORIAL INC	THREE-YEAR JANITORIAL CONTRACT SERVICE	38,349.01
543039	8/6/2020	N	CENTER CENTINELA VALLEY ENDOSCOPY	MEDICAL SERVICES	2,000.00
543040	8/6/2020	N	CLIMATE ACCESS	CLIMATE VIRTUAL REALITY OUTREACH SERV	10,000.00
543041	8/6/2020	N	CORODATA RECORDS MANAGEMENT	OFFICE RECORDS STORAGE SERVICES	40.00
543042	8/6/2020	N	CT&T CONCRETE PAVING INC	CITYWIDE CONCRETE REPAIRS PROJECT	111,303.90
543043	8/6/2020	N	HEATHER DALLAS	RIGHT OF WAY DEPOSIT REFUND	496.00
543044	8/6/2020	N	JOHN H DOUGLAS	SERVICES FOR MANDATED STATE HOUSING L	19,800.00
543045	8/6/2020	N	LINDA ENSBURY	REFUND TREE DEPOSIT	800.00
543046	8/6/2020	N	ENVIRONMENTAL SCIENCE ASSOC	COASTAL RESILIENCY PROGRAM CONSULTING	29,077.50
543047	8/6/2020	N	HUNTINGTON BCH MOTORSPORTS INC	MOTORCYCLE PARTS & SERVICE	2,639.92

**CITY OF MANHATTAN BEACH
WARRANT REGISTER**

WARRANT BATCH NUMBER:

CHECK NO.	DATE	TYPE	PAYEE NAME	PAYMENT DESCRIPTION	CHECK AMOUNT
543048	8/6/2020	N	JOE MAR POLYGRAPH &	PRE-EMPLOYMENT POLYGRAPH SERVICES	200.00
543049	8/6/2020	N	L A COUNTY DEPT OF P W	TRAFFIC SERVICES	5,103.70
543050	8/6/2020	N	ROSEMARY A LACKOW	MINUTES SECRETARY - AMENDMENT NO. 1 & 2	224.00
543051	8/6/2020	N	MELAD AND ASSOCIATES INC	BUILDING PLAN CHECK & INSPECTIONS AND F	2,880.00
543052	8/6/2020	N	MICHAEL BAKER INTERNATIONAL	AVIATION @ ARTESIA RIGHT TURN LANE	3,492.81
543053	8/6/2020	N	MOFFATT & NICHOL	DESIGN SVCS AGRMNT - PIER RAILING	24,787.00
543054	8/6/2020	N	MONTESSORI SCHOOL	BUSINESS LICENSE REFUND	8,488.07
543055	8/6/2020	N	NOTORIOUS FIT LLC	FITNESS INSTRUCTOR - AMENDMENT NO. 1	2,430.00
543056	8/6/2020	N	PROVIDENCE MEDICAL INSTITUTE	PRE-EMPLOYMENT PHYSICALS	925.00
543057	8/6/2020	N	PSOMAS	LIBERTY VILLAGE PAVEMENT REHABILITATIC	975.00
543058	8/6/2020	N	QUICKCAPTION INC	RFP: 1095-17, CLOSED CAPTION PROFESSIONA	9,900.00
543059	8/6/2020	N	REDONDO ORAL SURGERY	REFUND TEMPORARY USE DEPOSIT	675.00
543060	8/6/2020	N	RICHARDS WATSON & GERSHON	PROFESSIONAL SERVICES-JUNE 2020	88,202.78
543061	8/6/2020	N	RINCON CONSULTANTS INC	EIR FOR SUNRISE SENIOR ASSISTED LIVING P	502.50
543062	8/6/2020	N	SA ASSOCIATES	SEWER INFRASTRUCTURE IMPROVEMENT PRO	16,831.65
543063	8/6/2020	N	SAFETY KLEEN CORP	GARAGE SUPPLIES	737.00
543064	8/6/2020	N	SBRPCA	CONTRACTED EMS MEDICAL DIRECTOR	7,625.00
543065	8/6/2020	N	THOMAS SHIN	REFUND PARCEL MAP	500.00
543066	8/6/2020	N	STEPHAN T HONDA MD INC	MEDICAL SERVICES	180.00
543067	8/6/2020	N	T MOBILE USA	MOBILE CONNECTION	61.12
543068	8/6/2020	N	THOMSON REUTERS-WEST PUBLISH	WEB-BASED PUBLIC RECORDS DATABASE SEA	446.52
543069	8/6/2020	N	TRAFFIC MANAGEMENT INC	COVID-19 MESSAGE BOARDS	3,600.00

5:37:35PM
8/5/2020

**CITY OF MANHATTAN BEACH
WARRANT REGISTER**

WARRANT BATCH NUMBER:

CHECK NO.	DATE	TYPE	PAYEE NAME	PAYMENT DESCRIPTION	CHECK AMOUNT
543070	8/6/2020	N	UNITED SITE SVCS OF CA INC	FENCING	79.04
543071	8/6/2020	N	US BANCORP CARD SERVICES INC	P-CARD CHARGES	34,929.03
543072	8/6/2020	N	VERIZON CALIFORNIA INC	SCADA COMMUNICATION	27,374.55
543073	8/6/2020	N	WALTERS WHOLESALE ELECTRIC CO	ELECTRICAL SUPPLIES	4,941.43
543074	8/6/2020	N	WATER REPLENISHMENT DISTRICT	MONTHLY WATER PURCHASES	810.30
543075	8/6/2020	N	WESTCHESTER MEDICAL GROUP	EMERGENCY PERSONNEL PHYSICALS - AMENI	2,295.00
543076	8/6/2020	N	WILLDAN INC	MALL PROJECT	56,751.45
543077	8/6/2020	N	WOLFF LANG CHRISTOPHER	FIRE STATION 2 DESIGN DEVELOPMENT DESIG	26,961.00
SUBTOTAL					629,941.76
COMBINED TOTAL					629,941.76

PAYMENT LEGEND:
T = Wire Transfers
N = System Printed Checks
H = Hand Written Checks

**CITY OF MANHATTAN BEACH
WARRANT REGISTER
CHECKS EQUAL TO OR ABOVE
\$2,500.00**

WARRANT BATCH NUMBER: wr 31a

CHECK NO.	DATE	TYPE	PAYEE NAME	PAYMENT DESCRIPTION	CHECK AMOUNT
543027	8/6/2020	N	AC MARTIN PARTNERS INC	CITY HALL RECEPTION RESTROOMS UPGRADE	2,586.35
543029	8/6/2020	N	ADMINSURE INC	GENERAL & AUTO LIABILITY CLAIMS	4,221.08
543030	8/6/2020	N	ARAKELIAN ENTERPRISES INC	STREET SWEEPING AND PRESSURE WASHING S	37,029.74
543031	8/6/2020	N	ARDURRA GROUP INC	ROOF REPLACEMENTS AT LIVE OAK PARK & M	3,807.50
543032	8/6/2020	N	ASPEN ENVIRONMENTAL GROUP	CONSTRUCTION MANAGEMENT FOR SKECHER	3,391.48
543034	8/6/2020	N	BEACH CITIES HEALTH DISTRICT	QUARTERLY CARE MANAGEMENT	9,328.75
543036	8/6/2020	N	CA NEWSPAPER PARTNERSHIP	ADVERTISING	16,074.40
543038	8/6/2020	N	CCS LOS ANGELES JANITORIAL INC	THREE-YEAR JANITORIAL CONTRACT SERVICE	38,349.01
543040	8/6/2020	N	CLIMATE ACCESS	CLIMATE VIRTUAL REALITY OUTREACH SERV	10,000.00
543042	8/6/2020	N	CT&T CONCRETE PAVING INC	CITYWIDE CONCRETE REPAIRS PROJECT	111,303.90
543044	8/6/2020	N	JOHN H DOUGLAS	SERVICES FOR MANDATED STATE HOUSING L	19,800.00
543046	8/6/2020	N	ENVIRONMENTAL SCIENCE ASSOC	COASTAL RESILIENCY PROGRAM CONSULTINC	29,077.50
543047	8/6/2020	N	HUNTINGTON BCH MOTORSPORTS INC	MOTORCYCLE PARTS & SERVICE	2,639.92
543049	8/6/2020	N	L A COUNTY DEPT OF P W	TRAFFIC SERVICES	5,103.70
543051	8/6/2020	N	MELAD AND ASSOCIATES INC	BUILDING PLAN CHECK & INSPECTIONS AND F	2,880.00
543052	8/6/2020	N	MICHAEL BAKER INTERNATIONAL	AVIATION @ ARTESIA RIGHT TURN LANE	3,492.81
543053	8/6/2020	N	MOFFATT & NICHOL	DESIGN SVCS AGRMNT - PIER RAILING	24,787.00
543054	8/6/2020	N	MONTESORI SCHOOL	BUSINESS LICENSE REFUND	8,488.07
543058	8/6/2020	N	QUICKCAPTION INC	RFP: 1095-17, CLOSED CAPTION PROFESSIONA	9,900.00
543060	8/6/2020	N	RICHARDS WATSON & GERSHON	PROFESSIONAL SERVICES-JUNE 2020	88,202.78
543062	8/6/2020	N	SA ASSOCIATES	SEWER INFRASTRUCTURE IMPROVEMENT PRO	16,831.65
543064	8/6/2020	N	SBRPCA	CONTRACTED EMS MEDICAL DIRECTOR	7,625.00
543069	8/6/2020	N	TRAFFIC MANAGEMENT INC	COVID-19 MESSAGE BOARDS	3,600.00

5:45:49PM
8/5/2020

CITY OF MANHATTAN BEACH
WARRANT REGISTER
CHECKS EQUAL TO OR ABOVE
\$2,500.00

WARRANT BATCH NUMBER: wr 31a

CHECK NO.	DATE	TYPE	PAYEE NAME	PAYMENT DESCRIPTION	CHECK AMOUNT
543071	8/6/2020	N	US BANCORP CARD SERVICES INC	P-CARD CHARGES	34,929.03
543072	8/6/2020	N	VERIZON CALIFORNIA INC	SCADA COMMUNICATION	27,374.55
543073	8/6/2020	N	WALTERS WHOLESALE ELECTRIC CO	ELECTRICAL SUPPLIES	4,941.43
543076	8/6/2020	N	WILLDAN INC	MALL PROJECT	56,751.45
543077	8/6/2020	N	WOLFF LANG CHRISTOPHER	FIRE STATION 2 DESIGN DEVELOPMENT DESIG	26,961.00
SUBTOTAL					609,478.10
COMBINED TOTAL					609,478.10

PAYMENT LEGEND:
T = Wire Transfers
N = System Printed Checks
H = Hand Written Checks

**Report of Warrant Disbursements
wr 31a**

Fund	Description	Amount
100	General	317,666.03
201	Street Light	8,704.32
205	Streets & Highways	114,796.71
230	Prop A	851.25
231	Prop C	975.00
401	Capital Improvements	33,354.85
501	Water	7,048.62
502	Storm	18,228.06
503	Waste Water	31,729.61
510	Refuse	16,306.40
520	Parking	12,436.46
521	County Parking Lot	784.29
522	State Pier Lots	42,641.75
601	Insurance	4,421.08
605	Information Services	61.12
610	Vehicle Fleet	3,376.92
615	Building Maintenance	16,559.29
wr 31a		<u>629,941.76</u>
		<u>629,941.76</u>

**CITY OF MANHATTAN BEACH
WARRANT REGISTER**

WARRANT BATCH NUMBER:

CHECK NO.	DATE	TYPE	PAYEE NAME	PAYMENT DESCRIPTION	CHECK AMOUNT
908052020	8/5/2020	T	CA PUBLIC EMPLOYEES'	MEDICAL PREMIUMS	372,181.36
908102020	8/10/2020	T	UNION BANK	F.I.T./MEDICARE/S.I.T.	242,060.29
908112020	8/11/2020	T	PUBLIC EMPLOYEES'	PENSION SAFETY - CLASSIC: PAYMENT	280,306.46
SUBTOTAL					894,548.11
543078	8/6/2020	N	1 800 PACK RAT LLC	STORAGE CONTAINER RENTAL	207.94
543079	8/6/2020	N	ABBA TERMITES & PEST CONTROL	BEE REMOVAL SERVICES	585.00
543080	8/6/2020	N	ADVANCED IMAGING STRATEGIES	5 YR MULTIFUNCTION COPIERS & PRINTERS	11,097.29
543081	8/6/2020	N	AT&T	TI LINE TO RCC	338.90
543082	8/6/2020	N	AT&T MOBILITY	CELLULAR CHARGES	1,950.79
543083	8/6/2020	N	SVETLANA AVERBUKH	ZUMBA ON ZOOM	64.00
543084	8/6/2020	N	CALIFORNIA GREEN BUSINESS NET	MEMBERSHIP	5,364.00
543085	8/6/2020	N	CCS LOS ANGELES JANITORIAL INC	JANITORIAL SERVICES-EXTRAS	38,110.01
543086	8/6/2020	N	CELLCO PARTNERSHIP	MOBILE CONNECTION	76.02
543087	8/6/2020	N	CITY OF LOS ANGELES HARBOR DEP	15-03532C CONTRACT SERVICES	4,750.00
543088	8/6/2020	N	CONTEMPORARY SERVICES CORP	UNARMED SECURITY SERVICES	14,061.21
543089	8/6/2020	N	CORAL BAY HOME LOANS	SKATEDOGS SKATEBOARDING CAMP	2,753.10
543090	8/6/2020	N	CSAC EXCESS INSURANCE AUTH	INSURANCE PREMIUM	13,628.00
543091	8/6/2020	N	DELTA DENTAL OF CALIFORNIA	DENTAL PREMIUMS	30,371.12
543092	8/6/2020	N	DESIGN SPACE MODULAR BUILDINGS	STORAGE SPACE	474.52
543093	8/6/2020	N	DEWEY SERVICES INC	PEST CONTROL SERVICES-JUL 2020	2,480.00
543094	8/6/2020	N	ELEVATORS ETC LP	A8-00004 ELEVATOR MAINENANCE	3,015.92
543095	8/6/2020	N	FAME CIVIL ENGINEERS INC	UB OVERPAYMENT REFUND	1,752.83
543096	8/6/2020	N	FISHER SCIENTIFIC CO LLC	16-02212 COVID-19 N95 MASKS	3,567.56

**CITY OF MANHATTAN BEACH
WARRANT REGISTER**

WARRANT BATCH NUMBER:

CHECK NO.	DATE	TYPE	PAYEE NAME	PAYMENT DESCRIPTION	CHECK AMOUNT
543097	8/6/2020	N	FUNKY DIVAS & DUDES LLC	ROCKSTAR CAMP	1,462.50
543098	8/6/2020	N	STEPHEN ROSS HYDE	BEGG POOL MASTERS SWIM COACH	1,840.00
543099	8/6/2020	N	ICMA RETIREMENT TRUST - 401	DEFERRED COMP 108075: PAYMENT	673.08
543100	8/6/2020	N	ICMA RETIREMENT TRUST - 401	LOAN REPAY 401 - 2.5%: PAYMENT	1,715.56
543101	8/6/2020	N	ICMA RETIREMENT TRUST - 457	DEFERRED COMP AND LOAN REPAY 457	83,691.29
543102	8/6/2020	N	ICMA RETIREMENT TRUST 401	DEFERRED COMP 109766: PAYMENT	9,828.04
543103	8/6/2020	N	INDEPENDENT CITIES RISK MGMT	LIABILITY CLAIMS ASSESSMENT	146,278.14
543104	8/6/2020	N	JENNIFER KALLOK	EARNINGS WITHHOLDING	184.62
543105	8/6/2020	N	KEVORK ENTERPRISES INC	AUTO BODY REPAIRS	5,100.47
543106	8/6/2020	N	LATITUDE GEOGRAPHICS GROUP LTD	GEOCORTEX ANNUAL MAINTENANCE	7,426.00
543107	8/6/2020	N	M B POLICE MGMT ASSC	DUES \$ (POL MGT ASSN): PAYMENT	525.00
543108	8/6/2020	N	M B POLICE OFFICERS ASSOCIA	DUES % (POLICE - %): PAYMENT	3,379.29
543109	8/6/2020	N	STACEY MACKAMAN	PARKS & RECREATION REFUND	99.00
543110	8/6/2020	N	MBPOA RETIREE	MD TRUST (MED TRUST): PAYMENT	5,102.25
543111	8/6/2020	N	VICTORIA HELEN MENDEZ	ARTHRITIS FOUNDATION	243.75
543112	8/6/2020	N	MICHAEL BAKER INTERNATIONAL	CONTRACT SERVICES	387.50
543113	8/6/2020	N	ANN NISHIYAMA	REIMBURSEMENT	32.81
543114	8/6/2020	N	NTH GENERATION COMPUTING INC	19-00176 VARONIS PERPTUAL SOLUTION SUPPC	21,428.60
543115	8/6/2020	N	PURE SURFING EXPERIENCE INC	SURF INSTRUCTOR	11,844.30
543116	8/6/2020	N	RICHARDS WATSON & GERSHON	A1-00001 RETAINER	24,000.00
543117	8/6/2020	N	REBECCA SCHAEFER	PARKS & RECREATION REFUND	100.00
543118	8/6/2020	N	SITEIMPROVE INC	A9-00042 WEBSITE MONITORING SERVICES	10,690.00

**CITY OF MANHATTAN BEACH
WARRANT REGISTER**

WARRANT BATCH NUMBER:

CHECK NO.	DATE	TYPE	PAYEE NAME	PAYMENT DESCRIPTION	CHECK AMOUNT
543119	8/6/2020	N	STANDARD INSURANCE COMPANY	SHORT TERM DISABILITY PREMIUMS	1,672.98
543120	8/6/2020	N	STANDARD INSURANCE COMPANY	LIFE AD&D LTD PREMIUMS	12,299.76
543121	8/6/2020	N	STATE DISBURSEMENT UNIT	EARNINGS WITHHOLDING	1,287.52
543122	8/6/2020	N	STATE DISBURSEMENT UNIT	EARNINGS WITHHOLDING	230.76
543123	8/6/2020	N	STATE DISBURSEMENT UNIT	EARNINGS WITHHOLDING	92.30
543124	8/6/2020	N	T MOBILE USA	MIFI CHARGES	29.40
543125	8/6/2020	N	TIME WARNER CABLE INC	CABLE SERVICES	3,942.58
543126	8/6/2020	N	U.S. BANK	P/T EMP RETIREMENT CONTRIB: PAYMENT	4,679.68
543127	8/6/2020	N	US BANCORP CARD SERVICES INC	P-CARD CHARGES	66,388.66
543128	8/6/2020	N	US BANK	UAD 2018 BOND DEBT SERVICE	661,957.24
543129	8/6/2020	N	VANTAGEPOINT TRANSFER AGENTS	RETMNT HLTH SAVINGS CONTRIB: PAYMENT	1,439.32
543130	8/6/2020	N	ROBIN L VARGAS	EARNINGS WITHHOLDING	553.85
543131	8/6/2020	N	EMILY VENNING	PARKS & RECREATION REFUND	99.00
543132	8/6/2020	N	VISION SERVICE PLAN - (CA)	VISION PREMIUMS	3,792.74
543133	8/6/2020	N	WALTERS WHOLESALE ELECTRIC CO	ELECTRICAL SUPPLIES	8,331.94
543134	8/6/2020	N	WEST COAST TENNIS CAMPS INC	TENNIS CAMP INSTRUCTOR	18,837.00
543135	8/6/2020	N	GAIL MINDY WINTHROP	WATER AEROBICS INSTRUCTOR	525.00
SUBTOTAL					1,256,840.14

6:09:45PM
8/5/2020

CITY OF MANHATTAN BEACH
WARRANT REGISTER

WARRANT BATCH NUMBER:

CHECK NO.	DATE	TYPE	PAYEE NAME	PAYMENT DESCRIPTION	CHECK AMOUNT
COMBINED TOTAL					2,151,388.25

PAYMENT LEGEND:
T = Wire Transfers
N = System Printed Checks
H = Hand Written Checks

**CITY OF MANHATTAN BEACH
WARRANT REGISTER
CHECKS EQUAL TO OR ABOVE
\$2,500.00**

WARRANT BATCH NUMBER: **wr 4a**

CHECK NO.	DATE	TYPE	PAYEE NAME	PAYMENT DESCRIPTION	CHECK AMOUNT
908052020	8/5/2020	T	CA PUBLIC EMPLOYEES'	MEDICAL PREMIUMS	372,181.36
908102020	8/10/2020	T	UNION BANK	F.I.T./MEDICARE/S.I.T.	242,060.29
908112020	8/11/2020	T	PUBLIC EMPLOYEES'	PENSION SAFETY - CLASSIC: PAYMENT	280,306.46
SUBTOTAL					894,548.11
543080	8/6/2020	N	ADVANCED IMAGING STRATEGIES	5 YR MULTIFUNCTION COPIERS & PRINTERS	11,097.29
543084	8/6/2020	N	CALIFORNIA GREEN BUSINESS NET	MEMBERSHIP	5,364.00
543085	8/6/2020	N	CCS LOS ANGELES JANITORIAL INC	JANITORIAL SERVICES-EXTRAS	38,110.01
543087	8/6/2020	N	CITY OF LOS ANGELES HARBOR DEP	15-03532C CONTRACT SERVICES	4,750.00
543088	8/6/2020	N	CONTEMPORARY SERVICES CORP	UNARMED SECURITY SERVICES	14,061.21
543089	8/6/2020	N	CORAL BAY HOME LOANS	SKATEDOGS SKATEBOARDING CAMP	2,753.10
543090	8/6/2020	N	CSAC EXCESS INSURANCE AUTH	INSURANCE PREMIUM	13,628.00
543091	8/6/2020	N	DELTA DENTAL OF CALIFORNIA	DENTAL PREMIUMS	30,371.12
543094	8/6/2020	N	ELEVATORS ETC LP	A8-00004 ELEVATOR MAINENANCE	3,015.92
543096	8/6/2020	N	FISHER SCIENTIFIC CO LLC	16-02212 COVID-19 N95 MASKS	3,567.56
543101	8/6/2020	N	ICMA RETIREMENT TRUST - 457	DEFERRED COMP AND LOAN REPAY 457	83,691.29
543102	8/6/2020	N	ICMA RETIREMENT TRUST 401	DEFERRED COMP 109766: PAYMENT	9,828.04
543103	8/6/2020	N	INDEPENDENT CITIES RISK MGMT	LIABILITY CLAIMS ASSESSMENT	146,278.14
543105	8/6/2020	N	KEVORK ENTERPRISES INC	AUTO BODY REPAIRS	5,100.47
543106	8/6/2020	N	LATITUDE GEOGRAPHICS GROUP LTD	GEOCORTEX ANNUAL MAINTENANCE	7,426.00
543108	8/6/2020	N	M B POLICE OFFICERS ASSOCIA	DUES % (POLICE - %): PAYMENT	3,379.29
543110	8/6/2020	N	MBPOA RETIREE	MD TRUST (MED TRUST): PAYMENT	5,102.25
543114	8/6/2020	N	NTH GENERATION COMPUTING INC	19-00176 VARONIS PERPTUAL SOLUTION SUPPC	21,428.60
543115	8/6/2020	N	PURE SURFING EXPERIENCE INC	SURF INSTRUCTOR	11,844.30

6:11:15PM
8/5/2020

**CITY OF MANHATTAN BEACH
WARRANT REGISTER
CHECKS EQUAL TO OR ABOVE
\$2,500.00**

WARRANT BATCH NUMBER: **wr 4a**

CHECK NO.	DATE	TYPE	PAYEE NAME	PAYMENT DESCRIPTION	CHECK AMOUNT
543116	8/6/2020	N	RICHARDS WATSON & GERSHON	A1-00001 RETAINER	24,000.00
543118	8/6/2020	N	SITEIMPROVE INC	A9-00042 WEBSITE MONITORING SERVICES	10,690.00
543120	8/6/2020	N	STANDARD INSURANCE COMPANY	LIFE AD&D LTD PREMIUMS	12,299.76
543125	8/6/2020	N	TIME WARNER CABLE INC	CABLE SERVICES	3,942.58
543126	8/6/2020	N	U.S. BANK	P/T EMP RETIREMENT CONTRIB: PAYMENT	4,679.68
543127	8/6/2020	N	US BANCORP CARD SERVICES INC	P-CARD CHARGES	66,388.66
543128	8/6/2020	N	US BANK	UAD 2018 BOND DEBT SERVICE	661,957.24
543132	8/6/2020	N	VISION SERVICE PLAN - (CA)	VISION PREMIUMS	3,792.74
543133	8/6/2020	N	WALTERS WHOLESALE ELECTRIC CO	ELECTRICAL SUPPLIES	8,331.94
543134	8/6/2020	N	WEST COAST TENNIS CAMPS INC	TENNIS CAMP INSTRUCTOR	18,837.00
SUBTOTAL					1,235,716.19
COMBINED TOTAL					2,130,264.30

PAYMENT LEGEND:
T = Wire Transfers
N = System Printed Checks
H = Hand Written Checks

Report of Warrant Disbursements
wr 4a

Fund	Description	Amount
100	General	1,231,376.06
230	Prop A	136.33
501	Water	2,176.57
503	Waste Water	191.07
520	Parking	4,304.11
522	State Pier Lots	12,379.77
601	Insurance	159,906.14
605	Information Services	44,098.66
610	Vehicle Fleet	5,127.54
615	Building Maintenance	29,260.24
710	UAD Debt Service	661,957.24
802	Trust Deposit	474.52
wr 4a		<u>2,151,388.25</u>
		<u><u>2,151,388.25</u></u>

CITY OF MANHATTAN BEACH PAYROLL
PAY PERIOD: 07/18/20 TO 07/31/20
PAY DATE: 08/07/20

NET PAY 950,327.15

7/18/2020

7/31/2020

CITY OF MANHATTAN BEACH PAYROLL REPORT

PAYROLL PERIOD ENDING DATE

7/31/2020

FUND	DESCRIPTION	AMOUNT
100	General Fund	1,220,972.50
210	Asset Forfeiture Fund	2,691.26
230	Prop. A Fund	16,952.38
501	Water Fund	27,376.15
502	Stormwater Fund	2,769.40
503	Wastewater Fund	10,815.31
520	Parking Fund	3,838.70
521	County Parking Lots Fund	1,021.39
522	State Pier and Parking Lot Fund	1,021.39
601	Insurance Reserve Fund	13,967.00
605	Information Technology Fund	45,081.64
610	Fleet Management Fund	11,950.62
615	Building Maintenance & Operations Fund	15,895.84
801	Pension Trust Fund	8,858.81
		1,383,212.39
		432,885.24
		950,327.15
	Gross Pay	
	Deductions	
	Net Pay	



City of Manhattan Beach

Investment Portfolio

July 2020

As Finance Director for the City of Manhattan Beach, I hereby certify that these investments are in compliance with the City's investment policy (unless otherwise noted). Sufficient liquidity has been maintained to meet budget expenditure requirements for the current six month period.



Steve S. Charelian, Finance Director

CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Summary
July 1, 2020 through July 31, 2020

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
LAIF	58,200,000.00	58,200,000.00	58,200,000.00	47.11	1	1	0.907	0.920
Medium Term Notes	20,500,000.00	21,271,765.00	20,420,350.93	16.53	1,463	817	2.308	2.340
Federal Agency Issues - Coupon	30,000,000.00	31,351,590.00	30,037,415.72	24.31	1,587	892	2.141	2.171
Treasury Securities - Coupon	15,000,000.00	15,588,650.00	14,883,134.98	12.05	1,397	835	2.285	2.316
Investments	123,700,000.00	126,412,005.00	123,540,901.63	100.00%	796	453	1.605	1.627
Cash								
Passbook/Checking (not included in yield calculations)	9,523,256.12	9,523,256.12	9,523,256.12		1	1	0.000	0.000
Total Cash and Investments	133,223,256.12	135,935,261.12	133,064,157.75		796	453	1.605	1.627

Total Earnings	July 31	Month Ending	Fiscal Year To Date
Current Year	184,449.76	184,449.76	184,449.76

STEVE S. CHARELIAN, FINANCE DIRECTOR

Reporting period 07/01/2020-07/31/2020

CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Details - Investments
July 31, 2020

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
LAIF											
SYS3000	3000	Local Agency Invest. Fund	07/01/2018	58,200,000.00	58,200,000.00	58,200,000.00	0.920		0.920	1	
Subtotal and Average				58,200,000.00	58,200,000.00	58,200,000.00			0.920	1	
Medium Term Notes											
478160CH5	MTN0095	Johnson & Johnson	01/25/2018	2,000,000.00	2,010,360.00	1,998,463.02	1.950	AAA	2.167	101	11/10/2020
742718EN5	MTN0090	Procter & Gamble	03/15/2017	1,000,000.00	1,008,040.00	990,350.00	1.850	AA-	2.110	185	02/02/2021
717081DX8	MTN0097	Pfizer Inc	04/23/2018	1,000,000.00	1,014,900.00	992,690.05	1.950	AA-	2.709	306	06/03/2021
904764AT4	MTN0086	UNILEVER CAPITAL	10/18/2016	500,000.00	505,515.00	495,980.00	1.375	A+	1.550	361	07/28/2021
084670BC1	MTN0094	BERKSHIRE HATHWAY	11/03/2017	1,000,000.00	1,035,140.00	1,018,302.32	3.750	AA	2.148	379	08/15/2021
191216BY5	MTN0085	COCA-COLA CO	10/18/2016	1,000,000.00	1,014,960.00	997,190.00	1.550	A+	1.610	396	09/01/2021
911312BC9	MTN0100	United Parcel Service	10/04/2018	1,000,000.00	1,034,500.00	984,164.36	2.350	A-	3.193	653	05/16/2022
22160KAK1	MTN0102	COSTCO COMPANIES	05/13/2019	1,000,000.00	1,038,150.00	994,226.00	2.300	A+	2.500	655	05/18/2022
90331HPC1	MTN0105	US BANK NA OHIO	09/09/2019	1,000,000.00	1,040,160.00	1,014,274.98	2.650	AA-	1.883	660	05/23/2022
037833DC1	MTN0096	APPLE INC	04/23/2018	1,000,000.00	1,036,860.00	980,368.54	2.100	AA+	3.060	772	09/12/2022
68389XAP0	MTN0103	ORACLE CORP	05/13/2019	1,000,000.00	1,045,450.00	995,436.00	2.500	A	2.640	805	10/15/2022
037833AK6	MTN0098	APPLE INC	05/22/2018	1,000,000.00	1,057,360.00	977,083.88	2.400	AA+	3.298	1,005	05/03/2023
594918BQ6	MTN0104	MICROSOFT CORP	07/01/2019	1,000,000.00	1,048,950.00	999,000.00	2.000	AAA	2.025	1,102	08/08/2023
06406FAD5	MTN0106	BANK OF NY MELLO	09/09/2019	1,000,000.00	1,050,300.00	1,009,011.00	2.200	A	1.951	1,110	08/16/2023
89236TFN0	MTN0099	TOYOTA MOTOR CREDIT	09/21/2018	1,000,000.00	1,089,820.00	999,500.00	3.450	A+	3.461	1,145	09/20/2023
89236TDK8	MTN0101	TOYOTA MOTOR CREDIT	03/26/2019	1,000,000.00	1,053,300.00	987,635.26	2.250	A+	2.634	1,173	10/18/2023
254687FK7	MTN0107	Walt Disney	12/12/2019	2,000,000.00	2,072,880.00	1,981,791.52	1.750	A-	1.977	1,490	08/30/2024
191216CL2	MTN0108	COCA-COLA CO	12/12/2019	1,000,000.00	1,052,500.00	993,679.00	1.750	A+	1.890	1,497	09/06/2024
06406RAL1	MTN0109	BANK OF NY MELLO	02/10/2020	1,000,000.00	1,062,620.00	1,011,205.00	2.100	A	1.850	1,545	10/24/2024
Subtotal and Average				20,500,000.00	21,271,765.00	20,420,350.93			2.340	817	
Federal Agency Issues - Coupon											
3130ACE26	FAC0273	Federal Home Loan Bank	05/21/2018	2,000,000.00	2,003,800.00	1,994,132.35	1.375	AA+	2.564	58	09/28/2020
3136G0X55	FAC0246	Fannie Mae	03/17/2016	1,000,000.00	1,003,310.00	995,550.00	1.500	AA+	1.600	90	10/30/2020
3135G0J20	FAC0256	Fannie Mae	12/28/2016	1,000,000.00	1,006,940.00	996,395.10	1.375	AA+	1.917	209	02/26/2021
3134G9M79	FAC0258	Federal Home Loan Mortgage	03/13/2017	2,000,000.00	2,034,020.00	1,996,014.85	1.875	AA+	2.076	359	07/26/2021
3137EAEC9	FAC0269	Federal Home Loan Mortgage	01/25/2018	2,000,000.00	2,020,100.00	1,975,561.43	1.125	AA+	2.154	376	08/12/2021
3133EHCT8	FAC0259	FED FARM CR BK	05/22/2017	1,000,000.00	1,031,820.00	1,004,467.90	2.150	AA+	1.894	591	03/15/2022
3135G0T45	FAC0261	Fannie Mae	05/22/2017	1,000,000.00	1,028,710.00	1,001,150.00	1.875	AA+	1.850	612	04/05/2022
880591EN8	FAC0277	Tennessee Valley Authority	12/12/2018	2,000,000.00	2,062,840.00	1,960,911.57	1.875	AA+	2.793	744	08/15/2022
880591EN8	FAC0279	Tennessee Valley Authority	02/14/2019	1,000,000.00	1,031,420.00	986,162.06	1.875	AA+	2.493	744	08/15/2022
3130A3KM5	FAC0268	Federal Home Loan Bank	01/10/2018	2,000,000.00	2,107,040.00	2,007,330.14	2.500	AA+	2.357	860	12/09/2022

Portfolio CITY
CP

PM (PRF_PM2) 7.3.0

CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Details - Investments
July 31, 2020

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon											
3133EJDE6	FAC0271	FED FARM CR BK	02/16/2018	2,000,000.00	2,118,560.00	1,994,134.80	2.570	AA+	2.708	929	02/16/2023
3133EJSD2	FAC0276	FED FARM CR BK	10/02/2018	2,000,000.00	2,151,120.00	1,990,360.00	2.890	AA+	3.000	1,052	06/19/2023
3133EJK57	FAC0278	FED FARM CR BK	12/12/2018	2,000,000.00	2,166,980.00	2,015,999.03	3.080	AA+	2.840	1,087	07/24/2023
3135G0V75	FAC0288	Fannie Mae	02/07/2020	2,000,000.00	2,115,360.00	2,020,078.83	1.750		1.526	1,431	07/02/2024
3130AGWK7	FAC0289	Federal Home Loan Bank	02/07/2020	1,000,000.00	1,048,750.00	1,001,306.00	1.500		1.470	1,475	08/15/2024
3130A2UW4	FAC0285	Federal Home Loan Bank	12/11/2019	2,000,000.00	2,202,900.00	2,093,581.66	2.875		1.771	1,504	09/13/2024
3135G0W66	FAC0286	Fannie Mae	12/11/2019	2,000,000.00	2,108,960.00	1,993,020.00	1.625		1.700	1,536	10/15/2024
3135G0W66	FAC0287	Fannie Mae	02/07/2020	2,000,000.00	2,108,960.00	2,011,260.00	1.625		1.500	1,536	10/15/2024
Subtotal and Average				30,000,000.00	31,351,590.00	30,037,415.72			2.171	892	
Treasury Securities - Coupon											
912828NT3	UST0025	US TREASURY	05/21/2018	1,000,000.00	1,000,830.00	1,000,312.50	2.625		2.610	14	08/15/2020
912828V1	UST0026	US TREASURY	05/21/2018	1,000,000.00	1,001,480.00	997,534.01	1.375		2.529	45	09/15/2020
912828D72	UST0023	US TREASURY	02/16/2018	1,000,000.00	1,020,230.00	994,685.91	2.000		2.439	395	08/31/2021
912828F21	UST0024	US TREASURY	02/16/2018	1,000,000.00	1,023,010.00	995,591.39	2.125		2.478	425	09/30/2021
912828XQ8	UST0027	US TREASURY	12/12/2018	2,000,000.00	2,074,920.00	1,971,352.18	2.000		2.681	729	07/31/2022
912828XQ8	UST0028	US TREASURY	02/14/2019	1,000,000.00	1,037,460.00	990,085.20	2.000		2.510	729	07/31/2022
912828L57	UST0031	US TREASURY	03/25/2019	1,000,000.00	1,035,160.00	989,294.71	1.750		2.201	790	09/30/2022
9128283C2	UST0032	US TREASURY	03/25/2019	1,000,000.00	1,042,150.00	991,406.25	2.000		2.250	821	10/31/2022
912828S92	UST0029	US TREASURY	02/14/2019	1,000,000.00	1,033,710.00	963,197.14	1.250		2.525	1,094	07/31/2023
912828D1	UST0030	US TREASURY	02/14/2019	1,000,000.00	1,038,360.00	965,996.31	1.375		2.432	1,125	08/31/2023
912828W48	UST0033	US TREASURY	05/13/2019	1,000,000.00	1,070,630.00	995,039.06	2.125		2.234	1,307	02/29/2024
912828W71	UST0034	US TREASURY	05/13/2019	1,000,000.00	1,072,030.00	994,687.50	2.125		2.240	1,338	03/31/2024
9128282U3	UST0035	US TREASURY	02/07/2020	2,000,000.00	2,138,680.00	2,033,952.82	1.875		1.493	1,491	08/31/2024
Subtotal and Average				15,000,000.00	15,588,650.00	14,883,134.98			2.316	835	
Total and Average				123,700,000.00	126,412,005.00	123,540,901.63			1.627	453	

CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Details - Cash
July 31, 2020

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to 365 Maturity
Money Market Fund										
SYS39903-39902	39901	UNION BANK	07/01/2018	9,523,256.12	9,523,256.12	9,523,256.12			0.000	1
Subtotal and Average										1
Total Cash and Investments				133,223,256.12	135,935,261.12	133,064,157.75			1.627	453

City of Manhattan Beach
Investment Portfolio Summary
As of July 31, 2020

PORTFOLIO PROFILE	Jul 31, 2020	Jun 30, 2020	May 31, 2020	Apr 30, 2020	Mar 31, 2020
Total Book Value (Excluding Trust Funds)	\$123,540,902	\$132,536,013	\$135,469,347	\$135,469,347	\$119,469,347
Increase/(Decrease) from Prior Period	(8,995,111)	(2,933,334)	-	16,000,000	(1,992,838)
Percentage Change	(6.8%)	(2.2%)	0.0%	13.4%	(1.6%)
Average Yield to Maturity (365 Days)	1.627%	1.742%	1.813%	1.946%	2.041%
Increase/(Decrease) from Prior Period	(0.115%)	(0.072%)	(0.133%)	(0.094%)	(0.032%)

PORTFOLIO ALLOCATIONS

By Security	Value (Par)	Percent	Par YTM	Time Horizon	Percent
LAIF*	\$58,200,000	47.05%	0.920%	Next 12 months	57%
Medium Term Notes	20,500,000	16.6%	2.340%	Months 13-24	11%
Federal Agencies	30,000,000	24.3%	2.171%	Months 25-36	14%
U.S. Treasuries	15,000,000	12.1%	2.316%	Months 37-48	7%
Total	\$123,700,000	100.0%	1.628%	Months 49-60	11%
				Total	100.0%

*LAIF YTM as of July 31, 2020

RECENT ACTIVITY

Security	Date of Activity	Maturity Date	Purchase (Par)	Maturing/Call	YTM
FNMA - 1.625% Coupon	2/7/2020	10/15/2024	2,000,000		1.500%
FNMA - 1.75% Coupon	2/7/2020	7/2/2024	1,000,000		1.490%
FHLB - 1.5% Coupon	2/7/2020	8/15/2024	2,000,000		1.470%
T - 1.875% Coupon	2/7/2020	8/31/2024	2,000,000		1.452%
MTN - 2.1% Coupon	2/10/2020	10/24/2024	1,000,000		1.850%
Total Purchases			\$8,000,000		1.523%
Matured: FFCB - 1.8% Coupon	6/15/2020	6/15/2020		2,000,000	1.780%
Called: FHLMC - 2.22% Coupon	6/26/2020	6/26/2024		1,000,000	2.220%
Matured: FNMA - 1.2% Coupon	7/28/2020	7/28/2020		2,000,000	1.255%
Matured: FNMA - 1.5% Coupon	7/30/2020	7/30/2020		2,000,000	1.978%
Total Maturing/Calls				\$7,000,000	1.750%

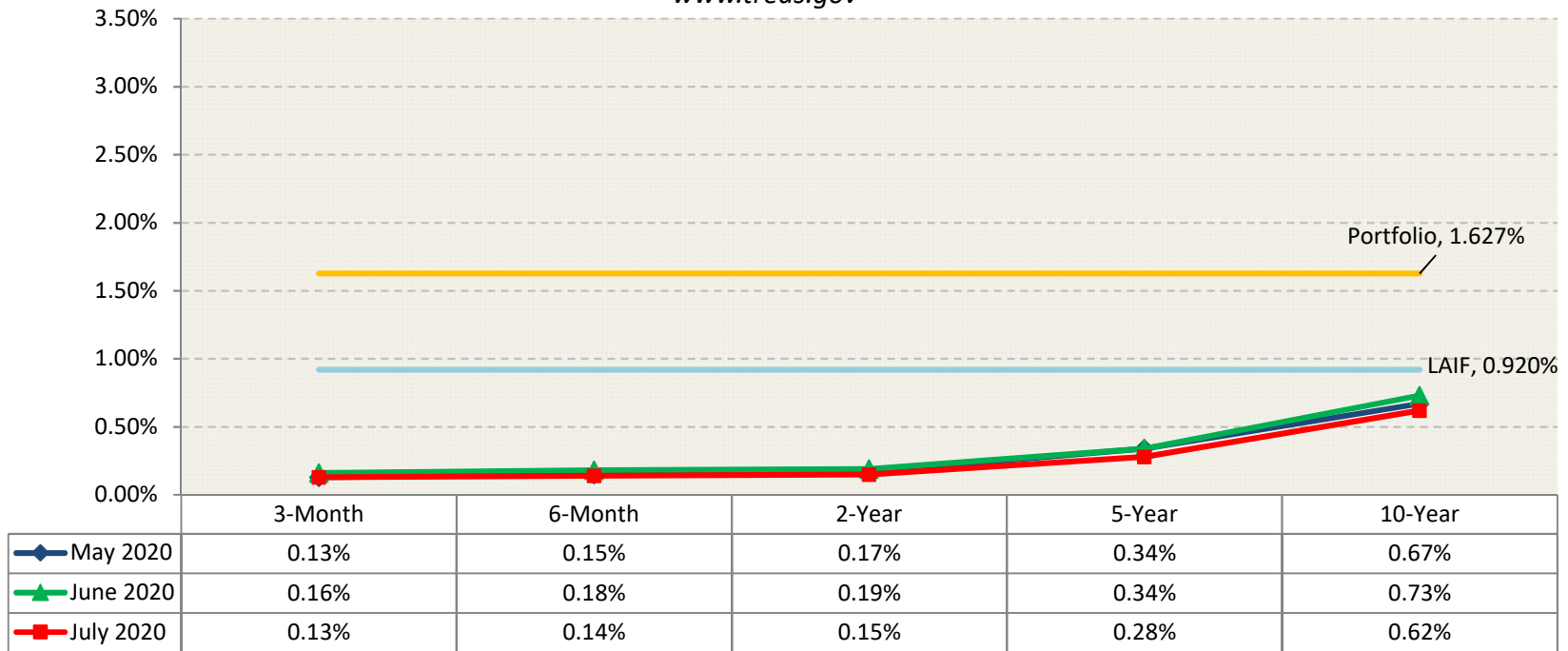
City of Manhattan Beach
Investment Portfolio Summary
As of July 31, 2020

FUNDS HELD IN TRUST	Value
Police/Fire Refunding Bonds	\$0
Marine Avenue Refunding Bonds	-
Metlox & Water/Wastewater Refunding Bonds	-
UUAD Assessment Refunding Bonds	529,584
UUAD Assessment District 12 & 14	568,631
UUAD Assessment District 4	261,322
PARS Investment Trust	1,401,093
Total Funds Held in Trust	\$2,760,630

As of July 31, 2020

US Treasuries Yield Curve

www.treas.gov



Monthly yields are interpolated by the Treasury from the daily yield curve.

CITY OF MANHATTAN BEACH
Portfolio Maturity Structure

August 2020 through July 2025

HELD TO MATURITY
Rolling 60 Months

Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt						
Aug 20	8/15/20	2.6%	T	nc	\$1.0M	Aug 21	8/15/21	2.15%	MTN	nc	\$1.0M	Aug 22	8/15/22	2.79%	TVA	nc	\$2.0M	Aug 23	8/31/23	2.43%	T	nc	\$1.0M	Aug 24	8/15/24	1.47%	FHLB	nc	\$1.0M
							8/12/21	2.15%	FHLMC	nc	\$2.0M		8/15/22	2.49%	TVA	nc	\$1.0M		8/8/23	2.03%	MTN	MW:12.5	\$1.0M		8/30/24	1.98%	MTN	7/30/24	\$2.0M
							8/31/21	2.44%	T	nc	\$1.0M								8/16/23	1.95%	MTN	6/16/23	\$1.0M		8/31/24	1.49%	T	nc	\$2.0M
Sep 20	9/15/20	2.5%	T	nc	\$1.0M	Sep 21	9/1/21	1.61%	MTN	nc	\$1.0M	Sep 22	9/12/22	3.06%	MTN	MW: 7.5	\$1.0M	Sep 23	9/20/23	3.46%	MTN	nc	\$1.0M	Sep 24	9/6/24	1.89%	MTN	9/6/24	\$1.0M
	9/28/20	2.6%	FHLB	nc	\$2.0M		9/30/21	2.48%	T	nc	\$1.0M		9/30/22	2.20%	T	nc	\$1.0M								9/13/24	1.77%	FHLB	nc	\$2.0M
Oct 20	10/30/20	1.6%	FNMA	nc	\$1.0M	Oct 21						Oct 22	10/31/22	2.25%	T	nc	\$1.0M	Oct 23	10/18/23	2.63%	MTN	nc	\$1.0M	Oct 24	10/15/24	1.70%	FNMA	nc	\$2.0M
													10/15/22	2.64%	MTN	MW: 12.5	\$1.0M								10/15/24	1.50%	FNMA	nc	\$2.0M
																			10/24/24	1.85%	MTN	9/6/24	\$1.0M						
Nov 20	11/10/20	2.2%	MTN	nc	\$2.0M	Nov 21						Nov 22						Nov 23						Nov 24					
Dec 20						Dec 21						Dec 22	12/9/22	2.36%	FHLB	nc	\$2.0M	Dec 23						Dec 24					
Jan 21						Jan 22						Jan 23						Jan 24						Jan 25					
Feb 21	2/2/21	2.1%	MTN	MW: 10	\$1.0M	Feb 22						Feb 23	2/16/23	2.71%	FFCB	nc	\$2.0M	Feb 24	2/29/24	2.23%	T	nc	\$1.0M	Feb 25					
	2/26/21	1.9%	FNMA	nc	\$1.0M																								
Mar 21						Mar 22	3/15/22	1.89%	FFCB	nc	\$1.0M	Mar 23						Mar 24	3/31/24	2.24%	T	nc	\$1.0M	Mar 25					
Apr 21						Apr 22	4/5/22	1.85%	FNMA	nc	\$1.0M	Apr 23						Apr 24						Apr 25					
May 21						May 22	5/16/22	3.19%	MTN	MW: 10	\$1.0M	May 23	5/3/23	3.30%	MTN	MW: 15	\$1.0M	May 24						May 25					
							5/18/22	2.50%	MTN	MW: 10	\$1.0M																		
							5/23/22	1.88%	MTN	4/22/22	\$1.0M																		
Jun 21	6/3/21	2.7%	MTN	MW: 10	\$1.0M	Jun 22						Jun 23	6/19/23	3.00%	FFCB	nc	\$2.0M	Jun 24						Jun 25					
Jul 21	7/26/21	2.1%	FHLMC	nc	\$2.0M	Jul 22	7/31/22	2.68%	T	nc	\$2.0M	Jul 23	7/24/23	2.84%	FFCB	nc	\$2.0M	Jul 24	7/2/24	1.53%	FNMA	nc	\$2.0M	Jul 25					
	7/28/21	1.6%	MTN	nc	\$0.5M		7/31/22	2.51%	T	nc	\$1.0M		7/31/23	2.53%	T	nc	\$1.0M												
Total By Year (excl LAIF)					\$12.5m						\$14.0m						\$17.0m						\$9.0m						\$13.0m
% of Total Securities (excl LAIF)					19%						21%						26%						14%						20%
% of Total Investments (incl LAIF)					57%						11%						14%						7%						11%

Total Securities	53%	\$65.5M
LAIF	47%	\$58.2M
Total Investments	100%	\$123.7M

Shaded rows indicate months with significant cash inflows.

City of Manhattan Beach

Investment Policy Compliance Chart

As of July 31, 2020

Instrument		% of Total	Dollar Compliance		Percentage Compliance		Term Compliance	
			Limit	Compliant?	Limit	Compliant?	Limit	Compliant?
Local Agency Investment Fund (LAIF)	\$58,200,000	47.0%	\$65,000,000	Yes	Temporary Suspension			
Treasury Securities								
US Treasury	\$15,000,000	12.1%					5 Years	Yes
Total U.S. Treasuries (13)		\$15,000,000	12.1%					
Medium Term (Corporate) Notes								
Costco	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Consumer Staples Sector</i>		<i>\$1,000,000</i>	<i>0.8%</i>			<i>10.0%</i>	<i>Yes</i>	
Coca-Cola	2,000,000	1.6%			5.0%	Yes	5 Years	Yes
Unilever Capital	500,000	0.4%			5.0%	Yes	5 Years	Yes
Proctor & Gamble	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Consumer Goods Sector</i>		<i>\$3,500,000</i>	<i>2.8%</i>			<i>10.0%</i>	<i>Yes</i>	
Berkshire Hathaway	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
Toyota Motor Credit	2,000,000	1.6%			5.0%	Yes	5 Years	Yes
US Bank	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
Bank of NY	2,000,000	1.6%			5.0%	Yes	5 Years	Yes
<i>Total Financial Sector</i>		<i>\$6,000,000</i>	<i>4.9%</i>			<i>10.0%</i>	<i>Yes</i>	
Pfizer Inc	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
Johnson & Johnson	2,000,000	1.6%			5.0%	Yes	5 Years	Yes
<i>Total Healthcare Sector</i>		<i>\$3,000,000</i>	<i>2.4%</i>			<i>10.0%</i>	<i>Yes</i>	
United Parcel Service	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Industrials Sector</i>		<i>\$1,000,000</i>	<i>0.8%</i>			<i>10.0%</i>	<i>Yes</i>	
Apple Inc	2,000,000	1.6%			5.0%	Yes	5 Years	Yes
Microsoft Corp	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
Oracle Corp	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Technology Sector</i>		<i>\$4,000,000</i>	<i>3.2%</i>			<i>10.0%</i>	<i>Yes</i>	
Walt Disney Co	2,000,000	1.6%			5.0%	Yes	5 Years	Yes
<i>Total Communication Services Sector</i>		<i>\$2,000,000</i>						
Total Medium Term Notes (19)		\$20,500,000	16.6%			20.0%	Yes	
Federal Agencies								
Federal Home Loan Bank (FHLB)	\$7,000,000	5.7%			33.3%	Yes	5 Years	Yes
Federal Farm Credit (FFCB)	7,000,000	5.7%			33.3%	Yes	5 Years	Yes
Fannie Mae (FNMA)	9,000,000	7.3%			33.3%	Yes	5 Years	Yes
Freddie Mac (FHLMC)	4,000,000	3.2%			33.3%	Yes	5 Years	Yes
Tennessee Valley Authority (TVA)	3,000,000	2.4%			33.3%	Yes	5 Years	Yes
Total Federal Agencies (18)		\$30,000,000	24.3%			60.0%	Yes	
Total Portfolio	\$123,700,000	100.0%						



**CITY OF MANHATTAN BEACH
TREASURER'S REPORT
July 31, 2020**

<u>Investments</u>	Book Value
LAIF	\$58,200,000.00
Medium Term Notes	20,420,350.93
Federal Agency Issues-Coupon	30,037,415.72
Treasury Securities	14,883,134.98
Subtotal Investments	<u>\$123,540,901.63</u>
<u>Demand Deposit/Petty Cash</u>	
Cash in Bank	\$9,523,256.12
Petty Cash	3,425.99
Subtotal Demand Deposit	<u>\$9,526,682.11</u>
Subtotal City Cash & Investments	<u>\$133,067,583.74</u>
<u>Bond Funds Held in Trust</u>	
Police Fire Refunding	\$0.14
Marine Ave Park Refunding	0.10
Metlox & Water/Wastewater Refunding	0.17
Utility Assessment Districts	1,359,536.65
Subtotal Bonds Held in Trust	<u>\$1,359,537.06</u>
<u>Investment Trust Funds</u>	
PARS Pension Rate Stabilization Trust	1,401,093.42
 Treasurer's Balance	 <u><u>\$135,828,214.22</u></u>



PMIA/LAIF Performance Report as of 08/07/20



PMIA Average Monthly Effective Yields⁽¹⁾

Jul	0.920
Jun	1.217
May	1.363

Quarterly Performance Quarter Ended 06/30/20

LAIF Apportionment Rate ⁽²⁾ :	1.47
LAIF Earnings Ratio ⁽²⁾ :	.00004012766505335
LAIF Fair Value Factor ⁽¹⁾ :	1.004912795
PMIA Daily ⁽¹⁾ :	1.08%
PMIA Quarter to Date ⁽¹⁾ :	1.41%
PMIA Average Life ⁽¹⁾ :	191

*Revised 7/21/2020 per State Controller's Office

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 06/30/20 \$101.0 billion

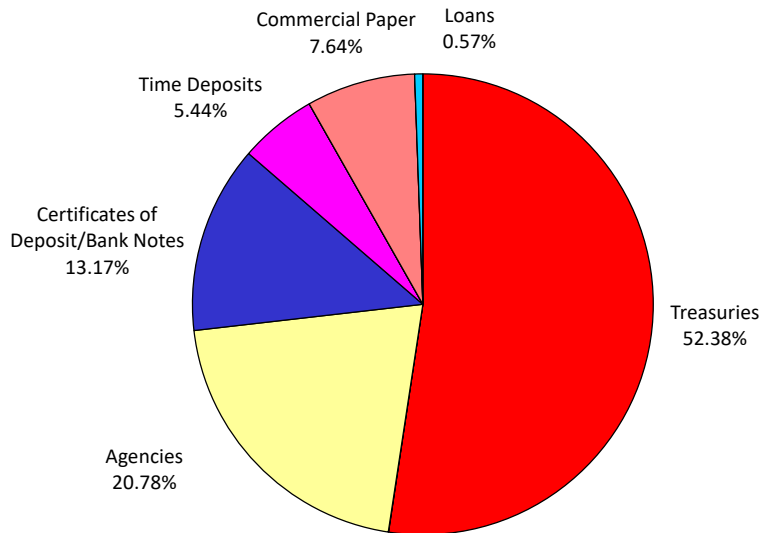


Chart does not include 0.02% of mortgages. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

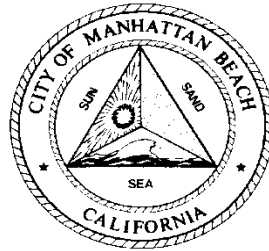
Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

City of Manhattan Beach



Month End Report July 31, 2020 Fiscal Year 2020-2021

City of Manhattan Beach
 Fiscal Year 2020-2021
 Period 1 - July
 General Fund Expenditures By Department

Data Date: 8/20/2020

Percent Year: 8.3%

		Annual Budget	Current Month	YTD Expend.	YTD Encumb.	Available Budget	Percent Utilized*
11	Management Services	3,338,253	168,402	168,402	-	3,169,851	5.04
12	Finance	3,408,829	253,633	253,633	-	3,155,196	7.44
13	Human Resources	1,179,070	76,417	76,417	-	1,102,653	6.48
14	Parks and Recreation	7,326,536	409,961	409,961	-	6,916,575	5.60
15	Police	29,573,506	2,301,051	2,301,051	-	27,272,455	7.78
16	Fire	14,322,427	1,049,445	1,049,445	-	13,272,982	7.33
17	Community Development	5,579,574	351,713	351,713	-	5,227,861	6.30
18	Public Works	8,395,993	510,592	510,592	-	7,885,401	6.08
100	General Fund	73,124,188	5,121,213	5,121,213	-	68,002,975	7.00

*Percent Utilized includes YTD encumbrances.

City of Manhattan Beach
Fiscal Year 2020-2021 Statement of Revenues & Expenditures
July 31, 2020

% of Year
8.3%

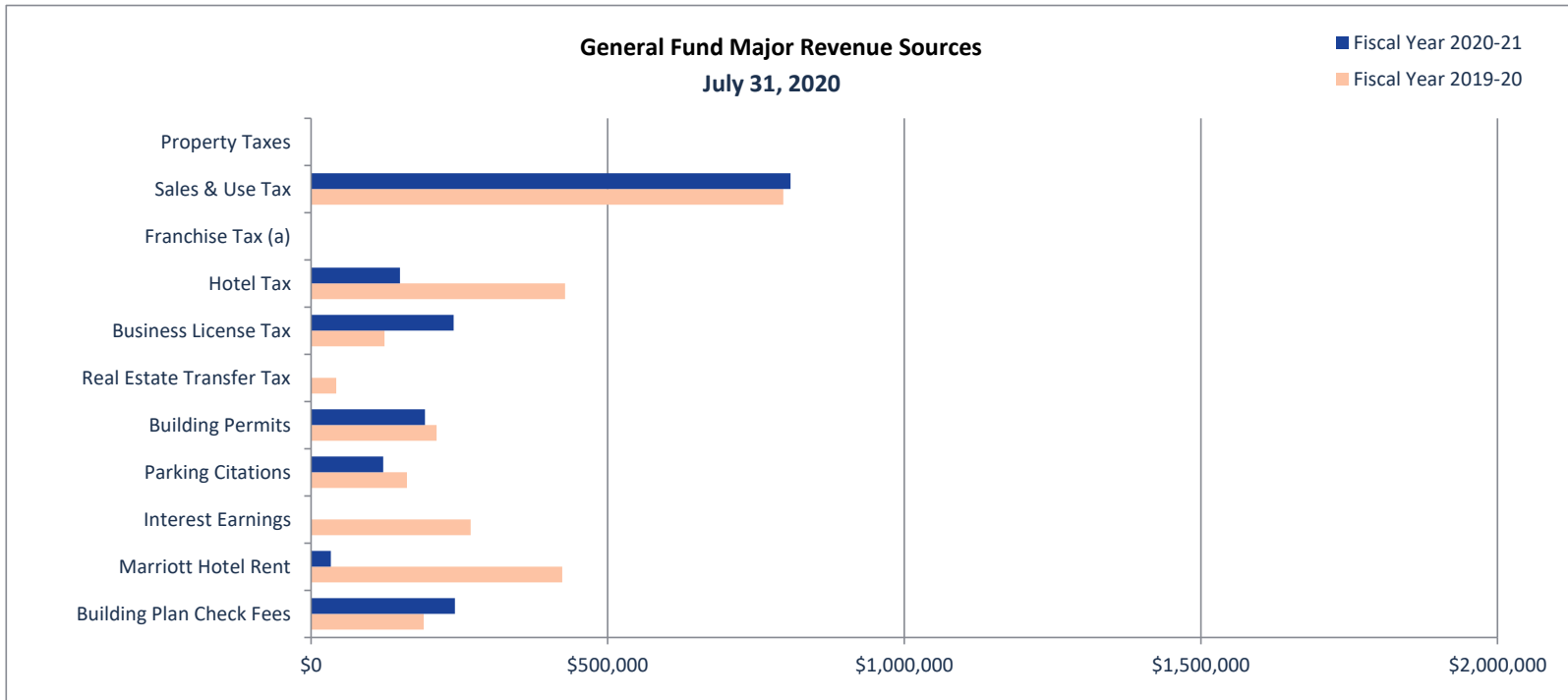
Current Year Activity

<u>Fund Title</u>	<u>Fund No.</u>	<u>Budgeted Revenue</u>	<u>YTD Revenues</u>	<u>% Realized</u>	<u>Budgeted Expenditures</u>	<u>YTD Expenditures</u>	<u>% Expended</u>
General Fund	100	\$73,122,730	\$1,630,934	2.2%	\$73,124,188	\$5,121,213	7.0%
Street Lighting & Landscaping Fund	201	389,918	-	0.0%	575,720	1,800	0.3%
Gas Tax Fund	205	1,520,414	12,164	0.8%	762,979	27,365	3.6%
Asset Forfeiture	210	5,000	(3,408)	-68.2%	147,900	7,397	5.0%
Police Safety Grants	211	143,000	(9,223)	-6.4%	142,000	-	0.0%
Prop A Fund	230	673,061	65,590	9.7%	941,812	57,131	6.1%
Prop C Fund	231	580,608	(95,533)	-16.5%	911,711	21,068	2.3%
AB 2766 Fund	232	47,000	(1,405)	-3.0%	673	56	8.3%
Measure R	233	943,497	(35,121)	-3.7%	1,267,979	4,693	0.4%
Measure M	234	4,065,518	(16,857)	-0.4%	4,287,979	1,559	0.0%
Capital Improvements Fund	401	1,484,796	461,534	31.1%	1,549,034	40,366	2.6%
Underground Assessment District Construction	403	-	14,902	n/a	-	-	-
Water Fund	501	16,075,000	722,692	4.5%	26,567,117	257,476	1.0%
Storm Drain Fund	502	789,484	(45,187)	-5.7%	2,697,756	24,936	0.9%
Wastewater Fund	503	3,729,000	51,464	1.4%	3,200,081	108,681	3.4%
Refuse Fund	510	-	-	n/a	2,415,831	84,978	3.5%
Parking Fund	520	4,306,000	246,441	5.7%	747,077	6,228	0.8%
County Parking Lots Fund	521	1,043,500	142,459	13.7%	539,418	14,839	2.8%
State Pier & Parking Lot Fund	522	821,000	52,481	6.4%	6,746,975	1,506,938	22.3%
Insurance Reserve Fund	601	7,203,980	596,178	8.3%	3,409,683	204,520	6.0%
Information Systems Reserve Fund	605	2,814,340	234,529	8.3%	1,686,502	79,141	4.7%
Fleet Management Fund	610	25,000	1,161	4.6%	2,001,242	76,212	3.8%
Building Maintenance & Operation Fund	615	2,082,725	84,239	4.0%	717,050	662,025	92.3%
Special Assessment Debt Service	710	732,532	3	0.0%	282,099	-	0.0%
Special Assessment UAD 19-12 19-14 Fund	711	614,943	3	0.0%	120,279	-	0.0%
Special Assessment UAD 19-4 Fund	712	340,513	1	0.0%	-	-	-
City Pension Fund	801	220,000	(2,149)	-1.0%	241,000	20,348	8.4%
PARS Investment Trust	804	50,000	35,249	70.5%	-	-	-
		\$123,823,559	\$4,143,139	3.3%	\$135,084,085	\$8,328,973	6.2%

City of Manhattan Beach
Fiscal Year 2020-2021 General Fund Major Revenue Trends
July 31, 2020

Percent of Year
8.3%

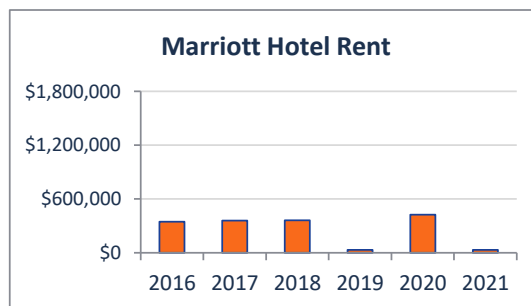
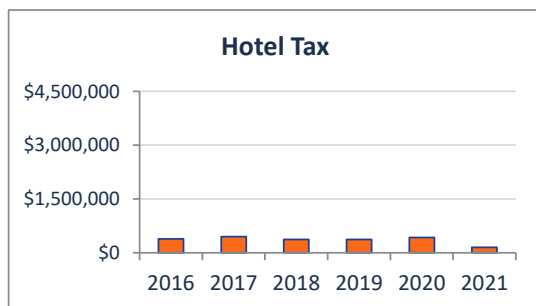
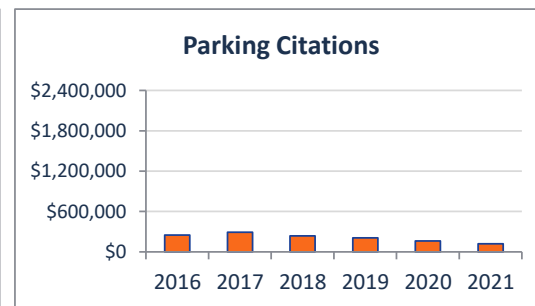
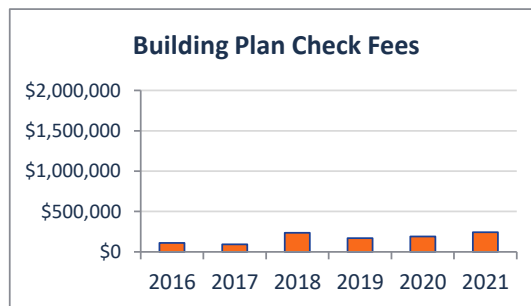
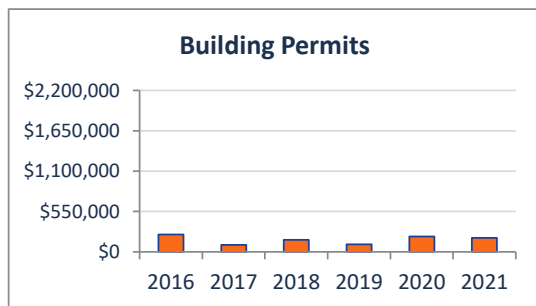
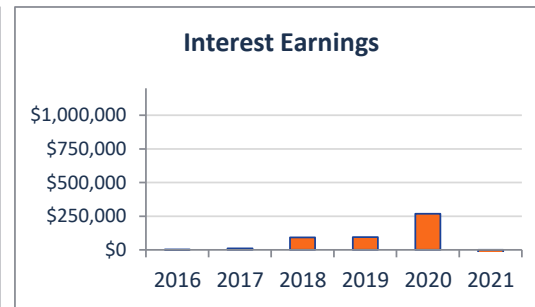
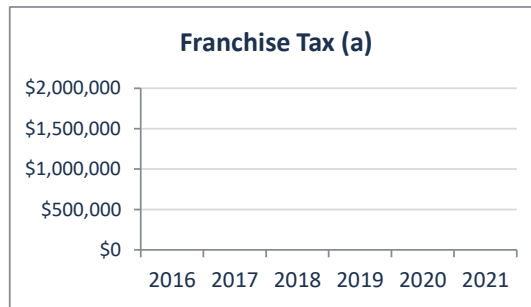
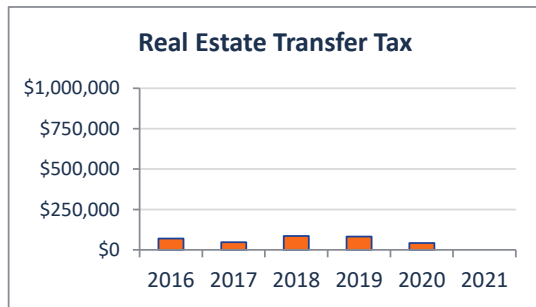
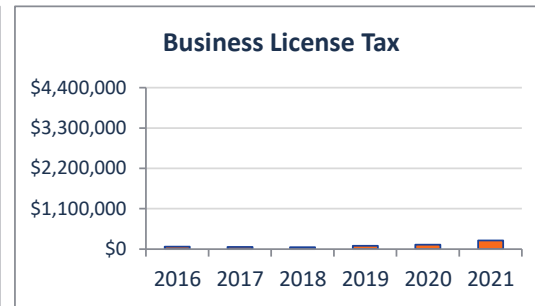
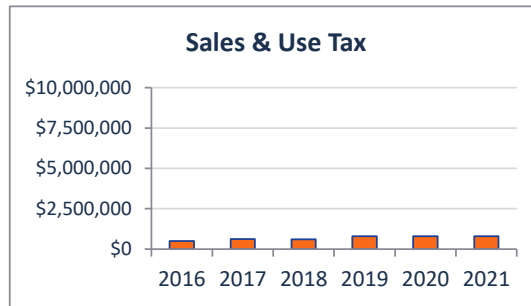
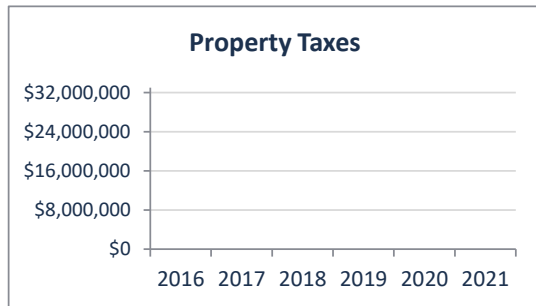
Major Revenue Accounts	Fund No.	Year-To-Date Actuals						FY 2021	
		2016	2017	2018	2019	2020	2021	Adj Budget	Realized
Property Taxes	100	-	-	-	-	-	-	33,111,743	0.0%
Sales & Use Tax	100	509,000	625,200	606,900	807,489	796,068	808,170	9,150,000	8.8%
Franchise Tax (a)	100	-	-	-	-	-	-	1,155,700	0.0%
Hotel Tax	100	384,990	449,163	369,936	368,172	428,140	149,656	4,750,000	3.2%
Business License Tax	100	67,543	63,024	50,224	94,379	123,809	240,477	3,946,250	6.1%
Real Estate Transfer Tax	100	70,542	47,046	86,207	83,209	42,322	-	765,000	0.0%
Building Permits	100	236,950	96,553	162,910	103,762	211,387	192,218	1,650,000	11.6%
Parking Citations	100	249,567	294,020	237,001	208,631	161,563	121,490	2,250,000	5.4%
Interest Earnings	100	3,205	10,085	92,151	95,297	269,085	(30,364)	919,254	-3.3%
Marriott Hotel Rent	100	347,647	358,695	361,611	33,333	423,467	33,333	1,700,000	2.0%
Vehicle in Lieu	100	-	-	-	-	-	-	15,000	0.0%
Building Plan Check Fees	100	109,362	92,526	235,673	171,379	189,865	242,439	1,800,000	13.5%
Total Major Revenue Accounts		1,978,806	2,036,314	2,202,612	1,965,650	2,645,706	1,757,420	61,212,947	2.9%
Over/(Under) Prior Year			57,508	166,299	(236,962)	680,056	(888,286)		
Percent Change From Prior Year			2.9%	8.2%	(10.8%)	34.6%	(33.6%)		
Other Revenues		1,918,548	1,727,609	2,140,704	2,307,387	2,205,586	(126,486)	11,909,783	-1.1%
Total General Fund Revenues		3,897,354	3,763,923	4,343,317	4,273,038	4,851,292	1,630,934	73,122,730	2.2%



(a) The structure of payments for the some of the franchise fees has changed resulting in lower initial revenues at the beginning of the fiscal year as compared to prior years. This revenue will self adjust throughout the year to better align with prior full-year numbers.

**City of Manhattan Beach
Fiscal Year-To-Date General Fund Trends
Through July Year-Over-Year**

**Percent of Year
8.3%**



(a) The structure of payments for the some of the franchise fees has changed resulting in lower initial revenues at the beginning of the fiscal year as compared to prior years. This revenue will self adjust throughout the year to better align with prior full-year numbers.



Agenda Date: 9/1/2020

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Steve S. Charelian, Finance Director
Henry Mitzner, Controller
Libby Bretthauer, Senior Financial Analyst

SUBJECT:

Adoption of Annual Investment Policy for Fiscal Year 2020-2021 and Delegation of Responsibility for Investing Funds to the City Treasurer (Finance Director Charelian).

ADOPT

RECOMMENDATION:

The Finance Subcommittee and City staff recommend that the City Council adopt the Fiscal Year (FY) 2020-2021 Investment Policy and continue the existing delegation of responsibility for investing funds to the City Treasurer.

FISCAL IMPLICATIONS:

There are no fiscal implications from the recommended action.

BACKGROUND:

The City's adopted Financial Policies state the Finance Subcommittee and City Council shall annually review and update, as appropriate, the City's Investment Policy. Furthermore, the Investment Policy shall be adopted by the City Council based upon the Finance Subcommittee's recommendations.

The Finance Subcommittee reviewed and approved the FY 2020-2021 Investment Policy at their July 22, 2020, meeting in advance of the City Council's review and adoption.

DISCUSSION:

The City's current Investment Policy was reviewed by the City's investment brokers and City staff, taking into consideration current laws and regulations, and changing market conditions.

City staff also reviewed Investment Policy Certification Program guidelines issued by the California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers of the United States and Canada (APT US&C).

No substantive changes were made to the Investment Policy this year. However, two new sections were incorporated as recommended by CMTA's Certification Program guidelines. Although similar language has been included in past Investment Policies and the City Treasurer and staff already follow the principles in the new Sections 10 (*Review of Investment Portfolio*) and Section 11 (*Diversification*), the importance of these topics merits their own sections for easier reference.

The changes, as presented, were reviewed and approved by the Finance Subcommittee for recommendation to the full City Council.

Delegation of Investment Authority to the City Treasurer

Pursuant to the California Government Code Section 53607, the legislative body (City Council) of the local agency may invest funds of the local agency or delegate that responsibility to the Treasurer of the local agency. The Treasurer assumes full responsibility for all investment transactions and makes a monthly report of those transactions to the legislative body until the delegation is revoked or expired. The legislative body may renew the delegation of authority each year.

The City Council has previously delegated Investment Authority to the City Treasurer, most recently in August 2019. Staff recommends that the City Council renew that delegation of responsibility for FY 2020-2021. This recommendation, if accepted, continues the long-standing City Council delegation of authority to the City Treasurer that is vital to the efficient operation of the City's treasury management.

PUBLIC OUTREACH:

After analysis, staff determined that public outreach was not required for this issue.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that there is no possibility that the activity may have a significant effect on the environment; therefore, pursuant to Section 15061(b)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENT:

1. Investment Policy for Fiscal Year 2020-2021



CITY OF MANHATTAN BEACH
INVESTMENT POLICY
Revised July 2020 ~ For Adoption on September 1, 2020

Table of Contents

1.	Policy	1
2.	Scope.....	1
3.	Objectives	1
4.	Prudence.....	2
5.	Delegation of Authority	3
6.	Ethics and Conflicts of Interest.....	3
7.	Finance Subcommittee.....	3
8.	Reporting.....	3
9.	Investment Instruments.....	4
10.	Review of Investment Portfolio.....	6
11.	Diversification.....	6
12.	Maximum Maturities	6
13.	Relationships with Financial Institutions.....	7
14.	Investment Pools/Money Market Mutual Funds.....	8
15.	Collateralization.....	8
16.	Safekeeping and Custody.....	8
17.	Internal Control.....	9
18.	Risk Tolerance	9
19.	Performance Standards	9
20.	Investment Policy Adoption	10
Attachment A:		
	Summary of State of California Statutes Applicable to Municipal Investment	11
Attachment B:		
	Glossary	14

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

1. Policy

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment process. The initial step toward a prudent investment policy is to organize and formalize investment-related activities. Related activities which comprise good cash management include accurate cash projection, the expeditious collection of revenue, the control of disbursements, cost-effective banking relations, and short-term borrowing programs which coordinate working capital requirements and investment opportunity. In concert with these requirements are the many facets of an appropriate and secure short-term investment program.

2. Scope

It is intended that this policy cover all short-term operating funds and investment activities under the direct authority of the City. These funds are described in the City's annual financial report and include:

- General Fund
- Special Revenue Funds
- Capital Projects Funds
- Enterprise Funds
- Internal Service Funds
- Fiduciary Funds

This investment policy does not apply to Bond Proceeds or Deferred Compensation Funds. California Government Code Section 5922(d) authorizes bond, certificates of participation notes and other debt issue proceeds to be invested in accordance with the related offering documentation. These Code Sections recognize the unique needs and objectives of such proceeds. Likewise, Deferred Compensation Plans are covered under California Government Code.

3. Objectives

- A. Safety: Safety of principal is the foremost objective of the City, followed by liquidity and yield. Each investment transaction shall seek to first ensure that capital losses are avoided, whether from securities defaults or erosion of market value.

Investment decisions should not incur unreasonable credit or market risks in order to obtain current investment income.

Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in only very safe securities and by diversifying the investment portfolio so that the failure of any one issuer would not unduly harm the City's cash flow.

Market risk, defined as the risk of market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by structuring the portfolio so that

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

securities mature at the same time that major cash outflows occur, thus eliminating the need to sell securities prior to their maturity. It shall also be mitigated by prohibiting the taking of short positions (selling securities that the City does not own). It is explicitly recognized herein, however, that in a diversified portfolio occasional measured losses are inevitable and must be considered within the context of overall investment return.

- B. Liquidity: The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which might be reasonably anticipated. This need for investment liquidity may be tempered to the extent that the City is able to issue short-term notes to meet its operating requirements, if beneficial.
- C. Return on Investments: The investment portfolio shall be managed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow requirements, and state and local law, ordinances or resolutions that restrict the placement of short-term funds.
- D. While the City will not make investments for the purpose of trading or speculation as the dominant criterion, the Treasurer and Director of Finance shall seek to enhance total portfolio return by means of ongoing portfolio management. The prohibition of speculative investments precludes investments primarily directed at gains or profits from conjectural fluctuations in market prices.

4. Prudence

The City adheres to the guidance provided by the "prudent investor standard" in the context of managing its overall portfolio. Persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency".

All participants in the investment process shall act responsibly as custodians of the public trust. The Treasurer and City Staff shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. Nevertheless, in a diversified portfolio, it must be recognized that occasional measured losses are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

By exercising their authority with due diligence and prudence, and in accordance with the City of Manhattan Beach Investment Policy, the Treasurer and City Staff will not be held personally liable for any individual investment losses or for total portfolio losses.

5. Delegation of Authority

Pursuant to the California Government Code 53607, the legislative body (City Council) may invest the City's funds or delegate that responsibility to the City Treasurer, who assumes full responsibility for all investment transactions and ensures a monthly report of those transactions is provided to the City Council until the delegation is revoked or expired. The City Council may renew the delegation of authority each year.

The City Treasurer shall establish a system of controls with the Finance Director to regulate the activities of City officials and their procedures, in the event circumstances require timely action and the City Treasurer is not present or able to carry out his/her duties as Treasurer.

6. Ethics and Conflicts of Interest

The Treasurer and City Staff shall refrain from personal business activity that could conflict with proper execution and management of the policy and the investment program, or which could impair their ability to make impartial decisions. The Treasurer and City Staff involved with investments must provide a public disclosure document annually to the office of the City Clerk. Furthermore, these investment officials must refrain from undertaking personal investment transactions with the same individual(s) employed by the financial institution with whom business is conducted on behalf of the City, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City to the office of the City Clerk.

7. Finance Subcommittee

The City Council will appoint a Finance Subcommittee for the purpose of overseeing the implementation of the City's investment program and assuring it is consistent with the investment policy as approved by the City Council. The Finance Subcommittee shall consist of the City Treasurer as Chairperson and two members of the City Council, and shall meet at least quarterly to determine general strategies and to monitor results. The Finance Subcommittee shall include in its deliberations such topics as: economic outlook, portfolio diversification and maturity structure, potential risks to the City's funds, approval of authorized financial institutions, and the target rate of return on the investment portfolio. Written investment procedures must be approved by the Finance Subcommittee. Professional and technical advisory support for the Finance Subcommittee shall be provided by the City Treasurer, City Manager and Director of Finance.

8. Reporting

The Director of Finance shall prepare a monthly investment report and submit to the City Manager, the City Council and the City Treasurer. Schedules of the monthly report shall itemize the month's investment purchases, sales and maturities and indicate their effect on portfolio value; itemize all investments and deposits in the portfolio by investment or deposit category, providing essential identifying characteristics for each investment or deposit; indicate the percentage of the portfolio

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

represented by each investment and by each investment category; show all par values, market values and costs at time of purchase, together with each item's coupon or discount rate and current earning rate; show the average earning rate for the portfolio; indicate distribution of the portfolio by maturity category and provide other relevant detail to accomplish disclosure of investment activity and portfolio status.

9. Investment Instruments

General guidelines that the City should follow in managing its investments are as follows:

- No investment will be purchased which matures more than five years from the date of settlement without approval by the City Council at least three months prior.
- Maturities of individual investments shall be diversified, attempting to match cash flow requirements where possible.
- The use of callable securities is permitted within the investment classes listed.

To reduce overall portfolio risk while attempting to attain market value rates of return consistent with the primary objectives of safety and availability of funds, investments shall be diversified across types of investments, maturities of those investments, and institutions in which those investments are made. Generally, the portfolio is to be invested in U.S. Treasury and Federal Agency securities with a modest addition of Bankers Acceptances (BA's) and Certificates of Deposit (CD's), and high-grade Medium-Term Corporate Notes.

Permitted Investments per City Policy

Investments shall be made only in those instruments specifically authorized by California State laws (section 53600-53609). The City's specific permitted investment guidelines are listed below. **These are in addition to, and must be used in conjunction with, the State of California statutes applicable to Municipal Investments (see Attachment A).** It should be noted that in some cases the City's permitted investments are more restrictive than the State guidelines.

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

Permitted Instruments	City Policies/Limitations
State or County Investment Pool (LAIF)	Dollar Maximum: \$65 million (State limit) Portfolio Maximum: 50% (City limit, unless authorized by Finance Subcommittee – see below)
Federally Insured Banks & Thrifts/Time Deposits	Dollar Maximum: Amount insured including accrued interest Term Maximum: 5 Years
U.S. Treasuries	Dollar Maximum: None Term Maximum: 5 Years
Government Sponsored Enterprises* (US Agencies)	Term Maximum: 5 Years Portfolio Maximum: 60%; 33-1/3% per issuer
Bankers Acceptances	Term Maximum: 180 Days Portfolio Maximum: 20%; 5% per issuer
Commercial Paper	Term Maximum: 270 Days Portfolio Maximum: 15%; 5% per issuer (including Medium-Term Notes)
Medium-Term Notes	Term Maximum: 5 Years Portfolio Maximum: 20%; 10% per sector; 5% per issuer (including Commercial paper) Ratings Minimum: Aaa to A1 (Moody's) or AAA to A+ (Standard and Poor's) Make Whole Call: Only when the MTN is purchased at a discount (i.e. yield-to-maturity exceeds coupon) or par
Negotiable Certificates of Deposit	Term Maximum: 5 Years Portfolio Maximum: 20%; lesser of 5% or \$1 million per issuer
Repurchase Agreements	Term Maximum: 1 Year Portfolio Maximum: 20% A Master Repurchase Agreement must be signed with the bank or dealer. (See Collateralization section below.)
Money Market Mutual Funds	Portfolio Maximum: 20%; 5% per issuer. Issuer must be institutional government money market mutual fund that abides by SEC regulations and have assets under management in excess of \$500+ million.

*Federal National Mortgage Association (FNMA); Federal Home Loan Mortgage Corporation (FHLMC); Federal Home Loan Bank (FHLB); Federal Farm Credit Bank (FFCB); Federal Agricultural Mortgage Corp (FAMC); Tennessee Valley Authority (TVA); and any other U.S. Federal agency or instrumentality.

State Local Agency Investment Fund (LAIF)

The City's policy with regard to LAIF is that no more than 50% of the investment portfolio may be deposited in LAIF at any time (as calculated at month end). Recognizing that LAIF is often the preferred depository for liquid funds, and in-flows during certain cash positive months results in higher LAIF balances, allowances may need to be made for short term holdings in LAIF that exceed 50%. As a result, in the event LAIF reaches the 50% threshold at any given month end, the portfolio must be reduced to the 50% level by the end of the next monthly reporting period.

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

When circumstances warrant, the City Treasurer may at his/her sole discretion permit the LAIF balance to exceed 50% of the portfolio for more than the one month period when market conditions make LAIF the preferred deposit for liquid-to-short term investment of City funds. The City Treasurer will provide written notification to the Subcommittee if LAIF exceeds 50% for more than 30 days.

Investments Not Permitted per City Policy

Certain investments are prohibited by Government Code section 53601.6, including inverse floaters, range notes, mortgage-derived interest-only strips and securities that result in zero interest accrual if held to maturity (except for money market funds). Besides investments prohibited by statute, this policy also disallows investment in the following due to a higher perceived risk:

- Asset Backed Securities
- State Obligations, including for California and the other 49 states
- Municipal Obligations, including for the City of Manhattan Beach and other local agencies
- Mortgage Pass-Through Securities
- Reverse Repurchase Agreements

10. Review of Investment Portfolio

The securities held by the City must be in compliance with Section 9. Investment Instruments at the time of purchase. Because some securities may not comply with Section 9. Investment Instruments subsequent to the date of purchase, the Treasurer and City Staff will review the portfolio annually as part of fiscal year-end procedures to identify those securities that do not comply. A subsequent change in rating status does not necessarily force the sale or disposition of the investment. In the event that a security has been downgraded or otherwise found to be noncompliant, the Treasurer and City Staff will assess the risk exposure, make a decision on the course of action, and advise the Finance Subcommittee.

11. Diversification

The City will diversify its investments by security type and institution to avoid incurring unreasonable and avoidable risks associated with concentrating investments in specific security types, maturity segments, or in individual financial institutions. Specific limitations are identified in Section 9. Investment Instruments.

12. Maximum Maturities

Maximum maturities identified in the chart of Permitted Investments refer to the total remaining term from settlement date, which may differ from the original term at time of issue.

To the extent possible, the City attempts to match its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than five years from

the date of purchase. The Treasurer may temporarily exceed this guideline when repositioning the portfolio to match a specific cash flow need, provided that the City Council has given approval at least three months prior to purchasing any investment maturing more than five years from the date of purchase.

13. Relationships with Financial Institutions

- A. The City may only purchase statutorily authorized investments, not purchased directly from the issuer, but from either an institution licensed by the state as a broker/dealer, from a national or state chartered bank, from a federal or state savings institution, from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, or a member of a securities exchange.
- B. Financial institutions with which the City conducts investment activities must agree in writing to undertake reasonable efforts to prevent illegal and/or imprudent transactions involving City funds. Should it come to the attention of the Director of Finance that City funds have been involved in illegal and/or imprudent transactions, it will be reported to the City Council along with options for dealing with the situation.

All security dealers who wish to engage in transactions with the City must meet the City's requirements for reliability and safety.

- C. To ensure yields consistent with this policy and to provide for the objective investment of City funds, the City's investment procedures shall be designed to include transactions with several firms that compete directly for public business, and to encourage competitive bidding on transactions. Such bids and offers shall be made available upon request to the Finance Subcommittee and the City Manager.
- D. The City shall utilize a minimum of two financial institutions deemed eligible by the Finance Subcommittee to place all investment purchases. Based on a periodic evaluation, securities dealers, banks and other financial institutions will be dropped or continued on the eligibility list. The following criteria will be used in the evaluation:
 - 1. Prompt and accurate confirmation of transactions
 - 2. Efficient securities delivery
 - 3. Accurate market information account servicing

In order to assist in identifying "qualified financial institutions," the Director of Finance shall forward copies of the City's investment policy to those financial institutions with which the City is interested in doing business and require written acknowledgement of the Policy.

All qualified financial dealers must supply the City with the following:

- Annual audited financial statements
- Proof of Financial Industry Regulatory Authority (FINRA) certification
- Trading Resolution

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

- Proof of State of California registration
- Completed Broker/Dealer Questionnaire
- Certification of having read the City's policy

The City will maintain an authorized agreement with at least one eligible broker who is associated with an institutional (versus retail) division of a primary brokerage firm.

An annual review of the financial condition and registrations of qualified bidders will be conducted by the Treasurer (or Finance Director). A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the City invests.

14. Investment Pools/Money Market Mutual Funds

A thorough investigation of the investment pool and/or money market mutual fund is required prior to investing and on a continual basis thereafter to evaluate the suitability and risks of the pool. The investigation will, at a minimum, obtain the general information:

- A description of eligible investment securities, and a written statement of investment policy and objectives;
- A description of interest calculations and how they are distributed, and how gains and losses are treated;
- A description of how the securities are safeguarded (including the settlement processes) and how often the securities are priced and the program audited;
- A description of who may invest in the program, how often, and what size deposits and withdrawals are allowed;
- A schedule for receiving statements and portfolio listings;
- A description of the utilization and level of reserves, retained earnings or other collateral used by the fund;
- A fee schedule that discloses when and how fees are assessed; and
- Whether the fund is eligible for bond proceeds and/or whether it will accept such proceeds.

15. Collateralization

Collateralization is normally required on two types of investments: certificates of deposit and repurchase agreements. The City does not invest in time deposits or certificates of deposit above the FDIC-insured limit. In order to anticipate market changes and provide a level of security for all funds, the collateralization level for repurchase agreements will be marked-to-market daily to a market valuation of 102% of principal and accrued interest.

16. Safekeeping and Custody

- A. All City investments shall have the City of Manhattan Beach as its registered owner, and all interest and principal payments and withdrawals shall indicate the City of Manhattan Beach as the payee.

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

- B. All securities shall be safe kept with a qualified financial institution, contracted by the City as a third party custodian. All securities shall be acquired by the safekeeping institution on a “delivery-versus-payment” (DVP) basis. In other words, the security must be delivered before City funds are released. The DVP basis for delivery also applies to the delivery and safekeeping of repurchase agreement collateral.
- C. Original copies of non-negotiable certificates of deposit and confirming copies of all other investment transactions must be delivered to the City.

17. Internal Control

The Director of Finance shall establish a system of internal controls, which shall be documented in writing. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City. Controls deemed most important include: control of collusion, separation of duties, separating transaction authority from accounting and recordkeeping, custodial safekeeping, clear delegation of authority, specific limitations regarding securities losses and remedial action, written confirmation of telephone transactions, minimizing the number of authorized portfolio managers, documentation of transactions and strategies, and ethical standards.

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

18. Risk Tolerance

The City recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity.

Portfolio diversification is employed as a way to control risk, as referenced above in paragraph III.D. The Treasurer and City Staff are expected to display prudence in the selection of securities, as a way to minimize default risk. No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio.

19. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the City’s investment risk constraints and cash flow needs. Investment return becomes a consideration only after the basic requirements of investment safety and liquidity have been met.

The City’s investment strategy is passive (buy-and-hold). Given this strategy, the Treasurer and/or Finance Director shall determine whether market yields are being achieved by comparing

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

the total return of the portfolio to the monthly LAIF rate and the 12-month rolling average 2-Year Treasury Constant Maturity rate. However, the reporting of these benchmarks is only to be used as a reference tool and therefore should not imply that the City should add additional risk to the portfolio in order to attain or exceed a benchmark. Benchmarks may change over time based on changes to market conditions or cash flow requirements.

20. Investment Policy Adoption

The policy shall be reviewed annually by the Finance Subcommittee and any modifications made thereto must be approved by the City Council. The City's investment policy shall be adopted annually by the City Council.

The Director of Finance shall establish written investment policy procedures for the operation of the investment program consistent with this policy. The procedures should include reference to: safekeeping, master repurchase agreements, wire transfer agreements, banking service contracts and depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City.

**ATTACHMENT A:
Summary of State of California Statutes Applicable to Municipal Investment**

The following investments are authorized by California State Code, Title 5, Division 2, Sections 16340, 16429.1, 53601, 53601.8, 53635, 53635.2, and 53638.

California Authorized Investments	Key Limitation Summary*
Local Agency Bonds	Portfolio Maximum: None
US Treasury Notes, Bonds, Bills	Portfolio Maximum: None
California State Warrants, Treasury Notes or Bonds	Portfolio Maximum: None
Bonds, Notes, Warrants of any local agency within the State	Portfolio Maximum: None
Federal Agency or United States government-sponsored enterprise obligations	Portfolio Maximum: None
Bankers Acceptances	Portfolio Maximum: 40%; 30% in any one issuer Term Maximum: 180 days
Commercial Paper	Domestic corporation with total assets greater than \$500 million Ratings Minimum: A-1 rated commercial paper Portfolio Maximum: 25%; 10% in any single issuer Term Maturity: 270 days
Negotiable Certificates of Deposit and CD Placement Service	Nationally or state-chartered bank, a savings association or a federal association, a state of federal credit union, or a state licensed branch of a foreign bank. Portfolio Maximum: 30%
Repurchase Agreements	102% underlying security valuation Term Maximum: One Year
Reverse Repurchase Agreements	Security subject to repurchase has been owned & fully paid for at least 30 days prior to sale. Funds received cannot be used to purchase securities with a maturity longer than 92 days. Portfolio Maximum: 20% Maximum limitation Term Maximum: 92 days
Medium Term Corporate Notes	Domestic corporations rated "A" or better by an NRSRO Portfolio Maximum: 30%
Shares of Beneficial Interest Issued By Diversified Management Companies (Mutual & Money Market Funds)	Portfolio Maximum: 20%; 10% per fund Money Market funds registered with the SEC; attained the highest ranking by not less than two nationally recognized rating organizations; assets in excess of \$500 million; investment advisor with not less than five years of experience

Continued on next page

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

California Authorized Investments	Key Limitation Summary*
<p>Local Agency Investment Fund Any mortgage pass through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass through certificate, or consumer receivable-backed bond</p>	<p>Investment Maximum: \$50 million Portfolio Maximum: 20% Minimum Rating: “AA” national rating</p>
<p>Other Obligation Valuation Requirements: (m) Promissory notes secured by first mortgages and first trust deeds which comply with Section 53651.2. (p) With the consent of the treasurer, letters of credit issued by the Federal Home Loan Bank of San Francisco which comply with Section 53651.6.</p>	<p>(a) Eligible securities, except eligible securities of the classes described in subdivisions (m) and (p) of Section 53651, shall have a market value of at least 10 percent in excess of the total amount of all deposits of a depository secured by the eligible securities. (b) Eligible securities of the class described in subdivision (m) of Section 53651 shall have a market value at least 50 percent in excess of the total amount of all deposits of a depository secured by those eligible securities. (c) Eligible securities of the class described in subdivision (p) of Section 53651 shall have a market value of at least 5 percent in excess of the total amount of all deposits of a depository secured by those eligible securities.</p>
<p>Moneys held by a trustee or fiscal agent pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements</p>	<p>May be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.</p>
<p>Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest</p>	<p>Securities of the types listed by Section 53651 Market value of at least 110% of underlying security value</p>

Continued on next page

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

California Authorized Investments	Key Limitation Summary*
Other Code Restrictions & Clarifications	<p>A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in inverse floaters, range notes, or mortgage-derived, interest-only strips.</p> <p>A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in any security that could result in zero interest accrual if held to maturity.</p> <p>No more than 5 percent of the total assets of the investments held by a local agency may be invested in the securities of any one issuer, except the obligations of the United States government, United States government agencies, and United States government-sponsored enterprises.</p> <p>Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase.</p>

**Unless otherwise stated, all investments have a five year maximum maturity limitation.*

ATTACHMENT B:

GLOSSARY

AGENCIES: Federal agency securities and/or government-sponsored enterprises, such as Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Farm Credit Bank (FFCB), etc.

ASK: The price at which securities are offered.

AVERAGE DAYS TO MATURITY: The average time to maturity of all the debt securities held in a portfolio.

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

BID: The price offered for securities.

BOOK ENTRY SECURITIES: All U.S. Treasury and Federal Agencies are maintained on computerized records at the Federal Reserve now known as "wireable" securities.

BROKER: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides. In the money market, brokers are active in markets in which banks buy and sell money and in inter-dealer markets.

CERTIFICATES OF DEPOSIT (CD): Time deposits of a bank or savings and loan. They are purchased in various denominations with maturities ranging from 30 to multiple years. The interest is calculated on a 360-day, actual day month basis and is payable monthly.

NEGOTIABLE CERTIFICATES OF DEPOSIT: Unsecured obligations of the financial institution, bank or savings and loan, bought at par value with the promise to pay face value plus accrued interest at maturity. They are high-grade negotiable instruments, paying a higher interest rate than regular certificates of deposit. The primary market issuance is in multiples of \$1,000,000, the secondary market usually trades in denominations of \$500,000, although smaller lots are occasionally available. As a matter of practice, only the ten largest U.S. banks, where there is a secondary market established for continued liquidity, are considered for investment.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the City of Manhattan Beach. It includes combined statements and basic financial statements for each

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related, legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COMMERCIAL PAPER: Short-term unsecured promissory note issued by a corporation to raise working capital. These negotiable instruments are purchased at a discount to par value or at par value with interest bearing. Commercial paper is issued by corporations such as IBM, Bank of America, etc.

Local agencies are permitted by State law to invest in commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical ratings as provided by Moody's Investor's Service, Inc., or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 270 days maturity nor exceed 30% of the local agency's surplus funds.

COUPON: The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DELIVERY VERSUS PAYMENT (DVP): There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipts is delivery of securities with an exchange of a signed receipt for the securities.

DEBENTURE: A bond secured only by the general credit of the issuer.

DISCOUNT: The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (e.g., U.S. Treasury bills).

DIVERSIFICATION: Dividing investment funds among a variety of securities and issuers offering independent returns.

DERIVATIVE: An asset that derives its value from another asset. For example, a call option on the stock of Coca-Cola is a derivative security that obtains value from the shares of Coca-Cola that can be purchased with the call option. Call options, put options, convertible bonds, futures contracts, and convertible preferred stock are examples of derivatives. A derivative can be either a risky or low-risk investment, depending upon the type of derivative and how it is used.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g. S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

FEDERAL FUNDS: Non-interest bearing deposits held by member banks at the Federal Reserve. Also used to denote "immediately available" funds in the clearing sense. "Fed Funds" also used to refer to these funds.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 Regional Banks and about 5,700 commercial banks that are members of the system.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures financial institutions' deposits, currently up to \$250,000 per account.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC): A U.S. Corporation and instrumentality of the U.S. government. Through its purchases of conventional mortgages, it provides liquidity to the mortgage markets, much like FNMA. FHLMC'S Securities are highly liquid and widely accepted. FHLMC assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing & Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

GOVERNMENTAL NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LAIF (Local Agency Investment Fund): A special fund in the California State Treasury which local agencies may use to deposit funds for investment. There is no minimum investment period and the minimum transaction is \$5,000, in multiples of \$1,000 above that, with a maximum balance of \$50,000,000 for any agency. The City is restricted to a maximum of fifteen transactions per month. It offers high liquidity because deposits can be converted to cash in twenty-four hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share basis determined by the amounts deposited and the length of time they are deposited. Interest is paid quarterly. The State retains an amount for reasonable costs of making the investments, not to exceed one-quarter of one percent of the earnings.

MAKE WHOLE CALL: A type of call provision on a bond allowing the borrower to pay off remaining debt early. The borrower makes a lump sum payment derived from a formula based on a predetermined spread to an index (typically a Treasury Note), or par value of the bond.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase--reverse agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MEDIUM-TERM CORPORATE NOTES: Unsecured promissory notes issued by a corporation organized and operating in the United States. These are negotiable instruments and are traded in the secondary market. Medium term corporate notes can be defined as extended maturity commercial paper.

Local agencies are restricted by the Government Code to investments in corporations rated in the upper investment grade categories by a nationally-recognized statistical rating organization. Further restrictions are a maximum term of five years to maturity and total investments in medium term corporate notes may not exceed 30% of the local agency's surplus funds.

MONEY MARKET FUNDS: Open-ended mutual fund that invests in highly liquid and safe securities (bills, commercial paper, bankers' acceptances, CD's, etc.) and pays money market rates of interest. The fund's net asset value remains a constant \$1 a share.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO): A credit rating agency that issues credit ratings that the Securities and Exchange Commission (SEC) permits other financial firms to use for certain regulatory purposes.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank, as directed by the FOMC, in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PORTFOLIO MANAGER: City Treasurer or Director of Finance.

PRIMARY DEALER: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks, and a few unregulated firms.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

REPURCHASE AGREEMENTS (RP OR REPO): A repo or reverse-repo is a short-term investment transaction. Banks buy temporarily idle funds from a customer by selling U.S. Government or other securities with a contractual agreement to repurchase the same securities on a future date. Repurchase agreements are typically for one to ten days in maturity. The customer receives interest from the bank. The interest rate reflects both the prevailing demand for Federal funds and the maturity of the repo. Some banks will execute repurchase agreements for a minimum of \$100,000 to \$500,000, but most banks have a minimum of \$1,000,000. A reverse-repo is exactly what the name implies.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SEC RULE 15C3-1: See uniform net capital rule.

SECURITIES AND EXCHANGE COMMISSION (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SETTLEMENT DATE: The date on which a trade is cleared by delivery of securities against funds. This date may be the same as the trade date or later.

TENNESSEE VALLEY AUTHORITY (TVA): A U.S. Corporation created in the 1930's, to electrify the Tennessee Valley area; currently a major utility headquartered in Knoxville Tennessee. TVA's securities are highly liquid and are widely accepted.

TRADE DATE: The date on which a transaction is initiated or entered into by the buyer and seller.

**City of Manhattan Beach Investment Policy
For Adoption on September 1, 2020**

TREASURY BILLS: Issued weekly with maturity dates up to one year. They are issued and traded on a discount basis with interest figured on a 360-day basis, actual number of days. They are issued in amounts of \$10,000 and up, in multiples of \$5,000. They are a highly liquid security.

TREASURY NOTES: Initially issued with two- to ten-year maturities. They are actively traded in a large secondary market and are very liquid. The Treasury may issue note issues with a minimum of \$1,000, however, the average minimum is \$5,000.

TREASURY BOND: Long-term U.S. Treasury securities having initial maturities of more than ten years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

WHEN-ISSUED TRADES: Typically, there is a lag between the time a new bond is announced and sold, and the time when it is actually issued. During this interval, the security trades "when, as, and if issued."

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

YIELD TO MATURITY: The rate of return yielded by a debt security held to maturity when both interest payments and the investor's capital gain or loss on the security are taken into account.



Agenda Date: 9/1/2020

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Steve S. Charelian, Finance Director
Stephanie Katsouleas, Public Works Director
Gwen Eng, Purchasing Manager

SUBJECT:

Second Reading and Adoption of an Ordinance Amending Chapters 2.36 (Purchasing) and 2.37 (Public Projects) of the Manhattan Beach Municipal Code to Allow Electronic Filing of Bids and Modifying the Authority to Approve Change Orders and Procure Professional Services (Finance Director Charelian).

ADOPT ORDINANCE NO. 20-0019

RECOMMENDATION:

RECOMMENDATION:

Staff recommends that the City Council conduct a second reading and adopt Ordinance No. 20-0019 amending Chapters 2.36 (Purchasing) and 2.37 (Public Projects) of the Manhattan Beach Municipal Code (MBMC or Code) allowing for the electronic filing of bids and modifying the authority to approve change orders and procure professional services.

FISCAL IMPLICATIONS:

If adopted, there is \$30,000 budgeted in current fiscal year for project implementation. The project cost will be offset by revenue generated from fees charged on public construction project bid submittals, estimated at \$10,000 annually. Subsequent years will require annual maintenance costs, which will be budgeted accordingly in the Finance Department's operating budget.

BACKGROUND:

On August 18, 2020, City Council introduced Ordinance No. 20-0019 approving receipt of electronic bids and other minor purchasing and procurement changes to MBMC sections 2.36 and 2.37.

DISCUSSION:

Staff reviewed the City’s purchasing processes with the goal of streamlining and improving workflow and maximizing the value of staff time used to obtain and tabulate bids. Amending Chapter 2.36 (Purchasing) and Chapter 2.37 (Public Projects) of the Code helps achieve this goal by allowing for the receipt of electronic submittal of bids for all types for goods and services. A summary of changes to the language in MBMC 2.36 and 2.37 include:

Electronic Bidding

Modifications to MBMC 2.36.070 (E) and (F) and MBMC 2.37.040 (C) will allow the City to receive electronic bids for goods and services and for capital projects, respectively. The net effect will result in decreasing the procurement timeline, while also improving the quantity and quality of bids received. In addition, the City will be able to charge a fee for capital project bid submittals, which was established under the 2020 Resolution of Fees. Following adoption of Ordinance 20-0019, staff will begin evaluating qualified vendors to ensure that the best on-line bidding solutions are obtained. Online bidding is expected to be fully operational by December 2020.

Professional Services (MBMC 2.36.130)

By updating this section, each City department will now be allowed to solicit professional services directly, subject to administrative policies and procedures. This will help expedite the process for obtaining specialized services when needed.

Change Orders (MBMC 2.36.090 (B))

Currently, only the City Manager has the authority to approve cumulative change orders up to the formal bid limit of \$50,000. However, MBMC 2.36.080 (B) allows the Finance Director to approve purchases up to \$20,000. Language in this section of the Code will be modified to ensure consistency throughout Chapter 2.36.

Therefore, staff recommends that City Council conduct a second reading and adopt Ordinance No. 20-0019 amending Chapters 2.36 (Purchasing) and 2.37 (Public Projects) of the Manhattan Beach Municipal Code allowing for the receipt of electronic bids and modifying the authority to approve change orders and procure professional services.

PUBLIC OUTREACH:

After analysis, staff determined that public outreach was not require for this issue.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW:

The City Attorney has approved Ordinance No. 20-0019 as to form.

ATTACHMENT:

1. Ordinance 20-0019

ORDINANCE NO. 20-0019

AN ORDINANCE OF THE CITY OF MANHATTAN BEACH AMENDING MUNICIPAL CODE CHAPTERS 2.36 AND 2.37 OF TITLE 2 TO AUTHORIZE ELECTRONIC FILING OF BIDS, AND MODIFYING THE AUTHORITY TO APPROVE CHANGES ORDERS AND PROCURE PROFESSIONAL SERVICES IN CHAPTER 2.36

THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 2.36.070 - Formal contract procedure, subsections E and F, are hereby amended to read as follows:

“E. Bid Opening Procedure. Bids shall be submitted electronically through the electronic bidding system used by the City’s General Services division, unless the Purchasing Manager determines otherwise. Bids shall be made publicly available upon opening.

F. Confidentiality of Bids. All bids received pursuant to the provisions of this chapter shall not be revealed directly or indirectly to any other bidder until the bidding process is completed and all submitted bids have been verified. A tabulation of all bids received shall be available for public inspection during regular business hours after the bids have been verified.”

SECTION 2. Section 2.36.090 Purchase orders subsection B is hereby amended to read as follows:

“B. Change Orders. Any change order for an approved purchase or contract shall be documented by a purchase order addendum. The Finance Director may authorize cumulative increases up to \$20,000 as long as sufficient funding is available. The City Manager may authorize cumulative increases up to the informal contract threshold of \$50,000 as long as sufficient funding is available.”

SECTION 3. Section 2.36.130 Professional services is hereby amended to read as follows:

“Contracts for services of specially-trained and professional persons shall be exempt from bidding. Such contracts may be procured by the Director of the Department (or designee) that requires the services, in accordance with established administrative rules and procedures. If the amount equals or exceeds \$20,000 the City Manager’s approval is required. All contracts equaling or exceeding \$50,000 must be approved by the Council.”

SECTION 4. Section 2.37.040 subsection C is hereby amended to read as follows:

“C. Level 3 Projects. Public projects that exceed the limit in Public Contract Code Section 22032(a), as it now exists or may subsequently be amended, and are not let to contract by the informal bid procedures in subsection B of this Section shall, except

as otherwise provided by law, be let to contract by the formal bidding procedures set forth in this subsection.

1. Notice inviting formal bids. The City shall publish and mail a notice inviting sealed formal bids in accordance with the provisions of Public Contract Code Section 22037, or any successor statute thereto.

2. Receipt of bids. Electronic bids shall be received through the electronic bidding system selected by the City, and shall not be opened until the time designated in the bid specifications. Bids must be received prior to the bid opening to be considered. Users of the City's electronic bidding system shall be charged a fee, in an amount determined by the City Council by resolution.

3. Award. The City Council shall award the bid to the lowest responsible bidder, or reject all bids pursuant to Public Contract Code Section 22038, or its successor statute. The City Council may waive any irregularities or informalities in any bid or bidding."

SECTION 5. CALIFORNIA ENVIRONMENTAL QUALITY ACT EXEMPTION. The City Council determines that this ordinance is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and the regulations promulgated thereunder (14 California Code of Regulations §§ 15000, et seq., the "CEQA Guidelines"). It can be seen with certainty that there is no possibility that the adoption of this Ordinance, and the regulations established hereby, may have a significant effect on the environment, and the action taken herein is not a "project" within the meaning of CEQA.

SECTION 6. INTERNAL CONSISTENCY. Any provisions of the Municipal Code, or any other resolution or ordinance of the City, to the extent that they are inconsistent with this Ordinance are hereby repealed, and the City Clerk shall make any necessary changes to the Municipal Code for internal consistency.

SECTION 7. SEVERABILITY. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or their application and, to this end, the provisions of this Ordinance are severable.

SECTION 8. CERTIFICATION. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause this Ordinance to be published within 15 days after its passage, in accordance with Section 36933 of the Government Code.

ADOPTED on September 1, 2020.

AYES:
NOES:
ABSENT:
ABSTAIN:

RICHARD MONTGOMERY
Mayor

ATTEST:

LIZA TAMURA
City Clerk



Agenda Date: 9/1/2020

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Derrick Abell, Chief of Police
Steve S. Charelian, Finance Director
Julie Dahlgren, Senior Management Analyst
Gwen Eng, Purchasing Manager

SUBJECT:

Consideration of a Three-Year Unarmed Security Services Contract to Contemporary Services Corporation with an Estimated Annual Value of \$250,000 and Approve Ratification of a Contract Extension Amendment (Police Chief Abell).

a) ADOPT RESOLUTION NO. 20-0091

b) RATIFY AMENDMENT NO. 1 FOR ENFORCEMENT SERVICES REQUIRED FOR THE COVID-19 PANDEMIC

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 20-0091 awarding Request For Proposals (RFP) # 1240-20 to Contemporary Services Corporation (CSC) for a three-year unarmed security services contract with an estimated annual value of \$250,000 and ratify the contract amendment dated July 31, 2020.

FISCAL IMPLICATIONS:

Sufficient funds are available in the fiscal year 2020-2021 Police Department budget for regularly scheduled events. Adequate funds will also be included in future years' budgets for these as-needed services in the contract.

Additional services for unexpected events such as social distancing during bioluminescence, Covid-19 face covering enforcement, and civil unrest were not anticipated; therefore, an appropriation of funds will be brought before the City Council during the October Budget Status Update.

BACKGROUND:

Since 2007, the City has contracted with CSC for unarmed event security and traffic control services at large scale special events, such as the Holiday Fireworks, Manhattan Beach 10k Run, Grand Prix Bike Race, Tour de Pier, Surf Festival/6-Man Volleyball, Hometown Fair, and Pumpkin Races. Augmenting staff and volunteers with additional personnel well-versed in crowd control, perimeter security, and traffic control has proven to be very successful. The contractor's staff provides a visual deterrent for inappropriate behavior and criminal activity, while enforcement remains the responsibility of the Police Department.

A formal bid process was held in 2013. In recent years, more companies have entered into the marketplace. Due to the expiration of the current contract with CSC, the City released an RFP with the scope focused on similar experience and ability to provide trained staff in the Los Angeles area.

DISCUSSION:

Award of Contract

Three responses were received from the RFP for unarmed security services. Because this is a service contract, vendor selection is based upon many factors: prior experience, expertise, quality control, staff training, references, and cost. One of the three vendors had little experience with large-scale events and inadequate local staffing for such events. Phone interviews were conducted with the vendors' references or contacts that could speak to their performance.

The final two vendors had sufficient experience with crowd control in an open-air environment. However, after further evaluation, reference checks, and a second round of phone interviews and negotiations, staff recommends the new contract be awarded to Contemporary Services Corporation for the following reasons: experience with traffic control (both vehicular and pedestrian) at street intersections; directly facilitating events with law enforcement staff; and on-going experience with numerous large scale events of a dynamic nature.

Amendment Ratification and Appropriation

While staff was in the process of evaluating the bid proposals received, the City entered into a short-term agreement with CSC, dated May 15, 2020, established within the City Manager's authority to assist the Police Department with emergency enforcement of social distancing related to Covid-19. On July 31, 2020, a contract amendment was authorized to assist the Police Department with emergency face covering enforcement, extending the contract term to September 15, 2020, increasing the dollar amount of the contract, as well as adding the required Federal Emergency Management Agency (FEMA) contract clauses. These clauses are necessary for Covid-19 and civil unrest expenses to be submitted for potential reimbursement. Since this action was performed on an emergency basis, staff is now seeking City Council ratification for this amendment as required by Municipal Code Section 2.36.120 - Emergency procurement under the auspices of emergency protective measure. This requires City Council approval within a sixty-day ratification window. An appropriation for funding these efforts will be brought before the City Council at the October Budget Review meeting.

CONCLUSION:

Staff recommends that the City Council award a three-year contract to Contemporary Services Corporation for unarmed security services with an estimated annual value of \$250,000, ratify a contract amendment extending the contract term and adding required FEMA contract clauses. An appropriation for funding these efforts will be brought before the City Council at the October Budget Review meeting. The City may cancel the contract at any time without cause upon a 30-day notice.

PUBLIC OUTREACH:

After analysis, staff determined that public outreach was not required for this issue.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is necessary.

ATTACHMENTS:

1. Resolution No. 20-0091
2. Contract Extension Amendment - Contemporary Services Corporation
3. Amendment No. 1 - Contemporary Services Corporation
4. RFP # 1240-20 Unarmed Security Services Comparison

RESOLUTION NO. 20-0091

A RESOLUTION OF THE MANHATTAN BEACH CITY COUNCIL APPROVING AN AGREEMENT BETWEEN THE CITY OF MANHATTAN BEACH AND CONTEMPORARY SERVICES CORPORATION FOR UNARMED GUARD SERVICES AND RATIFYING THAT CERTAIN AMENDMENT NO. 1 DATED JULY 31, 2020 ENTERED INTO BY THE CITY MANAGER FOR ENFORCEMENT SERVICES REQUIRED BY THE COVID-19 PANDEMIC

THE MANHATTAN BEACH CITY COUNCIL HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The City Council hereby ratifies the Amendment between the City of Manhattan Beach and Contemporary Services Corporation dated July 31, 2020, for unarmed security services for enforcement of emergency public safety orders services, extension of contract term including Federal Emergency Management Agency (FEMA) Procurement clauses.

SECTION 2. The City Council hereby approves the Agreement between the City of Manhattan Beach and Contemporary Services Corporation dated September 1, 2020, for unarmed guard services at special events for a period of three years, in the amount of \$250,000 annually.

SECTION 3. The Council hereby directs the City Manager to execute the Agreement on behalf of the City.

SECTION 4. The City Clerk shall certify to the passage and adoption of this resolution.

ADOPTED on September 1, 2020.

AYES:
NOES:
ABSENT:
ABSTAIN:

RICHARD MONTGOMERY
Mayor

ATTEST:

LIZA TAMURA
City Clerk

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (“Agreement”) is dated September 1, 2020 (“Effective Date”) and is between the City of Manhattan Beach, a California municipal corporation (“City”) and Contemporary Services Corporation, a California corporation, (“Contractor”). City and Contractor are sometimes referred to herein as the “Parties”, and individually as a “Party”.

RECITALS

A. City issued Request for Proposal No. 1240-20 on March 13, 2020, titled “Unarmed Security Services”. Contractor submitted a proposal dated April 1, 2020, in response to the RFP.

B. While staff was in the process of evaluating all of the bid proposals received, City entered into an emergency short-term agreement with Contractor (agreement dated May 15, 2020 – September 15, 2020), established within the City Manager’s emergency authority to assist with emergency enforcement of social distancing.

C. The City now desires to enter into a long-term agreement with the Contractor.

D. Contractor represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

E. City desires to retain Contractor as an independent contractor and Contractor desires to serve City to perform these services in accordance with the terms and conditions of this Agreement.

The Parties therefore agree as follows:

1. Contractor’s Services.

A. Scope of Services. Contractor shall perform the services described in the Scope of Services (the “Services”) unarmed security services, crowd control, public safety-related services, and traffic control services, attached as **Exhibit A**. City may request, in writing, changes in the Scope of Services to be performed. Any changes mutually agreed upon by the Parties, and any increase or decrease in compensation, shall be incorporated by written amendments to this Agreement.

B. Party Representatives. For the purposes of this Agreement, the City Representative shall be the City Manager, or such other person designated in writing by the City Manager (the “City Representative”). For the purposes of this Agreement, the Contractor Representative shall be Roy Sukimoto, Los Angeles General Manger (the “Contractor Representative”). The Contractor Representative shall directly manage

Approved for Use 2/15/20

Contractor's Services under this Agreement. Contractor shall not change the Contractor Representative without City's prior written consent.

C. Time for Performance. Contractor shall commence the Services on the Effective Date and shall perform all Services by the deadline established by the City Representative or, if no deadline is established, with reasonable diligence.

D. Standard of Performance. Contractor shall perform all Services under this Agreement in accordance with the standard of care generally exercised by like professionals under similar circumstances and in a manner reasonably satisfactory to City.

E. Personnel. Contractor has, or will secure at its own expense, all personnel required to perform the Services required under this Agreement. All of the Services required under this Agreement shall be performed by Contractor or under its supervision, and all personnel engaged in the work shall be qualified to perform such Services.

F. Compliance with Laws. Contractor shall comply with all applicable federal, state and local laws, ordinances, codes, regulations and requirements.

G. Permits and Licenses. Contractor shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of Services under this Agreement, including a business license.

2. Term of Agreement. The term of this Agreement shall be from the Effective Date through September 1, 2023, unless sooner terminated as provided in Section 12 of this Agreement or extended. The term may be extended for an additional two years upon mutual agreement of the Parties, as evidenced by a written amendment.

3. Compensation.

A. Compensation. As full compensation for Services satisfactorily rendered, City shall pay Contractor at the hourly rates set forth in the Approved Fee Schedule attached hereto as **Exhibit B**. In no event shall Contractor be paid more than \$300,000 annually (the "Maximum Compensation") during the term of this Agreement, unless agreed in writing by the Parties.

B. Unauthorized Services and Expenses. City will not pay for any services not specified in the Scope of Services, unless the City Council or the City Representative, if applicable, and the Contractor Representative authorize such services in writing prior to Contractor's performance of those services or incurrence of additional expenses. Any additional services or expenses authorized by the City Council, or (where authorized) the City Manager shall be compensated at the rates set forth in **Exhibit B**, or, if not specified, at a rate mutually agreed to by the Parties. City shall make payment for additional services and expenses in accordance with Section 4 of this Agreement.

4. Method of Payment.

A. Invoices. Contractor shall submit to City an invoice, on a weekly basis, for the Services performed pursuant to this Agreement. Each invoice shall itemize the Services rendered during the billing period, hourly rates charged, if applicable, and the amount due. City shall review each invoice and notify Contractor in writing within ten Business days of receipt of any disputed invoice amounts.

B. Payment. City shall pay all undisputed invoice amounts within 30 calendar days after receipt up to the Maximum Compensation set forth in Section 3 of this Agreement. City does not pay interest on past due amounts. City shall not withhold federal payroll, state payroll or other taxes, or other similar deductions, from payments made to Contractor. Notwithstanding the preceding sentence, if Contractor is a nonresident of California, City will withhold the amount required by the Franchise Tax Board pursuant to Revenue and Taxation Code Section 18662 and applicable regulations.

C. Audit of Records. Contractor shall make all records, invoices, time cards, cost control sheets and other records maintained by Contractor in connection with this Agreement available during Contractor's regular working hours to City for review and audit by City.

5. Independent contractor. Contractor is, and shall at all times remain as to City, a wholly independent contractor. Contractor shall have no power to incur any debt, obligation, or liability on behalf of City. Neither City nor any of its agents shall have control over the conduct of Contractor or any of Contractor's employees, except as set forth in this Agreement. Contractor shall not, at any time, or in any manner, represent that it or any of its officers, agents or employees are in any manner employees of City.

6. Information and Documents.

A. Contractor covenants that all data, reports, documents, discussion, or other information (collectively "Data") developed or received by Contractor or provided for performance of this Agreement are deemed confidential and shall not be disclosed or released by Contractor without prior written authorization by City. City shall grant such authorization if applicable law requires disclosure. Contractor, its officers, employees, agents, or subcontractors shall not without written authorization from the City Manager or unless requested in writing by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary," provided Contractor gives City notice of such court order or subpoena.

B. Contractor shall promptly notify City should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or

other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the City. City may, but has no obligation to, represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Contractor. However, City's right to review any such response does not imply or mean the right by City to control, direct or rewrite the response.

C. All Data required to be furnished to City in connection with this Agreement shall become City's property, except for privileged or confidential Data belonging to Contractor, and City may use all or any portion of the Data submitted by Contractor as City deems appropriate. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files containing data generated for the Services, surveys, notes, and other documents prepared in the course of providing the Services shall become City's sole property and may be used, reused or otherwise disposed of by City without Contractor's permission, except for privileged or confidential Data belonging to Contractor. Contractor may take and retain copies of the written products as desired, but the written products shall not be the subject of a copyright application by Contractor.

D. Contractor's covenants under this Section shall survive the expiration or termination of this Agreement.

7. Conflicts of Interest. Contractor and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Contractor's Services under this Agreement, including the Political Reform Act (Gov. Code § 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Contractor may perform similar Services for other clients, but Contractor and its officers, employees, associates and subcontractors shall not, without the City Representative's prior written approval, perform work for another person or entity for whom Contractor is not currently performing work that would require Contractor or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Contractor shall incorporate a clause substantially similar to this Section into any subcontract that Contractor executes in connection with the performance of this Agreement.

8. Employment Offerings. The City understands the time and expense Consultant incurs to recruit and train employees and the City, therefore, agrees not to solicit, offer to hire, or hire, Consultant's employees (defined as anyone employed by Consultant during the term of this Agreement or within one (1) year prior to such solicitation, offering or hiring, whichever is longer) either during the term of this Agreement or for a period of one (1) year thereafter, without first obtaining the written consent of Consultant. The Parties agree that it would be difficult and impractical to calculate the damage sustained by Consultant and its operations as a result of a violation of this paragraph. Therefore, should the City violation this paragraph, the City agrees to pay twenty percent (20%) of

the employee's expected first year's gross earnings from the City or \$5,000.00, whichever is greater, and the reasonable costs and attorney's fees to collect those liquidated damages regardless of whether or not suit is filed.

9. Indemnification, Hold Harmless, and Duty to Defend.

A. Indemnities.

1) To the fullest extent permitted by law, Contractor shall, at its sole cost and expense, defend, hold harmless and indemnify City and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, assigns and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees"), from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith and the payment of all consequential damages (collectively "Liabilities"), in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Contractor, its officers, agents, servants, employees, subcontractors, materialmen, consultants or their officers, agents, servants or employees (or any entity or individual that Contractor shall bear the legal liability thereof) in the performance of this Agreement, except for Liabilities arising from the gross negligence or willful misconduct of the Indemnitees as determined by court decision or by the agreement of the Parties. Contractor shall defend the Indemnitees in any action or actions filed in connection with any Liabilities with counsel of the Indemnitees' choice, and shall pay all costs and expenses, including all attorneys' fees and experts' costs actually incurred in connection with such defense. Contractor shall reimburse the Indemnitees for any and all legal expenses and costs incurred by Indemnitees in connection therewith.

2) Contractor shall pay all required taxes on amounts paid to Contractor under this Agreement, and indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contractor shall fully comply with the workers' compensation law regarding Contractor and Contractor's employees. Contractor shall indemnify and hold City harmless from any failure of Contractor to comply with applicable workers' compensation laws. City may offset against the amount of any fees due to Contractor under this Agreement any amount due to City from Contractor as a result of Contractor's failure to promptly pay to City any reimbursement or indemnification arising under this subparagraph A.2).

3) Contractor shall obtain executed indemnity agreements with provisions identical to those in this Section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance of this Agreement. If Contractor fails to obtain such indemnity obligations, Contractor shall be fully responsible and indemnify, hold harmless and defend the Indemnitees from

and against any and all Liabilities at law or in equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Contractor's subcontractor, its officers, agents, servants, employees, subcontractors, materialmen, consultants or their officers, agents, servants or employees (or any entity or individual that Contractor's subcontractor shall bear the legal liability thereof) in the performance of this Agreement, , except for Liabilities arising from the gross negligence or willful misconduct of the Indemnitees as determined by court decision or by the agreement of the Parties.

B. Workers' Compensation Acts not Limiting. Contractor's indemnifications and obligations under this Section, or any other provision of this Agreement, shall not be limited by the provisions of any workers' compensation act or similar act. Contractor expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.

C. Insurance Requirements not Limiting. City does not, and shall not, waive any rights that it may possess against Contractor because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. The indemnities in this Section shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liabilities, tax, assessment, penalty or interest asserted against City.

D. Survival of Terms. Contractor's indemnifications and obligations under this Section shall survive the expiration or termination of this Agreement.

10. Insurance.

A. Minimum Scope and Limits of Insurance. Contractor shall procure and at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

1) Commercial General Liability Insurance with a minimum limit of \$2,000,000.00 per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of \$5,000,000.00 per project or location. If Contractor is a limited liability company, the commercial general liability coverage shall be amended so that Contractor and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

2) Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of \$1,000,000.00 per accident for bodily injury and property damage. If Contractor does not use any owned, non-owned or hired vehicles in the performance of Services under this Agreement, Contractor shall obtain a non-owned auto endorsement to the Commercial General Liability policy required under subparagraph A.1) of this Section.

3) Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of \$1,000,000.00 per accident for bodily injury or disease. If Contractor has no employees while performing Services under this Agreement, workers' compensation policy is not required, but Contractor shall execute a declaration that it has no employees.

4) Professional Liability/Errors and Omissions Insurance with minimum limits of \$2,000,000.00 per claim and \$5,000,000.00 in aggregate.

B. Acceptability of Insurers. The insurance policies required under this Section shall be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide. Self-insurance shall not be considered to comply with the insurance requirements under this Section.

C. Additional Insured. The commercial general and automobile liability policies shall contain an endorsement naming City and its elected and appointed officials, officers, employees, agents and volunteers as additional insureds. This provision shall also apply to any excess/umbrella liability policies.

D. Primary and Non-Contributing. The insurance policies required under this Section shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to City. Any insurance or self-insurance maintained by City, its elected and appointed officials, officers, employees, agents or volunteers, shall be in excess of Contractor's insurance and shall not contribute with it.

E. Contractor's Waiver of Subrogation. The insurance policies required under this Section shall not prohibit Contractor and Contractor's employees, agents or subcontractors from waiving the right of subrogation prior to a loss. Contractor hereby waives all rights of subrogation against City.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by City. At City's option, Contractor shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Contractor shall procure a bond guaranteeing payment of losses and expenses.

G. Cancellations or Modifications to Coverage. Contractor shall not cancel, reduce or otherwise modify the insurance policies required by this Section during the term of this Agreement. The commercial general and automobile liability policies required under this Agreement shall be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail 30 days' prior written notice to City. If any insurance policy required under this Section is canceled or reduced in coverage or limits, Contractor shall, within two Business Days of notice from the insurer, phone, fax or notify City via certified mail, return receipt requested, of the cancellation of or changes to the policy.

H. City Remedy for Noncompliance. If Contractor does not maintain the policies of insurance required under this Section in full force and effect during the term of this Agreement, or in the event any of Contractor's policies do not comply with the requirements under this Section, City may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, City may, but has no duty to, take out the necessary insurance and pay, at Contractor's expense, the premium thereon. Contractor shall promptly reimburse City for any premium paid by City or City may withhold amounts sufficient to pay the premiums from payments due to Contractor.

I. Evidence of Insurance. Prior to the performance of Services under this Agreement, Contractor shall furnish City's Risk Manager with a certificate or certificates of insurance and all original endorsements evidencing and effecting the coverages required under this Section. The endorsements are subject to City's approval. Contractor may provide complete, certified copies of all required insurance policies to City. Contractor shall maintain current endorsements on file with City's Risk Manager. Contractor shall provide proof to City's Risk Manager that insurance policies expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Contractor shall furnish such proof at least two weeks prior to the expiration of the coverages.

J. Indemnity Requirements not Limiting. Procurement of insurance by Contractor shall not be construed as a limitation of Contractor's liability or as full performance of Contractor's duty to indemnify City under Section 8 of this Agreement.

K. Broader Coverage/Higher Limits. If Contractor maintains broader coverage and/or higher limits than the minimums required above, City requires and shall be entitled to the broader coverage and/or the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

L. Subcontractor Insurance Requirements. Contractor shall require each of its subcontractors that perform Services under this Agreement to maintain insurance coverage that meets all of the requirements of this Section.

11. Mutual Cooperation.

A. City's Cooperation. City shall provide Contractor with all pertinent Data, documents and other requested information as is reasonably available for Contractor's proper performance of the Services required under this Agreement.

B. Contractor's Cooperation. In the event any claim or action is brought against City relating to Contractor's performance of Services rendered under this Agreement, Contractor shall render any reasonable assistance that City requires.

12. Records and Inspections. Contractor shall maintain complete and accurate records with respect to time, costs, expenses, receipts, correspondence, and other such

information required by City that relate to the performance of the Services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Contractor shall provide free access to City, its designees and representatives at reasonable times, and shall allow City to examine and audit the books and records, to make transcripts therefrom as necessary, and to inspect all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three years after receipt of final payment.

13. Termination of Agreement.

A. Right to Terminate. City may terminate this Agreement at any time, at will, for any reason or no reason, after giving written notice to Contractor at least five calendar days before the termination is to be effective. Contractor may terminate this Agreement at any time, at will, for any reason or no reason, after giving written notice to City at least 60 calendar days before the termination is to be effective.

B. Obligations upon Termination. Contractor shall cease all work under this Agreement on or before the effective date of termination specified in the notice of termination. In the event of City's termination of this Agreement due to no fault or failure of performance by Contractor, City shall pay Contractor based on the percentage of work satisfactorily performed up to the effective date of termination. In no event shall Contractor be entitled to receive more than the amount that would be paid to Contractor for the full performance of the Services required by this Agreement. Contractor shall have no other claim against City by reason of such termination, including any claim for compensation.

14. Force Majeure. Contractor shall not be liable for any failure to perform its obligations under this Agreement if Contractor presents acceptable evidence, in City's sole judgment, that such failure was due to acts of God, embargoes, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond Contractor's reasonable control and not due to any act by Contractor.

15. Default.

A. Contractor's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Contractor is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Contractor for any work performed after the date of default.

B. In addition to the right to terminate pursuant to Section 12, if the City Manager determines that Contractor is in default in the performance of any of the terms or conditions of this Agreement, City shall serve Contractor with written notice of the default. Contractor shall have ten calendar days after service upon it of the notice in

which to cure the default by rendering a satisfactory performance. In the event that Contractor fails to cure its default within such period of time, City may, notwithstanding any other provision of this Agreement, terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

16. Notices. Any notice, consent, request, demand, bill, invoice, report or other communication required or permitted under this Agreement shall be in writing and conclusively deemed effective: (a) on personal delivery, (b) on confirmed delivery by courier service during Contractor’s and City’s regular business hours, or (c) three Business Days after deposit in the United States mail, by first class mail, postage prepaid, and addressed to the Party to be notified as set forth below:

TO CITY:

City of Manhattan Beach
Police Department
Attn: Derrick Abell
1400 Highland Avenue
Manhattan Beach, California 90266

TO CONTRACTOR:

Contemporary Service Corporation
Attn: Roy Sukimoto
369 Van Ness Way, Suite 702
Torrance, California 90501

COPY TO CITY ATTORNEY:

City of Manhattan Beach
Attn: City Attorney
1400 Highland Avenue
Manhattan Beach, CA 90266

17. Non-Discrimination and Equal Employment Opportunity. In the performance of this Agreement, Contractor shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information, sexual orientation or other basis prohibited by law. Contractor will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information or sexual orientation.

18. Prohibition of Assignment and Delegation. Contractor shall not assign any of its rights or delegate any of its duties under this Agreement, either in whole or in part, without City’s prior written consent. City’s consent to an assignment of rights under this Agreement shall not release Contractor from any of its obligations or alter any of its primary obligations to be performed under this Agreement. Any attempted assignment or delegation in violation of this Section shall be void and of no effect and shall entitle City

to terminate this Agreement. As used in this Section, “assignment” and “delegation” means any sale, gift, pledge, hypothecation, encumbrance or other transfer of all or any portion of the rights, obligations, or liabilities in or arising from this Agreement to any person or entity, whether by operation of law or otherwise, and regardless of the legal form of the transaction in which the attempted transfer occurs.

19. No Third Party Beneficiaries Intended. This Agreement is made solely for the benefit of the Parties to this Agreement and their respective successors and assigns, and no other person or entity may have or acquire a right by virtue of this Agreement.

20. Waiver. No delay or omission to exercise any right, power or remedy accruing to City under this Agreement shall impair any right, power or remedy of City, nor shall it be construed as a waiver of, or consent to, any breach or default. No waiver of any breach, any failure of a condition, or any right or remedy under this Agreement shall be (1) effective unless it is in writing and signed by the Party making the waiver, (2) deemed to be a waiver of, or consent to, any other breach, failure of a condition, or right or remedy, or (3) deemed to constitute a continuing waiver unless the writing expressly so states.

21. Final Payment Acceptance Constitutes Release. The acceptance by Contractor of the final payment made under this Agreement shall operate as and be a release of City from all claims and liabilities for compensation to Contractor for anything done, furnished or relating to Contractor’s work or services. Acceptance of payment shall be any negotiation of City’s check or the failure to make a written extra compensation claim within ten calendar days of the receipt of that check. However, approval or payment by City shall not constitute, nor be deemed, a release of the responsibility and liability of Contractor, its employees, subcontractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by City for any defect or error in the work prepared by Contractor, its employees, subcontractors and agents.

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

23. Non-Appropriation of Funds. Payments to be made to Contractor by City for services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted fund. In the event that City does not appropriate sufficient funds for payment of Contractor’s services beyond the current fiscal year, this Agreement shall cover payment for Contractor’s services only to the conclusion of the last

fiscal year in which City appropriates sufficient funds and shall automatically terminate at the conclusion of such fiscal year.

24. Exhibits. Exhibits A, B and C constitute a part of this Agreement and are incorporated into this Agreement by this reference. If any inconsistency exists or arises between a provision of this Agreement and a provision of any exhibit, or between a provision of this Agreement and a provision of Contractor's proposal, the provisions of this Agreement shall control.

25. Entire Agreement and Modification of Agreement. This Agreement and all exhibits referred to in this Agreement constitute the final, complete and exclusive statement of the terms of the agreement between the Parties pertaining to the subject matter of this Agreement and supersede all other prior or contemporaneous oral or written understandings and agreements of the Parties. No Party has been induced to enter into this Agreement by, nor is any Party relying on, any representation or warranty except those expressly set forth in this Agreement. This Agreement may not be amended, nor any provision or breach hereof waived, except in a writing signed by both Parties.

26. Headings. The headings in this Agreement are included solely for convenience of reference and shall not affect the interpretation of any provision of this Agreement or any of the rights or obligations of the Parties to this Agreement.

27. Word Usage. Unless the context clearly requires otherwise, (a) the words "shall," "will" and "agrees" are mandatory and "may" is permissive; (b) "or" is not exclusive; and (c) "includes" or "including" are not limiting.

28. Time of the Essence. Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a Party of the benefits of any grace or use period allowed in this Agreement.

29. Business Days. "Business days" means days Manhattan Beach City Hall is open for business.

30. Governing Law and Choice of Forum. This Agreement, and any dispute arising from the relationship between the Parties to this Agreement, shall be governed by and construed in accordance with the laws of the State of California, except that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in interpreting this Agreement. Any dispute that arises under or relates to this Agreement (whether contract, tort or both) shall be resolved in a superior court with geographic jurisdiction over the City of Manhattan Beach.

31. Attorneys' Fees. In any litigation or other proceeding by which a Party seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing Party shall be entitled to recover all attorneys' fees, experts' fees, and other costs actually incurred

in connection with such litigation or other proceeding, in addition to all other relief to which that Party may be entitled.

32. Severability. If a court of competent jurisdiction holds any provision of this Agreement to be illegal, invalid or unenforceable for any reason, the validity of and enforceability of the remaining provisions of this Agreement shall not be affected and continue in full force and effect.

33. Counterparts. This Agreement may be executed in multiple counterparts, all of which shall be deemed an original, and all of which will constitute one and the same instrument.

34. Corporate Authority. Each person executing this Agreement on behalf of his or her Party warrants that he or she is duly authorized to execute this Agreement on behalf of that Party and that by such execution, that Party is formally bound to the provisions of this Agreement.

[SIGNATURE PAGE FOLLOWS]

The Parties, through their duly authorized representatives are signing this Agreement on the date stated in the introductory clause.

City:

City of Manhattan Beach,
a California municipal corporation

Contractor:

Contemporary Services Corporation,
a California corporation

By: _____
Name: Bruce Moe
Title: City Manager

ATTEST:

By: _____
Name: Liza Tamura
Title: City Clerk

APPROVED AS TO FORM:

By: DocuSigned by: Quinn M. Barrow 8/26/2020
Name: Quinn M. Barrow
Title: City Attorney

APPROVED AS TO FISCAL IMPACT:

By: DocuSigned by: Steve S. Charelian 8/26/2020
Name: Steve S. Charelian
Title: Finance Director

APPROVED AS TO CONTENT:

By: DocuSigned by: Derrick Abell 8/25/2020
Name: Derrick Abell
Title: Chief of Police

DocuSigned by: Edward S. Kim 8/25/2020
Name: Edward S. Kim
Title: Associate General Counsel

DocuSigned by: Scott Leavitt 8/26/2020
Name: Scott Leavitt
Title: General Counsel

**PROOF OF AUTHORITY TO BIND
CONTRACTING PARTY REQUIRED**

EXHIBIT A SCOPE OF SERVICES

Contractor shall perform all work necessary to enhance safety and security at City events and at locations identified by the Manhattan Beach Police Department (MBPD) Incident Commander, which may include but not limited to: crowd control, traffic and parking control, perimeter security, entry inspection, surveillance, and report writing as directed in advance and in writing by the City.

Traffic Control

Traffic control involves directing vehicle and pedestrian traffic around daytime and evening special events, including around directing traffic intersections. Contractor's staff must wear a CalTrans approved safety vest, utilize a CalTrans approved handheld stop sign, and carry a MBPD-approved flashlight.

Crowd Control

A professional demeanor, training, and experience with crowds are required to ensure that rules and regulations are followed by attendees. Contractor's staff must act in a diplomatic manner as they are the liaison between the community & City. Proper reporting is important to ensure that City performs all enforcement activities. Contractor's staff must be trained in the Incident Command System, consistent with the requirements set by the State of California's Emergency Management System Section.

Perimeter Security

Contractor's staff will be trained to assist MBPD personnel with event perimeter security during special events. Perimeter security also includes monitoring event sites off-hours to ensure event safety and that no criminal activity occurs.

Event Director

During each event, Contractor will provide an Event Director (Event Manager or Event Supervisor, depending on the number of personnel requested) to carry out provisions of this contract. The Event Director shall have full authority to act for the Contractor with regard to security related activities at the event and will take general instructions and direction from City. Duties for the Event Director shall include:

1. Responsibility for the actions of all security personnel employed by Contractor including but not limited to, hiring, disciplinary actions and terminations.
2. Training and supervision of all its employees.
3. Attendance or attendance of his/her designee(s) at all event-related meetings.
4. Coordinate with the MBPD in handling criminal violations during the event.

Supervisors

During the event, Contractor will provide a sufficient number of supervisors to oversee and provide direction to personnel assigned to their respective areas. Supervisors are accountable for the job performance of individuals assigned to them.

Barricade Post Attendants

During each event, Contractor is responsible for overseeing barricade posts and ensuring that only authorized vehicles enter. The Contractor's supervisor will coordinate with MBPD Incident Commander regarding the areas of the post locations to be assigned. Barricade post attendants must operate in a courteous manner, direct all inquiries appropriately, and ensure the safe and orderly flow of entering and exiting vehicles and/or event participants.

Court Appearances

Contractor's personnel shall work with and assist the proper local authorities and appear in court and other proceedings, as necessary.

Personnel Selection

Contractor shall be responsible for providing competent and trained personnel to assist the MBPD with realizing a safe and secure environment. Personnel shall have knowledge of Incident Command Structure (ICS), how it works, and an understanding of their role within ICS. Within Federal, State, and Municipal guidelines, Contractor shall provide personnel who meet the following criteria:

1. Skills

Each employee shall be able to read, write, and speak the English language and must be able to write legible and intelligible reports. Each employee shall be able to safely, properly, and legally operate necessary equipment and tools.

2. Other Qualifications

Each employee:

- a. Shall be at least eighteen (18) years of age.
- b. Shall be physically and mentally capable of performing Event Security Services.
- c. Shall have the ability to give and follow oral and written instructions in English.
- d. Shall have the ability to establish and maintain effective working relationships with the public and MBPD.

- e. Shall have the ability to remain calm and use good judgment and initiative in a confrontational or emergency situation.
- f. Shall be in possession of valid credentials and/or certificates required by the State of California for the performance of the designated duties, including a certificate of completion of Introduction to Incident Command Structure (ICS).
- g. Shall have passed developed reference check and background check to perform required duties. Contractor shall certify that such checks have been performed.

Staffing Levels and Work Schedules

At least one (1) week prior to the first day of an Event for which Services will be necessary, MBPD shall provide to Contractor a written job order that includes the number and classifications of personnel requested and the time periods for which they will be needed.

If MBPD provides notice less than one week in advance, Contractor shall make best efforts to provide the requested personnel for the Event; however, Contractor's inability to do so shall not be a breach of this Agreement. MBPD acknowledges that shortfalls in staffing of less than 10% shall not be deemed a breach of the Agreement.

Staffing levels and specific posts will be determined by MBPD following consultation with Contractor. MBPD Incident Commander shall have the final decision as to the number of Contractor's personnel to be used and the deployment (i.e., placement at the Job Site). MBPD agrees that for all requests for personnel: (i) at least one Event Supervisor shall be ordered and such Supervisor shall act as the Event Director where the personnel request is for less than ten (10) personnel; (ii) for any event where ten (10) or more personnel are requested, an Event Manager shall be ordered; and, (iii) for every ten (10) personnel requested, a minimum of one (1) Supervisor shall be ordered. The Event Director shall not be assigned to a fixed post.

In order for Contractor to be effective in delivery of services, Contractor must manage and supervise its employees. Therefore, Contractor shall be accountable for the direct supervision of its employees. MBPD Incident Commander shall make all requests regarding deployment, positioning, post assignments and conduct through Contractor's Event Director. The Event Director will be accountable for the satisfaction of such requests to the extent that such requests are consistent with job site policies, this Agreement and local, state and federal laws.

Training

All of Contractor's employees shall meet any and all applicable training or licensing standards set forth by the State of California. Contractor shall provide training for all

employees. Training shall be comprehensive and include information on, but not be limited to, patrol, surveillance, and traffic control techniques, crime prevention methods, incident reporting procedures, conflict avoidance, conflict resolution, and mitigation techniques and legal responsibilities, and liabilities associated with providing Event Security Services. Additionally, the Contractor shall provide instruction on the proper and acceptable use of security equipment (e.g. radios), basic report preparation, customer service and public relations. However, the MBPD retains the right to review any employee training program.

Employee Replacement

Contractor shall have the right to release from employment any employee for cause. If at any time MBPD feels that any employee of the Contractor is not satisfactory, MBPD Incident Commander shall notify Contractor of the reasons for its dissatisfaction with such employee verbally and in writing. Contractor shall attempt to promptly correct the employee's conduct to the satisfaction of MBPD Incident Commander, or if the initial conduct was so egregious as to warrant dismissal, MBPD may demand that Contractor cease using said employee at the event. Contractor shall promptly comply with such request. MBPD Incident Commander agrees that any requests pursuant to this paragraph shall not be based upon unlawful discrimination in regards to an employee's race, religion, national origin, age, gender sexual orientation, or disability. The MBPD Incident Commander retains the right to require the Contractor to replace any employee for, but not limited to, the following reasons, subject to the above requirements:

- 1) False information given on any employment application or given during any employment interview, or discovery of information that would otherwise disqualify the person from consideration; provided that MBPD shall have no right to review any Contractor's employee's personal information or employee files, nor shall it have any right to attend any employee's employment related interviews or disciplinary hearings.
- 2) Unlawful or improper conduct including, but not limited to, verbally or physically assaulting a member of the public, co-worker or any other individual, theft and misuse or attempted misuse of authority or equipment for personal benefit.
- 3) Conduct detrimental to the best interest of the MBPD or the general public.
- 4) Being under the influence, being in possession of or using alcohol, illegal or non-prescribed drugs while in the workplace or on duty.
- 5) Incomplete or unacceptable uniform/attire.

Uniforms

Contractor's employees shall wear uniforms provided by their firm. The uniforms will include visibly numbered shirts and/or jackets. The Contractor's supervisor uniform shirts shall visibly include the word "supervisor." Contractor shall provide a black, navy blue or khaki short and/or pant, vendor to choose, to employees and shall be consistent in color

and style. The MBPD's Incident Commander retains the right to determine what is considered a proper, complete, and acceptable uniform. Contractor shall be responsible for making sure uniforms are complete, clean, in good repair and worn by all employees while on duty.

Equipment

Contractor shall provide all equipment necessary for the provision of designated Event Security Services including but not limited to uniforms, flashlights, flashlight batteries, and radios. Contractor shall not issue, directly or indirectly, to employees or to contract employees firearms, batons, pepper spray, handcuffs or other weapons, unless specifically requested by City in writing. If the MBPD Incident Commander determines that radios and/or metal detecting wands are needed for the safety of the event, the Contractor shall provide radio communication equipment for event staff (including portable radios and repeaters, if determined to be necessary). Please see Exhibit B for pricing of equipment.

Safety

Supplier shall conform to the rules and regulations pertaining to safety established by the California Division of Industrial Safety. Furnished equipment, materials and services shall comply with all OSHA standards and regulations, and all applicable governmental laws and orders. Supplier shall provide proof of compliance, if requested by the MBPD Incident Commander. Contractor shall be responsible for compliance with all applicable Federal, State, and local safety regulations including any confined space requirements.

Parking & Check-In Area

MBPD Incident Commander shall supply Contractor with a suitable area for check-in and roll-call of personnel, and a work area at the command post. Contractor's personnel shall be provided parking at the event site, or off-site parking with a shuttle service to the event site, at no cost to Contractor or its personnel.

Event Reporting Times

Contractor requires time prior to an Event for the briefing and distribution of employees at the Job Site. The following minimum reporting time requirements shall be used:

- a. Where the number of employees ordered is ten (10) or less, the reporting time shall be fifteen minutes prior to the facility opening.
- b. Where the number of employees ordered is more than ten (10) but less than fifty-one (51), the reporting time shall be thirty (30) minutes prior to the facility opening.
- c. Where the number of employees ordered is fifty-one (51) but less than one hundred (100), the reporting time shall be forty-five (45) minutes prior to the facility opening.
- d. Where the number of employees ordered is one hundred one (101) but less than two hundred (200) then the reporting time shall be one (1) hour.
- e. Where the number of employees ordered is two hundred one (201) or more, the reporting time shall be one and one-half (1-1/2) hours.

Communication

Contractor shall provide the MBPD Incident Commander with at least one Contractor radio for communication purposes. The Event Director will act as a liaison with the MBPD Incident Commander.

**EXHIBIT B
APPROVED FEE SCHEDULE**

Staff	\$25.06/hr (up to 8 hours)
Staff (overtime)	\$37.59/hr (over 8 hours in a day)
Staff (double time)	\$50.12/hr (over 12 hours in a day)
Supervisor	\$27.80/hr (up to 8 hours)
Supervisor (overtime)	\$41.70/hr (over 8 hours in a day)
Supervisor (double time)	\$55.60/hr (over 12 hours in a day)
Event Manager	\$36.50/hr (up to 8 hours)
Event Manager (overtime)	\$54.75/hr (over 8 hours in a day)
Event Manager (double time)	\$73.00/hr (over 12 hours in a day)

Radio Equipment (at the request of the Manhattan Beach Police Department)

Radio Repeater	At Cost
Portable Radios	\$18.00/radio/day
Metal Detecting Wands	\$18.00/wand/day

If State, Federal, local city or county Minimum Wage Standards, applicable Living Wages, governmentally mandated health benefits payments or related levies or taxes or the like are increased or levied, as the case may be, against Contractor during this Agreement, the rates paid to Contractor by the City shall be adjusted by any such increase, levy, payments or taxes, times 1.4 to reflect the increase in minimum wages and/or related benefits. Thirty (30) days written notice is required.

The City shall pay one and one-half (1 ½) times the rates for all services provided on the following holidays (except as noted, holidays shall be celebrated on the day observed by the Federal Government):

New Year's Day (January 1)	Labor Day
Martin Luther King Jr. Day	Thanksgiving Day
Easter Sunday	Christmas Eve
Memorial Day	Christmas Day (December 25)
Independence Day (July 4)	New Year's Eve
President's Day	

If a Contractor employee works more than eight hours per day or forty (40) hours per week for Events covered by this Agreement, the overtime hours shall be paid by the City at one and one half (1 1/2) times the rates or as otherwise required by applicable law. If a Contractor employee works more than twelve (12) hours per day, double-

overtime hours shall be paid by the City at two (2) times the rates or as otherwise required by applicable laws.

If the MBPD cancels any or all of its personnel requests less than twenty-four (24) hours prior to Event reporting time, the City shall pay, in addition to sums due for services actually provided, at the regular rate for each canceled employee as if such employee worked four (4) hours.

Under California law, absent a lawful waiver, employees are entitled to uninterrupted, off-duty meal and rest periods. Employees are entitled to one hour of pay at his/her regular rate of pay for any missed meal period(s) in a workday and another hour of pay at his/her regular rate of pay for missed rest period(s) in a workday. When compliance of California meal and rest period laws is not practically possible due to the nature of the work assignment, the Contractor will bill the City for the payment of missed meals and breaks.

EXHIBIT C

FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) PROCUREMENT CLAUSES

Federal Emergency Management Agency (FEMA) Procurement Clauses
Under Contract Provisions for Non-Federal Entity Contracts Under Federal Award under 2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II, the following clauses are applicable to the goods and/or services acquired by the City of Manhattan Beach.

Applicable to all Purchases below \$10,000:

- 1) Suspension and Debarment - Contractor guarantees that it, its employees, contractors, subcontractors or agents (collectively "Contractor") are not suspended, debarred, excluded, or ineligible for participation in Medicare, Medi-Cal or any other federal or state-funded health care program, or from receiving Federal funds as listed in the List of parties Excluded from Federal Procurement or Non-procurement Programs issued by the Federal General Services Administration. Contractor must within 30 calendar days advise the City if, during the term of this Agreement, Contractor becomes suspended, debarred, excluded or ineligible for participation in Medicare, Medi-Cal or any other federal or state-funded health care program, as defined by 42 U.S.C. 1320a-7b(f), or from receiving Federal funds as listed in the List of Parties Excluded from Federal Procurement or Non-procurement Programs issued by the Federal General Services Administration. Contractor will indemnify, defend and hold the City harmless for any loss or damage resulting from the conviction, debarment, exclusion or ineligibility of the Contractor.
- 2) Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended) - Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.
- 3) Procurement of Recovered Materials –
 - (i) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired— • Competitively within a timeframe providing for

compliance with the contract performance schedule; • Meeting contract performance requirements; or • At a reasonable price.

(ii) Information about this requirement, along with the list of EPA designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

(iii) The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act."

4) Access to Records –

(a) The Contractor agrees to provide the City of Manhattan Beach, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

(b) The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(c) The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.

(d) In compliance with the Disaster Recovery Act of 2018, the City of Manhattan Beach and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

5) Changes – Any change, modification, change order, or constructive change are allowable, to the contract by either party will be documented in writing and agreed to by both parties.

6) Department of Homeland Security (DHS) Seal, Logo, and Flags – Contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

7) Compliance with Federal Law, Regulations, and Executive Orders - This is an acknowledgement that FEMA financial assistance will be used to fund the contract only. The contractor will comply will all applicable federal law, regulations, executive orders, FEMA policies, procedures, and directives.

8) No Obligation by Federal Government - The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.

9) Program Fraud and False or Fraudulent Statements or Related Acts - The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the contractor's actions pertaining to this contract.

Additional Clause for Purchases over \$10,000:

- 1) Termination - The performance of work under this contract may be terminated in whole or from time to time in part by the City of Manhattan Beach representative.

Additional Clause for Contracts over \$250,000

35. 1) Remedies - DEFAULT: Buyer, may by written notice to Seller, cancel for default this contract, in whole or from time to time in part, (1) if the Seller fails to deliver the Articles or to perform the services strictly within the time specified herein, or if no time is specified, within a reasonable time; (2) if the Articles delivered do not conform to contractual requirements or if Seller fails to perform any of the other provisions of the contract in accordance with its terms; or (3) if the Seller becomes insolvent or commits an act of bankruptcy. If this contract is cancelled for default, Buyer, in addition to all other rights afforded by law for Seller's breach of contract, shall have the right to charge Seller that amount by which the costs of fabricating or procuring the Articles cancelled from another source exceed the prices specified herein, and Buyer may set off any such charge against any amount which may become payable to Seller under the contract or otherwise. Upon such cancellation Seller will deliver to Buyer any of the Articles, parts or material, for which Buyer shall make written request at or after cancellation and Buyer will pay Seller the fair value of any such property so requested and delivered. Notwithstanding Buyer's right to cancel the contract for delay in delivery, Seller shall not be liable to Buyer for any damages therefor if Seller's delay is due to causes beyond its control, and without its fault or negligence, provided Seller exercises due diligence in promptly notifying Buyer of conditions causing delay or, if Seller's delay is caused by the default of a subcontractor or supplier, if such default arises out of cause beyond the control of both Seller and the subcontractor or supplier and without the fault or negligence of either of them, and the supplies or services to be furnished by them were not obtainable from other sources in sufficient time to permit Seller to meet the required delivery schedule.

Contracts of amounts in excess of \$150,000:

"Clean Air Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C.

§ 7401 et seq.

- (2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

- (3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF MANHATTAN BEACH AND CONTEMPORARY
SERVICES CORPORATION

This First Amendment (“Amendment No. 1”) to that certain agreement by and between the City of Manhattan Beach, a California municipal corporation (“City”) and Contemporary Services Corporation, a California corporation (“Consultant”) (collectively, the “Parties”) is hereby entered into as of July 31, 2020 (“Effective Date”).

RECITALS

A. On May 15, 2020, the City and Consultant entered into an short-term, emergency agreement for professional services for the Consultant to provide unarmed security services, crowd control, and traffic control services (“Agreement”) to assist the Police Department in the enforcement of emergency public safety orders related to the coronavirus (e.g. social distancing);

B. The Parties now desire to amend the Agreement to extend the term of the agreement, increase the Maximum Compensation, and to include Exhibit C – Federal Emergency Management Agency (FEMA) Procurement Clauses.

NOW, THEREFORE, in consideration of the Parties’ performance of the promises, covenants, and conditions stated herein, the Parties hereby agree as follows:

Section 1. Section 2 of the Agreement is hereby revised to extend the term of the Agreement through September 15, 2020, unless sooner terminated as provided in Section 12 of the Agreement.

Section 2. Section 3.A of the Agreement is hereby revised to increase the Maximum Compensation amount by \$60,000, for a new Maximum Compensation of \$109,500.

Section 3. The Exhibit entitled Federal Emergency Management Agency (FEMA) Procurement Clauses Under Contract Provisions for Non-Federal Entity Contracts Under Federal Award under 2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II, attached hereto, is hereby attached and incorporated into the Agreement as Exhibit C.

Section 4. Except as specifically amended by this Amendment No. 1, all other provisions of the Agreement shall remain in full force and effect.

IN WITNESS THEREOF, the Parties hereto have executed this Amendment No. 1 on the day and year first shown above.

[SIGNATURE PAGE FOLLOWS]

Approved for use 2/15/20

The Parties, through their duly authorized representatives are signing this Agreement on the date stated in the introductory clause.

City:

Consultant:

City of Manhattan Beach,
a California municipal corporation

Contemporary Services Corporation,
a California corporation

DocuSigned by:
By: Bruce Moe 7/31/2020
Name: Bruce Moe
Title: City Manager

DocuSigned by:
By: Edward S. Kim 7/30/2020
Name: Edward S. Kim
Title: Associate General Counsel

ATTEST:

DocuSigned by:
By: Scott Leavitt 7/30/2020
Name: Scott Leavitt
Title: Vice President/General Counsel

DocuSigned by:
By: Liza Tamura 7/31/2020
Name: Liza Tamura
Title: City Clerk

APPROVED AS TO FORM:

DocuSigned by:
By: City Attorney, Quinn Barrow 7/30/2020
Name: Quinn M. Barrow
Title: City Attorney

EXHIBIT C

FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) PROCUREMENT CLAUSES

Federal Emergency Management Agency (FEMA) Procurement Clauses Under Contract Provisions for Non-Federal Entity Contracts Under Federal Award under 2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II, the following clauses are applicable to the goods and/or services acquired by the City of Manhattan Beach.

Applicable to all Purchases below \$10,000:

- 1) Suspension and Debarment - Contractor guarantees that it, its employees, contractors, subcontractors or agents (collectively "Contractor") are not suspended, debarred, excluded, or ineligible for participation in Medicare, Medi-Cal or any other federal or state-funded health care program, or from receiving Federal funds as listed in the List of parties Excluded from Federal Procurement or Non-procurement Programs issued by the Federal General Services Administration. Contractor must within 30 calendar days advise the City if, during the term of this Agreement, Contractor becomes suspended, debarred, excluded or ineligible for participation in Medicare, Medi-Cal or any other federal or state-funded health care program, as defined by 42 U.S.C. 1320a-7b(f), or from receiving Federal funds as listed in the List of Parties Excluded from Federal Procurement or Non-procurement Programs issued by the Federal General Services Administration. Contractor will indemnify, defend and hold the City harmless for any loss or damage resulting from the conviction, debarment, exclusion or ineligibility of the Contractor.
- 2) Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended) - Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.
- 3) Procurement of Recovered Materials –
 - (i) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired— • Competitively within a

timeframe providing for compliance with the contract performance schedule; • Meeting contract performance requirements; or • At a reasonable price.

(ii) Information about this requirement, along with the list of EPA designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

(iii) The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.”

4) Access to Records –

(a) The Contractor agrees to provide the City of Manhattan Beach, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

(b) The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(c) The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.

(d) In compliance with the Disaster Recovery Act of 2018, the City of Manhattan Beach and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

5) Changes – Any change, modification, change order, or constructive change are allowable, to the contract by either party will be documented in writing and agreed to by both parties.

6) Department of Homeland Security (DHS) Seal, Logo, and Flags – Contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

7) Compliance with Federal Law, Regulations, and Executive Orders - This is an acknowledgement that FEMA financial assistance will be used to fund the contract only. The contractor will comply will all applicable federal law, regulations, executive orders, FEMA policies, procedures, and directives.

8) No Obligation by Federal Government - The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.

9) Program Fraud and False or Fraudulent Statements or Related Acts - The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative

Remedies for False Claims and Statements) applies to the contractor's actions pertaining to this contract.

Additional Clause for Purchases over \$10,000:

- 1) Termination - The performance of work under this contract may be terminated in whole or from time to time in part by the City of Manhattan Beach representative.

Additional Clause for Contracts over \$250,000

Section 5. 1) Remedies - **DEFAULT**: Buyer, may by written notice to Seller, cancel for default this contract, in whole or from time to time in part, (1) if the Seller fails to deliver the Articles or to perform the services strictly within the time specified herein, or if no time is specified, within a reasonable time; (2) if the Articles delivered do not conform to contractual requirements or if Seller fails to perform any of the other provisions of the contract in accordance with its terms; or (3) if the Seller becomes insolvent or commits an act of bankruptcy. If this contract is cancelled for default, Buyer, in addition to all other rights afforded by law for Seller's breach of contract, shall have the right to charge Seller that amount by which the costs of fabricating or procuring the Articles cancelled from another source exceed the prices specified herein, and Buyer may set off any such charge against any amount which may become payable to Seller under the contract or otherwise. Upon such cancellation Seller will deliver to Buyer any of the Articles, parts or material, for which Buyer shall make written request at or after cancellation and Buyer will pay Seller the fair value of any such property so requested and delivered. Notwithstanding Buyer's right to cancel the contract for delay in delivery, Seller shall not be liable to Buyer for any damages therefor if Seller's delay is due to causes beyond its control, and without its fault or negligence, provided Seller exercises due diligence in promptly notifying Buyer of conditions causing delay or, if Seller's delay is caused by the default of a subcontractor or supplier, if such default arises out of cause beyond the control of both Seller and the subcontractor or supplier and without the fault or negligence of either of them, and the supplies or services to be furnished by them were not obtainable from other sources in sufficient time to permit Seller to meet the required delivery schedule.

Contracts of amounts in excess of \$150,000:

"Clean Air Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C.

§ 7401 et seq.

- (2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.



CONTACT APPROVAL ROUTING SLIP

Department: Police City Staff: Julie Dahlgren

Vendor/Company Information:

Agreement with: Contemporary Services Corporation (CSC)

Name of Signer: Edward Kim Email: ekim@csc-usa.com

Agreement Details:

Dollar Amount: 60,000

City Council Agenda Date: 9/15/2020 Staff Report No: 20-0212

Agreement Start Date: May 15, 2020 Agreement End Date: September 15, 2020

Have Services Started: Yes No If Yes, Date When Services Began: May 15, 2020

Agreement Type: Original Amendment Renewal Change Order

Grant Other _____

Bidding Process: RFI RFP Bids (Public) Renewal (Amendments Only)

Agreement Description: This is an Amendment to the 5/15/2020 emergency short-term Agreement that the City entered into to aid the Police Department in enforcement of social distancing and mask wearing orders. This Amendment extends the term of the agreement, adds additional funds, and incorporates the FEMA procurement language requested

by Finance. This Amendment will be "ratified" by Council on or before 9/15/2020 and will be on the same staff report as the long-term agreement we did a formal bid process for (RFP 1240-20).

Required Documents (Documents shall be submitted with the signed agreement when required):

Insurance Required Yes No

Bonds Required Yes No

Verification of Corporate Entity Yes No Verification of Authority to Sign Yes

Business License Required Yes No Business License No: _____

Notary for Management Services Signature Authority:

Yes No City Manager City Attorney City Clerk

Insurance Waiver/Modification Request: Yes No

Sole Source Agreement (Must Provide Attachment)

Sole source agreements must include a written justification. Reasons to sole source include there is only one existing source for the service/supply, the unique nature of the service/supply, the relationship of the parties, and the exigency for providing the service/supply.

Legal and Risk Review

ML City Clerk's Office _____ Risk Manager



City of Manhattan Beach
Finance Department
General Services Division

Attachment #4 -
RFP #1240-20 Unarmed Security Services Comparison

<u>Vendor</u>	<u>Hourly Rate - Staff</u>	<u>Hourly Rate - Supervisor</u>	<u>Meets Specs</u>
1. Contemporary Services Corporation	\$25.06	\$27.80	Y
2. Allied Universal	\$25.70	\$28.70	Y
3. Hollywood Elite	\$25.00	\$31.00	N



Agenda Date: 9/1/2020

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Derrick Abell, Chief of Police
Julie Dahlgren, Senior Management Analyst

SUBJECT:

Consideration of Accepting the State of California Office of Traffic Safety Selective Traffic Enforcement Program (STEP) Grant in the Amount of \$80,000 (Police Chief Abell).

a) ADOPT RESOLUTION NO. 20-0104

b) APPROPRIATE FUNDS

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 20-0104 accepting the State of California Office of Traffic Safety, Selective Traffic Enforcement Program (STEP) Grant in the amount of \$80,000; and authorize the City Manager to appropriate \$80,000, which will later be reimbursed by grant funds.

FISCAL IMPLICATIONS:

There is no net fiscal impact associated with the recommended action. The \$80,000 appropriation will be fully reimbursed by the Office of Traffic Safety grant revenue. Accordingly, budgeted revenues will also be adjusted in the amount of \$80,000. The STEP grant does not require a match of City funds

BACKGROUND:

Since 2017, the Police Department has applied for and been awarded over \$400,000 in grant funding from the Office of Traffic Safety to support the City's efforts to improve traffic safety and reduce traffic collisions. Grant-funded activities include training, Driving while Under the Influence (DUI) checkpoints, enhanced traffic safety enforcement in areas where drivers frequently speed, and enhanced distracted driving education and enforcement operations.

DISCUSSION:

In 2020, the Manhattan Beach Police Department applied for and was awarded a \$80,000 grant from the Office of Traffic Safety to continue to provide enhanced traffic enforcement and education efforts. The performance period of the grant is October 1, 2020, to September 30, 2021.

Grant funding will provide training to officers in Standardized Field Sobriety Testing and Advanced Roadside Impaired Driving Enforcement. Grant activities will also include conducting DUI checkpoints and special enforcement operations, providing concentrated enforcement in areas where drivers frequently speed and intersections where traffic collisions often occur, conducting pedestrian and bicycle safety details, conducting distracted driving education and enforcement operations, and promoting community awareness and education of traffic laws.

PUBLIC OUTREACH:

Traffic safety-related educational messaging and enforcement details will be publicized on the Police Department and City social media accounts, and via press releases. Publicizing the grant activities brings heightened awareness to traffic laws and enhances the overall effectiveness of our education and enforcement efforts.

ENVIRONMENTAL REVIEW

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW

The City Attorney has reviewed the grant agreement and approved it as to form.

Attachments:

1. Resolution No. 20-0104
2. Agreement - California Office of Traffic Safety

RESOLUTION NO. 20-0104

A RESOLUTION OF THE MANHATTAN BEACH CITY COUNCIL ACCEPTING A GRANT FROM THE STATE OF CALIFORNIA OFFICE OF TRAFFIC SAFETY FOR SELECTIVE TRAFFIC ENFORCEMENT.

THE MANHATTAN BEACH CITY COUNCIL HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The City Council hereby accepts the Grant from the State of California Office of Traffic Safety dated October 1, 2020, for traffic safety education and enforcement.

SECTION 2. The Council hereby directs the City Manager, or his designee, to execute the Grant Agreement and any Amendments on behalf of the City.

SECTION 3. The City Clerk shall certify to the passage and adoption of this resolution.

ADOPTED on September 1, 2020.

AYES:
NOES:
ABSENT:
ABSTAIN:

RICHARD MONTGOMERY
Mayor

ATTEST:

LIZA TAMURA
City Clerk

1. GRANT TITLE Selective Traffic Enforcement Program (STEP)	
2. NAME OF AGENCY Manhattan Beach	3. Grant Period
4. AGENCY UNIT TO ADMINISTER GRANT Manhattan Beach Police Department	From:10/01/2020 To: 09/30/2021
5. GRANT DESCRIPTION Best practice strategies will be conducted to reduce the number of persons killed and injured in crashes involving alcohol and other primary crash factors. The funded strategies may include impaired driving enforcement, enforcement operations focusing on primary crash factors, distracted driving, night-time seat belt enforcement, special enforcement operations encouraging motorcycle safety, enforcement and public awareness in areas with a high number of bicycle and pedestrian crashes, and educational programs. These strategies are designed to earn media attention thus enhancing the overall deterrent effect.	
6. Federal Funds Allocated Under This Agreement Shall Not Exceed: \$80,000.00	
<p>7. TERMS AND CONDITIONS: The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement:</p> <ul style="list-style-type: none"> • Schedule A – Problem Statement, Goals and Objectives and Method of Procedure • Schedule B – Detailed Budget Estimate and Sub-Budget Estimate (if applicable) • Schedule B-1 – Budget Narrative and Sub-Budget Narrative (if applicable) • Exhibit A – Certifications and Assurances • Exhibit B* – OTS Grant Program Manual • Exhibit C – Grant Electronic Management System (GEMS) Access <p>*Items shown with an asterisk (*), are hereby incorporated by reference and made a part of this agreement as if attached hereto.</p> <p>These documents can be viewed at the OTS home web page under Grants: www.ots.ca.gov.</p> <p>We, the officials named below, hereby swear under penalty of perjury under the laws of the State of California that we are duly authorized to legally bind the Grant recipient to the above described Grant terms and conditions.</p> <p>IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.</p>	
8. Approval Signatures	
<p>A. GRANT DIRECTOR NAME: Scott Combs TITLE: Sergeant EMAIL: scombs@citymb.info PHONE: (310) 802-5166 ADDRESS: 420 15th Street Manhattan Beach, CA 90266</p> <p>_____</p> <p style="text-align: center;">(Signature) (Date)</p>	<p>B. AUTHORIZING OFFICIAL OF AGENCY NAME: Bruce Moe TITLE: City Manager EMAIL: bmoe@citymb.info PHONE: (310) 802-5053 ADDRESS: 1400 Highland Avenue Manhattan Beach, CA 90266</p> <p>_____</p> <p style="text-align: center;">(Signature) (Date)</p>
<p>C. FISCAL OFFICIAL NAME: Steve Charelian TITLE: Finance Director EMAIL: scharelian@citymb.info PHONE: (310) 802-5555 ADDRESS: 1400 Highland Avenue Manhattan Beach, CA 90266</p> <p>_____</p> <p style="text-align: center;">(Signature) (Date)</p>	<p>D. AUTHORIZING OFFICIAL OF OFFICE OF TRAFFIC SAFETY NAME: Barbara Rooney TITLE: Director EMAIL: barbara.rooney@ots.ca.gov PHONE: (916) 509-3030 ADDRESS: 2208 Kausen Drive Suite 300 Elk Grove, CA 95758</p> <p>_____</p> <p style="text-align: center;">(Signature) (Date)</p>

E. ACCOUNTING OFFICER OF OFFICE OF TRAFFIC SAFETY NAME: Carolyn Vu ADDRESS: 2208 Kausen Drive, Suite 300 Elk Grove, CA 95758	9. DUNS INFORMATION	
	DUNS #: 944354539	
	REGISTERED ADDRESS: 420 15th Street	
	CITY: Manhattan Beach	ZIP+4: 90266-4607

10. PROJECTED EXPENDITURES						
FUND	CFDA	ITEM/APPROPRIATION	F.Y.	CHAPTER	STATUTE	PROJECTED EXPENDITURES
				AGREEMENT TOTAL		\$80,000.00
				AMOUNT ENCUMBERED BY THIS DOCUMENT		\$80,000.00
<i>I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.</i>				PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT		\$ 0.00
				TOTAL AMOUNT ENCUMBERED TO DATE		\$80,000.00
OTS ACCOUNTING OFFICER'S SIGNATURE			DATE SIGNED			

1. PROBLEM STATEMENT

The City of Manhattan Beach is a community with a residential population of 35,532 (US Census Bureau: 2018) and a daytime/nighttime population which can exceed beyond 100,000. Located 19 miles southwest of Downtown Los Angeles, this urban area is a mix of single family and multi-unit housing, commercial establishments, the area space developmental industry and borders a large scale gasoline refinery. The City of Manhattan Beach is the home of several major tourist events which take place annually and include, Pier Fireworks, Downtown Pier Lighting, Several Major Volleyball Tournaments, Concerts in the Park, 5k and 10k Runs, Hometown Fair, Tour De Pier, Pumpkin Race, Friendship Walk. The City is governed by a Mayor and a four member City Council, and has provided law enforcement services since incorporation in 1912.

The Police Department is authorized for 65 sworn positions with City Council's approval to conduct two over hire sworn positions. The Chief of Police is the highest authority within the Department, which is organized into an office and two bureaus; the Office of the Chief of Police, the Administration/Investigations Bureau and the Field Operations Bureau. Each bureau is headed by a Police Captain who is responsible for managing day to day operations.

In recent years, the Department has noticed a slight decrease in the number of traffic collisions that have occurred in the City. In 2016 Manhattan Beach Police Officers responded to 1,058 traffic collisions. In 2017 that number increased to 1,079 and in 2018 that number decreased to 999 traffic collisions. Based on these figures, the city has had an 7.4 percent decrease in the number of reported traffic collisions from 2017 to 2018.

The number of DUI arrests has also slightly increased over the years. In 2017, a total of 139 drivers were arrested for DUI. During 2018, the number of DUI arrests increased to 142; approximately 2.1 percent increase. Furthermore, during the same time period traffic collision involving intoxicated drivers account for almost half of these traffic collisions. DUI arrest continue to be an issue in the City of Manhattan Beach. The Manhattan Beach PD has self funded several of its own DUI checkpoints and monthly DUI deployments in an attempt to help combat this issue.

In addition to the aforementioned increase in traffic collisions and DUI arrests, the City anticipates an increase in vehicle and pedestrian traffic due to the number of growing annual special events hosted within the City as well as beach goers and tourists that visit the city during the warm weather months. Some of the special events alone can be in excess of 60,000 attendees. Los Angeles County Lifeguards have in recent summer months estimated our daily beach goer attendance to numbers in excess of 100,000.

An increase in traffic collisions combined with the anticipated increase in vehicle and pedestrian traffic has led the Department's Traffic Team to actively seek solutions to increase traffic safety within the community. The Department will use funding to conduct several traffic enforcement details to reduce the number of traffic collisions and victims by targeting drivers that are engaged in driving habits that have been identified as primary collision factors. This includes: speed, driving under the influence, unsafe turning movements, and inattentive/distracted drivers.

2. PERFORMANCE MEASURES

A. Goals:

1. Reduce the number of persons killed in traffic crashes.
2. Reduce the number of persons injured in traffic crashes.
3. Reduce the number of pedestrians killed in traffic crashes.
4. Reduce the number of pedestrians injured in traffic crashes.
5. Reduce the number of bicyclists killed in traffic crashes.
6. Reduce the number of bicyclists injured in traffic crashes.
7. Reduce the number of persons killed in alcohol-involved crashes.
8. Reduce the number of persons injured in alcohol-involved crashes.
9. Reduce the number of persons killed in drug-involved crashes.

10. Reduce the number of persons injured in drug-involved crashes.
11. Reduce the number of persons killed in alcohol/drug combo-involved crashes.
12. Reduce the number of persons injured in alcohol/drug combo-involved crashes.
13. Reduce the number of motorcyclists killed in traffic crashes.
14. Reduce the number of motorcyclists injured in traffic crashes.
15. Reduce hit & run fatal crashes.
16. Reduce hit & run injury crashes.
17. Reduce nighttime (2100 - 0259 hours) fatal crashes.
18. Reduce nighttime (2100 - 0259 hours) injury crashes.

B. Objectives:	Target Number
1. Issue a press release announcing the kick-off of the grant by November 15. The kick-off press releases and media advisories, alerts, and materials must be emailed to the OTS Public Information Officer at pio@ots.ca.gov, and copied to your OTS Coordinator, for approval 14 days prior to the issuance date of the release.	1
2. Participate and report data (as required) in the following campaigns, National Walk to School Day, National Teen Driver Safety Week, NHTSA Winter Mobilization, National Distracted Driving Awareness Month, National Motorcycle Safety Month, National Bicycle Safety Month, National Click it or Ticket Mobilization, NHTSA Summer Mobilization, National Child Passenger Safety Week, and California's Pedestrian Safety Month.	10
3. Develop (by December 31) and/or maintain a "HOT Sheet" program to notify patrol and traffic officers to be on the lookout for identified repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. Updated HOT sheets should be distributed to patrol and traffic officers monthly.	12
4. Send law enforcement personnel to the NHTSA Standardized Field Sobriety Testing (SFST) (minimum 16 hours) POST-certified training.	2
5. Send law enforcement personnel to the NHTSA Advanced Roadside Impaired Driving Enforcement (ARIDE) 16 hour POST-certified training.	1
6. Send law enforcement personnel to the Drug Recognition Expert (DRE) training.	1
7. Send law enforcement personnel to the DRE Recertification training.	1
8. Conduct DUI/DL Checkpoints. A minimum of 1 checkpoint should be conducted during the NHTSA Winter Mobilization and 1 during the Summer Mobilization. To enhance the overall deterrent effect and promote high visibility, it is recommended the grantee issue an advance press release and conduct social media activity for each checkpoint. For combination DUI/DL checkpoints, departments should issue press releases that mention DL's will be checked at the DUI/DL checkpoint. Signs for DUI/DL checkpoints should read "DUI/Driver's License Checkpoint Ahead." OTS does not fund or support independent DL checkpoints. Only on an exception basis and with OTS pre-approval will OTS fund checkpoints that begin prior to 1800 hours. When possible, DUI/DL Checkpoint screeners should be DRE- or ARIDE-trained.	2
9. Conduct DUI Saturation Patrol operation(s).	9
10. Conduct Traffic Enforcement operation(s), including but not limited to, primary crash factor violations.	10
11. Conduct highly publicized Distracted Driving enforcement operation(s) targeting drivers using hand held cell phones and texting.	2
12. Conduct highly publicized Motorcycle Safety enforcement operation(s) in areas or during events with a high number of motorcycle incidents or crashes resulting from unsafe speed, DUI, following too closely, unsafe lane changes, improper turning, and other primary crash factor violations by motorcyclists and other drivers.	2
13. Conduct Nighttime (1800-0559) Click It or Ticket enforcement operation(s).	2
14. Conduct highly publicized pedestrian and/or bicycle enforcement operation(s) in areas or during events with a high number of pedestrian and/or bicycle crashes resulting from violations made by pedestrians, bicyclists, and drivers.	2
15. Conduct highly visible collaborative DUI Enforcement operations	2
16. Conduct highly visible collaborative Traffic Enforcement operations	2

3. METHOD OF PROCEDURE

A. Phase 1 – Program Preparation (1st Quarter of Grant Year)

- The department will develop operational plans to implement the “best practice” strategies outlined in the objectives section.
- All training needed to implement the program should be conducted this quarter.
- All grant related purchases needed to implement the program should be made this quarter.
- Implementation of the STEP grant activities will be accomplished by deploying personnel at high crash locations. Media Requirements
- Issue a press release announcing the kick-off of the grant by November 15, but no earlier than October 1. If unable to meet the November 15 date, communicate reasons to your OTS Coordinator. The kick-off press releases and any related media advisories, alerts, and materials must be emailed for approval to the OTS Public Information Officer at pio@ots.ca.gov, and copied to your OTS Coordinator, 14 days prior to the issuance date of the release.

B. Phase 2 – Program Operations (Throughout Grant Year)

- The department will work to create media opportunities throughout the grant period to call attention to the innovative program strategies and outcomes. Media Requirements
- Send all grant-related activity press releases, media advisories, alerts and general public materials to the OTS Public Information Officer (PIO) at pio@ots.ca.gov, with a copy to your OTS Coordinator. The following requirements are for grant-related activities and are different from those regarding any grant kick-off release or announcement.
- If an OTS-supplied, template-based press release is used, there is no need for pre-approval, however, the OTS PIO and Coordinator should be copied when at the same time as the release is distributed to the press.
- If an OTS-supplied template is not used, or is substantially changed, a draft press release shall be sent to the OTS PIO for approval. Optimum lead-time would be 10 days prior to the release distribution date, but should be no less than 5 working days prior to the release distribution date.
- Press releases reporting the immediate and time-valued results of grant activities such as enforcement operations are exempt from the recommended advance approval process, but still should be copied to the OTS PIO and Coordinator when the release is distributed to the press.
- Activities such as warrant or probation sweeps and court stings that could be compromised by advanced publicity are exempt from pre-publicity, but are encouraged to offer embargoed media coverage and to report the results.
- Use the following standard language in all press, media, and printed materials: Funding for this program was provided by a grant from the California Office of Traffic Safety, through the National Highway Traffic Safety Administration.
- Email the OTS PIO at pio@ots.ca.gov and copy your OTS Coordinator at least 30 days in advance, a short description of any significant grant-related traffic safety event or program so OTS has sufficient notice to arrange for attendance and/or participation in the event.
- Submit a draft or rough-cut of all printed or recorded material (brochures, posters, scripts, artwork, trailer graphics, etc.) to the OTS PIO at pio@ots.ca.gov and copy your OTS Coordinator for approval 14 days prior to the production or duplication.
- Space permitting, include the OTS logo, on grant-funded print materials; consult your OTS Coordinator for specifics and format-appropriate logos.
- Contact the OTS PIO or your OTS Coordinator, sufficiently far enough in advance of need, for consultation when deviation from any of the above requirements might be contemplated

C. Phase 3 – Data Collection & Reporting (Throughout Grant Year)

1. Prepare and submit invoice claims (due January 30, April 30, July 30, and October 30)
 2. Prepare and submit Quarterly Performance Reports (QPR) (due January 30, April 30, July 30, and October 30)
- Collect and report quarterly, appropriate data that supports the progress of goals and objectives.
 - Provide a brief list of activity conducted, procurement of grant-funded items, and significant media activities. Include status of grant-funded personnel, status of contracts, challenges, or special accomplishments.
 - Provide a brief summary of quarterly accomplishments and explanations for objectives not completed or plans for upcoming activities.
 - Collect, analyze and report statistical data relating to the grant goals and objectives.

4. METHOD OF EVALUATION

Using the data compiled during the grant, the Grant Director will complete the "Final Evaluation" section in the fourth/final Quarterly Performance Report (QPR). The Final Evaluation should provide a brief summary of the grant's accomplishments, challenges and significant activities. This narrative should also include whether goals and objectives were met, exceeded, or an explanation of why objectives were not completed.

5. ADMINISTRATIVE SUPPORT

This program has full administrative support, and every effort will be made to continue the grant activities after grant conclusion.

FUND NUMBER	CATALOG NUMBER (CFDA)	FUND DESCRIPTION	TOTAL AMOUNT
164AL-21	20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	\$55,000.00
402PT-21	20.600	State and Community Highway Safety	\$25,000.00

COST CATEGORY	FUND NUMBER	UNIT COST OR RATE	UNITS	TOTAL COST TO GRANT
A. PERSONNEL COSTS				
Positions and Salaries				
Straight Time				
				\$0.00
Overtime				
DUI/DL Checkpoints	164AL-21	\$12,000.00	2	\$24,000.00
DUI Saturation Patrols	164AL-21	\$1,960.00	9	\$17,640.00
Collaborative DUI Enforcement	164AL-21	\$1,960.00	2	\$3,920.00
Traffic Enforcement	402PT-21	\$980.00	10	\$9,800.00
Distracted Driving	402PT-21	\$980.00	2	\$1,960.00
Motorcycle Safety	402PT-21	\$980.00	2	\$1,960.00
Night-time Click It Or Ticket	402PT-21	\$980.00	2	\$1,960.00
Pedestrian and Bicycle Enforcement	402PT-21	\$980.00	2	\$1,960.00
Collaborative Traffic Enforcement	402PT-21	\$1,960.00	2	\$3,920.00
Category Sub-Total				\$67,120.00
B. TRAVEL EXPENSES				
				\$0.00
				\$0.00
Category Sub-Total				\$3,440.00
C. CONTRACTUAL SERVICES				
Phlebotomist	164AL-21	\$2,500.00	1	\$2,500.00
Category Sub-Total				\$2,500.00
D. EQUIPMENT				
				\$0.00
Category Sub-Total				\$0.00
E. OTHER DIRECT COSTS				
DUI Checkpoint Supplies	164AL-21	\$3,440.00	1	\$3,440.00
Portable Light Tower	164AL-21	\$3,500.00	1	\$3,500.00
Category Sub-Total				\$6,940.00
F. INDIRECT COSTS				
				\$0.00
Category Sub-Total				\$0.00
GRANT TOTAL				\$80,000.00

BUDGET NARRATIVE
<p>PERSONNEL COSTS DUI/DL Checkpoints - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.</p>
<p>DUI Saturation Patrols - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.</p>
<p>Collaborative DUI Enforcement - Overtime for grant funded Collaborative DUI Enforcement operations conducted by appropriate department personnel</p>
<p>Traffic Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.</p>
<p>Distracted Driving - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.</p>
<p>Motorcycle Safety - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.</p>
<p>Night-time Click It Or Ticket - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.</p>
<p>Pedestrian and Bicycle Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.</p>
<p>Collaborative Traffic Enforcement - Overtime for grant funded Collaborative Traffic Enforcement operations conducted by appropriate department personnel</p>
<p>TRAVEL EXPENSES In-State travel - Costs are included for appropriate staff to attend conferences and training events supporting the grant goals and objectives and/or traffic safety. Local mileage for grant activities and meetings is included. Anticipated travel may include Lifesavers conference. All conferences, seminars or training not specifically identified in the Budget Narrative must be approved by OTS. All travel claimed must be at the agency approved rate. Per Diem may not be claimed for meals provided at conferences when registration fees are paid with OTS grant funds.</p>
<p>CONTRACTUAL SERVICES Phlebotomist - To draw and collect blood samples from suspected DUI drivers on scene as evidence in support of DUI convictions in a court of law.</p>
<p>EQUIPMENT -</p>
<p>OTHER DIRECT COSTS DUI Checkpoint Supplies - On-scene supplies needed to conduct sobriety checkpoints. Costs may include 28" traffic cones, MUTCD compliant traffic signs, MUTCD compliant high visibility vests (maximum of 10), traffic counters (maximum of 2), generator, gas for generators, lighting, reflective banners, electronic flares, PAS device supplies, heater, propane for heaters, fan, anti-fatigue mats, and canopies. Additional items may be purchased if approved by OTS. The cost of food and beverages will not be reimbursed.</p>
<p>Portable Light Tower - High intensity light on a telescoping shaft and stabilized platform to illuminate a wide area for greater visibility during night time operations. Costs may include a generator and accessories.</p>
<p>INDIRECT COSTS -</p>

STATEMENTS/DISCLAIMERS

Program Income default statement:

There will be no program income generated from this grant.

Enforcement Grant Quota Disclaimer:

Nothing in this "agreement" shall be interpreted as a requirement, formal or informal, that a particular law enforcement officer issue a specified or predetermined number of citations in pursuance of the goals and objectives here under.

**CERTIFICATIONS AND ASSURANCES
HIGHWAY SAFETY GRANTS**

(23 U.S.C. CHAPTER 4 AND SEC. 1906, PUB. L. 109-59, AS AMENDED)

Failure to comply with applicable Federal statutes, regulations, and directives may subject Grantee Agency officials to civil or criminal penalties and/or place State in a high-risk grantee status in accordance with 49 CFR 18.12.

The Officials named on the grant agreement signature page, that the Grantee Agency complies with all applicable Federal statutes, regulations, and directives and State rules, guidelines, policies and laws in effect with respect to the periods for which it receives grant funding. Applicable provisions include but are not limited to the following:

GENERAL REQUIREMENTS

- 23 U.S.C. Chapter 4 – Highway Safety Act of 1966, as amended
- 2 CFR part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- 49 CFR Part 18- Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
- 23 CFR part 1300 – Uniform Procedures for State Highway Safety Grant Programs

NONDISCRIMINATION

(applies to subrecipients as well as States)

The State highway safety agency will comply with all Federal statutes and implementing regulations relating to nondiscrimination (“Federal Nondiscrimination Authorities”). These include but are not limited to:

- **Title VI of the Civil Rights Act of 1964** (42 U.S.C. 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin) and 49 CFR part 21;
- **The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970**, (42 U.S.C. 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- **Federal-Aid Highway Act of 1973**, (23 U.S.C. 324 *et seq.*), and **Title IX of the Education Amendments of 1972**, as amended (20 U.S.C. 1681-1683 and 1685-1686) (prohibit discrimination on the basis of sex);
- **Section 504 of the Rehabilitation Act of 1973**, (29 U.S.C. 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability) and 49 CFR part 27;
- **The Age Discrimination Act of 1975**, as amended, (42 U.S.C. 6101 *et seq.*), (prohibits discrimination on the basis of age);
- **The Civil Rights Restoration Act of 1987**, (Pub. L. 100-209), (broadens scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal aid recipients, subrecipients and contractors, whether such programs or activities are Federally-funded or not);
- **Titles II and III of the Americans with Disabilities Act** (42 U.S.C. 12131-12189) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing) and 49 CFR parts 37 and 38;
- **Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations** (prevents discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations); and

• **Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency** (guards against Title VI national origin discrimination/discrimination because of limited English proficiency (LEP) by ensuring that funding recipients take reasonable steps to ensure that LEP persons have meaningful access to programs (70 FR 74087-74100).

The State highway safety agency—

- Will take all measures necessary to ensure that no person in the United States shall, on the grounds of race, color, national origin, disability, sex, age, limited English proficiency, or membership in any other class protected by Federal Nondiscrimination Authorities, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any of its programs or activities, so long as any portion of the program is Federally-assisted;
- Will administer the program in a manner that reasonably ensures that any of its subrecipients, contractors, subcontractors, and consultants receiving Federal financial assistance under this program will comply with all requirements of the Non-Discrimination Authorities identified in this Assurance;
- Agrees to comply (and require its subrecipients, contractors, subcontractors, and consultants to comply) with all applicable provisions of law or regulation governing US DOT's or NHTSA's access to records, accounts, documents, information, facilities, and staff, and to cooperate and comply with any program or compliance reviews, and/or complaint investigations conducted by US DOT or NHTSA under any Federal Nondiscrimination Authority;
- Acknowledges that the United States has a right to seek judicial enforcement with regard to any matter arising under these Non-Discrimination Authorities and this Assurance;
- Agrees to insert in all contracts and funding agreements with other State or private entities the following clause:

“During the performance of this contract/funding agreement, the contractor/funding recipient agrees—

- a. To comply with all Federal nondiscrimination laws and regulations, as may be amended from time to time;
- b. Not to participate directly or indirectly in the discrimination prohibited by any Federal non-discrimination law or regulation, as set forth in appendix B of 49 CFR part 21 and herein;
- c. To permit access to its books, records, accounts, other sources of information, and its facilities as required by the State highway safety office, US DOT or NHTSA;
- d. That, in event a contractor/funding recipient fails to comply with any nondiscrimination provisions in this contract/funding agreement, the State highway safety agency will have the right to impose such contract/agreement sanctions as it or NHTSA determine are appropriate, including but not limited to withholding payments to the contractor/funding recipient under the contract/agreement until the contractor/funding recipient complies; and/or cancelling, terminating, or suspending a contract or funding agreement, in whole or in part; and
- e. To insert this clause, including paragraphs (a) through (e), in every subcontract and subagreement and in every solicitation for a subcontract or sub-agreement, that receives Federal funds under this program.

POLITICAL ACTIVITY (HATCH ACT)
(applies to subrecipients as well as States)

The state will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508), which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

CERTIFICATION REGARDING FEDERAL LOBBYING
(applies to subrecipients as well as States)

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-award at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

RESTRICTION ON STATE LOBBYING

(applies to subrecipients as well as States)

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

(applies to subrecipients as well as States)

Instructions for Primary Tier Participant Certification (States)

1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of 2 CFR parts 180 and 1200.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms *covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded*, as used in this clause, are defined in 2 CFR parts 180 and 1200. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1200.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, the department or agency may terminate the transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters-Primary Tier Covered Transactions

(1) The prospective primary tier participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or Local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

(2) Where the prospective primary tier participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.
Instructions for Lower Tier Participant Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of 2 CFR parts 180 and 1200.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms *covered transaction*, *civil judgment*, *debarment*, *suspension*, *ineligible*, *participant*, *person*, *principal*, and *voluntarily excluded*, as used in this clause, are defined in 2 CFR parts 180 and 1200. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1200.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transactions:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

BUY AMERICA ACT

(applies to subrecipients as well as States)

The State and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.

PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE

(applies to subrecipients as well as States)

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

POLICY ON SEAT BELT USE

In accordance with Executive Order 13043, Increasing Seat Belt Use in the United States, dated April 16, 1997, the Grantee is encouraged to adopt and enforce on-the-job seat belt use policies and programs for its employees when operating company-owned, rented, or personally-owned vehicles. The National Highway Traffic Safety Administration (NHTSA) is responsible for providing leadership and guidance in support of this Presidential initiative. For information and resources on traffic safety programs and policies for employers, please contact the Network of Employers for Traffic Safety (NETS), a public-private partnership dedicated to improving the traffic safety practices of employers and employees. You can download information on seat belt programs, costs of motor vehicle crashes to employers, and other traffic safety initiatives at www.trafficsafety.org. The NHTSA website (www.nhtsa.gov) also provides information on statistics, campaigns, and program evaluations and references.

POLICY ON BANNING TEXT MESSAGING WHILE DRIVING

In accordance with Executive Order 13513, Federal Leadership On Reducing Text Messaging While Driving, and DOT Order 3902.10, Text Messaging While Driving, States are encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted driving, including policies to ban text messaging while driving company-owned or rented vehicles, Government-owned, leased or rented vehicles, or privately-owned vehicles when on official Government business or when performing any work on or behalf of the Government. States are also encouraged to conduct workplace safety initiatives in a manner commensurate with the size of the business, such as establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving, and education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

INSTRUCTIONS FOR ADDING OR UPDATING GEMS USERS

1. Each agency is allowed a total of **FIVE (5) GEMS Users**.
2. GEMS Users listed on this form will be authorized to login to GEMS to complete and submit Quarterly Performance Reports (QPRs) and reimbursement claims.
3. Complete the form if adding, removing or editing a GEMS user(s).
4. The Grant Director, Fiscal Official or Authorizing Official must sign and return it with the Grant Agreement.

Grant Details	
Grant Number:	PT21121
Agency Name:	Manhattan Beach Police Department
Grant Title:	Selective Traffic Enforcement Program (STEP)
Agreement Total:	\$80,000.00
Authorizing Official:	Bruce Moe
Fiscal Official:	Steve Charelian
Grant Director:	Scott Combs

Current GEMS User(s)

1. Andy Abreu

Title: Police Officer

Phone: (310) 802-7522

Email: aabreu@citymb.info

Media Contact: Yes

2. Michael Boyes

Title: Police Officer

Phone: (310) 802-7502

Email: mboyes@citymb.info

Media Contact: Yes

Complete the below information if adding, removing or editing a GEMS user(s)

GEMS User 1 Add/Change <input type="checkbox"/> Remove Access <input type="checkbox"/>		Add as a media contact? Yes <input type="checkbox"/> No <input type="checkbox"/>
Name	Job Title	
Email address	Phone number	
GEMS User 2 Add/Change <input type="checkbox"/> Remove Access <input type="checkbox"/>		Add as a media contact? Yes <input type="checkbox"/> No <input type="checkbox"/>
Name	Job Title	
Email address	Phone number	
GEMS User 3 Add/Change <input type="checkbox"/> Remove Access <input type="checkbox"/>		Add as a media contact? Yes <input type="checkbox"/> No <input type="checkbox"/>
Name	Job Title	
Email address	Phone number	
GEMS User 4 Add/Change <input type="checkbox"/> Remove Access <input type="checkbox"/>		Add as a media contact? Yes <input type="checkbox"/> No <input type="checkbox"/>
Name	Job Title	
Email address	Phone number	
GEMS User 5 Add/Change <input type="checkbox"/> Remove Access <input type="checkbox"/>		Add as a media contact? Yes <input type="checkbox"/> No <input type="checkbox"/>
Name	Job Title	
Email address	Phone number	
Form completed by:	Date:	
As a signatory I hereby authorize the listed individual(s) to represent and have GEMS user access.		
Signature	Name	
Date	Title	



CITY OF MANHATTAN BEACH CITY HALL

1400 Highland Avenue, Manhattan Beach, CA 90266

WEBSITE: www.citymb.info • **PHONE:** (310) 802-5000

AGENDA ITEM NO. 11

Update on Formation of a Bruce's Beach Task Force (Verbal Report) (City Manager Moe).



Agenda Date: 9/1/2020

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Carrie Tai, Community Development Director
Stephanie Katsouleas, Public Works Director
Dana Murray, Environmental Sustainability Manager
Shawn Igoe, Utilities Manager & Acting Maintenance Manager

SUBJECT:

Receive Update on Gas-Powered Landscape Equipment and Recommendations from the Sustainability Task Force (Continued from the August 18, 2020, City Council Meeting) (Community Development Director Tai).

DISCUSS AND PROVIDE DIRECTION

RECOMMENDATION:

Staff recommends that the City Council receive this update on gas-powered landscape equipment and provide policy direction, if desired.

FISCAL IMPLICATIONS:

There are no fiscal implications with receiving this update. However, should City Council give policy direction, there may be future fiscal implications.

BACKGROUND:

On May 21, 2019, City Council discussed Manhattan Beach's existing ban on mechanical blowers, which has been in place since 1998. Mechanical blowers are commonly referred to as leaf blowers. City Council also considered and denied the Manhattan Village Homeowner Association's request for an exemption to allow the use of electric leaf blowers in the Village, a private, gated community. While the City currently bans the use of mechanical blowers within its jurisdiction, there is no ordinance or policy prohibiting the use of other types of landscaping equipment.

City Council also directed staff and the Sustainability Task Force to evaluate and provide

recommendations on prohibiting all gas-powered landscape equipment (e.g., mowers), and replacement with electric landscaping equipment through available exchange programs.

This report provides information about landscape equipment options, current policies enacted by the City and other local governments, and a summary of discussions and recommendations by the Sustainability Task Force.

DISCUSSION:

Leaf Blower History in Manhattan Beach:

In October 1998, City Council approved Municipal Code section 5.48.330, which states, “Mechanical blower shall refer to a portable device which is used, designed or operated to produce a current of air by mechanical, electrical or other means to push, propel or blow dirt, dust, leaves, grass clippings, trimmings, cuttings, refuse or debris. Use of mechanical blowers for any purpose shall be prohibited.”

Leaf blower bans address three concerns in populated areas: 1) noise impacts; 2) air pollution from emissions of gas powered devices; and 3) air quality impacts from dust particles and particulates that become airborne from the blowing action.

Sustainability Task Force Discussion of Landscape Equipment Air Quality Impacts

To consider the emissions associated with gas-powered landscape equipment, staff completed additional landscape equipment research and facilitated a discussion with the Sustainability Task Force.

There are three environmental impacts stemming from the use of mechanical landscaping equipment: noise pollution, air pollution from greenhouse gas (GHG) emissions, and air pollution from airborne particulates. Two of these impacts can be reduced by using electric devices instead of gas-powered devices. Electric equipment is generally quieter than gas-powered (although all mechanical devices emit noise), and electric equipment is considered zero emission. However, the impacts of airborne particulates (fine dust, etc.) are present with any blowing or vacuuming activity, regardless of how it is powered.

The small off-road engines (SOREs) within gas-powered landscaping equipment emit high levels of carbon monoxide, volatile organic compounds, and nitrogen oxide, the latter two being significant contributors of smog. According to the California Air Resources Board (CARB), gas-powered landscaping equipment can contribute heavily to local and regional air pollution, as nitrous oxides can cause smog and acid rain, while hydrocarbons can be carcinogenic. According to CARB, operating the best-selling commercial gas-powered lawn mower for one hour emits as much smog-forming pollutants as driving a 2017 Toyota Camry for 300 miles. Operating a gas-powered leaf blower for one hour emits pollution comparable to driving the 2017 Camry 1,100 miles.

While emissions from gas-powered passenger cars will continue to decrease due to state level policies and the increasing use of electric vehicles in California, smog-forming emissions from gas-powered landscaping equipment are projected to continue increasing and surpass emission levels from cars. The Sustainability Task Force expressed concern about the air pollution impacts of gas-powered landscaping equipment compared to electric equipment,

specifically in relation to GHG emissions and smog-forming emissions.

There are many types of electric, zero-emission landscaping equipment available as alternatives to gas-powered equipment. A few examples of manufacturers for electric landscaping equipment are Dewalt, Mean Green, Black and Decker, and Greenworks. In addition, there are several companies that serve the South Bay with zero-emission equipment.

To incentivize the transition to electric landscaping equipment, the South Coast Air Quality Management District (SCAQMD) has two programs that help improve air quality through the replacement of gas-powered residential lawn mowers and commercial lawn and garden equipment. Consumers can receive a rebate of up to \$250 with the purchase of a cordless, battery-electric lawn mower. An operable, gasoline-powered lawn mower must be scrapped in order to be eligible for the rebate.

The Commercial Electric Lawn and Garden Equipment Incentive & Exchange Program is available for commercial landscapers and gardeners operating within the SCAQMD's region, providing up to 75% off commercial lawn and garden equipment. This program is also open to local governments, school districts, colleges and non-profit entities. Commercial lawn and garden equipment will be made available at a discounted price through pre-authorized dealerships. Equipment available through this program includes handheld trimmers, chainsaws, pruners, backpack and handheld blowers and ride-on, stand-on, walk-behind and robotic lawn mowers. An equivalent operable gasoline or diesel powered piece of lawn or garden equipment must be scrapped when the new battery-electric equipment is purchased. For example, the Manhattan Beach Unified School District has taken advantage of these SCAQMD rebate programs and have found success with the new equipment.

What Other Jurisdictions Are Doing:

Very few cities prohibit the use of gas-powered landscaping equipment beyond mechanical leaf blowers, with the exception of regulations for noise and/or operating times (hours or days). However, staff found several examples of restrictions on gas-powered landscaping equipment, including in municipal operations, within certain geographical areas, or in institutional settings.

- The cities of South Pasadena and Ojai have overhauled municipal landscaping operations to only use zero-emission, electric landscaping equipment and have partnered with the American Green Zone Alliance (AGZA) to become AGZA cities. A Certified AGZA Green Zone is a defined property or collection of properties on which all routine grounds maintenance is performed with low-noise zero-emission battery-electric equipment and hand tools.
- In 2019, the City of Ann Arbor, Michigan implemented a ban on two-cycle combustion engines (otherwise known as two stroke engines) within landscaping equipment (such as lawnmowers, leaf blowers, weed wackers, and chainsaws) in their downtown area in order to reduce emissions and noise pollution.
- Several academic institutions have begun to regulate gas-powered landscaping equipment. In an effort to reduce GHG emissions, the University of California, Irvine is transitioning to zero-emission landscape maintenance with UCI Student Housing partnering with the South Coast Air Quality Management District to replace aging

gasoline-powered equipment with cordless, emissions-free products. Manhattan Beach Unified School District (MBUSD), Santa Monica College, and Santa Monica High School have also begun (or completed) transitioning to zero emission landscaping.

If City Council provides direction to restrict all gas-powered landscaping equipment in Manhattan Beach, the City will need to amend its contracts with its landscaping contractors, including Merchants and West Coast Arborist. While smaller landscaping tools may be easily charged for intermittent use, larger, daily equipment would require access to an available and convenient source of power. This may prove challenging for large tree trimming or removing fallen trees with large trunks in the right-of-way. Additionally, based on feedback from the City's two landscape contractors, new, all-electric equipment would need to be procured as part of the contract amendment process.

What Gas-Powered Landscaping Equipment does Manhattan Beach Currently Use?

The City and its municipal maintenance contractors are significant users of gas-powered landscaping equipment due to the need to maintain parks, medians, green spaces and facility landscaping. In order to preliminarily evaluate what would be needed to shift municipal operations to zero-emission landscaping, staff compiled an inventory of gas-powered landscaping equipment currently used. This includes:

- City-owned gas-powered mechanical landscaping equipment
 - Chainsaws
 - Pressure washer
 - Small vacuum trailer
 - Tractor

- City maintenance contractors:
 - West Coast Arborist:*
 - Six - Chainsaws, various sizes

Merchants Landscape:

- Three Exmark Laser lawnmower
- One 21" Honda lawnmower
- Six Echo weed eaters
- One power trim edger
- Two stick hedgers
- Four stick head trimmers
- One Honda billy goat vacuum
- Two chainsaws
- Two Honda power wash machines
- One Smithco baseball field tractor
- One Kubota tractor
- One Walk-behind dethatch machine

For its own equipment, the City could look into SCAQMD rebates to replace gas-powered landscape equipment, as MBUSD maintenance has done over the past year.

Policy Options in the City of Manhattan Beach

Staff and the Sustainability Task Force discussed policy options and identified the following three options for Council consideration.

1. *Shift municipal operations to zero-emission landscaping through transitioning non-emergency City equipment and contractor equipment to electric models.* The City would join a growing body of jurisdictions, academic institutions, and private commercial properties in reducing GHG emissions and noise through the phasing-out of some or all gas-powered landscaping equipment for routine landscaping operations. Staff would need to confirm whether the City's landscape contractors have access to adequate electric landscaping equipment and power sources to maintain the same level of service currently provided. An amendment to the existing contract would be required, and may include an increase to the overall budget. Staff would also look into SCAQMD rebates to replace its own gas-powered landscaping equipment, as well as partner with the American Green Zone Alliance in order to shift City equipment to all electric and establish AGZA Zones within City limits.
2. *Further education programs for Manhattan Beach residents.* City Council could include a Work Plan item to educate residents about the benefits of switching to electric landscaping equipment, rebate opportunities, and contracting with landscapers who use electric-only equipment.
3. *Study a ban on gas-powered landscaping equipment City-wide.* A ban on all gas-powered landscaping equipment City-wide would be a first of its kind. Manhattan Beach is poised to further quality of life improvements and demonstrate leadership in sustainability practices with a ban on gas-powered landscaping equipment. Further direction from City Council would be needed to pursue implementing a City-wide ban.

The Sustainability Task Force recommended that the City keep the existing City mechanical blower ban, as it addresses all three environmental concerns, and supported Policy Option 1 - proceeding with a city policy for municipal electrification of landscaping equipment to reduce GHG emissions and noise pollution.

PUBLIC OUTREACH: City Council has discussed the existing leaf blower ban in a public meeting at least two times over the past few years - in August 2017 and May 2019. The Sustainability Task Force has also discussed the leaf blower ban and gas-powered landscaping twice in the last two years. If Council were to give direction on furthering education programs for Manhattan Beach residents, City staff could propose a Work Plan item to embark on an effort to educate residents about the benefits of switching to electric landscaping equipment, rebate opportunities, and contracting with landscapers who use electric-only equipment.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under

Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENT:

1. PowerPoint Presentation

GAS-POWERED LANDSCAPE EQUIPMENT UPDATE

City Council Meeting
September 1, 2020



GAS-POWERED LANDSCAPE EQUIP.

Background – City Council Discussion May 21, 2019

- Manhattan Beach's existing ban on mechanical blowers (1998).
- City Council considered and denied a request for an exemption to allow the use of electric leaf blowers in Manhattan Village.
- City Council directed staff and the Sustainability Task Force (STF) to evaluate and provide recommendations on prohibiting all gas-powered landscape equipment and replacement with electric landscaping equipment.

GAS-POWERED LANDSCAPE EQUIP.

STF Discussion: Mechanical Blowers- allow electric?

- Mechanical blower ban addresses three concerns in populated areas:
 1. noise impacts;
 2. air pollution from greenhouse gas (GHG) emissions of gas powered devices;
 3. air quality impacts from dust particles and particulates that become airborne from the blowing action.

STF Recommendation:

City should keep the existing mechanical blower ban intact.

GAS-POWERED LANDSCAPE EQUIP

STF Discussion: Landscape Equipment Impacts

- Air pollution (GHG & smog-forming emissions) concerns → can be reduced with electric devices.
- Noise pollution concerns → can be reduced with electric devices.
- Airborne particulates (fine dust, etc.) → present with any blowing or vacuuming activity, regardless of power.

STF Recommendation:

Support Policy Option 1 – City policy for municipal electrification of landscaping equipment to reduce GHG emissions and noise pollution.

GAS-POWERED LANDSCAPE EQUIP

Seeking Council Direction on Policy Options:

1. Shift municipal operations to zero-emission landscaping through transitioning non-emergency City equipment and contractor equipment to electric models. *Next Step: Staff, Contractor, & Fiscal research needed → Contract Amendment.*
2. Launch landscaping equipment education program for Manhattan Beach. *Next Step: Work Plan Item.*
3. Study a ban on gas-powered landscaping equipment City-wide. *Next Step: Council direction needed.*
4. No Action.



Agenda Date: 9/1/2020

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Steve Charelian, Finance Director
Mark Leyman, Parks and Recreation Director

SUBJECT:

Commission Minutes:

This Item Contains Minutes of the following City Commission Meetings:

- a) Cultural Arts Commission Meeting Minutes (Cancelled Due to COVID-19) of March 16, 2020; April 20, 2020; May 18, 2020 and June 15, 2020 (Parks and Recreation Director Leyman)
- b) Parks and Recreation Commission Meeting Minutes (Cancelled Due to COVID-19) of March 23, 2020; April 27, 2020; May 25, 2020 and June 22, 2020 (Parks and Recreation Director Leyman)
- c) Library Commission Meeting Minutes (Cancelled Due to COVID-19) of April 13, 2020; May 11, 2020 and June 8, 2020 (Parks and Recreation Director Leyman)
- d) Finance Subcommittee Action Meeting Minutes of July 22, 2020 (Finance Director Charelian)
- e) Parks and Recreation Commission Special Meeting Minutes of July 22, 2020 (Parks and Recreation Director Leyman)
- f) Parks and Recreation Commission Meeting Minutes of July 27, 2020 (Parks and Recreation Director Leyman).

INFORMATION ITEM ONLY

The attached minutes are for information only:

- 1. Cultural Arts Commission Meeting Minutes (Cancelled Due to COVID-19)
- 2. Parks and Recreation Commission Meeting Minutes (Cancelled Due to COVID-19)
- 3. Library Commission Meeting Minutes (Cancelled Due to COVID-19)
- 4. Finance Subcommittee Action Meeting Minutes of July 22, 2020
- 5. Parks and Recreation Commission Special Meeting Minutes of July 22, 2020
- 6. Parks and Recreation Commission Meeting Minutes of July 27, 2020

**CITY OF MANHATTAN BEACH
MINUTES OF THE CULTURAL ARTS COMMISSION
Manhattan Beach City Hall
1400 Highland Ave.
Manhattan Beach, CA 90266**

The March 16, 2020; April 20, 2020; May 18, 2020; and June 15, 2020 meetings of the Cultural Arts Commission were cancelled due to the declaration of local emergency and ordered closure of public facilities to the public, by the City Council on March 13, 2020 due to the COVID-19 pandemic.

These orders were pursuant to Governor Newsom's Executive Orders No. N-25-20 and No. N-29-20.

**CITY OF MANHATTAN BEACH
MINUTES OF THE PARKS AND RECREATION COMMISSION
Manhattan Beach City Hall
1400 Highland Ave.
Manhattan Beach, CA 90266**

The March 23, 2020; April 27, 2020; May 25, 2020; and June 22, 2020 meetings of the Parks and Recreation Commission were cancelled due to the declaration of local emergency and ordered closure of public facilities to the public, by the City Council on March 13, 2020 due to the COVID-19 pandemic.

These orders were pursuant to Governor Newsom's Executive Orders No. N-25-20 and No. N-29-20.

**CITY OF MANHATTAN BEACH
MINUTES OF THE LIBRARY COMMISSION
Manhattan Beach City Hall
1400 Highland Ave.
Manhattan Beach, CA 90266**

The April 13, 2020; May 11, 2020; and June 8, 2020 meetings of the Library Commission were cancelled due to the declaration of local emergency and ordered closure of public facilities to the public, by the City Council on March 13, 2020 due to the COVID-19 pandemic.

These orders were pursuant to Governor Newsom's Executive Orders No. N-25-20 and No. N-29-20.

Finance Subcommittee Meeting Draft Action Minutes

Meeting Date: July 22, 2020
Recording Secretary: Helga Foushanes

In Attendance: Tim Lilligren, Treasurer
Richard Montgomery, Mayor
Steve Napolitano, Council Member
Bruce Moe, City Manager
Steve S. Charelian, Finance Director
Henry Mitzner, Controller
Libby Bretthauer, Financial Analyst
Cynthia Mickschl, Revenue Services Manager
Julie Bondarchuk, Senior Accountant
George Gabriel, Senior Management Analyst

Called to Order: 1:03 p.m. by Tim Lilligren, Treasurer

Agenda Item #1 – Public Comments

None.

Agenda Item #2 - Approval of Minutes from July 6, 2020 Finance Subcommittee Meeting

The Finance Subcommittee approved the minutes of July 6, 2020.

Agenda Item #3 – (continued from July 6, 2020 FSC meeting) Unfunded Actuarial Liability (UAL) – Pension Obligation Bond (POB)

Mark Young from KNN Public Finance made the presentation; the Finance Subcommittee members agreed on the option to fund the CalPERS pension liability using the best financing option available, at a percentage less than 100% of the most up to date accrued liability, and directed staff to prepare a report for full City Council approval at a City Council meeting in October. They also approved the Unfunded Pension Liability Policy (attached to the report)

Agenda Item #4 – Annual Review of Investment Policy

The Finance Subcommittee unanimously approved the revisions to the Investment Policy and directed staff to prepare a report for full City Council review and approval.

Agenda Item #5 – Consideration of Bad Debt Write-Off's for Referral to Collections

The Finance Subcommittee received and filed the report.

Agenda Item #6 – Adjournment

The meeting adjourned at 2:07 p.m.

CITY OF MANHATTAN BEACH
MINUTES OF THE PARKS AND RECREATION COMMISSION
SPECIAL MEETING
Virtual – Zoom meeting
July 22, 2020
3:00 PM

CONTENTS

A. CALL TO ORDER

The meeting was called to order at 3:08 PM.

B. PLEDGE TO THE FLAG – Did not occur due to virtual meeting

C. ROLL CALL

Present: Commissioners Greenberg, Karger, McCarthy, Nicholson, Turkmany, Weiner
Absent: Commissioner Cullen

D. APPROVAL OF MINUTES

None

E. CEREMONIAL

None

F. AUDIENCE PARTICIPATION (3-Minute Limit)

None.

G. GENERAL BUSINESS

Polliwog Park Playground design and project update – Sr. Engineer Anastasia Seims introduced Jeremy Klemic of international landscape/architecture design firm, SWA, chosen to prepare the design for the Polliwog Park project. SWA has been involved with several local park projects.

Ms. Seims gave a timeline: initial concepts now; followed by design, full design and plan check, which will take about eight months; then into bidding, award and execution of construction contract, which will take three to four months and then start construction in March or April of 2021 with completion by October 2021.

Jeremy Klemic, SWA – Mr. Klemic provided a review of the project. He clarified that the adjusted cost of the project \$2.6 M is the worst-case scenario.

1. Site location – lower playground at Polliwog Park
2. Project overview – existing playground completed in 2002
3. Play area – review of existing conditions, drainage issues, costs for new equipment and installation. Estimated total construction cost including contingency, approximately \$1.7 million.
4. Shade structure – estimated cost including contingency estimated at approximately \$160,000
5. Accessibility upgrades – presented option to make the park American with Disabilities Act (ADA) compliant from the Premier Field entrance. Estimate total cost of ADA upgrades including contingency is approximately \$260,000.

6. Site Drainage and Landscape – Bioswale, grading and climbable nature play area is recommended to improve drainage. Estimated cost of construction including contingency, approximately \$200,000.
7. Project Design and Inspection - includes design, plan check and inspection fees, \$260,000
8. Overall Project Cost – approximately \$2.6 million

Commissioner Nicholson voiced concern that this location may not be the best to consider when looking at the additional costs of location preparation, and that drainage is very important.

Commissioner Weiner asked about drainage issues. Mr. Klemic explained that silt issues built up due to the current poor design. The current design allows the playground to flood easily if the water in the pond rises as little as six inches. The proposed design will help keep the playground from flooding as often.

Commissioner Weiner asked about how Mr. Klemic would go about value engineering the project. Mr. Klemic replied that he would start by looking at the must-haves and then begin considering the play equipment pieces and whether any can be reconsidered for size or if some pieces may be installed at a later date.

Commissioner Greenberg mentioned that the upper playground is level and does not flood. Might it be worth it to consider expanding the upper playground instead? Mr. Klemic replied that there may be cost savings on the grading and landscaping but the ADA upgrades would not go away as there is a requirement to spend 20% of your project budget on ADA upgrades. He added that the initial design and location does have historical and community significance, and is a nice place for a park. Commissioner Greenberg agrees that the current equipment needs to be replaced and is at the end of useful life but is concerned that the ADA upgrades, inspection costs and drainage issues were not taken into consideration and included in the budget for the project.

Commissioner McCarthy asked if the current drainage work was done with the previous installation. Ms. Seims confirmed that to be the case. Commissioner McCarthy would like to determine the length of time the proposed drainage is expected to last. Commissioner McCarthy would like to distinguish the drainage as more of a permanent fix for the site, than as a part of the playground project itself, for budgeting purposes. Ms. Seims added that part of the value engineering is to examine other ways to improve drainage through other measures.

Commissioner Greenberg stated that we should give serious consideration to NOT re-building the playground in the same location but, rather, supplement the upper Polliwog playground or identify an alternative location for the new play equipment. The current location is subjected to regular flooding and, despite the design considerations (e.g., galvanized metal tubing, rubberwood, and improved drainage), the engineers have told us that the water damage will inevitably shorten the useful life of the play equipment and rubberized surface. Additionally, the current location makes the play equipment unusable for extended periods each year due to rain/flooding. Considering the amount of money we are contemplating spending on the play equipment and surface, we should locate it where we will maximize (not minimize) the usability and useful life. He understands that the current location is considered "iconic" and "historic" by some; however, that should not wed us to re-using the location if it defies common sense and reduces the usability and useful life of the equipment.

Commissioner Weiner stated that the numbers would not be much different if the location was to change. It will be an ongoing issue if we do not stay on top of the maintenance issues. Manager Vincent reiterated the location and galleon, in the design, are significant to the residents. Commissioner Nicholson would like to know the cost difference to locate in a different place not requiring drainage. It was clarified that the drainage itself adds approximately \$50,000 to the cost.

Commissioner Greenberg asked Mr. Klemic if any of the numbers seemed out of the norm or out of the ballpark. Mr. Klemic replied that it seemed like there was a lot of equipment being put in for the cost. He added that some of the amounts for the hardscape and accessibility options seem high but the goal was to be conservative.

Commissioner Karger asked if the drainage is required no matter what. Mr. Klemic replied that it is not required but recommended in order to protect the new equipment. He added that the shade structures could be delayed, but he would recommend doing the drainage.

Mr. Klemic reiterated that the shade structure, required ADA upgrades and design fees were not included in the initial \$1 million budget.

Commissioner Weiner asked about existing funding. Ms. Seims stated that in addition to what is budgeted, there are Proposition A funds available and staff is looking into additional grant opportunities. She is also working with the city engineer to determine if there are any CIP funds that can be utilized. The immediate plan is to value engineer the project, arrive at a more realistic contingency, and bring down the total cost, and then look at all funding options.

Commissioner Weiner asked if the accessibility upgrades should be funded out of public works budget, separate from the playground. Ms. Seims stated that there is no specified budget for ADA upgrades, they are tied to the projects as they come up. Necessary ADA upgrades have been identified but there is currently no citywide plan or budget for execution.

Director Leyman is working with the Public Works Director to identify if there are any budgeted CIP funds from other projects that may be redirected to this project.

Commissioner Greenberg stated that the group has been focused on the specific project but should take a step back. He does not support presenting to City Council a proposal that is more than \$1M over budget. He added that City Council approved a CIP budget for this playground replacement project of \$1M. If we failed to account for design fees, plan check fees, inspection fee, accessibility upgrades, site drainage improvements, etc., then we should revisit the project specifications and work within the allocated budget. We have other projects emerging from the the Parks Master Plan process that will require funding and we must be disciplined and prudent about how we manage City funds.

Commissioner McCarthy doesn't like having to go back to Council with the higher budget. She believes that the drainage and ADA upgrades benefit the whole park, not only the play structure, and should be considered separately.

Commissioner Nicholson asked when we would know what the real number is for grant funding. Director Leyman stated that staff is looking for any and all grant opportunities and should have an update by the August meeting.

Public comment: Jayne Horowitz stated that shade is very important in the playground area and hopes that it does not disappear from the plan.

Director Leyman added that one of the reasons Kompan was selected was because they have over engineered their equipment to last in harsh climates. The surfacing will always be a challenge and we should plan on replacing it every ten years.

Commissioner Weiner asked why Kompan would not automatically be the installer. Ms. Seims stated that the City is not allowed to require a certain installer but has the ability to add in professional requirements to the bid.

Commissioner Nicholson asked if the City could act as the general contractor to reduce contractor expenses. Ms. Seims replied that the job needs to go out to bid for a general contractor.

Director Leyman reported that realistically, the earliest this item will go to the City Council is September. He will have an update at the August meeting.

H. STAFF ITEMS

None

I. COMMISSION ITEMS

None

J. ADJOURNMENT

Commissioner Greenberg moved to adjourn. Commissioner Nicholson seconded the motion. The meeting was adjourned at 5:00 pm.

CITY OF MANHATTAN BEACH
MINUTES OF THE PARKS AND RECREATION COMMISSION
Virtual – Zoom meeting
July 27, 2020
4:00 PM

CONTENTS

A. CALL TO ORDER

The meeting was called to order at 4:00 PM.

B. ROLL CALL

Present: Commissioners Greenberg, Karger, McCarthy, Nicholson, Turkmany, Weiner, Cullen*

Absent: None

*Commissioner Cullen joined the meeting at 4:30 PM.

C. APPROVAL OF MINUTES

Commissioner Karger moved to approve the February 24, 2020 minutes as written.

Commissioner McCarthy seconded the motion. The motion passed.

Ayes: Commissioners Greenberg, Karger, McCarthy, Nicholson, Turkmany, Weiner

Abstain: None

Absent: Commissioner Nicholson

D. CEREMONIAL – This item was held after Item H

The commissioners welcomed new student representative, Matthew Cullen. Commissioner Cullen gave a short introduction of himself.

E. AUDIENCE PARTICIPATION (3-Minute Limit)

None.

F. GENERAL BUSINESS

None.

G. STAFF ITEMS

Parks and Recreation Director Mark Leyman updated the Commission on recent City Council actions and upcoming events.

Recreation Supervisor Michael Hudak gave an update on park and facility operations. Facilities are still closed but parks are open. Reservations are required and available for tennis/pickleball (singles), sand dune, skate spot and the Dorsey Field batting cage.

Recreation Program Manager Archie Sherman - Manhattan Heights, Marine Park basketball courts, Polliwog Park amphitheater and Bruce's Beach, are being made available, by reservation, to local fitness and personal training businesses. Preapproved protocols, a business license and insurance are required. This is not meant to encourage rogue group use of the parks for training. The State of California and LA County have not yet authorized organized youth sports. Once LA County authorizes youth sports, the City will work towards allowing activities and ensuring that proper protocols are followed.

Summer Camps are running with four contractors, Soccer, Campsurf, TGA multisports and

Skatedogs. The contracts were amended to include COVID-19 protocols. The camp sizes are smaller and the parents appreciate being able to have activities for the kids. Beach Aquatics participation was reduced to 200, from 400, with no more than 12 kids in a pod. Parents are asking for the program to be extended and offered after school zoom sessions end.

Recreation Program Manager Jesus Sandoval – The REC camp is operating at the Joslyn Center and Manhattan Heights and is currently serving 60 children. Due to COVID-19, the program is operating on a three-week schedule instead of weekly. The Teen Center is operating on Fridays from 11:00-4:00 with 10-15 teens attending. For aquatics, Begg pool is being utilized, and there is limited use at the Mira Costa pool for the swim team. Two people per lane maximum for lap swim.

Commissioner Weiner asked for an update on the Donation Policy. Director Leyman reported that the City Council approved the community pavers, park amenities catalog and the military recognition wall. There is work to be done to get the system set up. Commissioner Karger mentioned that the City Council really liked the idea of the military recognition wall.

Commissioner Weiner gave an update that Ryan Beaupain had completed his fundraising/tree planting project and had three trees planted at Polliwog Park and three trees planted at Pacific Elementary. Commissioner Karger recommended honoring Ryan at a meeting. Director Leyman stated that the City Council has first right for recognition and that they may delegate to the commission.

H. COMMISSION ITEMS

Parks Master Plan – Sr. Recreation Manager Vincent reported that the bulk of the work has been done and the report is ready for the design phase. Work has been delayed as the department design team is part of the Public Information team for the Emergency Operations Center and has been heavily called upon to produce ever changing COVID-19 related messaging. Commissioner Greenberg recommended that the ad-hoc committee have a chance to review the content before the design is done. Commissioner Weiner wondered if the Urban Forest Tree Master Plan will have some overlap to the Parks Master Plan. Director Leyman said that it should be referenced and may contain some overlap.

Polliwog Park Playground project – no update since the July 22, 2020 special meeting. Director Leyman will give an update at the August meeting.

Older Adult Programs – Commissioner McCarthy reported that she had signed up to volunteer for hot line requests but had only been called a couple of times. It appears that the older adults have figured out how to effectively use available resources. Director Leyman reported that the hot line calls have declined, most likely because people have been paired up with those who can help them. Other zoom programming has been offered: Gary Hartzell, zoom bingo, etc.

School District updates: Commission Greenberg reported that schools will be opening remotely and the district has put together working groups and subcommittees that have been working diligently to plan for the school year. CIF made the decision that no sports would be starting before December. Construction of the gym is on schedule for completion in the summer.

Commissioner Weiner asked if it is possible to move any of the projects identified in the preparation of the Parks Master Plan forward, before the plan is approved. Director Leyman recommended presenting those projects as the highest need when the Parks Master Plan is up

for approval.

Election of new Chair and Vice-chair – Commissioner Karger moved to install Commissioner Greenberg as Chair and Commissioner Nicholson as Vice-chair for the period July 27, 2020 – May 31, 2021. Commissioner Turkmany seconded the motion. Seeing no objection, the motion passed.

Commissioners Greenberg and McCarthy, and Director Leyman thanked Commissioner Weiner for his leadership as Chair.

I. ADJOURNMENT

At 5:05 PM, Commissioner Greenberg moved to adjourn. Commissioner Nicholson seconded the motion. Seeing no objection, the meeting was adjourned to Monday, August 24, 2020, 4:00 PM via Zoom.

